

Fundraising of £150,000 via Convertible Loan Notes

MEDIAZEST PLC

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Market soundings, as defined in the EU Market Abuse Regulation (MAR), were taken in respect of the Fundraise 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.

5 August 2020

MediaZest Plc

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

Fundraising of £150,000 via Convertible Loan Notes

MediaZest (AIM: MDZ), the creative audio-visual company, announces that it has raised £150,000 (before expenses) via the issue of unsecured convertible loan notes (the "CLNs") to new and existing investors (the "Fundraise"). The CLNs have a maturity date of 5 August 2023 (the "Maturity Date") and can be converted into ordinary shares of 0.01p in MediaZest ("Ordinary Shares").

The net proceeds of the Fundraise will provide the Group with additional working capital.

CLN Terms

The terms of the CLNs are as follows:

- 3-year CLN (the "Term"), with interest of 7% per annum, payable quarterly in arrears;
- MediaZest will make a bullet repayment to each investor at the end of the Term if the CLN (in whole or in part) remains unconverted;
- The Company may repay in full the CLN at any time, including accumulated interest on a pro-rata basis;
- Each investor can convert the CLNs (in whole or in part) into new Ordinary Shares in MediaZest by serving written notice 14 days after each annual anniversary during the Term;

- The CLN conversion rate will be calculated by dividing the principal amount of the CLN by the mid-market price of the Ordinary Shares, on the last business day before the relevant anniversary date of the CLN, less a discount of 10%; and
- If the CLN is repaid at the end of the Term then warrants over new Ordinary Shares will be granted to each investor (the "Warrants"). The number of Warrants granted will be calculated by dividing a sum equal to 10% of the principal amount of the CLN by the mid-market price of the shares in MDZ at on the last business day before the closing of the CLN. The Warrants' exercise price will be the mid-market price of the shares in MDZ on the last business day before the closing of the CLN and the Warrants will expire 12 months from the date of grant.

Geoff Robertson, MediaZest's CEO said: "We are delighted to announce the Fundraise at a difficult time for all businesses and we're grateful for the continuing support of shareholders as we move out of the UK lockdown period and seek to build on the Group's encouraging performance in the run up to the Covid-19 outbreak."

Further Information and Related Party Transaction

Certain existing shareholders have subscribed for CLNs as part of the Fundraise.

City and Claremont Capital Assets Ltd ("CCCAL") is a substantial shareholder in the Company and has subscribed for £100,000 of CLNs pursuant to the Fundraise (the "CCCAL Subscription").

The CCCAL Subscription therefore constitutes a related party transaction in accordance with AIM Rule 13 of the AIM Rules for Companies. The Directors who are all considered to be independent Directors for these purposes, having consulted with the Company's nominated adviser, SP Angel Corporate Finance LLP, consider the terms of the CCCAL Subscription to be fair and reasonable insofar as the Company's shareholders are concerned.

Enquiries:

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Notes to Editors:

About MediaZest

MediaZest is a creative 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