

04 June 2018

Imaginatik plc
("Imaginatik" or "the Company")

Result of strategic review and new funding
Board changes
Appointment of new joint broker

Highlights

- Termination of sale process; retention of existing business;
- Board and management changes including departure of both Chairman and Chief Executive;
- Resultant immediate £750,000 plus reduction in annual costs;
- £225,000 of new funds raised; and
- Appointment of Peterhouse Capital Limited as joint broker

Introduction

Imaginatik plc (AIM: IMTK.L), the innovation company, provides an update on the result of the Company's strategic review, new funding and changes to the composition of the Company's board of directors.

Further to the Company's announcement on 1 February 2018 and subsequent updates, the directors have explored opportunities to sell the Company. They have held detailed discussions with several interested parties but based on the proposals put forward by potential purchasers, the Board decided that it would be unable to make a positive recommendation to the shareholders. As a result, the Board today confirms that it has closed the formal sale process and terminated all discussions with interested parties. Accordingly, the Company is no longer in an Offer Period as defined in the City Code on Takeovers and Mergers.

As announced on 29 May 2018, the directors began a parallel process to seek new funding to enable the Company's business to continue for the immediate future. Further to this announcement, the Company has also looked at ways to reduce the Company's cost base.

Strategic Review and New Funding

The Company confirms that on 4 June 2018 it secured new funding (the "Funding") to enable an alternative strategy to be implemented with a view to securing the Company's long-term future. As part of the Funding, a cost reduction programme has been agreed, which is expected to reduce costs by more than £750,000 on an annualised basis, when complete. This compares with an adjusted loss after tax of approximately £550,000* incurred by the Company in the financial year ended 31 March 2017. Additionally, improved operational efficiencies are expected to enable the Company to better grow its revenues at marginal incremental cost.

The directors note that the Company retains a roster of 38 customers, currently worth annualised revenues of approximately £2.8m. In the last financial year, the Company secured 13 new customers, seven of which are on annual or multi-year contracts consisting of both technology and consulting, adding to the Company's base of recurring revenue.

**Net of an exceptional foreign exchange loss of £0.23m*

Changes to the Board

The board has today accepted the resignation with immediate effect of the Company's Chairman, Matt Cooper. Mr Cooper has waived his entitlement to receive payment in lieu of notice. The directors would like to thank Mr Cooper for his significant financial and strategic support to the Company over the past years and the directors wish Mr Cooper well for the

future. Chief Executive Officer, Ralph Welborn has left the Company with immediate effect without compensation.

New appointments to the board will be announced in due course, alongside the cost reduction and efficiency programme which has been agreed.

Financing

£225,000 of new financing has been secured by way of a fundraising undertaken by Peterhouse Capital which involves a combination of a subscription by Matt Cooper, Chairman, of £225,000 by the issue of a new Convertible Loan Note (the "Notes") and the simultaneous sale by Mr Cooper of £225,000 worth of shares at 0.5p per share to new investors introduced by Peterhouse Capital Limited.

As a result of Mr Cooper's share sale, he now holds 7,929,475 shares representing approximately 3.54% of the total issued share capital of the Company.

The Notes which are interest free and unsecured, are convertible at a price of 0.5p per share. Given that the Company's current par value is 1p, it is the intention of the Company to shortly convene a general meeting of all shareholders to approve, inter alia, a reduction of the par value to allow the full conversion of the Notes.

The issue of the Notes (the "Transaction") is deemed to be a related party transaction as Matt Cooper is a substantial shareholder as well as a director of the Company. The independent directors, being Simon Charles and Shawn Taylor, consider, having consulted with its nominated adviser, that the terms of the Transaction are fair and reasonable insofar as its shareholders are concerned.

Appointment of new joint broker

The Company has appointed Peterhouse Capital Limited as joint broker and thanks them for their contribution in securing the current fund raising.

For further information please contact:

Imaginatik plc

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Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them

1.	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Matthew Cooper

2.	Reason for the Notification					
a)	Position/status	Chairman				
b)	Initial notification/Amendment	Initial notification				
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name	Imaginatik plc				
b)	LEI	213800ZY2C2TI2C5WQ61				
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
a)	Description of the Financial instrument, type of instrument Identification code	Ordinary shares of 1p GB00BP8XY588				
b)	Nature of the transaction	Sale of Ordinary Shares				
c)	Price(s) and volume(s)	Sale of Ordinary Shares <table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>0.005p</td> <td>45,000,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	0.005p	45,000,000
Price(s)	Volume(s)					
0.005p	45,000,000					
d)	Aggregated information: <ul style="list-style-type: none"> Aggregated volume Price 	n/a				
e)	Date of the transaction	04 June 2018				
f)	Place of the transaction	London Stock Exchange, AIM Market (XLON)				

About Imaginatik

Imaginatik provides a range of Innovation solutions comprised of consultancy, enterprise software and program management to deliver innovation results to companies such as Exxon Mobil, Altria, Shell, Goodyear, the Yorkshire Building Society, Caterpillar, AECOM, Novartis and Cargill. Few companies possess the internal capability to consistently generate fresh ideas, identify those worth pursuing and reliably transform them into real, value-enhancing assets. Imaginatik's mission is to help these companies build sustainable innovation competencies. In 2016 Forrester Research found that "Imaginatik has the most comprehensive innovation management solution," providing excellent industry recognition of Imaginatik's full-service innovation offering, combining both technology and consultancy services.

Imaginatik is a public company whose shares are traded on the AIM market of the London Stock Exchange (LSE: IMTK.L) with offices in Boston, MA, and Fareham, UK. For more information visit www.imaginatik.com.