

14 August 2017

MBL Group PLC
(the "Company")

**Posting of Circular
and
Recommendation to VOTE AGAINST the Requisitioned Resolution**

Further to the announcement made on 26 July 2017, the Company has today posted a circular to shareholders (the "Circular") to convene a general meeting of the Company (the "General Meeting"). The object of the General Meeting is to propose a special resolution (the "Requisitioned Resolution") which would prevent the board of directors of the Company from approving any increase in the remuneration of the Company's future, current or former directors without first obtaining the approval of shareholders by way of ordinary resolution.

For the reasons set out below, the board of directors of the Company (the "Board") unanimously considers that the Requisitioned Resolution **IS NOT** in the best interests of the Company or its shareholders as a whole. Accordingly, the Board unanimously recommends that shareholders **VOTE AGAINST** the Requisitioned Resolution at the General Meeting.

Background to the General Meeting and reasons to VOTE AGAINST the Requisitioned Resolution

Strategic review and sale process

Further to the Company announcements dated 5 December 2016 and 24 January 2017, the Board has carried out a strategic review of the Company with the aim of maximising value for shareholders. As announced on 24 January 2017, the Board concluded that a third party may be better placed to develop the potential in the Company's trading businesses and take them forward to the next phase of their development.

The Board has therefore recently been conducting, and continues to conduct, a formal sales process regarding each of the Company's trading businesses. The Company has been in discussions with a number of prospective purchasers in relation to each of the Company's trading businesses with the aim of maximising shareholder value, and further announcements in respect of the sales process will be made in due course.

This process has been significantly hampered by the actions of certain former managers and shareholders. The General Meeting convened by the Circular is another distraction, particularly as it

does not allow the Board to focus solely on the sales process and brings into question the authority of the Company's directors, which in turn creates transactional risk. If it is not possible to complete a sale of each business it may well be that the Board needs to be strengthened and, if passed, the Requisitioned Resolution would severely hamper the Board's ability to attract appropriate talent to the Company and its group.

A copy of the Circular will be available on the Company's website, www.mblgroup.co.uk, from today. The General Meeting will be held at the Tickled Trout Hotel, Preston New Rd, Samlesbury, Preston PR5 0UJ at 10:00 a.m. on 11 September 2017.

ENDS

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