

MXC Capital Limited

("MXC" or the "Company")

Posting of Annual Report, Notice of AGM, Board Changes and Proposed Share Consolidation

MXC (AIM: MXCP), the technology focused adviser and investor, announces that its Annual Report and Accounts for the year ended 31 August 2018, together with the Notice of the Annual General Meeting ("AGM") and a Form of Proxy, are today being posted to shareholders. The documents are available to download from the Company's website www.mxccapital.com.

The AGM is to be held on 14 February 2019 at 12.00 noon at 1st Floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW.

Board Changes

The Company also announces that Meriel Lenfestey has notified the Board of her intention to not seek re-election at this time and will therefore step down from her position as Non-Executive Director at the upcoming AGM. The Board would like to thank Meriel for her contribution during her tenure as a director. It is the intention to recruit a new independent non-executive director in due course to strengthen the Board.

Proposed Share Consolidation

Contained within the Notice of AGM is a letter to shareholders describing proposals for a share capital consolidation (the "Consolidation"), and the resolution required to effect this will be put to shareholders at the forthcoming AGM as an ordinary resolution.

As at 29 January 2019, the Company had 3,360,167,484 ordinary shares of no par value ("Existing Ordinary Shares") in issue. The Directors consider that it is in the best interests of the Company as a public quoted company to have a more manageable number of issued ordinary shares and to have a higher share price.

Accordingly, it is proposed that the Company's share capital be reorganised such that every 50 Existing Ordinary Shares be consolidated into 1 new ordinary share of no par value ("New Ordinary Shares").

As all of the Existing Ordinary Shares are proposed to be consolidated, the proportion of issued ordinary share holdings in the Company held by each shareholder immediately before and immediately after the Consolidation will, save for fractional entitlements (the treatment of which is described below), remain unchanged.

Fractional entitlements

It is likely that the Consolidation will result in fractional entitlements to a New Ordinary Share where any holding is not precisely divisible by 50. No certificates will be issued for fractional entitlements to New Ordinary Shares. Following the implementation of the Consolidation, certain shareholders may not have a proportionate shareholding of New Ordinary Shares exactly equal to their proportionate holding of Existing Ordinary Shares. Furthermore, any shareholders holding fewer than 50 Existing Ordinary Shares as at close of business on 14 February 2019 will cease to be a shareholder of the Company. The minimum threshold to receive New Ordinary Shares will be 50 Existing Ordinary Shares. The articles of association currently permit the Directors to sell shares representing fractional entitlements arising from the proposed consolidation. Any New Ordinary Shares in respect of which there are fractional entitlements will therefore be aggregated and sold in the market for the best price reasonably obtainable on behalf of shareholders entitled to fractions. The Company will distribute the proceeds of sale in due proportion to any such shareholders subject to the minimum threshold referred to in the next paragraph.

In the event that the net proceeds of sale to be distributed to any relevant shareholder amount to £2 or less, the Directors are of the view that, as a result of the administrative burden and disproportionate costs involved, it would not be in the best interests of the Company to distribute such proceeds of sale. Accordingly, the Directors are proposing that the net proceeds arising from the sale of fractions need only be distributed to a shareholder where he or she is entitled to receive more than £2 (and, below that minimum threshold, it is proposed that the proceeds of sale be donated to charity).

Given the current share price per Existing Ordinary Share, it is anticipated that the net proceeds of sale attributable to each relevant shareholder will be less than £2 and, accordingly, there will be no distribution of any net proceeds of sale. For the avoidance of doubt, the Company is only responsible for dealing with fractions arising on registered holdings. For shareholders whose shares are held in the nominee accounts of UK stockbrokers, the effect of the Consolidation on their individual shareholdings will be administered by the stockbroker or nominee in whose account the relevant shares are held. The effect is expected to be the same as for shareholdings registered in beneficial names, however, it is the responsibility of the stockbroker or nominee to deal with fractions arising within their customer accounts, and not the responsibility of the Company.

Resulting share capital

If approved by shareholders, the issued share capital of the Company immediately following the consolidation is expected to comprise 67,203,349 New Ordinary Shares (assuming that no other shares are allotted and issued by the Company between the date of this document and the AGM).

Admission of the New Ordinary Shares

Application will be made for the New Ordinary Shares to be admitted to trading on AIM in place of the Existing Ordinary Shares.

It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on 15 February 2019. Following the Consolidation, the Company's new ISIN Code will be GG00BGK3LD00 and its new SEDOL Code will be BGK3LD0.

Rights attaching to New Ordinary Shares

The New Ordinary Shares arising upon implementation of the consolidation will have the same rights as the Existing Ordinary Shares including voting, dividend, return of capital and other rights.

Effects on Options, Warrants and Other Instruments

The entitlements to Ordinary Shares of holders of securities or instruments convertible into ordinary shares (such as share options and warrants) are expected to be adjusted to reflect the Consolidation.

Expected Timetable for Consolidation

Notice of AGM posted to Shareholders	1 February 2019
Latest time and date for receipt of Forms of Proxy	12 noon on 12 February 2019
Annual general meeting	12 noon on 14 February 2019
Record date for Consolidation	5.00 p.m. on 14 February 2019
Existing Ordinary Shares disabled in CREST and share register closed	5.00 p.m. on 14 February 2019
Expected date on which New Ordinary Shares admitted to AIM	8.00 a.m. on 15 February 2019
Expected date on which CREST accounts are to be credited	15 February 2019

Expected date by which definitive new share certificates are to be despatched

1 March 2019

ISIN of New Ordinary Shares

GG00BGK3LD00

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About MXC Capital Limited www.mxccapital.com

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.