

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

Notification of Adoption of Financial Reporting Standard 101 ("FRS 101"): Reduced Disclosure Framework

A new UK GAAP accounting framework introduced by the Financial Reporting Council ("FRC") became mandatorily effective for the financial statements of UK companies with accounting periods commencing on or after 1 January 2015. Under this new framework, the Company is required to elect to prepare its parent company and subsidiary company financial statements on one of the bases permitted by the FRC. The Company will continue to prepare consolidated accounts in accordance with EU-adopted International Financial Reporting Standards as these remain unaffected by the new accounting framework.

The Board considers that it is in the best interests of the Company to adopt FRS 101, a reduced disclosure regime, for its parent company and subsidiary company financial statements for the year ending 31 August 2016 and on an ongoing basis until such time as the Company notifies shareholders of any change to its chosen accounting framework for the parent company financial statements. For the avoidance of doubt, the adoption of FRS 101 will not change the presentation of the Group's consolidated accounts.

The Company's election to adopt FRS 101 for its parent company's financial statements does not require shareholder approval. However, as stipulated in FRS 101, the Company is required to notify all shareholders of this election. Any shareholder or shareholders holding in aggregate 5 per cent. or more of the total allotted shares in the Company may object. Objections must be served in writing and delivered to the Company Secretary at 100 Fetter Lane, London, EC4A 1BN, United Kingdom by no later than 31 October 2016.

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About MXC Capital (www.mxccapital.com)

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.