

November 15, 2018

Matomy Completes its Strategic Transition

Matomy sells Mobfox to Tightline Holdings Limited, and completes its strategic process to focus on its highly profitable domain monetization activity

[Matomy Media Group Ltd. \(LSE: MTMY, TASE: MTMY.TA\)](#) today announced that it signed an agreement to sell in-app advertising platform [Mobfox](#) to Tightline Holdings Limited, part of the Teddy Sagi group, for a total consideration of \$7.5M in cash.

Matomy can now fully concentrate efforts and resources on Team Internet activity. Team Internet is a global market leader in domain monetization with over 48 million parked domains. Having exhibited consistently strong performance and profitability since its inception, Team Internet earned over 8 million dollars in EBITDA in the first half of 2018 alone.

Today's transaction reflects a significant step in the execution of Matomy's strategy, under Liam Galin's leadership, to focus on activities with strong competitive advantage.

This sale will further reduce operational costs, significantly cut corporate overhead, raise profitability, and in turn, should create higher value for Matomy's stakeholders. These savings are expected to take effect following a short transition period and will be evident in Matomy's 2019 financial reports.

We at Matomy, believe that Mobfox activities combined with identified synergies will contribute to Teddy Sagi's digital advertising and e-commerce activities

Liam Galin, President and CEO of Matomy said: "Today we completed our strategic plan for Matomy. As we communicated since I joined Matomy earlier this year, we have been focused on activities that generate high return in order to build value for our stakeholders".

This strategic move simplifies the Matomy message and significantly raises the long-term growth and value potential of the business."

The deal is subject to certain terms for closing. Additional details of the deal will be included, in the third quarter report to be published at the end of the month and will be discussed on the conference call and Q&A with investors and analysts to follow.

For additional financial details on the sale please see Annex I.

Update and total share capital

Given the fact that trading has been slower than originally expected, which was also a determining factor in the decision to sell the Mobfox business unit, and the Company's outlook for its cash flow plan, Matomy is in discussions regarding the terms of the Third Sale Exit announced on [28 December 2017](#).

In line with the Financial Conduct Authority's Disclosure and Transparency Rules, Matomy announces that as at 31 October 2017, Matomy's total issued voting share capital is 97,960,181 ordinary shares. The above figure of 97,960,181 ordinary shares with voting rights may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Matomy under the Disclosure and Transparency Rules or the Company's articles of association.

The information contained within this announcement may be deemed by Matomy to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

About Matomy

Matomy Media Group Ltd. (LSE: MTMY, TASE: MTMY.TA) and seven offices around the world, Matomy is dual-listed on the London and Tel Aviv Stock Exchanges.

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Annex I¹

- The value of the gross assets the subject of the transaction (after impairment): \$9.8M
- The loss attributable to the assets the subject of the transaction (after impairment): \$37.6M

¹ Based on the internal unreviewed numbers