



Intention to float on AIM

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25 November

MoPowered Group Limited
(‘MoPowered’ or ‘the Company’)

Intention to float on AIM

MoPowered, a leading mobile commerce enabler that has developed and offers a ‘Software-as-a-Service’ (‘SaaS’) platform for online retailers and e-commerce businesses to enable fully transactional mobile commerce, today announces its intention to seek admission to trading on AIM, the junior market operated by the London Stock Exchange, and to raise approximately £4.0m via a placing of new ordinary shares (the ‘Placing’). N+1 Singer is acting as Nominated Adviser and Broker to MoPowered.

HIGHLIGHTS INCLUDE;

- MoPowered’s offering enables its clients to benefit from the attractive growth opportunities arising from the increasing levels of mobile device-initiated internet traffic hitting their websites.
- MoPowered’s technology sits alongside a client’s e-commerce offering and provides a browsing, check-out and payment experience for consumers which is tailored primarily for smartphone users (the ‘MoPowered Platform’). The MoPowered Platform uses automation to develop mobile sites for its clients. This approach delivers significant time and cost savings for its prospective clients as compared to the alternatives.
- The share of e-commerce traffic that goes through the mobile channel is growing rapidly and so the business case for optimising this web-traffic is becoming increasingly compelling. According to a report published in June 2013 by eMarketer,

the digital marketing research group, the percentage of UK retail e-commerce that is conducted through mobile devices and tablets will rise to 15 per cent. in 2013 from four per cent. in 2011 and is forecast to rise to approximately 27 per cent in 2017.

- MoPowered is already operating at scale, having processed in excess of one million mobile transactions in the last year and now has over 100 contracted clients. Key referral agreements are in place with PayPal, Worldpay, Sage Pay and DataCash, who between them provide payment services to over 80 per cent. of UK online merchants.
- Amongst its contracted clients, MoPowered has a number of high profile businesses, such as the BBC Shop, which demonstrates its ability to attract established, mainstream retailers.
- MoPowered's offering sits at the intersection of three major market forces: the growth of e-commerce over traditional high-street retail; the adoption of SaaS as a technology delivery method; and the fast adoption of smartphones for e-commerce.
- The Directors believe that MoPowered has first mover advantage in the UK market for mid-tier and specialist merchants and that there is a window of opportunity to capitalise on this during the forthcoming years by focusing on its strategy of rapidly increasing its client base and securing a market leading position.
- The net proceeds from the Placing will be used to invest in sales staff, accelerate the growth in marketing initiatives, invest further in the MoPowered Platform to improve automation, conversion and compatibility with mobile marketing technologies and to satisfy outstanding liabilities.

Dominic Keen, Chief Executive of MoPowered, commented;

"The number of consumers shopping on the move has already seen exceptional growth which is expected to accelerate further as more and more e-commerce goes through mobile channels. MoPowered is ideally placed to benefit from this exceptional growth.

"With the funds raised during the IPO, we will aim to increase our market presence still further as retailers increasingly see the benefit of our SaaS platform. We have grown from 60 contracted customers in June this year to over 100 currently. With increased resources to focus on marketing initiatives and sales, building our customer base even further in this exciting market is a core part of our growth strategy."

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INFORMATION ON MOPOWERED

The Directors believe that MoPowered has a competitive advantage in a number of areas set out below.

Automation of on-boarding clients

Automation provides a competitive advantage for MoPowered in terms of the speed with which clients can on-board, versus full software development alternatives. The Directors believe that the MoPowered Platform creates a barrier to entry for other companies who would have to replicate its features, which would involve extensive time, cost, suitable trial clients and know-how. The MoPowered Platform is able to meet the core m-commerce requirements for online businesses (selling search, browse, check-out and buy) with limited need for software development.

Focus on conversion

As the percentage share of web traffic from mobile devices increases, the need to improve the conversion rate from browsing to sales via this mobile channel (to levels comparable with a traditional e-commerce offering site) also increases, in order to monetise customer relationships. A case study of a business prior to it becoming a client of MoPowered shows the desktop conversion rate for this particular business was over 2.5 per cent., while the mobile conversion rate without an m-commerce enablement system, such as was provided by the MoPowered Platform, was only 0.5 per cent., i.e. one fifth as effective.

By introducing the MoPowered Platform to clients, MoPowered aims to close the conversion gap between mobile conversion rates and desktop conversion rates using various techniques. These include improvements in page loading times, providing an easy browsing experience suitable for a smaller screen and simplifying the checkout process, by, for example, reducing the amount of data entry required by the user. Mobile friendly payment systems which can be exploited by clients' mobile sites via the MoPowered Platform, are important in ensuring that a customer completes their purchase. In addition, abandonment recovery techniques, which MoPowered is currently developing, may limit lost revenues and encourage customers not to go to alternative sites to do research or make a purchase.

Continuous evolution of the MoPowered Platform

The evolving nature of the MoPowered Platform means that:

- new clients receive an m-commerce solution which has been honed over time to service the demands of a wide range of online businesses;
- new features developed by MoPowered for one client have the potential to benefit other clients on the MoPowered Platform; and
- clients can enjoy a level of future-proofing for their mobile site without incurring further large capital expenditure.

Scalable infrastructure with PCI-DSS compliance

MoPowered has developed its infrastructure in such a way that:

- the Directors believe that the MoPowered Platform may be scaled to meet the demands of a growing client base; and

- MoPowered complies with Payment Card Industry Data Security Standard (PCI-DSS), which the Directors believe gives comfort to the Company's clients and prospective clients.

**Fully
outsourc
ed
service**

The Directors believe that many mid-tier and specialist merchants, on account of their size, will not have their own sophisticated mobile development, operation and maintenance capabilities in-house. As a consequence of this belief, the MoPowered Platform has been designed to provide a fully outsourced solution, with low touch.

Additionally, hardware and software maintenance and support for the customers of the MoPowered Platform is outsourced to the Company. This support service is managed by MoPowered's 24/7 contact centre which is located in the Isle of Man.

**One-stop-shop for mobile
channel execution**

As well as providing the MoPowered Platform, the Company can also act, formally or informally, providing consultancy services as strategic adviser to its clients to help them establish a mobile strategy.

**Flexi
ble
fee
struc
ture**

MoPowered focuses on the lifetime value of a client when entering into a contract, which allows it to offer flexible pricing structures for different clients' needs.

BOARD OF DIRECTORS

At the time of admission to trading on AIM, the board of directors of the Company will be:

Michael (Mike) Alan Hughes (aged 68) - Non-Executive Chairman

Mike has worked in the energy and technology sectors for the past 47 years. He is Chairman of EA Technology Ltd and a Non-Executive Director of South Staffordshire Water Plc. Previously, he was a non-executive director of Oxford Instruments Plc until September 2013, and chief executive officer of Midlands Electricity and executive vice president of GPU Inc International Operations Group until 2002. He also held senior management positions in GEC including Technical Director and Managing Director of GEC Measurements Ltd, and was Deputy Managing Director of GEC Alstom Power Transmission and Distribution Division.

Dominic John Keen (aged 36) - Chief Executive Officer

Dominic is a digital entrepreneur and has worked in the mobile commerce sector for over 10 years. Prior to founding Mobank (subsequently renamed MoPowered), Dominic was a product leader at Egg plc between 2002 and 2007 and pioneered a range of online services and managed teams to deliver technology-based innovations for Egg's customers such as Egg Money Planner, a patented online financial planning service, and Egg Money, a credit card integrated with a set of spending-related tools. Prior to this, he was an Assistant Director at The Venture Practice, which assisted early stage companies to come to market. Dominic holds an MEng from Cambridge University in Business, Engineering and Manufacturing and is a former member of the Great Britain judo team.

Benjamin Edward Carswell (aged 39) - Chief Financial Officer

Ben has worked in banking, finance, M&A, advisory, strategy and management roles for more than 17 years. Ben worked as a senior manager for the audit and transactions services practices at PricewaterhouseCoopers, in the UK and the Americas. On returning to the UK, he worked as a consultant for Macquarie Bank and subsequently worked as a research analyst and an associate director in London and Madrid for the Global Banking Markets division of The Royal Bank of Scotland PLC. Ben is a member of the Institute of Chartered Accountants in England and Wales, holds an MBA from Oxford University and a BA in Economics from Kent University.

Emma Kate Griffin (aged 41) - Non-Executive Director

Emma is an investment banking professional with 18 years' experience in both corporate finance and securities. She trained with Schroders and then spent 5 years with James Capel leading a top ranked research team. In 2000, she became a member of a five strong management team brought in to re-engineer the former Hemmington Scott publishing business, with a pivotal role in raising new finance and admitting the company to AIM in August 2000. From 2002 until 2013, she was one of the original partners involved in building Oriel Securities, an independent stockbroker, latterly leading business origination within the corporate team. Since then, she has worked with several start-up companies including MoPowered, where she has been assisting the Company since March 2013 on its corporate development. Emma has an MA in Classics from Oxford University. She is also Chair of the Board of Cancer Research UK's Catalyst Club.

Richard Alexander James Mann (aged 41) - Non-Executive Director

Richard has worked in finance, M&A, management and advisory roles for twenty years. Richard worked in the technology practice at PricewaterhouseCoopers and has since worked in private technology businesses in the mobile and payments sectors. He was Chief Operating Officer at Mobile Interactive Group ("MIG"), a leading provider of mobile marketing and advertising technology services which ranked 1st in Deloitte's Technology Fast 50 (2010) and was winner of the Sunday Times Tech-Track (2008). Richard led the spin-out of MIG's mobile advertising unit to Norwegian-listed Opera Software and MIG's subsequent sale to NASDAQ-listed Velti. Richard was then General Manager of Velti's mobile marketing business until April 2013. Richard is a physics graduate from Oxford University and a member of the Institute of Chartered Accountants in England and Wales.

This announcement does not constitute an offer for sale of, or a solicitation to purchase or subscribe for, any securities in the United States of America (including its territories or possessions, any state of the United States of America and the District of Columbia) (the "United States") nor will it form the basis of any contract for the purchase of or subscription for any securities nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Ordinary Shares which are the subject of the Placing have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state or other jurisdiction of the United States and may not be, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. Terms used in this paragraph have the meanings given to them by Regulation S, promulgated under the U.S. Securities Act.

Forward-looking information

This announcement contains certain forward-looking information and statements relating, but not limited, to the proposed use of proceeds of the Placing. Forward-looking information typically contains statements with words such as "anticipate", "plan", "estimate", "expect", "potential", "could", "will", or similar words suggesting future outcomes. The Company cautions readers not to place undue reliance on forward-looking information as by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by MoPowered. In addition, the forward-looking information is made as of the date hereof, and the Company, and Nplus1 Singer Advisory LLP ("N+1 Singer") expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statements contained in this document to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law, regulation or the AIM Rules for Companies.

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The contents of this announcement, which have been prepared and issued by, and is the sole responsibility of MoPowered have been approved solely for the purposes of section 21(2) (b) of the Financial Services and Markets Act 2000 (as amended) by N+1 Singer.

This announcement does not constitute a recommendation concerning the Placing. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Placing cannot be relied upon as a guide to future performance. Potential investors should consult a professional advisor as to the suitability of the Placing for the person concerned. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

N+1 Singer which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for the Company and no one else in connection with the Placing and will not regard any other person as its client in relation to the Placing and will not be responsible to anyone other than MoPowered for providing the protections afforded to its clients or for giving advice in relation to the Placing or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

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The contents of MoPowered's website, including any websites accessible from hyperlinks on its website, do not form part of this document.

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