

1 November 2019

Zinc Media Group plc (“Zinc Media” or the “Group”)

Issue of Equity

Payment of Tern Television earnout and issue of earnout shares, conversion of preference shares and issue of shares to a supplier

Zinc Media is pleased to announce that, following a strong trading performance by Tern Television Productions Limited (“Tern Television”) in the year ended 30 June 2019, the second-year earnings target was achieved.

The second year earnout payment, payable to the vendors of Tern Television (“the Vendors”) in accordance with the terms of the share purchase agreement (the “SPA”), is £0.5m, to be satisfied partially in cash and partially in new Zinc Media Group shares. £375,000 will be settled in cash and £125,000 will be settled through the issue to the Vendors of 41,597,336 new ordinary shares (the “Earnout Shares”) at a price of 0.3005p per share, being the average market price for the 30 business days prior to 31 October 2019. The Earnout Shares are subject to lock-in and orderly market provisions under the SPA. The cash element of the earnout payment will be satisfied from the Group’s existing resources.

The Company has also offered Herald Investment Trust plc (“Herald”), the holder of the Company’s preference shares, the option to convert such number of preference shares into ordinary shares such that their current holding of ordinary shares of approximately 33.66 per cent of the issued ordinary share capital is maintained. Herald will therefore convert £71,279 of preference shares into 23,719,981 new ordinary shares at a price of 0.3005p per share to Herald at the same time as the issue of shares to the Tern Television Vendors and Align Research. Following this conversion the preference share balance held by Herald will be approximately £0.77m.

Finally, to a supplier in lieu of fees, the Company is issuing 5,142,857 new ordinary shares at a price of 0.35p per share.

Admission and Total Voting Rights

Application has been made to the London Stock Exchange for the total 70,460,174 new ordinary shares to be admitted to trading on AIM. Admission is expected to take place at 8.00 a.m. on 6 November 2019.

Following Admission, the issued share capital of the Company will consist of 1,489,573,609 Ordinary Shares, with one voting right each. The Company does not hold any shares in treasury.

The above 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 under the FCA’s Disclosure Guidance and Transparency Rules.

Mark Browning, Chief Executive Officer, commented:

“We are very pleased with the strong performance of Tern Television in 2018/19, and they have also made a strong start to 2019/20. Tern have helped establish Zinc Media as one of the largest independent TV production companies in the UK with a significant footprint in the regions, Scotland and Northern Ireland.”

For further information, please contact:

Zinc Media Group plc
Christopher Satterthwaite, Chairman
Mark Browning, CEO
www.zincmedia.com

+44 (0) 20 7878 2311

N+1 Singer (NOMAD and Joint Broker to Zinc Media)
Mark Taylor / Lauren Kettle

+44 (0) 20 7496 3000

Peterhouse Corporate Finance Limited (Joint Broker)
Martin Lampshire / Eran Zucker

+44 (0) 20 7469 0932