

MAMA Group Plc

Embargoed for release
17 April 2008 at 7:00 a.m.

MAMA Group Plc

Agreement to purchase Angel Music Group Limited

MAMA Group Plc ("MAMA" or "the Company") is pleased to announce that it has entered into a conditional agreement to purchase seventy per cent. of the entire issued share capital (the "Shares") of Angel Music Group Limited ("AMG") from Neil Moffitt (the "Acquisition").

AMG is the parent company of a number of wholly owned subsidiaries and a substantial investor in a joint venture company (collectively, the "AMG Group") whose operations within the music industry complement those of the Company. The AMG Group is the owner of some of the world's leading dance music festival and nightclub brands. Together with LN-Gaiety Holdings Limited it owns the rights to the award winning UK festival Global Gathering and the leading Welsh dance music festival Escape into the Park. It is also the owner of several dance music club brands, including one of the market leading brands, Godskitchen, which operates from the AMG Group owned Air nightclub in Birmingham.

The initial consideration for the Shares is £2,625,000, payable as to £2,000,000 in cash and £625,000 in new ordinary shares in the capital of MAMA ("Ordinary Shares"), the issue price of which shall be the lower of the mid-market price of Ordinary Shares in the ten business days prior to exchange and the mid-market price of Ordinary Shares in the ten business days prior to completion. Further consideration of up to £1,225,000 may become payable subject to certain profit targets being achieved for the period 1 January 2008 to 31 July 2008 which shall be payable as to seventy five per cent. in cash and twenty five per cent. in new Ordinary Shares. The cash consideration shall be funded by new debt facilities.

Based on management accounts to 31 December 2007 AMG Group has operating profits of £600,000. The Acquisition will make the Company a majority shareholder in one of the U.K.'s leading music festival operators and enhance MAMA's music festival portfolio which currently includes investments in the Lovebox Weekender and Surfstock festivals, based in London and Cornwall respectively and The Great Escape, an annual three day festival based in Brighton. The AMG Group produces Godskitchen events across the U.K. on a weekly basis and, in addition, routinely produces Godskitchen and Global Gathering events throughout the world, including across Europe, the Far East and the U.S. The Directors believe that the investment will enable the Company to further increase its exposure to, and revenues from, the international music market following its recent announcement on 30 November 2007 of its investment in the North American based Nettwerk Music Group. It is also anticipated that the event marketing and promotion and digital and creative design divisions of the AMG Group will bolster the Company's marketing and digital divisions, providing exposure to an increased client base.

The Acquisition is conditional on the approval of the provision of financial assistance by the AMG Group in respect of the Acquisition and certain consents to the change of control of the Shares having been obtained.

Adam Driscoll and Dean James, Co-Chief Executive Officers of MAMA commented:

"We are delighted to be making this investment in the AMG Group, the operations of which perfectly complement those currently provided by MAMA. The AMG Group has a remarkable reputation for producing high quality music events which attract internationally acclaimed artists and for attracting blue chip customers to its creative services division. The Acquisition presents a unique opportunity to increase the Company's investment in the music festival market whilst also creating exciting opportunities to work with the

shareholders and employees of the AMG Group to produce world class music events. We expect this investment to be revenue enhancing for MAMA in our current fiscal year and believe that there are significant opportunities for this investment to generate substantial additional value for MAMA in the coming years."

For further information contact:

Adam Driscoll or Dean James, Co-Chief Executives MAMA Group Plc	020 7688 9000
Katherine Roe Panmure Gordon & Co	020 7459 3600
Mark Longson Square1 Consulting Limited	020 7929 5599