

16 March 2020

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THIS IS AN ANNOUNCEMENT UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY OFFER MIGHT BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS DEFINED IN EU REGULATION NO. 596/2014 AND IS IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 7 OF THAT REGULATION.

Big Sofa Technologies Group plc
("Big Sofa Technologies" or the "Company")

Formal Sale Process

Big Sofa Technologies (AIM:BST), an international video data and analytics provider, announces that to maximise value for its stakeholders, it has decided to pursue a potential sale of the Company, to be conducted by way of a "Formal Sale Process" under The City Code on Takeovers and Mergers (the "Takeover Code" or "Code").

The Board has appointed Wyvern Partners Limited ("Wyvern Partners") as its financial adviser for the purposes of the Formal Sale Process, details of which can be found below.

Background

The Board considers that the Company is one of the leading "behavioural video" data analytics companies in the world.

Over the last year, adoption of the Company's technology has increased substantially with existing and new clients, including two US global technology companies and other multinational consumer goods businesses.

This commercial progress reflects client demand for a video technology capability able to ingest and analyse sophisticated behavioural data alongside more commonplace video feedback and video storytelling functionality.

Although Big Sofa Technologies has reduced its operating cost base alongside investment in its technology, the Board believes that capturing the substantial commercial growth opportunity available would benefit from additional finance from a financial or strategic partner.

The decision to progress a Formal Sale Process also recognises the challenge of raising new equity due to current market turbulence.

The Panel on Takeovers and Mergers (the "Panel") has agreed that any discussions with third parties may be conducted within the framework set out in Note 2 on Rule 2.6 of the Code. The Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the Formal Sale Process will not be required to be publicly identified as a result of this announcement (subject to Note 3 to Rule 2.2 of the Code) and will not be subject to the 28 day deadline referred to in Rule 2.6(a) of the Code, for so long as it is participating in the Formal Sale Process.

Any interested party wishing to participate in the Formal Sale Process should contact Wyvern Partners (contact details as set out below) and will be required to enter into a non-disclosure agreement with the Company on reasonable terms satisfactory to the Board and on the same terms, in all material respects, as other interested parties, before being permitted to participate in the process. Following execution of such an agreement, Big Sofa Technologies intends to provide interested parties with information on the Company, following which, such parties will be invited to submit proposals to the Company. The Company expects to receive such proposals by the end of April 2020.

The Board reserves the right to alter any aspect of the process as outlined above or to terminate it at any time and will make further announcements as appropriate. The Board reserves the right to reject any approach or terminate discussions with any interested party or participant at any time. The Company has had preliminary discussions with a potential offeror but there is no certainty that any offer will be made as a result of these discussions.

Following this announcement, the Company is now considered to be in an "offer period" as defined in the Code, and the dealing disclosure requirements listed below will apply.

Shareholders are advised that this is not a firm intention for an offer to be made under Rule 2.7 of the Code and there can be no certainty that any offers will be made as a result of the Formal Sale Process, that any sale or other transaction will be concluded nor as to the terms on which any offer or other transaction may be made.

Further announcements regarding timings for the Formal Sale Process will be made in due course.

Rule 2.9 information

In accordance with Rule 2.9 of the Code, the Company confirms that, as at the date of this announcement, it has 186,250,692 ordinary shares of 3 pence each in issue and admitted to trading on AIM under the ISIN GB00BZ1B7619.

Enquiries:

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About Big Sofa Technologies Group plc

Big Sofa Technologies is a video data and analytics company. The design and development of its technology has been guided by expert understanding of the insight and analytics industries and the needs, pressures and business questions of the clients they serve.

The Company uncovers and analyses new-to-the-industry behavioural data sets in video, enabled by the power of its pioneering data capture and platform technology. It innovates both in how video-led projects and programmes are designed and in how the data is analysed, showcased, embedded and re-mined.

Its software platform collates, analyses and organises large volumes of raw/unstructured video enabling clients, which include leading market research and data companies, consultancy firms and major household brands, to perform detailed and sophisticated consumer insight analysis and make genuine use of video content.

Big Sofa Technologies' shares are admitted to trading on the London Stock Exchange's AIM market under the ticker BST.L.

To find out more, visit www.bigsofatech.com

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on Website

A copy of this announcement will be made available on the Company's website at www.bigsofatech.com no later than 12:00 noon (London time) on 17th March 2020 (being the business day following the date of this announcement) in accordance with Rule 30.4 of the Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.