

MXC Capital Limited

("MXC" or the "Company")

Update re Offer for Tax Systems plc

MXC (AIM: MXCP), the technology focused adviser and investor, announces that, further to the announcement today regarding the increased cash offer by Stripes BidCo Limited ("BidCo"), a wholly owned subsidiary of funds managed by Bowmark Capital LLP ("Bowmark") and its affiliates for the for the entire issued and to be issued share capital of Tax Systems plc ("Tax Systems") at 115 pence per share (the "Offer"), MXC has entered into an undertaking with Tax Systems whereby it has agreed to waive the right to exercise 2,501,886 of the warrants it holds over ordinary shares in Tax Systems (the "Waiver").

In consideration of the Waiver, BidCo has agreed to pay MXC a fee of £200,000 (the "Waiver Fee"). The Offer is to be effected by means of a scheme of arrangement under Part 26 of the Companies Act (the "Scheme"). The Waiver and the Waiver Fee are conditional upon the court sanctioning the Scheme.

As announced previously, MXC has provided an irrevocable undertaking to Bowmark to accept the Offer in respect of its total shareholding of 20,655,461 Tax Shares. As a result of the Waiver MXC has now undertaken to exercise 860,755 of the warrants it holds over ordinary shares in Tax Systems by way of a cashless exercise facility, conditional upon the court sanctioning the Scheme.

A further announcement will be made in due course, as appropriate.

Market Abuse Regulation (MAR) Disclosure

The information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement

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About MXC Capital Limited

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MXC is a specialist technology adviser and investor with a track record of investing in and advising companies in the TMT sector. MXC brings 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 combine to grow shareholder value.