

26 May 2015

Publicising Technology plc  
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(“Publishing Technology” or the “Company”)

Proposed placing of up to £9 million

Offer to subscribe for up to 833,333 ordinary shares to raise up to £1 million

The Directors of

team see prime opportunity to expand into other media segments with VARs common publishing practices exist in the newspaper, magazine, gaming and broadcast market sectors.

#### Reasons for the Placing and use of proceeds

The Placing will raise approximately £8.5m, net of expenses. As detailed above, the Company will utilise this to pay down debts accrued during the product build phase of its growth cycle; £1.5 million will pay down a loan note inherited from Vista International Limited on the reverse takeover of Ingenta plc in 2007, £1.25 million will pay down short term Director's loans, and the remainder will pay down bank overdrafts and provide positive cash balances for working capital to facilitate growth. On 21 January 2015 the Company announced that it had been discussing a minority investment in the Company by an overseas party. However, following careful consideration, the Board now believes that it is in the best interests of the Company to undertake the Placing instead. The Company's existing overdraft facility is due to be refinanced at the end of June 2015 and the Directors believe that the Placing offers the Company and shareholders a stable platform for growth with a balance sheet free from any debt.

#### Directors' Participation

Certain of the directors intend to participate in the Placing for an aggregate amount of £2.7 million following publication of the Company's annual report and accounts for the year ended 31 December 2014. The annual report and accounts will be made available on the Company's website this morning.

#### Repayment of Loan Note

The loan note was inherited from Vista International Limited on the reverse takeover of Ingenta plc in February 2007. It is held by a trust of which Martyn Rose is a trustee. The loan note was originally a convertible loan note for £2.5 million. £1 million of the loan note was converted at the time of the merger and during a subsequent raising in August 2008. The remaining £1.5 million loan note is no longer convertible and carries an interest rate of 12% per annum. The loan note and any accrued interest will be repaid on completion of the Placing and Offer.

#### Repayment of Directors' Loan

On 25 November 2015 the Company announced that it had entered into unsecured loan note instruments for, in aggregate up to a maximum of £1.25 million from Martyn Rose, Alan Moug, and Mark Rowse. Following receipt of the proceeds of the Placing these loans will be repaid in full.

#### Results

The results for the financial period ended 31 December 2014 were also released today. In summary, Publishing Technology achieved total revenues of £14.4 million, 76% of which were recurring revenue streams, including multi-year contracts and managed services core products such as Vista were highly profitable. The Company made after tax losses of £3.6 million, compared to profits of £0.9 million the previous year. This loss was primarily due to a realignment of revenue and a provision for research and development costs which brings future losses into the current year, both of which relate to an onerous contract, as well as additional development costs incurred in the year. The Company retains important intellectual property from the aforementioned contract and believes that the losses have now been fully absorbed and will not negatively affect future years.

#### Current trading

Despite additional investment during the year to 31 December 2014 which was a transition year, the Board have restructured the business for future scalability to achieve a return on the substantial investments in advance and pub2web.

The management team has seen considerable change with Michael Cairns taking over as CEO in April 2014 and the hiring of new skills required especially in the positions of CTO and Global Projects Director. The Board are confident that, moving forward, they have built the right team to ensure the success of the strategy.

The Board believe the business has made good progress towards the strategy to date with products and services clearly understood, and the right team to deliver growth in revenue and profit across the business.

Trading in the