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If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent or party through whom the sale or transfer was effected, for delivery to the purchaser or transferee. Such documents should not however be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and contact your stockbroker, bank or other agent or party through whom the sale or transfer was effected immediately.

This document is not an offer of securities, or the solicitation of an offer to acquire securities in any jurisdiction. This document is not a prospectus or equivalent document in accordance with the Prospectus Rules and, pursuant to section 85 of FSMA, has not been drawn up in accordance with the Prospectus Rules. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies. The New Ordinary Shares referred to in this document have not been and will not be registered or qualified for distribution to the public under the securities legislation of any jurisdiction. The information about the Proposals in this document is provided solely for the information of Shareholders in connection with the General Meeting and not to any other person or for any other purpose.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. This document has not been examined or approved by the London Stock Exchange, the FCA, or any other authority in any jurisdiction.

MPORIUM GROUP PLC

(incorporated and registered in England & Wales with registered number 8696120)

Strategic Collaboration Agreement with Allay (UK) Ltd and Issue of 211,295,513 New Ordinary Shares

Notice of General Meeting

This document should be read in conjunction with the accompanying Form of Proxy and the definitions set out in this document. The whole of this document should be read and, in particular, your attention is drawn to the letter from the Chairman of Mporium Group plc which contains the unanimous recommendation by the Directors to Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares.

The Company and the Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and makes no omission likely to affect the import of such information.

Notice of the General Meeting to be held at 8 a.m. on 11 February 2019 at the offices of the Company, First Floor, 106 New Bond Street, London W1S 1DN is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed. To be valid, the Form of Proxy should be completed, signed and returned in accordance with the instructions printed thereon to the Company's Registrars, Link Asset Services, at PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but in any event so as to arrive not later than 8 a.m. on 7 February 2019 together with any power of attorney or other authority (or a notarially certified copy thereof) under which it is signed. Alternatively, if you hold Ordinary Shares in uncertificated form, you may also appoint a proxy by completing and transmitting a CREST proxy instruction in accordance with the procedures set out in the CREST Manual ensuring that it is received by Link Asset Services (under CREST participant ID: RA10) by no later than 8 a.m. on 7 February 2019 (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is

not a Business Day)). Completion and return of a Form of Proxy or use of the CREST electronic proxy appointment service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

The distribution of this document and/or the Form of Proxy outside of the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession these documents comes should inform themselves about and observe any such restrictions. This document does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The New Ordinary Shares have not been, and will not be, registered in the United States of America under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") or under the securities laws of any state of the United States of America or under the securities laws of any of Canada, Australia, the Republic of South Africa, or Japan and, subject to certain exemptions, may not be offered or sold, directly or indirectly, within or into the United States of America, Canada, Australia, the Republic of South Africa, or Japan or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national resident or citizen of Canada, Australia, the Republic of South Africa, or Japan.

No person has been authorised to give any information or to make any representation about Mporium and about the matters the subject of this document other than those contained in this document. If any such information or representation is given or made then it must not be relied upon as having been so authorised. The delivery of this document shall not imply that no change has occurred in Mporium's affairs since the date of issue of this document or that the information in this document is correct as at any time after the date of this document, save as shall be required to be updated by law or regulation.

Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays expected) at the offices of Mporium Group plc at First Floor, 106 New Bond Street, London W15 1DN for a period of one month from the date of this document and available on the Company's website www.mporium.com.

IMPORTANT NOTICE

Forward - looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. These forward looking statements relate only to the position as at the date of this document. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events, circumstances or otherwise after the date of this document.

Basis on which information is presented

Various figures and percentages in tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

In the document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom.

Third party information

Where third party information has been used in this document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified the market data provided by third parties or industry or general publications and takes no further responsibility for such data.

References to defined terms

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document are, unless otherwise stated, references to the time in London, United Kingdom.

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DIRECTORS AND ADVISORS

<i>Directors</i>	Barry Moat (<i>Executive Chairman</i>) Nelius De Groot (<i>Chief Executive Officer</i>) Aidan Casey (<i>Non-Executive Director</i>) Nicholas Bertolotti (<i>Non-Executive Director</i>) <i>all of whose business address is at the Company's registered office</i>
<i>Registered Office</i>	First Floor 106 New Bond Street London W1S 1DN
<i>Company Secretary</i>	Joeline Smith
<i>Website</i>	www.mporium.com
<i>Nominated Adviser</i>	finnCap Ltd 60 New Broad Street London EC2M 1JJ
<i>Legal Advisers to the Company</i>	Rosenblatt Limited 9-13 St. Andrew Street London EC4A 3AF
<i>Registrars</i>	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Posting of this document and Forms of Proxy	25 January 2019
Latest time and date for receipt of Forms of Proxy	8.00 a.m. on 7 February 2019
General Meeting	8.00 a.m. on 11 February 2019
Admission, settlement and commencement of dealings in the Initial Shares	8.00 a.m. on 12 February 2019

Notes:

1. Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a regulatory information service.
2. Admission and commencements of dealings in the Initial Shares on AIM are conditional on, inter alia, the passing of the Resolutions at the General Meeting.

TRANSACTION STATISTICS

Number of Existing Ordinary Shares in issue as at the date of this document	633,886,539
Number of Initial Shares to be issued in connection with the Strategic Collaboration Agreement	211,295,513
Enlarged Issued Share Capital following Admission	845,182,052
Proportion of the Enlarged Issued Share Capital represented by the Initial Shares	25 per cent.
Number of Balancing Shares to be issued in connection with the Strategic Collaboration Agreement*	59,078,346
Proportion of the Enlarged Issued Share Capital represented by the Initial Shares and the Balancing Shares*	29.9 per cent.
Enlarged Issued Share Capital assuming admission of both the Initial Shares and the Balancing Shares	904,260,398

* The number of Balancing Shares is based on the current Issued Share Capital and is subject to certain conditions described in paragraph 9 of Part 1 of this document

LETTER FROM THE CHAIRMAN**MPORIUM GROUP PLC**

(incorporated in England and Wales with registered number 8696120)

Directors:

Barry Moat (*Executive Chairman*)
Nelius De Groot (*Chief Executive Officer*)
Aidan Casey (*Non-Executive Director*)
Nicholas Bertolotti (*Non-Executive Director*)

25 January 2019

To holders of Ordinary Shares and, for information only, to holders of options over Ordinary Shares

Dear Shareholder

Strategic Collaboration Agreement with Allay (UK) Ltd and Issue of 211,295,513 New Ordinary Shares and Notice of General Meeting

1. Introduction

On 25 January 2019 the Company announced that it had entered into the Strategic Collaboration Agreement with Allay (UK) Ltd (“Allay”) pursuant to which Allay has appointed the Company as a supplier of customer acquisition via digital platforms for breaches of consumer regulation. The appointment is on an exclusive basis in respect of leads for potential customers for claims that are generated via any website or digital platform. Further detail on the Strategic Collaboration Agreement can be found in paragraph 5 of this document.

In consideration for the grant of exclusivity under the Strategic Collaboration Agreement by Allay, the Company will initially issue and allot 211,295,513 new Ordinary Shares to Allay (the “Initial Shares”). The consideration for the issue of the Initial Shares is satisfied in full by the entry into of the Strategic Collaboration Agreement by Allay and therefore the issue of the Initial Shares is for non-cash consideration. Should the Initial Shares not be allotted and issued to Allay and admitted to trading on AIM by 28 February 2019 the Strategic Collaboration Agreement shall immediately and automatically terminate.

The allotment and issue of the Initial Shares is subject, *inter alia*, to Admission becoming effective, and the passing by the Shareholders of the Resolutions at the General Meeting, including a special resolution which will give the Directors the required authority to disapply statutory pre-emption rights in respect of the New Ordinary Shares. Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that the Initial Shares will be admitted to trading on AIM at 8.00 a.m. on 12 February 2019 or such later time(s) and/or date(s) as finnCap and the Company may agree. On Admission, Allay will hold 25 per cent. of the Enlarged Issued Share Capital.

The Strategic Collaboration Agreement also includes performance targets relating to the revenue Allay will pay to Mporium for services. If such targets are achieved in full, Allay will also be issued the full amount of the Balancing Shares, which would result in Allay holding up to 29.9 per cent. of the Company’s issued ordinary share capital (assuming no further Ordinary Shares have been issued by the Company following Admission). Based on the Existing Ordinary Shares, the issue of the Balancing Shares will not require further shareholder approval following the General Meeting. Further information on the terms of the Strategic Collaboration Agreement can be found in paragraph 5 of this document.

The purpose of this document is to explain the background to and reasons for the Proposals and why the Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document as the Directors intend to do in respect of their own beneficial

holdings of Ordinary Shares, representing approximately 3.74 per cent. of the Company's Existing Ordinary Shares.

If the Resolutions are not passed, the Company will not be able to proceed with the Proposals, including the allotment and issue of the Initial Shares, and accordingly the Strategic Collaboration Agreement shall automatically terminate.

The contents of this document are important and I would urge you to read it carefully and in full and to complete, sign and return the enclosed Form of Proxy in accordance with the instructions given on it and in paragraph 11 below headed "Action to be Taken", as soon as possible and in any event by no later than 8 a.m. on 7 February 2019.

2. Information on Allay

Allay is the holding company for a financial technology group of companies that specialises in claims management services. Allay is based in both Newcastle and Haydock, employing over 400 staff and has grown rapidly since its formation in 2015.

Allay is expert in providing claims processing services to the claims management industry via its in-house developed web and app-based processing platforms. Allay has now handled over 1.5 million consumer claims both direct to the public and as a solutions provider to the financial services, travel and legal sectors.

Allay's innovative technology platforms dealt with four hundred thousand claims during Q3 2018. These claims relate to consumers who may have been mis-sold products and services including; payment protection insurance ("PPI"), packaged bank accounts, timeshares, solar panels, alarm systems, as well as flight delay compensation.

The Allay directors believe that the scalability of Allay's technology provides a competitive advantage, with infrastructure that is built to process large volumes of claims in a highly automated and effective manner. The cost-effective acquisition of customer leads is critical in leveraging Allay's operational capabilities. The vast majority of customer leads are generated via digital advertising across search, social and display / native venues. Additional leads are sourced through traditional media, such as television and radio advertising. Based on information provided by Allay – on a monthly basis, their spend totals low single digit millions of pounds, with a number of providers.

3. Background on Mporium

Mporium is a technology company at the forefront of the transformation in digital marketing. Mporium's proprietary technology enables advertisers to identify and leverage moments when there are significant changes in the levels of consumer engagement to ultimately tailor advertising accordingly.

Mporium's IMPACT platform operates across search, social and display media advertising venues, optimising digital advertising outcomes for advertisers. Performance is achieved using a range of signals to manage in real-time the pricing, timing and selection of creative for digital advertising campaigns.

The technology operates as an overlay to existing digital campaigns and requires no technical integration. The campaign's credentials are used to connect the IMPACT platform directly to the relevant application programming interface (API's). The technology has been deployed on behalf of brands and agencies across more than 160 countries and territories.

IMPACT monitors signals in real-time, makes informed data-driven decisions, and executes relevant actions that capitalize on the identified opportunities. Signals provide real-world events that influence consumer behaviour. Sources includes: influencers, sports events, television (both television content and adverts), news feeds, financial data and social media.

Decisions are derived using data science techniques to correlate signals with anomalies in consumer interest. Decisions are constantly refined to optimise the performance that they deliver and include the modulation of keyword bidding, turning campaigns on / off, and the switching of advertising creative.

Actions represent the implementation of decisions and are executed across numerous advertising channels and third party API's.

Mporium has already operated on behalf of numerous prestigious global brands and agencies, delivering performance enhancements across digital advertising campaigns.

As announced on 30 November 2018, the Company recently established MporiumX as a performance division with the objective of driving customer leads at scale across digital channels. This allows Mporium to utilise its proprietary technology to deliver direct results and where it is paid based on performance rather than percentage of spend. This model is well-suited to deliver on well-defined direct response marketing targets. The directors believe that pay-for-performance model should allow Mporium's earnings to more accurately reflect the high level of performance increase that the Group delivers for its clients. To date, Mporium has not acted on Allay's behalf as a customer lead generator and the Strategic Collaboration Agreement will commence this revenue stream for the Company.

4. Background to the Strategic Collaboration Agreement

Consumer regulation challenges can be transformational on the basis of the relationship between corporates and their customers. The effect of this type of regulation is wide-ranging, and corporates are only beginning to fully understand their exposure to the financial, operational and reputational implications of regulators impacting on businesses operating in the UK including, the General Data Protection Regulation (GDPR), the Revised Payment Services Directive (PSD2) and the Consumer Protection Cooperation (CPC) Regulation.

Increased consumer regulation has been accompanied by a perceived increase in the willingness of regulators to enforce legislation. If regulators have been reviewed as "toothless" in the past, it is no longer acceptable for corporates to ignore regulation, or to place spurious barriers in the way of certainly consumers that are simply exercising their legal rights. Both consumers and regulators expect that corporates will adhere to regulation in a reasonable, low-friction and timely manner.

It is widely anticipated that the pace and influence of consumer regulation will continue to accelerate, providing growth opportunities for market leaders. These market leaders require scalable and robust infrastructure, that is fuelled by large scale acquisition and monetisation of customers in a cost-effective manner.

5. The Strategic Collaboration Agreement

The Strategic Collaboration Agreement enables both parties to profit from the growing consumer regulation market. Pursuant to the Strategic Collaboration Agreement Mporium has been granted exclusive responsibility for delivering online lead generation for Allay until 1 September 2020 at a fixed cost per lead. The provision of leads at a fixed commercial rate provides Allay with visibility of cost for the largest element of their overall expenses.

The Company expects that the Strategic Collaboration with Allay will deliver revenue and EBITDA several orders of magnitude greater than that achieved by the Company historically, on the basis of which the Company expects to be profitable and cash generative in the year ended 31 December 2019. The Company believes that no material incremental investment is required in order to service the Strategic Collaboration Agreement at this stage. The Strategic Collaboration Agreement contains an upside incentive to Allay in the form of the Balancing Shares and certain clawback mechanisms pursuant to which some or all of the Initial Shares will be returned to the Company and cancelled, should the target revenue not be met.

The Strategic Collaboration Agreement commenced on 23 January 2019 but shall automatically terminate if the Initial Shares are not allotted and issued to Allay and admitted to trading on AIM by 28 February 2019. The allotment and issue of the Initial Shares is subject, *inter alia*, to Admission becoming effective, and the passing by the Shareholders of the Resolutions at the General Meeting, including a special resolution which will give the Directors the required authority to disapply statutory pre-emption rights in respect of the New Ordinary Shares. Subject to all relevant conditions being

satisfied (or, if applicable, waived), it is expected that the Initial Shares will be admitted to trading on AIM on or around 12 February 2019.

On Admission of the Initial Shares, Allay will hold 25 per cent. of the Enlarged Issued Share Capital. This will ensure the alignment of interests between Mporium and Allay as part of their relationship set out in the Strategic Collaboration Agreement.

The Initial Shares are subject to a clawback mechanism set out in the Strategic Collaboration Agreement. The number of Initial Shares subject to clawback will be calculated on 1 September 2020, (or upon earlier termination of the Strategic Collaboration Agreement) by reference to the extent to which the performance target for the period to 1 September 2020 have not been met. This performance target includes revenues that are recognisable by Mporium pursuant to the Strategic Collaboration Agreement. Initial Shares subject to clawback will be calculated in a linear fashion against the performance target. Allay will be required to transfer any Initial Shares subject to the clawback provisions to the Company for nil consideration and these shares will be cancelled.

The Strategic Collaboration Agreement includes performance targets relating to the level of revenue introduced to Mporium by Allay. If on or before 1 September 2020, the performance targets are achieved in full, Mporium shall issue and allot to Allay additional Ordinary Shares (the “**Balancing Shares**”), calculated as follows:

- (a) if the performance targets are achieved on or by 30 August 2019 and further Ordinary Shares have been issued by Mporium since the issue and allotment of the Initial Shares, other than in connection with a corporate acquisition, such number of Balancing Shares as will increase Allay’s aggregate shareholding in Mporium to 29.9 per cent. of Mporium’s total issued share capital as at the date that the performance target is met;
- (b) if the performance targets are achieved on or by 30 August 2019 and further Ordinary Shares have been issued by Mporium since the issue and allotment of the Initial Shares in connection with a corporate acquisition, the number of Balancing Shares shall be 59,078,346 Ordinary Shares; or
- (c) if the performance targets are achieved after 30 August 2019 but before 1 September 2020, the number of Balancing Shares shall be 59,078,346 Ordinary Shares.

Allay will only be issued up to 29.9 per cent. of the Company’s issued Ordinary Share capital pursuant to the Strategic Collaboration Agreement.

The Initial Shares and any Balancing Shares are subject to the lock-in arrangements more fully described in paragraph 9 of this letter.

The Strategic Collaboration Agreement includes various other terms customary in commercial arrangements of this nature.

If the Resolutions are not passed at the General Meeting, the Company will not be able to allot and issue the Initial Shares to Allay by 28 February 2019 and accordingly the Strategic Collaboration Agreement will automatically terminate.

The Company has obtained an independent valuation report in accordance with section 593 of the Act, in respect of the issue of Ordinary Shares for non-cash consideration pursuant to the Strategic Collaboration Agreement.

Pursuant to the Strategic Collaboration Agreement, it is proposed that a senior member of the Allay management team will join the Mporium Board in due course, subject to satisfactory customary regulatory due diligence. A further update will be announced via a Regulatory Information Service.

6. Current Trading and Outlook

The Company continues to build on the strong business, product and organisational progress made during the past 18 months, with the development and roll-out of IMPACT. Further validation of the appeal of these products has been achieved through the deployment of the technology with new agencies and brands throughout 2018. The Company continues to trade in line with management's expectations.

The technology has been deployed on behalf of brands and agencies across more than 160 countries and territories, with application across numerous sectors. Recent announcements have highlighted IMPACT's leadership position in sports syncing and its deployment in the new home development sector.

The Company has also announced the creation of MporiumX: a new division that uses Mporium's proprietary IMPACT technology to drive digital advertising campaigns, on a pay-for-performance basis. This allows Mporium to deliver direct results to end-clients where it is paid based on performance rather than percentage of spend. This model is well-suited to deliver on well-defined direct response marketing targets.

MporiumX has been designed to address a large market opportunity across different geographies and verticals, due to the potential for this model to significantly shorten new business and revenue generation lead times. MporiumX will have the mandate to operate both directly with brands and via affiliate networks. The pay-for-performance model should allow Mporium's earnings to more accurately reflect the high level of performance increase that the Group delivers for its clients.

Given the performance-based nature of the Strategic Collaboration Agreement, MporiumX will be used to deliver leads on behalf of Allay. The Company is confident in the strategic collaboration with Allay and is expected to be significantly accretive to the Group, financially and operationally.

7. Financial Information

Audited accounts for the group for each of the three years ended 31 December 2017, 31 December 2016 and 31 December 2015 are available on the company's website at www.mporium.com, as are the unaudited interim accounts for the six months ended 30 June 2018.

8. General Meeting

The issue of the New Ordinary Shares, and therefore the operation of the Strategic Collaboration Agreement, is conditional upon, inter alia, the approval by Shareholders of the Resolutions to be proposed at the General Meeting of the Company which has been convened for 8:00 a.m. on 11 February 2019. A notice convening the General Meeting to be held at First Floor, 106 New Bond Street, London W15 1DN at 8:00 a.m. on 11 February 2019 is set out at the end of this document. A summary of the Resolutions is set out below.

In addition, a Form of Proxy for use at the General Meeting is enclosed with this document (see paragraph 11 below headed "Action to be Taken").

Shareholders have the right to attend, speak and vote at the General Meeting (or, if they are not attending the meeting, to appoint someone else as their proxy to vote on their behalf) if they are on the Register at the Voting Record Time (namely close of business on 7 February 2019). Changes to entries in the Register after the Voting Record Time will be disregarded in determining the rights of any person to attend and/or vote at the General Meeting. If the General Meeting is adjourned, only those Shareholders on the Register 48 hours before the time of the adjourned General Meeting (excluding any part of a day that is not a Business Day) will be entitled to attend, speak and vote or to appoint a proxy.

The number of Ordinary Shares a Shareholder holds as at the Voting Record Time will determine how many votes a Shareholder or his proxy will have in the event of a poll.

Explanation of the Resolutions to be proposed at the General Meeting

The notice convening the General Meeting sets out the Resolutions to be proposed at the General Meeting. An explanation of these Resolutions is set out below:

Authority to allot shares (Resolution 1)

Resolution 1 would give the Directors the authority to allot Ordinary Shares and grant rights to subscribe for or convert any security into Ordinary Shares up to an aggregate nominal value of £1,351,770. This represents approximately 42.65 per cent. of the ordinary share capital of the Company in issue at 24 January 2019 (being the latest practicable date prior to the publication of this document) (approximately 33.3 per cent. represented by the Initial Shares).

The Directors' authority will expire on the conclusion of the annual general meeting of the Company to be held in 2019 and is in addition to any existing authority given to the directors to allot Ordinary Shares

Disapplication of pre-emption rights for allotments (Resolution 2)

Under the Act, when Ordinary Shares are allotted for cash, they must generally first be offered to existing shareholders pro rata to their existing holdings. Resolution 2, which is a special resolution and is conditional on the passing of Resolution 1, gives the Directors authority, for the period ending when the authority granted in Resolution 1 expires, to allot equity securities including Ordinary Shares and options over Ordinary Shares up to an aggregate nominal value of £1,351,770 (representing approximately 42.65 per cent. of the ordinary share capital of the Company in issue at 24 January 2019 (being the latest practicable date prior to the publication of this document) (approximately 33.3 per cent. represented by the Initial Shares) as if the pre-emption rights in the Act did not apply.

9. Lock-in and Orderly Market Agreement

Allay and the Company shall be entering into a lock-in deed pursuant to which Allay agrees not to dispose of the Initial Shares and the Balancing Shares (if any) for certain periods following their allotment and issue save with the consent of the Company's board of directors, subject to certain customary and specific exceptions (explained below). Following the first anniversary of the lock-in deed, Allay may transfer or otherwise dispose of up to 50 per cent. of the Ordinary Shares it has "earned" under the Strategic Collaboration Agreement. The remaining Ordinary Shares "earned" under the Strategic Collaboration Agreement shall be released from the lock-in on the second anniversary of the lock-in deed. In addition, Allay agrees that any sales of the New Ordinary Shares for one year, following the release of these shares from the lock-in period after the second anniversary of the lock-in deed, will be made through the Company's broker as appointed from time to time for the purpose of maintaining an orderly market in the Ordinary Shares.

In addition to the customary exceptions for the lock-in arrangements to be disapplied, provided that prior written approval is obtained from the Company (such approval not to be unreasonably withheld or delayed), Allay is permitted to transfer the New Ordinary Shares to its employees or a third party supplier (as defined in the Strategic Collaboration Agreement), provided any such person has first entered into a lock-in and orderly market deed in favour of the Company; and the aggregate transfers by Allay to its employees and third party suppliers does not exceed 10 per cent. of the total number of New Ordinary Shares issued to Allay under the Strategic Collaboration Agreement.

10. Enlarged Issued Share Capital

If the Resolutions are approved by Shareholders, then immediately following Admission the Company's issued share capital will be 845,182,052 Ordinary Shares.

11. Action to be taken

You will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you intend to attend the General Meeting you are strongly encouraged to complete, sign and return the Form or Proxy in accordance with the instructions printed on it to Link Asset Services as soon as possible, and in any event so as to arrive no later than 8 a.m. on 7 February 2019 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your Ordinary Shares in CREST you may appoint a proxy using the CREST electronic proxy appointment service by following the instructions in notes 5 to 8 to the Notice of General Meeting. The completion and return of a Form of Proxy or the electronic appointment of a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

12. Recommendation

Your Board believes the Proposals to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend you to vote in favour of the Resolutions to be proposed at the General Meeting as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, representing approximately 3.74 per cent. of the Company's Existing Issued Ordinary Shares.

Yours faithfully

Barry Moat
Chairman

DEFINITIONS

"Act"	the Companies Act 2006;
"Admission"	the admission of the Initial Shares to trading on AIM becoming effective in accordance with Rule Six of the AIM Rules for Companies;
"AIM"	a market operated by the London Stock Exchange;
"AIM Rules for Companies"	the rules for companies whose shares are traded on AIM, and their nominated advisers, and issued by the London Stock Exchange from time to time;
"Allay"	Allay (UK) Ltd, a company incorporated and registered in England and Wales with company number 09307329 whose registered office is at 3rd Floor Generator Studios, Trafalgar Street, Newcastle Upon Tyne NE1 2LA;
"Balancing Shares"	as set out in paragraph 5 of the Chairman's letter;
"Board" or "Directors"	the directors of the Company, whose names appear on page 5 of this document;
"Business Day"	any day on which banks are open for business in England and Wales other than a Saturday, Sunday or public holiday;
"Company" or "Mporium"	Mporium Group plc, a public company incorporated in England and Wales with registered number 8696120;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
"CREST Manual"	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as subsequently amended);
"CREST member"	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations);
"CREST Proxy Instruction"	an appropriate and valid CREST message appointing a proxy by means of CREST;

"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 200113755), as amended;
"Enlarged Issued Share Capital"	the Company's issued Ordinary Share capital immediately following Admission;
"Euroclear"	Euroclear UK & Ireland Limited (formerly CRESTCo Limited), the operator of CREST;
"Existing Ordinary Shares"	the 633,886,539 Ordinary Shares currently in issue at the date of this document;
"FCA"	the Financial Conduct Authority;
"finnCap"	finnCap Ltd, the nominated adviser to the Company;
"Form of Proxy"	the form of proxy accompanying this document for use at the General Meeting;
"FSMA"	the Financial Services and Markets Act 2000;
"General Meeting"	the general meeting of the Company convened for 11 February 2019 (and any adjournment thereof), notice of which is set out at the end of this document;
"Initial Shares"	211,295,513 Ordinary Shares to be issued pursuant to the Strategic Collaboration Agreement;
"Link Asset Services"	Link Asset Services, a trading name of Link Market Services Limited of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
"London Stock Exchange"	London Stock Exchange plc;
"Mporium Group"	the Company and all of its Subsidiaries from time to time;
"New Ordinary Shares"	the Initial Shares and the Balancing Shares;
"Ordinary Shares"	ordinary shares of 0.5 pence each in the capital of the Company;
"Proposals"	the entry into and performance by the Company of the Strategic Collaboration Agreement including the allotment and issue of the Initial Shares and the Balancing Shares (if any) by the Company to Allay and related arrangements more fully set out in this document;

"Prospectus Rules"	the Prospectus Rules published by the FCA;
"Register"	the register of members of the Company;
"Resolutions"	the resolutions set out in the notice of General Meeting; at the end of this document;
"Shareholders"	holders of Ordinary Shares;
"Strategic Collaboration Agreement"	strategic collaboration agreement between the Company and Allay dated on or about the date of this document;
"Subsidiary"	as defined in section 1159 of the Act and "Subsidiaries" shall mean more than one Subsidiary; and
"Voting Record Time"	in relation to the General Meeting, close of business on 7 February 2019 or if the General Meeting is adjourned, 48 hours before the time of the adjourned meeting (excluding any part of a day that is not a Business Day).

MPORIUM GROUP PLC
(the "Company")

(Incorporated in England and Wales with registered number 8696120)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of the Company will be held at First Floor, 106 New Bond Street, London W1S 1DN on 11 February 2019 at 08:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, the resolution numbered 1 as an Ordinary Resolution and the resolution numbered 2 as a Special Resolution:

ORDINARY RESOLUTION

- 1 THAT in addition to all other powers granted to the directors of the Company (the "**Directors**") at the Company's annual general meeting on 21 May 2018 the Directors be generally and unconditionally authorised under section 551 of the Companies Act 2006 ("**CA 2006**") to exercise all the powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for, or to convert any security into, ordinary shares in the Company ("**Rights**") up to an aggregate nominal amount of £1,351,770; such authority is in addition to any existing authority granted to the directors under section 551 of the CA 2006 (to the extent such authority has not expired or been exercised) and shall expire (unless previously renewed, varied or revoked by the Company) on the conclusion of the next annual general meeting of the Company provided that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired.

SPECIAL RESOLUTION

- 2 THAT subject to the passing of resolution 1 and in accordance with section 570 of the CA 2006, the directors of the Company be generally empowered to allot equity securities (within the meaning of section 560 of the CA 2006) pursuant to the authority conferred by resolution 1 as if section 561(1) of the CA 2006 did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £1,351,770; such power is in addition to any existing power granted to the directors under section 570 CA 2006 (to the extent such power has not expired or been exercised) and shall expire when the authority given by resolution 1 is renewed, varied or revoked or expires provided that the Company may before expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of that offer or agreement notwithstanding that the power has expired.

Registered Office:

First Floor, 106 New Bond Street
London
W1S 1DN

Dated: 25 January 2019

By Order of the Board

Joeline Smith
Company Secretary

Notes:

- 1 Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A form of proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Link Asset Services on +44 871 664 0300 from overseas call +44 (0) 371 664 0300 calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.
- 2 To be valid any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Link Asset Services no later than 8 a.m. on 7 February 2019.
- 3 The return of a completed form of proxy, other such instrument or any CREST Proxy Instruction (as described in Note 6 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
- 4 To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register at close of business on 7 February 2019 (or, in the event of any adjournment, 48 hours before the adjourned meeting (excluding any part of a day that is not a Business Day)). Changes to the Register after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 5 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 6 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (1D RA10) by 8 a.m. on 7 February 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 7 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this

connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

- 8 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.