

Proxama PLC

Trading Update

Proxama plc, the Aim listed mobile proximity commerce company announces its trading update ahead of its interim results for the 6 month period ending June 2014 which is scheduled for release in late September 2014.

Turnover for the 6 month period ended June 2014 is expected to be approximately £350,000 (2013 £344,344) in line with management expectations and the Company confirms that the Group expects to achieve EBITDA loss in line with market expectations for the full year. Cash reserves at the end of June 2014 stood at £5.3m.

The Board anticipates a much stronger second half of the year with revenue levels being double that achieved in the first half although this is less than initially anticipated and then growing substantially during 2015 as mobile proximity commerce reaches its inflexion point.

During the first half significant investment was committed to our two core platforms, GardGateway™ and TapPoint®, as well as recruiting further in its business development team in Europe and a GM in North America. Proxama's two core capabilities are as follows:

- CardGateway™ enables banks and other card issuers to integrate contactless cards into mobile applications, allowing consumers to tap their NFC phones against contactless readers. The advent of HCE (Host Card Emulation) in the latest smartphones means that we can enable these services for Card Issuers without the need to work with a secure element like the SIM card.

We have seen a dramatic growth in interest for these solutions from banks across Europe. Proxama is very well positioned to capitalise on this momentum and by combining the proximity marketing capabilities of TapPoint® into CardGateway™ Proxama can boast a truly unique offering in the market.

We have a strong sales pipeline of opportunities for the remaining five months of 2014, including current negotiations with large retail banks in the UK and Europe.

- TapPoint® enables mobile proximity engagement and loyalty, by connecting physical locations with consumer mobiles. TapPoint® is a proximity engagement platform that harnesses iBeacons, NFC, QR codes and geo-fencing to connect consumers with locations such as City Centres, Sport Stadia, Outdoor Media, Shopping Centres and Retail stores.

We have seen a strong growth of interest for our TapPoint® solution, which includes an exciting new relationship with the Kia Oval and a soon to be announced partnership deal with a major Outdoor Media owner, in addition to ongoing retailer initiatives.

Neil Garner CEO stated "Our sales pipeline is increasing significantly and we expect this will continue due to the impact of the new additions to our business development team in

Europe and the USA. We expect to make further announcements regarding strategic partnerships and live consumer service as we build towards scale beyond the tens of thousands of enabled locations and thousands of live users already engaging using our platform ecosystem."

Enquiries:

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| Proxama PLC | 020 7959 2298 |
| Neil Garner, Chief Executive | |
| Coen van Breda, Chief Financial Officer | |

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| Peel Hunt LLP (Nominated Adviser and Broker) | 020 7418 8900 |
| Richard Kauffer/Daniel Harris | |

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|--------------|---------------|
| Cadogan PR | 0207 499 5002 |
| Alex Walters | 07771 713 608 |

About Proxama

Proxama is a provider of mobile commerce, loyalty and payment solutions. Proxama's stated vision is to help businesses to accelerate commerce by combining loyalty, brand marketing and mobile contactless payments. By connecting the physical and digital worlds, consumers can pay for goods and services, participate in and benefit from loyalty programmes and access information and marketing material through their mobile phones.

<http://www.proxama.com/>