8 September 2015

Marimedia Ltd.
("Marimedia" or "the Company")

Agreement to acquire AreaOne Ltd.
Acquisition will offer advertisers access to social media networks and mobile on one platform

Marimedia (AIM: MARI) (to be renamed Taptica), a proprietary marketing ad-technology solutions company that leverages big data to optimise mobile and online advertising spend, announces that it has entered into an agreement (the "Agreement") to purchase the entire issued and to be issued share capital of AreaOne Ltd. ("AreaOne"), a performance marketing technology company and accredited Facebook® Marketing Partner, for a total consideration of up to $17 million payable in cash and shares over a two-year period.

Rationale for the Transaction
The acquisition is in line with the Company's stated strategy of investing in mobile marketing and social media network solutions to remain at the forefront of the market. The addition of social media marketing functionality will provide the Company's clients with more impactful campaigns by providing access to Facebook – the largest and most popular supplier of media on mobile.

The main reasons for the acquisition include:
- Advertisers increasingly demanding traffic supply and data collection from social media channels
- AreaOne is a fast-growing and leading company in social media network integration
- Combination of Taptica and AreaOne technologies will create a single platform that optimises marketing campaigns for advertisers across mobile and social media channels
- AreaOne's ability for bid optimisation and budget optimisation in a cost-effective manner across social media channels is a key advantage for advertisers particularly when linked with Taptica's ever-growing big data from its mobile campaigns
- Addition of social media marketing functionalities will bring added value to Taptica clients and make their campaigns more effective
- Strategic positioning to capitalise on growth in advertising spend on social networks
- Acquisition will provide the Company with an initial footprint in China and Asian market, which the Directors intend to leverage to accelerate the expansion of Taptica's presence in Asia

As a result, the Directors believe that the Company's cross-platform strategy will further differentiate the business offering and enhance its technological lead.

Advertising Spend on Social Networks on the Increase
Worldwide spending on social network advertising is anticipated to continue to grow and to account for an increasing proportion of all digital ad spending (*eMarketer*, April 2015). In 2015, worldwide social network ad spending is expected to reach $23.68 billion – an increase of 33.5% over 2014. In the US, social network ad revenues are set to more than double from $4.67 billion in 2013 to $9.59 billion in 2015, and grow a further 50% over the next two years to $14.4 billion in 2017. Equally, the proportion of digital ad spending represented by social network ad spending is expected to increase from 10.8% in 2013 to 19.3% in 2017.

Terms of the Transaction
Under the terms of the acquisition, the Company will pay the shareholders of AreaOne an aggregate amount of up to $17 million, in three tranches over a two-year period from the closing date, for the entire issued and to be issued share capital of AreaOne:

- Upon the closing of the transaction, the Company will pay $10 million in cash from its own resources and, following the receipt by AreaOne of a tax ruling from the Israeli tax authority, which is expected to be received in the next few weeks, an additional $2 million will be satisfied by the allotment of 2,088,337 newly issued ordinary shares ("New Ordinary Shares") of the Company calculated based on 61 pence per share. The shares will be held in escrow, in the name of ESOP

Management & Trust Services Ltd., the escrow agent, for 30 months and $1 million of the cash payment will be held in escrow for 18 months to secure any indemnity claims. In the event of a claim, the cash would be used in the first instance. The shares are to be issued fully paid.
- Two contingent deferred payments – payable at 12 months and 24 months after the closing of the transaction – each consist of up to $1 million in cash and up to $1.5 million satisfied by the allotment of 3,132,504 New Ordinary Shares calculated based on 61 pence per share, are payable subject to compliance with certain performance criteria.

The Company has an option through 30 June 2016 to substitute the 2,088,337 New Ordinary Shares held in escrow with a $2 million cash payment, and to substitute the New Ordinary Shares included in the contingent deferred payments with cash.

The acquisition is expected to be earnings accretive in the financial year ending 31 December 2017.

Following the receipt by AreaOne of the tax ruling from the Israeli tax authority, the Company will apply for admission of the 2,088,337 New Ordinary Shares to trading on AIM ("Admission"), and announce when dealings in the New Ordinary Shares are expected to commence. The New Ordinary Shares will be fully paid and will rank pari passu in all respects with the Company's existing ordinary shares.

About AreaOne

AreaOne, founded in 2011 in Israel, is a performance marketing technology company dedicated to helping leading advertisers drive discovery, engagement, purchases and preference for apps, brands and products – and has been an accredited Facebook Marketing Partner for Ad Technology since 2014. AreaOne offers both fully-managed and self-service mobile marketing solutions to its clients through the proprietary technology of the A1 Platform, which includes state-of-the-art programmatic optimisation algorithms that consider past, real-time and predicted future outcomes of mobile campaigns to automatically guide advertising to meet each client's unique goals. Operating from offices in Tel Aviv, Israel; Boston, USA; and Beijing, China, AreaOne has a global client base, with a particular strength in Asia, with clients such as Baidu, IGG, ChangYou and Boyaa Interactive.

Based on information provided to the Company by AreaOne, AreaOne achieved revenues of $7.3 million for the twelve months ended 31 December 2014 and $5.3 million for the first five months of 2015. AreaOne made an operating loss for full year 2014 of $0.3 million and an operating profit of $0.01 million for the first five months of 2015. As at 31 May 2015, AreaOne had net assets of $0.3 million.

Commenting on the acquisition, Hagai Tal, Chief Executive Officer of the Company, said: "This acquisition significantly accelerates our stated strategy of transitioning to a mobile offering. By adding established social media marketing capabilities to our existing big data expertise based on Taptica, we are investing in the growth of the combined business and ensuring that we can keep pace with the rapidly evolving digital media market in which we operate. We are excited to welcome the AreaOne team, which allows the expansion of our market and geographic presence and further increases our competitive position in the industry."

For further details:

Marimedia	
Hagai Tal, Chief Executive Officer	+972 3 545 3900
N+1 Singer – Nomad and Broker	
Nic Hellyer, James Maxwell, Jen Boorer	+44 20 7496 3000
Luther Pendragon	
Harry Chathli, Claire Norbury, Oliver Hibberd	+44 20 7618 9100