

30 June 2017

Parallel Media Group Plc ("PMG" or the "Group")

## Loan Funding Agreements

Parallel Media Group Plc (AIM: PAA), a leading event marketing and media agency announces that, on 29 June 2017, it entered into agreements (the "Loan Agreements") in relation to existing and new loans advanced by David Ciclitira (the "DC Loans"), the Chairman of the Group, and entities controlled by David Ciclitira (together, the "DC Entities").

As previously notified by PMG, the DC Entities have, where necessary, advanced loans to PMG to meet the contractual obligations of the Group. To date there have been no formal terms for the loans and it had been agreed between David Ciclitira and the independent directors (at the time of the loans) that the loans would not carry interest and would be repayable upon demand. The Loan Agreements will now formalise arrangements on the DC Loans.

## Existing Loans

Pursuant to the Loan Agreements relating to the existing loans, interest is payable at 5 per cent. per annum, commencing on 1 January 2017, and will be rolled up into the loan principal. The total outstanding sums shall be repayable on 1 July 2018, or at an earlier date at the discretion of the Group. The Existing Loan Agreements comprise:

- £274K in relation to loans advanced by David Ciclitira
  
- £1,202K in relation to loans advanced by Parallel Contemporary Art Limited, a company controlled by David Ciclitira ;

- £159K in relation to loans advanced by Luna Trading Limited, a company controlled by David Ciclitira ; and
- The total rolled up interest on these loans at 5% per annum since 1 January, 2017 amounted to £38K.

## New Loan

Additionally, David Ciclitira has advanced a further £231K to the Group (the "New Loan Agreement") to allow PMG to fully repay its debt facility with Lloyds Bank which had previously carried an interest charge of 4% above base. This advance comprises £213K in relation to the Lloyds Bank facility and £18K in relation to legal fees and costs incurred to facilitate the repayment.

The New Loan Agreement will carry interest at 5 per cent. per annum, commencing on 1 July 2017, which will be rolled up into the loan principal. The total outstanding sums shall be repayable on 1 July 2018, or at an earlier date at the discretion of the Group

The total balance outstanding under the Loan Agreements by the DC Entities, including rolled up interest since 1 January 2017, as described above, amounts to approximately £1,904K.

## Related Party Transactions

The Loan Agreements are deemed to be a related party transactions under the AIM rules for Companies. The independent director, Ranjit Murugason, considers that, having consulted with Stockdale Securities, the Group's Nominated Adviser, the terms of the Loan Agreements are considered fair and reasonable so far as the Group's

shareholders are concerned.

The Group is also today announcing its audited results for the year ended 31 December 2016.

For further information please contact:

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