

MXC Capital Limited
(“MXC” or the “Company”)

Trading update for the 12 months ended 31 August 2016

The Company is pleased to provide an update on trading for the 12 months ended 31 August 2016, a period that has seen further strengthening of the business and its portfolio of investments.

The year has been one of good progress as MXC continues to build out its operations. Whilst equity markets were more volatile in the second half of the year, MXC benefitted from the breadth of its merchant banking operations and the increasing number of investments in its portfolio.

Highlights for the year:

- NAV* up 16% to £72m (2015: £62m) at the period end
- £32m invested in 6 new businesses: portfolio now eleven investments, six of which are quoted
- NAV growth reflects mix in cycle of increased early stage investments, maturing investments and realisations
- Underlying trading EBITDA** of £2.5m demonstrating profitability of merchant banking operations
- Advised on a total of 8 corporate finance mandates in the period including the £51m IPO of Tax Systems plc - MXC acted as lead adviser and cornerstone investor
- Realised gains of £7 million on disposals
- £3.8 million returned to shareholders following Board’s decision to extend capital returns
- £13m of net funding available for further investment at period end
- Good pipeline for existing portfolio companies and fresh investment opportunities
- Further strengthening of MXC team, supporting growth of portfolio

Peter Rigg, MXC Chairman, commented: ***“I am pleased to report that the confidence expressed by the Board in March was well placed. MXC ended the period having demonstrated its ability to source and execute exciting investment opportunities as well as to realise returns from investee companies. MXC continues to build a valuable portfolio of technology investments augmented by our profitable merchant banking activities. We continue to look to the future with confidence”***

Contact:

MXC Capital Limited

Marc Young +44 (0)20 7965 8149

**Zeus Capital Limited (Nominated
adviser and broker)**

Nick How / Giles Balleny +44 (0)203 829 5000

Alma PR

Josh Royston / Hilary Buchanan +44 (0)7780 901979 /
+44 (0)7515 805218

** Net Asset Value represents cash balances plus unaudited valuation based on closing mid market prices at 31 August 2016 with privately held assets valued at input cost or the latest fundraising valuation*

*** Underlying EBITDA includes the unaudited trading EBITDA of all MXC companies pre-consolidation; an element of both MXC Capital Markets and MXC Advisory businesses results is eliminated on consolidation.*

About MXC Capital

MXC is a specialist merchant bank with a track record of investing in and advising companies in the TMT sector. We bring together a deep knowledge of technology, first-hand experience of managing companies in the sector, an ability to make meaningful investments and a highly experienced corporate advisory team in support, all of which we combine to grow shareholder value.