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If you have sold or otherwise transferred all of your Ordinary Shares in MXC Capital Limited, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected as soon as possible for onward transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares you should retain these documents.

MXC CAPITAL LIMITED

*(Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended
with registered number 58895)*

**Proposed purchase of 1 in every 10 Ordinary Shares at a price of
75 pence per share pursuant to a Tender Offer,
waiver of the annual general meeting requirement,
amendment to the Articles,
disapplication of pre-emption rights**

and

Notice of General Meeting

You should read the whole of this document. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 9 to 16 (inclusive) of this document and which recommends you vote in favour of the Tender Offer Resolution, the AGM Waiver Resolution, the Articles Amendment Resolution and the Pre-emption Rights Disapplication Resolution to be proposed at the General Meeting referred to in this document. Whether or not you intend to attend the General Meeting, you are encouraged to complete and return the enclosed Form of Proxy in accordance with the instructions printed on the form.

This document should be read in conjunction with the Notice of General Meeting and Form of Proxy. Notice of a General Meeting of the Company, to be held at the offices of Carey Group, 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW at 10.00 a.m. on 17 September 2020, is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use in connection with the resolution to be proposed at the General Meeting. To be valid the Form of Proxy must be completed and returned in accordance with the instructions printed thereon to the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to be received as soon as possible but in any event no later than 10.00 a.m. on 15 September 2020. The completion and return of the Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they subsequently wish to do so.

IF YOU DO NOT WISH TO TENDER ANY OF YOUR ORDINARY SHARES, DO NOT COMPLETE OR RETURN A TENDER FORM NOR SEND A TTE INSTRUMENT.

NOTICE FOR UNITED STATES SHAREHOLDERS

The Tender Offer relates to securities in a non-United States company which is incorporated in Guernsey. US persons who are Overseas Shareholders should read this entire Circular, including paragraph 10 of Part III (Overseas Shareholders) of this Circular. The financial information relating to the Company included in this Circular has not been prepared in accordance with generally accepted accounting principles in the United States and thus may not be comparable to financial information relating to United States companies. The Tender Offer is not subject to the disclosure and other procedural requirements of Regulation 14D under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the Exchange Act to the extent applicable. Certain provisions of Regulation 14E under the Exchange Act are not applicable to the Tender Offer by virtue of Rule 14d-1 under the Exchange Act. US persons who are Overseas Shareholders should note that the Company is not listed on a United States securities exchange and is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the Securities and Exchange Commission (the “**SEC**”) thereunder.

It may be difficult for US persons who are Overseas Shareholders to enforce certain rights and claims arising in connection with the Tender Offer under United States federal securities laws since the Company is located outside the United States and most of its officers and directors may reside outside the United States. It may not be possible to sue a non-United States company or its officers or directors in a non-United States court for violations of United States securities laws. It also may not be possible to compel a non-United States company or its affiliates to subject themselves to a United States court’s judgment.

In accordance with normal United Kingdom and/or Guernsey market practice (as applicable) and pursuant to Rule 14e-5(b)(12) under the Exchange Act, the Company or its nominees or brokers may from time to time make certain purchases of, or arrangements to purchase Ordinary Shares outside the United States, otherwise than pursuant to the Tender Offer, before or during the period in which the Tender Offer remains open for acceptance, such as in privately negotiated purchases at negotiated prices. Such purchases, or arrangements to purchase, will comply with all applicable United Kingdom and Guernsey rules. Information regarding such purchases and activities which is required to be made public in the United Kingdom will be reported via the Company’s website at www.mxccapital.com. This information will also be deemed to be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Neither the SEC nor any United States state securities commission has approved or disapproved of this transaction or passed upon the merits of fairness of such transaction or passed upon the adequacy of the information contained in this Circular. Any representation to the contrary is a criminal offence.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this document, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance, achievements of or dividends paid by, the Company to be materially different from future results, performance or achievements, or dividend payments expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law.

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EXPECTED TIMETABLE OF EVENTS

2020

Tender Offer opens	2 September
Latest time and date for receipt of forms of proxy for the General Meeting	10.00 a.m. on 15 September
Latest time and date for receipt of Tender Forms and TTE Instructions from CREST Shareholders	1.00 p.m. on 15 September
Record Date for the Tender Offer	6.00 p.m. on 15 September
General Meeting	10.00 a.m. on 17 September
Outcome of Tender Offer announced	by 10.00 a.m. on 18 September
Cheques dispatched for certificated Ordinary Shares purchased pursuant to the Tender Offer and payment through CREST for uncertificated Ordinary Shares purchased pursuant to the Tender Offer	28 September
CREST accounts credited for revised holdings of Ordinary Shares	28 September
Dispatch of balance share certificates for unsold Ordinary Shares	28 September

If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by an announcement on the Company's website at www.mxccapital.com. All references in this document are to London time unless otherwise stated.

DEFINITIONS

The following definitions apply throughout this Circular and the accompanying Tender Form unless the context otherwise requires:

“ B Shares ”	B Shares of no par value in the capital of the Company;
“ AGM Waiver Resolution ”	the waiver resolution set out in the notice of General Meeting at the end of this Circular to approve the waiver of the requirement for the Company to hold annual general meetings;
“ Articles ”	the articles of incorporation of the Company, adopted on 26 January 2017, as amended by special resolution passed on 17 October 2019;
“ Articles Amendment Resolution ”	the special resolution set out in the notice of General Meeting at the end of this Circular to approve the amendment to the Articles as detailed therein;
“ Business Day ”	means a day (other than a Saturday or Sunday) in which clearing banks in the City of London and in Guernsey are generally open for business;
“ Circular ”	this document;
“ certificated ” or “ in certificated form ”	in certificated form (that is, not in CREST);
“ City Code ”	the City Code on Takeovers and Mergers;
“ Company ” or “ MXC Capital ”	MXC Capital Limited, a non-cellular company limited by shares incorporated in Guernsey with registration number 58895;
“ Computershare ”	a trading name of Computershare Investor Services PLC;
“ Concert Party ”	MXC Holdings, Tony Weaver, Ian Smith, Martin Bolland, Marc Young, Inge Timperley, Charles Vivian, Philip Vivian, Andrew Vivian, Martin Chapman, Alex Sandberg, William Smith, Jessica Smith, Andy Ross, Jill Collighan, Justin Collighan, Beth Collighan, Harry Collighan, Steven Zhang, Charlotte Stranner, Christopher Barrett and Gavin Lyons;
“ CREST ”	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
“ CREST member ”	a person who has been admitted by Euroclear as a member (as defined in the CREST Regulations);
“ CREST participant ”	a person who is, in relation to CREST, a user (as defined in the CREST Regulations);
“ CREST Regulations ”	the Uncertificated Securities (Guernsey) Regulations 2009, as amended;
“ CREST sponsor ”	a CREST participant admitted to CREST as a CREST sponsor;
“ CREST sponsored member ”	a CREST member admitted to CREST as a sponsored member;
“ Directors ” or “ the Board ”	the directors of the Company whose names are set out on page 9 of this document;

“DTR”	the Disclosure Rules and Transparency Rules published by the FCA;
“Euroclear”	Euroclear UK & Ireland Limited (previously CRESTCo Limited);
“FCA”	the UK Financial Conduct Authority;
“FSMA”	Financial Services and Markets Act 2000, as amended;
“General Meeting”	the extraordinary general meeting of the Company convened for 10.00 a.m. on 17 September 2020, notice of which is set out at the end of this Circular;
“Group”	the Company and its subsidiaries;
“Guernsey”	the Island of Guernsey;
“Law”	the Companies (Guernsey) Law, 2008, as amended;
“member account ID”	identification code or number attached to any member account in CREST;
“MXC Holdings”	MXC Holdings Limited, a company incorporated in England and Wales with registration number 07039551;
“Option”	an option to subscribe for Ordinary Shares under the Share Option Schemes;
“Optionholders”	holders of option(s) over Ordinary Shares under the Share Option Schemes;
“Ordinary Shares”	ordinary shares of no par value each in the capital of the Company;
“Overseas Shareholders”	a Shareholder who is resident in, or a citizen of, a jurisdiction other than the United Kingdom or Guernsey;
“Panel”	the UK Panel on Takeovers and Mergers;
“participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
“Pre-emption Rights Disapplication Resolution”	the extraordinary resolution set out in the notice of General Meeting at the end of this Circular to approve the disapplication of pre-emption rights on the basis specified therein;
“Prohibited Jurisdiction” or “Prohibited Territory” or “Prohibited Territories”	Canada, Australia, New Zealand, Japan, the Republic of South Africa and their respective territories and possessions and any other jurisdictions where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure for the Company if information or documents concerning the Tender Offer were to be sent or made available to Shareholders in that jurisdiction;
“Qualifying Shareholders”	ordinary shareholders on the register of the Company at the Record Date other than those with registered addresses in a Prohibited Territory;
“Receiving Agent”	Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH;
“Record Date”	6.00 p.m. on 15 September 2020;

“Registrars”	Computershare Investor Services (Guernsey) Limited, 1st Floor, Tudor House, Le Bordage, St Peter Port Guernsey, GY1 1DB;
“Shareholders”	holders of Ordinary Shares;
“Share Option Schemes”	the MXC Capital Long Term Incentive Plan 2015 and the Zergo Group plc 2013 Enterprise Management Scheme;
“Tender Form”	the tender form accompanying this Circular issued for use by Shareholders in connection with the Tender Offer;
“Tender Offer”	the invitation by the Company to Shareholders to tender Ordinary Shares by way of an on-market purchase on the terms and subject to the conditions set out in the Circular and the Tender Form;
“Tender Offer Entitlement”	the entitlement of a Qualifying Shareholder to sell under the Tender Offer 1 Ordinary Share for every 10 Ordinary Shares registered in his name at the Record Date, rounded down to the nearest whole number of Ordinary Shares;
“Tender Offer Resolution”	the special resolution set out in the notice of General Meeting at the end of this Circular to approve the Tender Offer;
“Tender Price”	75 pence per Ordinary Share;
“TFE instruction”	a transfer from escrow instruction (as defined by the CREST manual issued by Euroclear);
“TTE instruction”	a transfer to escrow instruction (as defined by the CREST manual issued by Euroclear);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“Uncertificated” or “in uncertificated form”	means for the time being recorded on the register of Shareholders as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United States”	means the United States of America (including the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction; and
“US person”	means (i) any individual who is a resident or citizen of the United States and (ii) a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

PART I

LETTER FROM THE CHAIRMAN

MXC Capital Limited

*(a company incorporated in Guernsey under the Companies (Guernsey) Law 2008,
as amended, with registered no. 58895)*

Directors:

Paul Graham Guilbert (*Non-Executive Chairman*)
Andrew Ian Smith (*Executive Director*)

Registered Office:

1st & 2nd Floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey
GY1 1EW

2 September 2020

Dear Shareholder

**Proposed purchase of 1 in every 10 Ordinary Shares at 75 pence per share by way of a
Tender Offer, waiver of the annual general meeting requirement,
amendment to the Articles and disapplication of pre-emption rights**

1. INTRODUCTION

As you will be aware, following a thorough review of the strategic options open to the Company, the Directors concluded that it was in the best interests of the Company and its Shareholders to seek Shareholder approval for the cancellation of admission of the Ordinary Shares to trading on AIM (the “**Delist**”). The Shareholders approved the Delist at a general meeting held on 2 March 2020 and the last day of dealing in the Company’s Ordinary Shares on AIM was 13 March 2020.

In its February 2020 circular to shareholders proposing the Delist (the “**Delist Circular**”), the Company set out its intended way forward as a private company, as follows:

- Continuation of the Company’s stated strategy of investing in technology companies and subsequently exiting those investments once a satisfactory return has been made;
- Commitment to return a minimum of 50 per cent. of the proceeds received (after costs) in respect of each exit by the Company from its investments (“**Investment Return**”). It is anticipated that the Investment Return will be facilitated by way of tender offer, the price for the tender offer being the then NAV of the Company. The remaining proceeds will be retained to enable the Company to continue to execute its stated strategy of investing in technology companies;
- To facilitate further liquidity, at certain other times, and at the Board’s discretion, Shareholders may be able to benefit from offers from the Company to buy back shares. In line with the Company’s stated buyback policy, and given the intended capital return programme above, such purchases will continue to be at a discount to NAV; and
- The Investment Return will continue until the Company ultimately exits all of its investments, at which point the cash remaining in the Company will be returned to Shareholders and the Company wound up. The Directors currently anticipate this will occur within the next five years.

Following the completion of the Delist on 16 March 2020, I am pleased to provide an update on progress.

The Company has continued to support its investment portfolio, with over £1 million invested since March 2020. The Directors are encouraged with the underlying performance of the Group's investee companies. However, the intended exit from certain investments has been deferred due to the wider market conditions resulting from the COVID-19 pandemic. The Directors continue to have confidence that satisfactory returns will be made from the Company's investee companies within the original five year timescale.

In July 2020, the Company took the opportunity to agree an accelerated exit from its investment in The Guernsey Investment Fund PCC Limited ("GIF"), thereby enabling the Company to remain on track to meet its commitment of returning all cash to shareholders within the stated five year period. Furthermore, the disposal of the Company's investment in GIF has released the Group from its commitment to provide investment funds of a further £1.3 million. The Company also received proceeds from a property sale within another of its investments. Together, these events resulted in a cash inflow to the Group of approximately £4.3 million.

Following these disposals and in line with the Board's commitment in the Delist Circular to return a minimum of 50 per cent. of the proceeds of investment exits, we are pleased to announce a £4.3 million Tender Offer to shareholders. Further details of the proposed Tender Offer are given below.

To ensure that the maximum amount of cash is ultimately returned to shareholders, the Group has undertaken a broad-ranging cost reduction programme. To date, the Group's annualised costs have reduced by in excess of £0.8 million since the Delist and further reductions are expected.

To assist with the cost reduction programme, the Company has repurchased a minority stake in MXC (UK) Limited (the holding company of the Group's UK transactional businesses) held by a third party. MXC Capital (UK) Limited is now a wholly-owned subsidiary of the Group. This has allowed the Directors to significantly wind down the Group's UK trading operations and related costs and has also removed the requirement to pay dividends to a third party. The Group is now wholly focused on the return of capital from its investments.

To further simplify its operations and reduce ongoing running costs, the Group entered into agreements to settle certain staff share awards and to terminate its Employee Benefit Trust. 7.8 million Ordinary Shares were held by the Employee Benefit Trust and these have now been acquired by the Company and cancelled. The Company will not grant any new share options. By reducing the number of Ordinary Shares in issue, returns per shareholder will be increased. The number of Ordinary Shares in the Company in issue is currently 57,893,365. In addition, the Company has redeemed and cancelled the B Shares held by MXC Holdings Limited, a wholly-owned subsidiary of the Group. There are now no B Shares in issue.

We are pleased with the progress made by the Company since the Delist and we look forward to updating shareholders with further progress in due course.

Under the terms of the proposed Tender Offer, the Company will offer to purchase 1 in every 10 Ordinary Shares at a price of 75 pence per share, representing the NAV per Ordinary Share as at 28 August 2020.

The Tender Offer will also present tendering Qualifying Shareholders with an opportunity to sell more than their Tender Offer Entitlement of Ordinary Shares (up to their entire shareholding, subject to the discretion of the Board to scale back the sale of Ordinary Shares by one or more members of the Concert Party above their Tender Offer Entitlement) to the extent that other Qualifying Shareholders tender less than their Tender Offer Entitlement. If the maximum number of Ordinary Shares under the Tender Offer is acquired and assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender, this will result in an amount of approximately £4.3 million being paid by the Company to Qualifying Shareholders.

The terms and conditions of the Tender Offer (set out in paragraph 2 of Part III of this Circular) must be approved by special resolution (the "**Tender Offer Resolution**").

Alongside the Tender Offer Resolution, it is proposed that:

- (a) a waiver resolution be put to Shareholders to waive the requirement for the Company to hold an annual general meeting (the “**AGM Waiver Resolution**”);
- (b) a special resolution be put to Shareholders to approve an amendment to the Articles so as to no longer require directors to retire by rotation at annual general meetings or be eligible for re-election at such meetings (the “**Articles Amendment Resolution**”); and
- (c) that an extraordinary resolution be put to Shareholders to disapply the pre-emption rights set out in the Articles (the “**Pre-emption Rights Disapplication Resolution**”).

The Board is satisfied that it will not be necessary going forward to table the business normally proposed at an annual general meeting and, with that in mind, together with the fact the Company’s Ordinary Shares are no longer listed on AIM, it seems preferable to remove the requirement to hold an annual general meeting and reduce costs accordingly. Assuming the AGM Waiver Resolution is passed, the Board will convene general meetings on an ad hoc basis if and when required. Furthermore, pursuant to the Articles and the Law, the Board will continue to be obliged to call a general meeting if the Company receives a request or requests to requisition a general meeting from Shareholders who hold more than ten per cent. of the capital of the Company that carries the right of voting at general meetings of the Company.

The Articles Amendment Resolution proposes that article 25 of the Articles be amended so as to no longer require directors to retire by rotation at annual general meetings or to be eligible for re-election at such meetings. The Board considers this is no longer necessary as the Company’s Ordinary Shares are no longer listed on AIM and, assuming the AGM Waiver Resolution is passed, annual general meetings will no longer be held at which such retirement by rotation and re-election normally occurs. The result of the Articles Amendment Resolution being approved is that it will no longer be necessary for directors to retire by rotation and accordingly Shareholders will not have the opportunity to re-elect those directors who would otherwise be eligible for re-election following such retirement.

Pre-emption rights, as set out in article 6.2 of the Articles, are usually disapplied from the annual general meeting until the next annual general meeting. On the basis that annual general meetings will no longer be held if the AGM Waiver Resolution is approved, it is proposed that the Pre-emption Rights Disapplication Resolution be put to Shareholders at this General Meeting. Assuming the Pre-emption Rights Disapplication Resolution is passed, presently it is only proposed that Ordinary Shares will be issued on a non-pre-emptive basis in order to satisfy existing Options (although the Board reserves the right to issue equity securities on a non-pre-emptive basis in accordance with the authority granted by the Pre-emption Rights Disapplication Resolution, if passed). The Company does not presently have any intention of granting any further Options. Accordingly, the Company is only proposing to disapply the pre-emption rights in order that the maximum number of equity securities which can be issued (during any 12-month period) is 5% of the issued ordinary capital of the Company, as opposed to the 20% for which approval is normal sought at annual general meetings. This authority will revoke and replace the authority granted at the annual general meeting held on 6 February 2020.

Shareholder approval is required for the Tender Offer Resolution, the AGM Waiver Resolution, the Articles Amendment Resolution and the Pre-emption Disapplication Resolution and accordingly a General Meeting is being convened at the offices of Carey Group, 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW at 10 a.m. on 17 September 2020. The Notice of General Meeting is set out at the end of this Circular.

In order to be passed:

- the Tender Offer Resolution, the Articles Amendment Resolution and the Pre-emption Rights Disapplication Resolution each require the approval of the holders of at least 75% of the Ordinary Shares represented and voted at the General Meeting in person or by proxy; and
- the AGM Waiver Resolution requires the approval of the holders of at least 90% of the Ordinary Shares represented and voted at the General Meeting in person or by proxy.

Shareholders should read the whole of this Circular and not just rely on the summarised information set out in this letter.

2. THE TENDER OFFER

Your Board is proposing that the Company should make a Tender Offer to purchase up to 5,789,336 Ordinary Shares (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender), representing approximately 10.0 per cent. of the Company's current issued ordinary share capital, at a price of 75 pence per Ordinary Share.

The Tender Offer is open to all Qualifying Shareholders on the Company's share register on the Record Date. Qualifying Shareholders may participate in the Tender Offer by tendering either all or a proportion of their Tender Offer Entitlement of Ordinary Shares such that each Qualifying Shareholder will be entitled to sell under the Tender Offer, 1 Ordinary Share for every 10 Ordinary Shares registered in his name on the Record Date, rounded down to the nearest whole number of Ordinary Shares. The Tender Offer will also present tendering Qualifying Shareholders with an opportunity to sell more than their Tender Offer Entitlement of Ordinary Shares to the extent that other Qualifying Shareholders tender less than their Tender Offer Entitlement (up to their entire shareholding, subject to the discretion of the Board to scale back the sale of Ordinary Shares by one or more members of the Concert Party above their Tender Offer Entitlement). If the number of Ordinary Shares validly tendered exceeds 5,789,336 (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender) and if and to the extent that any Shareholders have tendered less than their Tender Offer Entitlement under the Tender Offer, subject to the Board's discretion in relation to members of the Concert Party as noted above, surplus tenders will be accepted in proportion to the number of additional Ordinary Shares tendered so that the total number of Ordinary Shares purchased pursuant to the Tender Offer does not exceed 5,789,336 (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender). In the event that Options are validly exercised, the total number of Ordinary Shares purchased under the Tender Offer will increase by the number of Options exercised, divided by 10 and rounded down. It is intended that the Ordinary Shares purchased under the Tender Offer will be cancelled and will not be available for re-issue.

The Tender Offer is made on the terms and subject to the conditions set out in paragraph 2 of Part III of this Circular.

Shareholders who hold Ordinary Shares in certificated form may only make a tender on the accompanying Tender Form, which is personal to the Shareholder(s) named on it and may not be assigned or transferred.

Shareholders who hold Ordinary Shares in uncertificated form may only make a tender by way of an electronic tender in the form of a TTE instruction.

A Tender Form and/or a TTE instruction once submitted cannot be withdrawn. To be valid, Tender Forms and/or a TTE instruction must be received by the Receiving Agent, and in the case of a TTE instruction must settle, no later than 1.00 p.m. on 15 September 2020.

Further information relating to the Tender Offer (including the terms and conditions of the Tender Offer) is set out in Part III of this Circular.

3. OVERSEAS SHAREHOLDERS

The attention of Qualifying Shareholders who are citizens, residents or nationals of countries outside the UK and Guernsey wishing to participate in the Tender Offer is drawn to paragraph 10 of Part III of this Circular.

4. TAXATION

A summary of the taxation consequences of the Tender Offer for UK and Guernsey resident Shareholders is set out in paragraph 11 of Part III of this Circular. **It should be noted that this refers to the current system of taxation. Shareholders are advised to consult their own professional advisers regarding their own tax position.**

5. TAKEOVER CODE

Background

Following the Delist, the Company will remain subject to the City Code.

Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City Code) in shares which, taken together with shares in which he is already interested and, in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company, but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person.

Under Rule 37.1 of the City Code, when a company purchases its own voting shares, any resulting increase in the percentage of voting rights of any person or Company of persons acting in concert will be treated as an acquisition for the purpose of Rule 9.

The Concert Party have informed the Board that they do not wish to trigger an obligation to make an offer under Rule 9 by reason of Rule 37.1 and the Tender Offer.

The Concert Party

The Concert Party comprises MXC Holdings, Tony Weaver, Ian Smith, Inge Timperley, Charles Vivian, Philip Vivian, Andrew Vivian, Alex Sandberg, William Smith, Jessica Smith, Andy Ross, Jill Collighan, Justin Collighan, Beth Collighan, Harry Collighan, Steven Zhang, Charlotte Stranner, Christopher Barrett, Gavin Lyons, Martin Bolland, Martin Chapman and Marc Young. The registered office of MXC Holdings is at The Walbrook Building, 25 Walbrook, London EC4N 8AF. The address for each of the other Concert Party members is 25 Victoria Street, London SW1H 0EX.

Effect of the Tender Offer

The controlling position of the Concert Party following completion of the Tender Offer will depend on the number of Qualifying Shareholders taking up the Tender Offer. The table below sets out the maximum controlling position of the Concert Party following completion of the Tender Offer on the basis that the Tender Offer is taken up by all of the Concert Party and Qualifying Shareholders.

<i>Concert Party member</i>	<i>aggregate shareholding in the Company as at the date of this document</i>	<i>Percentage of issued share capital of the Company as at the date of this document</i>	<i>Number of Ordinary Shares to be tendered</i>	<i>Total number of Ordinary Shares following take-up of the Tender Offer</i>	<i>Percentage of total issued share capital following completion of the Tender Offer</i>
MXC Holdings Limited	–	0.00%	–	–	0.00%
Tony Weaver	11,481,901	19.83%	(1,148,190)	10,333,711	19.83%
Ian Smith	10,183,622	17.59%	(1,018,362)	9,165,260	17.59%
Martin Bolland	4,272,131	7.38%	(427,213)	3,844,918	7.38%
Marc Young	534,174	0.92%	(53,417)	480,757	0.92%
Inge Timperley	321,773	0.56%	(32,177)	289,596	0.56%
Charles Vivian	959,246	1.66%	(95,924)	863,322	1.66%
Philip Vivian	113,358	0.20%	(11,335)	102,023	0.20%
Andrew Vivian	–	0.00%	–	–	0.00%
Martin Chapman	155,882	0.27%	(15,588)	140,294	0.27%
Alex Sandberg	–	0.00%	–	–	0.00%
William Smith	655,330	1.13%	(65,533)	589,797	1.13%
Jessica Smith	726,959	1.26%	(72,695)	654,264	1.26%
Andy Ross	–	0.00%	–	–	0.00%
Jill Collighan	89,221	0.15%	(8,922)	80,299	0.15%
Justin Collighan	1,878	0.00%	(187)	1,691	0.00%
Beth Collighan	1,248	0.00%	(124)	1,124	0.00%
Harry Collighan	2,054	0.00%	(205)	1,849	0.00%
Steven Zhang	–	0.00%	–	–	0.00%
Charlotte Stranner	54,607	0.09%	(5,460)	49,147	0.09%
Christopher Barrett	–	0.00%	–	–	0.00%
Gavin Lyons	–	0.00%	–	–	0.00%
Total	29,553,384	51.05%	(2,955,332)	26,598,052	51.05%

On the basis set out above, following completion of the Tender Offer, the Concert Party's maximum aggregate shareholding in the Company may remain at 51.05 per cent.

As the Concert Party retains an interest of more than 50 per cent. of the voting rights in the Company, for so long as the members of the Concert Party continue to be treated as acting in concert, they may increase their interests in Ordinary Shares without incurring any further obligation under Rule 9 of the City Code to make a general offer for the remainder of the issued share capital of the Company, although individual members of the Concert Party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without Takeover Panel consent.

6. EXISTING SHARE OPTIONS

The rights of Optionholders under the Share Option Schemes will remain unaffected by the Tender Offer. In particular, the Tender Offer will not cause any Options which are not currently exercisable to become exercisable.

7. GENERAL MEETING

The Tender Offer is being conducted in accordance with the requirements of the Law. In order to comply with these requirements, the Company is convening the General Meeting for 10.00 a.m. on 17 September 2020 to consider and, if thought fit, pass the Tender Offer Resolution to grant the Company the authority to undertake the Tender Offer. The Tender Offer Resolution must be passed either (i) on a show of hands by at least 75 per cent. of those Shareholders present in person or by proxy and voting or (ii) on a poll by those Shareholders (present in person or by proxy and voting) holding 75 per cent. or more of the Ordinary Shares

voted, in each case, at the General Meeting. The Company will not purchase Ordinary Shares pursuant to the Tender Offer unless the Tender Offer Resolution is duly passed. The AGM Waiver Resolution, Articles Amendment Resolution and Pre-emption Rights Disapplication Resolution will also be proposed at the General Meeting.

COVID-19 Pandemic

With effect from 20 June 2020, the States of Guernsey implemented Phase 5 of its transitional plan to ease the stay at home and travel restrictions originally introduced on 25 March 2020 in light of COVID-19. Whilst restrictions have been eased, any persons arriving into the Bailiwick of Guernsey are presently required to self-isolate for at least 7 days or 14 days depending on the country from and/or through which they have travelled (excluding the Isle of Man which currently does not require any period of self-isolation). On 5 August 2020, phase 5b of the transitional plan was announced with the effect that, from 17 August 2020, Shareholders from the UK who travel to Guernsey may be able to self-isolate for only 7 days, be tested for COVID-19 and, if the test result is negative, be under passive restrictions until 14 days has elapsed from their arrival in the Bailiwick. In light of the travel restrictions in place as at the date of this document, Shareholders resident outside of the Bailiwick of Guernsey are advised not to attempt to attend the General Meeting and instead are urged to submit proxy forms in respect of the General Meeting and are encouraged to appoint the chair of the meeting as their proxy as third party proxies may not be permitted to attend the General Meeting and cast a vote on the Shareholder's behalf.

8. ACTION TO BE TAKEN

General Meeting

Shareholders will find enclosed with this Circular a Form of Proxy for use at the General Meeting. Whether or not Shareholders intend to be present at the meeting, and whether or not Shareholders intend to participate in the Tender Offer, Shareholders are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon in the envelope provided so that it arrives at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible and in any event so as to be received by post not later than 10.00 a.m. on 15 September 2020. Completion and return of the Form of Proxy will not prevent Shareholders from attending and voting at the meeting should they so wish but within the constraints on travel and attendance as outlined in 7. above.

Tender Offer

The procedure for tendering Ordinary Shares depends on whether Ordinary Shares are held in certificated or uncertificated form and is summarised below:

(a) Shares held in certificated form

Qualifying Shareholders who hold Ordinary Shares in certificated form and who wish to participate in the Tender Offer should follow the instructions on the accompanying Tender Form and return it to the Receiving Agent to arrive by no later than 1.00 p.m. on 15 September 2020. Qualifying Shareholders who hold their Ordinary Shares in certificated form should also send their share certificate(s) or other documents of title in respect of the Ordinary Shares tendered with their Tender Form by post to Computershare Investor Services PLC, Corporate Action Projects, The Pavilions, Bristol, BS99 6AH. Further details of the procedures for tendering and settlement are set out in Part III of this Circular and on the accompanying Tender Form.

(b) Shares held in uncertificated form

Qualifying Shareholders who hold their Ordinary Shares in uncertificated form (that is, in CREST) and who wish to tender all or any of their Tender Offer Entitlement should tender electronically through CREST so that the TTE instruction settles no later than 1.00 p.m. on 15 September 2020. Further details of the procedures for tendering and settlement are set out in Part III of this Circular.

Shareholders who do not wish to participate in the Tender Offer should not complete the Tender Form and will not be required to make a TTE instruction.

9. CONDITIONS

The Tender Offer is conditional on the satisfaction of the conditions specified in paragraph 2 of Part III of this Circular.

10. TERMINATION OF TENDER OFFER

The Tender Offer may be terminated in the circumstances specified in paragraph 9 of Part III of this Circular.

11. SETTLEMENT

Subject to the Tender Offer becoming unconditional, payment of the Tender Price due to Qualifying Shareholders under the Tender Offer whose Ordinary Shares have been accepted (rounded down to the nearest penny) are expected to be effected by the dispatch of cheque(s) by 28 September 2020 or the crediting of CREST accounts (as appropriate) by 28 September 2020.

12. FURTHER INFORMATION

The Tender Offer will be financed solely from the Company's existing cash resources.

At 1 September 2020 (the latest practicable date prior to the publication of this document), the issued share capital of the Company was 57,893,365 Ordinary Shares. In addition, 732,883 Options were outstanding, equivalent to approximately 1.27 per cent. of the Company's issued ordinary share capital. These Options will represent approximately 1.41 per cent. of the Company's issued ordinary share capital if the Company purchases the maximum number of Ordinary Shares pursuant to the Tender Offer.

Your attention is drawn to the "Details of the Tender Offer" (including the terms and conditions of the Tender Offer) set out in Part III of this Circular.

13. RISK FACTORS

Before taking any decision in relation to the Tender Offer, Shareholders are advised to read Part II of this document, entitled Risk Factors in relation to the Tender Offer.

14. RECOMMENDATION

The Directors consider that the proposal to be considered at the General Meeting is in the best interests of Shareholders as a whole and unanimously recommend that you vote in favour of the Tender Offer Resolution as they have undertaken to do in respect of their own beneficial holdings of 10,208,493 Ordinary Shares, representing 17.63 per cent. of the existing issued ordinary share capital of the Company.

The Directors are making no recommendation to Qualifying Shareholders in relation to participation in the Tender Offer itself. Whether or not Qualifying Shareholders decide to tender their Ordinary Shares will depend, amongst other things, on their own individual circumstances, including their own tax position.

Qualifying Shareholders are recommended to consult their duly authorised independent advisers in making their own decision.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take in respect of them, you should seek your own advice from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the FSMA if you are in the United Kingdom, or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom. The contents of this Circular are not to be construed as legal, business or tax advice.

Yours sincerely

Paul Guilbert

Non-Executive Chairman

PART II

RISK FACTORS RELATING TO THE TENDER OFFER

The Board believes that the following risk factors should be considered by Shareholders prior to deciding whether or not to participate in the Tender Offer.

Additional risk factors not outlined herein may apply to a Shareholder's decision as to whether or not to participate in the Tender Offer. Shareholders in any doubt about the action they should take should consult a suitably qualified independent financial adviser authorised under the FSMA (or under such equivalent legislation as may apply in your jurisdiction) without delay.

- The lower number of Ordinary Shares in issue following completion of the Tender Offer may impact Shareholders' ability to sell Ordinary Shares to prospective purchasers, and may result in an increase in volatility of the achievable sale price of the Ordinary Shares.
- Following the implementation of the Tender Offer, the Company will have distributed a material level of its available cash to Shareholders. Shareholders will therefore have an on-going exposure to a more concentrated portfolio of less liquid investments with a lower percentage of the Company's assets being held in cash. There is no guarantee that such investments will be realised at their current net asset value, and it is possible that the Company may not be able to realise some or all of its investments in a timely manner and/or at any material value or at all.
- A request to tender Ordinary Shares, once served on the Company, may not be withdrawn without the consent of the Company.
- The taxation consequences of the Tender Offer may change as a result of changes in law or custom and practice of the tax authorities.
- Ordinary Shares in uncertificated form for which a TTE Instruction have been validly submitted will be transferred to escrow in CREST. It will not, therefore be possible to access or otherwise deal in such Ordinary Shares and such Ordinary Shares will be held in escrow pending purchase under the Tender Offer. Shareholders with Ordinary Shares in certificated form should note that they will be unable to deal in their Ordinary Shares without their Share certificate(s).
- The value of Ordinary Shares may increase subsequent to the Tender Offer and Shareholders who have their Ordinary Shares repurchased under the Tender Offer may not be able to benefit from such increase.
- There is no guarantee that the Company will implement any further tender offers.
- The risks and uncertainties described above are not intended to be exhaustive and additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also be relevant to Shareholders in their consideration of the Tender Offer.

PART III

DETAILS OF THE TENDER OFFER

1. Introduction

Qualifying Shareholders are invited to tender Ordinary Shares on the terms and subject to the conditions set out in this Circular and, in respect of Qualifying Shareholders who hold Ordinary Shares in certificated form on the accompanying Tender Form. The Company will only acquire Ordinary Shares pursuant to the Tender Offer if, *inter alia*, the Tender Offer Resolution is passed at the General Meeting.

The Board is proposing that the Company should purchase from Qualifying Shareholders up to 5,789,336 Ordinary Shares (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender) at a price of 75 pence per Ordinary Share. In the event that Options are validly exercised, the total number of Ordinary Shares purchased under the Tender Offer will increase by the number of Options exercised divided by 10 and rounded down. The Tender Offer is open to all Qualifying Shareholders on the Company's share register on the Record Date, who may participate by tendering all or a proportion of their Tender Offer Entitlement of Ordinary Shares at that price.

Each Qualifying Shareholder will be entitled to sell 1 Ordinary Share for every 10 Ordinary Shares registered in his name on the Record Date, rounded down to the nearest whole number of Ordinary Shares. Any resulting fractional entitlements will be aggregated and used to satisfy surplus tenders. The Tender Offer will also present tendering Qualifying Shareholders with an opportunity to sell more than their Tender Offer Entitlement of Ordinary Shares to the extent that other Qualifying Shareholders tender less than their Tender Offer Entitlement of Ordinary Shares. If the number of Ordinary Shares validly tendered exceeds 5,789,336 (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender) and if and to the extent that any Qualifying Shareholders have tendered less than their Tender Offer Entitlement, surplus tenders will be accepted in proportion to the number of additional Ordinary Shares tendered so that the total number of Ordinary Shares purchased pursuant to the Tender Offer does not exceed 5,789,336 (assuming no exercise of Options and no issue of new Ordinary Shares eligible for tender) provided, however, that the Board may in its discretion scale back the sale of Ordinary Shares by one or more members of the Concert Party above their Tender Offer Entitlement (and notwithstanding the number of Ordinary Shares tendered by any such Concert Party member pursuant to the Tender Form, the Board's decisions as to the number of such Ordinary Shares to be purchased from such Concert Party member pursuant to the exercise of this discretion shall be final and binding). It is intended that the Ordinary Shares purchased under the Tender Offer will be cancelled and will not be available for re-issue. Ordinary Shares purchased pursuant to the Tender Offer will be acquired free of all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto.

2. Terms and Conditions of the Tender Offer

The Company hereby offers to purchase Ordinary Shares from Qualifying Shareholders on and subject to the following terms and conditions:

2.1 The Tender Offer is conditional on the following (the "**Conditions**"):

2.1.1 the Tender Offer not having been terminated in accordance with paragraph 9 of this Part III prior to 6.00 p.m. on 15 September 2020; and

2.1.2 the Board being satisfied on reasonable grounds that the Company will, immediately after completion of the Tender Offer, satisfy the solvency test prescribed by the Law and the Board approving a certificate, signed by a Director to that effect.

If these Conditions are not satisfied the Tender Offer will lapse and the Company will not purchase any Ordinary Shares pursuant to the Tender Offer. The Conditions may not be waived.

2.2 Each Ordinary Share may be tendered under the Tender Offer at the Tender Price.

- 2.3 The Tender Offer is only available to Qualifying Shareholders on the Company's ordinary share register on the Record Date and only in respect of the number of Ordinary Shares registered in their names on that date.
- 2.4 Only tenders made at the Tender Price will be accepted.
- 2.5 Each Qualifying Shareholder will be entitled to tender under the Tender Offer in respect of Ordinary Shares registered in his name on the Record Date.
- 2.6 Tender Forms and/or tenders in CREST which have been, or are deemed to be, validly and properly completed and received by the Receiving Agent, by 1.00 p.m. on 15 September 2020 (in the case of Tender Forms and/or tenders in CREST) will become irrevocable at such time as they are received and will not be capable of being withdrawn.
- 2.7 The Tender Offer will close at 1.00 p.m. on 15 September 2020 and no Tender Forms or TTE instructions received after 1.00 p.m. on 15 September 2020 will be accepted in whole or in part, except to the extent that the Company extends the period for tendering under the Tender Offer, in which case a new date for the Tender Offer will be given. **The Company reserves the right, subject to applicable legal and regulatory requirements, to extend the period for tendering under the Tender Offer at any time prior to 6.00 p.m. on 15 September 2020.** Any material change to the expected timetable will be notified to Shareholders by way of an announcement via the Company's website at www.mxccapital.com. Any such extension will comply with all applicable legal and regulatory requirements including, but not limited to, the duration of such extension.
- 2.8 Subject to the satisfaction of the conditions referred to in paragraph 2.1 above, Ordinary Shares successfully tendered will be purchased by the Company fully paid and free of all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto.
- 2.8.1 All tenders in respect of Ordinary Shares held in certificated form must be made on the accompanying Tender Form duly completed in accordance with the instructions set out below and in the Tender Form (which constitute part of the terms of the Tender Offer). Such tenders will only be valid if the procedures contained in this Circular and in the Tender Form are complied with in full.
- 2.8.2 All tenders in respect of Ordinary Shares held in uncertificated form (that is, in CREST) must be made by the input and settlement of a TTE instruction in CREST in accordance with the instructions set out in this Part III and the relevant procedures in the CREST manual (which together constitute part of the terms of the Tender Offer). Such tenders will only be valid when the procedures contained in this Circular and in the relevant parts of the CREST manual are complied with in full.
- 2.8.3 The Tender Offer and all tenders relating thereto will be governed by and construed in accordance with the laws of the England and Wales. Delivery of a Tender Form and/or the input of a TTE instruction in CREST, as applicable, will constitute submission to the exclusive jurisdiction of the English courts.
- 2.9 All documents and remittances sent by or to Qualifying Shareholders will be sent at the risk of the Qualifying Shareholder concerned. If the Tender Offer does not become unconditional and lapses, share certificates and other documents of title will be returned by post to the person whose name and address (outside the Prohibited Territories) is set out in Box 1 of the Tender Form or, if relevant, to the person whose name and address (outside the Prohibited Territories) is set out in Box 4 of the Tender Form, in each case by no later than ten Business Days after the date of such lapse, or, in the case of Ordinary Shares held in uncertificated form, the escrow agent will provide instructions to Euroclear to transfer all such Ordinary Shares held in escrow balances by TFE instruction to the original available balances to which those Ordinary Shares relate.

- 2.10 If part only of a holding of Ordinary Shares is tendered pursuant to the Tender Offer, the relevant Qualifying Shareholder will be entitled to receive the following:
- 2.10.1 if Ordinary Shares are held in certificated form – a balance certificate in respect of the unsold Ordinary Shares; or
- 2.10.2 if Ordinary Shares are held in uncertificated form – the transfer of the unsold Ordinary Shares by the Escrow Agent by TFE instruction to the original registered holder(s) of those unsold Ordinary Shares.
- 2.11 Further copies of the Tender Form may be obtained on request from Receiving Agent by telephone on 0370 707 4040 or if calling from outside the UK on +44 370 707 4040. Lines are open between 8.30 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.
- 2.12 The decision of the Company as to the results of the Tender Offer shall be final and binding on all Shareholders.
- 2.13 Holdings in certificated and uncertificated form under the same name with different designations will be treated as separate shareholdings for the purposes of the application of terms of the Tender Offer and a separate Tender Form or TTE instruction will need to be submitted in order to tender each such separate holding.
- 2.14 Subject to the satisfaction of the Conditions referred to in paragraph 2.1 above, all successfully tendered Ordinary Shares will be purchased by the Company at the Tender Price.
- 2.15 All questions as to the number of Ordinary Shares tendered, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Ordinary Shares will be determined by the Company, in its sole and absolute discretion, which determination shall be final and binding on all of the parties (except as otherwise required under applicable law).
- 2.16 Ordinary Shares will be purchased by the Company under the Tender Offer free of commissions and dealing charges. The maximum number of Ordinary Shares that the Company may purchase pursuant to the Tender Offer is 5,862,624 Ordinary Shares which assumes that all outstanding options are validly exercised but no new Ordinary Shares eligible for tender are issued.
- 2.17 The failure of any person to receive a copy of this Circular and/or for a person who holds his Ordinary Shares in certificated form, the personalised Tender Form, shall not invalidate any aspect of the Tender Offer. None of the Company, the Receiving Agent or any other person will incur any liability in respect of any person failing to receive this Circular and/or for a person who holds its Ordinary Shares in certificated form, the personalised Tender Form. Additional copies of this Circular and the Tender Form can be obtained from the Receiving Agent.
- 2.18 The failure of any person to validly exercise their Options by the Record Date and the Company not receiving value in respect of the relevant remittance shall not invalidate any aspect of the Tender Offer. None of the Company, the Receiving Agent or any other person will incur any liability in respect of any person failing to validly exercise their Options by the Record Date and the Company not receiving value in respect of the relevant remittance.
- 2.19 The Company reserves the right to revise the Tender Price or change the maximum number of Ordinary Shares that can be tendered pursuant to the Tender Offer, based on market conditions and/or other factors, subject to compliance with applicable law and regulatory requirements. Any such revision will require, amongst other matters, that new Tender Forms are dispatched to Qualifying Shareholders and may, in certain circumstances, require that the period of the Tender Offer be extended.

- 2.20 No acknowledgement of receipt of any Tender Form, share certificate(s), other document(s) of title and/or TTE messages (as appropriate) will be given.
- 2.21 The Company's acceptance for payment of Ordinary Shares tendered pursuant to the Tender Offer will constitute a binding agreement between the tendering Shareholder and the Company upon the terms and conditions of the Tender Offer as set out in this paragraph 2 of Part III of the Circular.
- 2.22 A tender of Ordinary Shares pursuant to the procedures described above will constitute the tendering Shareholder's acceptance of the terms and conditions of the Tender Offer set out in this paragraph 2 of Part III of the Circular, as well as the tendering Shareholder's representation and warranty to the Company that the tendering Shareholder has full power and authority to tender, sell, assign and transfer the Ordinary Shares tendered, and that, when the same are accepted for purchase by the Company, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all security interests, liens, restrictions, claims, encumbrances, conditional sales agreements and other obligations relating to the sale or transfer of the Ordinary Shares, and the same will not be subject to any adverse claim or right.

3. Procedures for tendering Ordinary Shares

Different procedures apply for Ordinary Shares in certificated and uncertificated form.

If you hold Ordinary Shares in certificated form, you may only tender such Ordinary Shares by completing and returning the Tender Form in accordance with the instructions set out in paragraph 3.1 below and the instructions printed thereon.

If you hold Ordinary Shares in certificated form, but under different designations, you should complete a separate Tender Form in respect of each designation. Additional Tender Forms are available upon request from the Receiving Agent.

If you hold Ordinary Shares in uncertificated form you may only tender such Ordinary Shares by TTE instruction in accordance with the procedure set out in paragraph 3.2 below and, if those Ordinary Shares are held under different member account IDs, you should send a separate TTE instruction for each member account ID.

3.1 *Ordinary Shares held in certificated form*

If you wish to participate in the Tender Offer you should complete and sign section 2 and 3 of the accompanying Tender Form in accordance with the instructions printed on it. Tenders may only be made on the accompanying Tender Form, which is personal to the Qualifying Shareholder(s) named on it and may not be assigned or transferred. The Tender Form represents a right to tender Ordinary Shares. It is not a document of title.

If you hold Ordinary Shares in both certificated and uncertificated forms, you should complete a Tender Form for the certificated holding/s and tender your Ordinary Shares held in uncertificated form by TTE instruction in accordance with the procedure set out in paragraph 3.2 below. In addition, you should complete separate Tender Forms for Ordinary Shares held in certificated form but under different designations. Additional Tender Forms can be obtained from the Receiving Agent.

If you wish to participate in the Tender Offer the completed and signed Tender Form, together with your share certificate(s) and/or other documents of title in respect of your Ordinary Shares tendered, should be returned by post, to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH as soon as possible and, in any event, so as to be received not later than 1.00 p.m. on 15 September 2020. No acknowledgement of receipt of documents will be given. The instructions printed on the Tender Form shall be deemed to form part of the terms of the Tender Offer. Any Tender Form received in an envelope postmarked in a Prohibited Territory or otherwise appearing to the Company or its agents to have been sent from any such territory may be rejected as an invalid tender.

The accompanying Tender Form shows your entire registered shareholding in the Company as at close of business on 28 August 2020 alongside the name and address specified in section 1. If you buy or sell any Ordinary Shares in certificated form between 28 August 2020 and the Record Date your entitlement under the Tender Offer will be adjusted accordingly.

To accept the Tender Offer, insert in section 2 the total number of Ordinary Shares in certificated form that you wish to tender under the Tender Offer. If no number of Ordinary Shares in certificated form is inserted in section 2, and you have signed section 3, you will be deemed to have tendered your Tender Offer Entitlement. If a number greater than your entire holding of Ordinary Shares is inserted in section 2 and you have signed section 3, you will be deemed to have tendered the number of Ordinary Shares representing your entire holding of Ordinary Shares in certificated form on the Record Date.

All Tender Forms are issued only to the addressees and are specific to the classes of security and the unique designated accounts printed on the Tender Forms. These personalised forms are not transferable between different (i) account holders; (ii) classes of security; or (iii) uniquely designated accounts. The Company and Computershare accept no responsibility for any instruction that does not comply with these instructions.

3.2 *Ordinary Shares in uncertificated form*

If the Ordinary Shares that you wish to tender are in uncertificated form you should take (or procure to take) the action set out below to transfer to escrow (by means of a TTE instruction) the total number of Ordinary Shares that you wish to tender under the Tender Offer, specifying the Receiving Agent (in its capacity as a CREST participant under the participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles not later than 1.00 p.m. on 15 September 2020.

The input and settlement of a TTE instruction in accordance with this paragraph 3.2 shall constitute an offer to sell the number of Ordinary Shares at the Tender Price, by transferring such Ordinary Shares to the relevant escrow account as detailed below (an “**Electronic Tender**”).

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your Participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE instruction to Euroclear in relation to your Ordinary Shares.

To tender Ordinary Shares in uncertificated form you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE instruction to Euroclear, which must be properly authenticated in accordance with Euroclear’s specifications for transfers to escrow and which must contain, in addition to the other information that is required for the TTE instruction to settle in CREST, the following details:

- the ISIN for the Ordinary Shares which is: GG00BGK3LD00;
- the number of Ordinary Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, the Receiving Agent, in its capacity as a CREST receiving agent. This is: 8RA20;
- the member account ID of the escrow agent. This is: MXCTEN01;
- the Corporate Action Number of the Tender Offer, which is allocated by Euroclear and is available by viewing the relevant corporate action detail, in CREST;

- the intended settlement date for the transfer to escrow. This should be as soon as possible and, in any event, no later than 1.00 p.m. on 15 September 2020;
- the standard delivery instruction with Priority 80; and
- contact name and telephone number inserted in the shared note field.

After settlement of the TTE instruction, you will not be able to access the Ordinary Shares the subject of such TTE instruction in CREST for any transaction or charging purposes, notwithstanding that they will be held by the Receiving Agent until they are transferred to itself, as escrow agent for the Company or the Tender Offer otherwise lapses. If the Tender Offer becomes unconditional and the relevant tender is accepted, the Receiving Agent will transfer the Ordinary Shares that are accepted by the Company to itself, as escrow agent for the Company.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 15 September 2020. In this connection you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An appropriate announcement will be made if any of the details contained in this sub-paragraph (ii) are altered in any material respect for any reason.

Withdrawals of Electronic Tenders are not permitted once submitted.

3.3 ***Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST***

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer. Qualifying Shareholders who are proposing to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable them to take all necessary steps in connection with any participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 15 September 2020.

3.4 ***Share certificates and documents of title not readily available or lost***

If your Ordinary Shares are in certificated form but your share certificate(s) and/or other document(s) of title is/are not readily available or are lost, the Tender Form should nevertheless be completed, signed and returned as described in sub-paragraph (i) above so as to be received not later than 1.00 p.m. on 15 September 2020 together with any share certificate(s) and/or other document(s) of title that you may have available, accompanied by a letter stating that the balance will follow and the share certificate(s) and/or other document(s) of title should be forwarded as soon as possible thereafter and, in any event, so as to arrive by not later than 1.00 p.m. on 15 September 2020.

If you have lost your share certificate(s) and/or other document(s) of title, you should write to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH for a letter of indemnity in respect of the lost share certificate(s) and/or other document(s) of title that, when completed in accordance with the instructions given, should be returned by post to Computershare Investor Services PLC, Corporate Action Projects, Bristol, BS99 6AH to be received no later than 1.00 p.m. on 15 September 2020.

You should note that no payment will be made until satisfactory documentation has been received as described above.

If the Tender Offer is terminated or void, all documents lodged pursuant to the Tender Offer will be returned promptly by post not later than five Business Days after such date or, in the case of Ordinary Shares held in uncertificated form, the escrow agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE instruction to the original available balances from which those Ordinary Shares came within such time. In any of these circumstances, Tender Forms will cease to have any effect.

Tendering Qualifying Shareholders will not be obliged to pay brokerage fees or commissions to the Company or to pay transfer taxes or duty in the UK on the sale of Ordinary Shares in relation to the Tender Offer.

The delivery of share certificates for Ordinary Shares and all other required documents and all remittances will be at the risk of the tendering Qualifying Shareholder.

If you are in any doubt as to the procedure for acceptance, please contact the Receiving Agent by telephone on 0370 707 4040 or if calling from outside the UK on +44 370 707 4040. Lines are open between 8.30 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

4. Settlement

Unless the Tender Offer becomes void or is terminated or is extended, the outcome of the Tender Offer and (if applicable) the extent to which tenders will be scaled down, will be announced by no later than 10 a.m. on 18 September 2020. The payment of any consideration for Ordinary Shares pursuant to the Tender Offer will be made only after the relevant TTE instruction has settled or (in the case of Ordinary Shares in certificated form which are tendered) timely receipt by the Receiving Agent of share certificate(s) and/or other document(s) of title, a properly completed and duly executed Tender Form and any other documents required by the Tender Form.

If any tendered Ordinary Shares are not purchased by the Company pursuant to the terms of the Tender Offer, relevant share certificate(s) evidencing any such Ordinary Shares and/or other document(s) of title will be returned or sent as promptly as practicable without expense to, but at the risk of, the tendering Qualifying Shareholder. In the case of any tendered Ordinary Shares held in uncertificated form which are not purchased by the Company pursuant to the terms of the Tender Offer, the escrow agent will provide instructions to Euroclear to transfer all Ordinary Shares held in escrow balances by TFE instruction to the original available balances from which those Ordinary Shares came.

Settlement of the consideration to which any Qualifying Shareholder is entitled pursuant to valid tenders accepted by the Company, will be made as follows:

4.1 *Ordinary Shares in uncertificated form*

Where an accepted tender relates to Ordinary Shares in uncertificated form, any cash consideration will be paid by means of CREST by the Company procuring the creation of an assured payment obligation in favour of the payment banks of tendering Qualifying Shareholders in accordance with the CREST assured payment arrangements, not later than seven Business Days after the day that the outcome of the Tender Offer is announced.

The Company reserves the right to settle all or any part of the consideration referred to in this paragraph (i), for all or any accepted tenders, in the manner referred to in paragraph (ii) below, if, for any reason, it wishes to do so.

4.2 *Ordinary Shares in certificated form*

Where an accepted tender relates to Ordinary Shares in certificated form, cheques for the consideration will be dispatched by first class post not later than seven Business Days after the day that the outcome of the Tender Offer is announced at the risk of the person entitled thereto. All cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank.

Delivery of cash for the Ordinary Shares to be purchased by the Company pursuant to the Tender Offer will be made by the Receiving Agent. The Receiving Agent will act as agent for tendering Qualifying Shareholders for the purpose of receiving the cash and transmitting such cash to tendering Qualifying Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company or the Receiving Agent regardless of any delay in making such payment.

5. **Tender Form**

Each Qualifying Shareholder by whom, or on whose behalf, a Tender Form is executed irrevocably undertakes, represents, warrants and agrees to and with the Company and the Receiving Agent, for themselves and as agent for MXC Capital, so as to bind such holder and their personal or legal representatives, heirs, successors and assigns to the following effect:

- 5.1 that the execution of the Tender Form shall constitute an irrevocable offer to sell to the Company the total number of Ordinary Shares inserted at 2A, 2B or 2C or deemed to have been inserted in Box 2A of the Tender Form on and subject to the terms and conditions set out or referred to in this Circular and the Tender Form;
- 5.2 that such Qualifying Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such irrevocable offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Company, the Company will acquire such Ordinary Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto and such representation and warranty will be true in all respects at the time the Company purchases such Ordinary Shares as if it had been entered into anew at such time and shall not be extinguished by such purchase;
- 5.3 that the execution of the Tender Form will, upon acceptance of such irrevocable offer, constitute the irrevocable appointment of any director of, or other person nominated by, the Company as such Qualifying Shareholder's attorney and agent ("**attorney**"), and an irrevocable instruction to the attorney, to complete and execute all or any contracts and/or other documents at the attorney's discretion in relation to the Ordinary Shares referred to in sub-paragraph 5.1 above for the purchase of such shares by the Company and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer;
- 5.4 that such Qualifying Shareholder agrees to ratify and confirm each and every act or thing that may be done or effected such attorney and/or by the Company or any of its directors or any person nominated by the Company in the proper exercise of its or his or her powers and/or authorities hereunder;
- 5.5 that in respect of tendered Ordinary Shares held in certificated form, such Qualifying Shareholder will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Ordinary Shares referred to in sub-paragraph 5.1 above, or an indemnity acceptable to the Company in lieu thereof, or will procure the delivery of such documents to such person as soon as possible thereafter and, in any event, before the closing of the Tender Offer;
- 5.6 that the terms of this Part III shall be deemed to be incorporated in, and form part of, the Tender Form, which shall be read and construed accordingly;
- 5.7 that such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable to complete the purchase of the Ordinary Shares referred to in sub-paragraph 5.1 above and/or to perfect any of the authorities expressed to be given hereunder;

- 5.8 that the execution of a Tender Form constitutes, subject to the Tender Offer becoming unconditional, irrevocable authorisations and requests if the Ordinary Shares concerned are in certificated form to the Company to procure the dispatch by post of a cheque drawn in pounds sterling at a branch of a UK clearing bank for the cash consideration to which a tendering Qualifying Shareholder is entitled, at the risk of such Qualifying Shareholder, to the personal agent whose name and address outside any Prohibited Territory is set out in Box 4 of the Tender Form, or if no such name and address is set out in Box 4, to the first named holder at his registered address outside any Prohibited Territory;
- 5.9 such Qualifying Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction;
- 5.10 such Qualifying Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Prohibited Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Prohibited Jurisdiction;
- 5.11 that the Tender Form has not been mailed or otherwise sent in, into or from any Prohibited Jurisdiction and such Qualifying Shareholder is accepting the Tender Offer from outside any Prohibited Jurisdiction;
- 5.12 the dispatch of a cheque to a Qualifying Shareholder as referred to in the section headed "Settlement" above, will discharge fully any obligation of the Company to pay such Shareholder the consideration to which he is entitled under the Tender Offer;
- 5.13 on execution, the Tender Form takes effect as a deed;
- 5.14 the execution of the Tender Form constitutes such Qualifying Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form; and
- 5.15 if the appointment of attorney provision under sub-paragraph 5.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Company the benefit or authority expressed to be given therein, the Qualifying Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Company to secure the full benefits of sub-paragraph 5.3 above.

A reference in this paragraph to a holder of Ordinary Shares or a Qualifying Shareholder includes a reference to the person or persons executing the Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph will apply to them jointly and severally.

6. Electronic Tenders

Each Qualifying Shareholder by whom, or on whose behalf, an electronic tender is made irrevocably undertakes, represents, warrants and agrees to and with the Company and the Receiving Agent, for themselves and as agent for the Company, so as to bind such holder and their personal or legal representatives, heirs, successors and assigns to the following effect:

- 6.1 the input of the TTE Instruction shall constitute an irrevocable offer to sell to the Company such number of Ordinary Shares as are specified in the TTE Instruction or deemed to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this document;
- 6.2 such Qualifying Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such irrevocable offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Company, the Company will acquire such Ordinary Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto and such representation and warranty will

be true in all respects at the time the Company purchases such Ordinary Shares as if it had been entered into anew at such time and shall not be extinguished by such purchase;

- 6.3 the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director of, or other person nominated by, the Company, as such Qualifying Shareholder's attorney, and an irrevocable instruction to the attorney to complete and execute all or any contracts and/or any other documents or input any instructions into Euroclear at the attorney's discretion in relation to the Ordinary Shares referred to in sub-paragraph 6.1 above for the purchase of such shares by the Company and to deliver any documents or input any instructions into Euroclear relating to such Ordinary Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer;
- 6.4 such Qualifying Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by such attorney and/or by the Company or any of its directors or any person nominated by the Company in the proper exercise of its or his or her powers and/or authorities hereunder;
- 6.5 such Qualifying Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable to complete the purchase of the Ordinary Shares referred to in sub-paragraph 6.1 above and/or to perfect any of the authorities expressed to be given hereunder;
- 6.6 such Qualifying Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdiction;
- 6.7 such Qualifying Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from any Prohibited Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Prohibited Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction(s); that the TTE Instruction has not been sent from any Prohibited Jurisdiction, and such Qualifying Shareholder is accepting the Tender Offer from outside any Prohibited Jurisdiction;
- 6.8 the input of a CREST payment in favour of such Qualifying Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in the section headed "Settlement" above will discharge fully any obligation of the Company to pay to such Shareholder the consideration to which he is entitled under the Tender Offer;
- 6.9 the input of the TTE Instruction constitutes such Qualifying Shareholder's submission to the jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Tender Offer;
- 6.10 if, for any reason, any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to 15 September 2020, converted into certificated form, the electronic tender in respect of such Ordinary Shares shall cease to be valid and the Qualifying Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out above in respect of the Ordinary Shares so converted, if he wishes to make a valid tender of such Ordinary Shares pursuant to the Tender Offer; and
- 6.11 if the appointment of attorney provision under sub-paragraph 6.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of the Company of the benefit or authority expressed to be given therein, the Qualifying Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Company to secure the full benefits of sub-paragraph 6.3 above.

7. Invalid tenders

- 7.1 The Company reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and may consider void and reject any tender that does not in the sole judgment of the Company meet the requirements of the Tender Offer. Neither the Company, the Receiving Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. The Company reserves the right, in its sole discretion, to treat as invalid in whole or in part any Tender Form and/or TTE instruction that is not entirely in order or (where required) that is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, however, the consideration under the Tender Offer will only be dispatched when the Tender Form is entirely in order, when the relevant TTE instruction has been settled or (as the case may be) the relevant share certificate(s) and/or other documents of title or indemnities satisfactory to the Company has/have been received.
- 7.2 All tenders received in respect of Ordinary Shares in issue at the Record Date held in certificated form must be made on a Tender Form delivered to the Receiving Agent so as to be received by 1.00 p.m. on 15 September 2020.
- 7.3 **A Tender Form which is received in respect of Ordinary Shares held in uncertificated form will not constitute a valid tender and will be disregarded.** Holders of Ordinary Shares in uncertificated form who wish to tender any such Ordinary Shares should note that a TTE Instruction submitted will only be a valid tender as at 15 September 2020, if it has settled on or before 1.00 p.m. on that date.

8. Closing Date and right to extend

The Tender Offer will close at 6.00 p.m. on 15 September 2020 (the “**Closing Date**”) and no tenders that are received after that time will be accepted unless the Company, in its sole and absolute discretion shall have extended the period during which the Tender Offer is open, in which event the term “**Closing Date**” shall mean the latest time and date at which the Tender Offer, as so extended the Company, shall close. The Company shall notify the Receiving Agent of any extension of the Closing Date by oral or written notice and shall notify holders of Ordinary Shares of such extension by announcement on www.mxccapital.com no later than 8.00 a.m. on 14 September 2020.

9. Right to terminate or amend the Tender Offer

- 9.1 If at any time prior to 1.00 p.m. on 15 September 2020
- 9.1.1 the Board in its absolute discretion concludes that the Tender Offer would no longer be in the best interests of the Company and/or Shareholders as a whole; or
- 9.1.2 there shall occur any change in the national or international, financial, economic, political or market conditions; or
- 9.1.3 there shall occur any change in the financial position or prospects and/or circumstances of the Company (including, without limitation, in relation to the distributable profits of the Company),

which, in respect of sub-paragraphs 9.1.2 and 9.1.3 above, in the opinion of the Company (acting in its absolute discretion), renders the Tender Offer temporarily or permanently impractical or inadvisable (taking into account the background to and reasons for the Tender Offer), the Company shall be entitled to determine that the Tender Offer is terminated and that no Ordinary Shares tendered under the Tender Offer shall be acquired. If any such determination is made, the Company shall, as soon as practicable thereafter, announce the same via the Company’s website at www.mxccapital.com and notify Shareholders in writing.

10. Overseas Shareholders

- 10.1 The making of the Tender Offer in, or to certain persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom and Guernsey or custodians, nominees or trustees for persons who are citizens or nationals of, or residents in, jurisdictions outside the United Kingdom and Guernsey, may be affected or prohibited by the laws of the relevant overseas jurisdiction. Shareholders who are Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Shareholder wishing to tender Ordinary Shares to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents that may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction. Any such Shareholder will be responsible for payment of any such issue, transfer or other taxes or other requisite payments due by whomsoever payable and the Company and any person acting on either's behalf shall be entitled to be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes as such person may be required to pay. No steps have been taken to register or qualify the Tender Offer or authorise the extending of this Tender Offer or the distribution of the Circular or any accompanying personalised Tender Form and any related documents in any territory outside the United Kingdom and Guernsey.
- 10.2 In particular, the Tender Offer is not being made directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of any Prohibited Territory. This includes, but is not limited to, facsimile transmission, telex and telephone. Copies of this Circular, the Tender Form and any related documents are not being mailed or otherwise distributed or sent in or into any Prohibited Territory, including to Shareholders with registered addresses in these jurisdictions or to persons whom the Company knows to be trustees, nominees or custodians holding Ordinary Shares for such persons. Persons receiving such documents (including, without limitation trustees, nominees or custodians) must not distribute or send them in or into any Prohibited Territory or use such mails or any such means or instrumentality for any purpose directly or indirectly in connection with the Tender Offer, and so doing may invalidate any purported tender pursuant to the Tender Offer. Persons wishing to tender pursuant to the Tender Offer must not use such mails or any such means or instrumentality for any purpose directly or indirectly related to any tender pursuant to the Tender Offer. Envelopes containing Tender Form(s) should not be postmarked in any of the Prohibited Territories or otherwise dispatched from any of the Prohibited Territories, and all acceptors must provide addresses outside the Prohibited Territories for the remittance of cash, or for the return of Tender Form(s), share certificates and/or other document(s) of title.
- 10.3 The provisions of this paragraph 10 and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Company in its absolute discretion, but only if the Company is satisfied that such waiver, variation or modification will not constitute or give rise to breach of applicable securities or other laws. Subject to this, the provisions of this paragraph 10 supersede any terms of the Tender Offer inconsistent herewith. References in this paragraph 10 to a Shareholder shall include references to the persons executing a Tender Form and, in the event of more than one person executing a Tender Form, the provisions of this paragraph 10 shall apply to them jointly and severally.
- 10.4 A Shareholder will be deemed not to have offered Ordinary Shares pursuant to the Tender Offer if (i) such Shareholder is unable to make the representations and warranties set out in paragraphs 5 or 6 above (as appropriate); or (ii) such Shareholder completes a Tender Form with an address in any of the Prohibited Territories or has a registered address in any of the Prohibited Territories and in either case such Shareholder does not insert on a Tender Form the name and address of the person or agent outside of any of the Prohibited Territories to whom he wishes the consideration to which he is entitled under the Tender Offer to be sent, subject to the provisions of this paragraph and applicable law; or (iii) such Shareholder inserts on a Tender Form the name and address of the person or agent

in any of the Prohibited Territories to whom he wishes the consideration to which such Shareholder is entitled under the Tender Offer to be sent; or (iv) the Tender Form received from him is in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been sent from any of the Prohibited Territories. The Company reserves the right, in its absolute discretion, to investigate in relation to any acceptance, whether the representations and warranties set out in paragraphs 5 or 6 above (as appropriate) and given by any Shareholder are correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation and warranty is not correct, such acceptance shall not be valid.

10.5 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, any accompanying personalised Tender Form or any related documents in, into or from any of the Prohibited Territories, such person should:

10.5.1 inform the recipient of such fact;

10.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and

10.5.3 draw the attention of the recipient to this paragraph 10 headed “Overseas Shareholders”.

11. Taxation

The following information, which relates only to UK and Guernsey, is applicable to the Company and to persons who are resident in the UK or resident in Guernsey and who hold Ordinary Shares as investments. It is based on the law and practice currently in force in the UK and Guernsey.

The information is not exhaustive and is intended as a general guide only and does not constitute advice. If any Shareholder is in any doubt as to his taxation position, he should consult his professional adviser without delay. Shareholders should note that tax law and its interpretation can change and that, in particular, the levels and bases of, and reliefs from, taxation may change and such changes may alter the benefits of investment in the Company. These comments do not apply to certain classes of Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Shareholders who have, or are deemed to have, acquired their shares by reason of, or in connection with, an office or employment.

Guernsey taxation

The Company

The Company is resident for tax purposes in Guernsey and is subject to the company standard rate of income tax in Guernsey, currently charged at the rate of 0 per cent. The Company will be taxed at the company standard rate of income tax provided the income of the Company does not include income arising from:

- certain types of banking business;
- the provision of custody services when carried on by an institution or business that carries on certain types of banking business;
- the ownership of land and buildings situate in Guernsey;
- the carrying on of regulated activities within the meaning of the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (the “**Fiduciaries Law**”), as amended, by a licensed fiduciary within the meaning of the Fiduciaries Law;
- the provision to an unconnected third party of any administrative, secretarial or clerical services in relation to a controlled investment (within the meaning of the Protection of Investors (Bailiwick of Guernsey) Law, 1987), as amended (the “**POI Law**”);

- the provision of investment management services to persons other than collective investment schemes or entities associated with collective investment schemes, by a person who is licensed to provide such services under the POI Law;
- the carrying on of insurance business which is domestic business within the meaning of the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended (the “**Insurance Law**”) by a licensed insurer within the meaning of the Insurance Law;
- the carrying on of business as an insurance manager or as an insurance intermediary within the meaning of the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002, as amended (the “**Insurance Managers and Intermediaries Law**”), by a licensed insurance manager or intermediary within the meaning of the Insurance Managers and Intermediaries Law;
- the operation of an investment exchange within the meaning of the POI Law by a person who is licensed to operate such an exchange under that law;
- the provision of compliance and other related services to a person or body of persons who holds or is deemed to hold a licence, registration or authorisation from the Guernsey Financial Services Commission under certain Guernsey regulatory laws;
- the operation of an aviation registry;
- the business of the licensed cultivation or processing of the cannabis plant or its use for the licensed production of certain products;
- the business of the licensed prescribed production of controlled drugs or their licensed prescribed use in any production, processing, activity or other use;
- trading activities regulated by the Guernsey Competition and Regulatory Authority;
- the importation and/or supply of gas or hydrocarbon oil in Guernsey; or
- large retail business carried on in Guernsey where the company has taxable profits arising or accruing from which in any year of charge exceed £500,000.

It is not intended that the income of the Company will be derived from any of the above sources.

Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover. No stamp duty or similar is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

Shareholders

Payments made by the Company pursuant to the Tender Offer may be treated as distributions for the purposes of Guernsey tax.

A Shareholder who is resident in Guernsey (which includes Alderney and Herm) for Guernsey tax purposes, may incur Guernsey income tax at the applicable rate on distributions paid to that Guernsey resident shareholder by the Company, although it is expected that the distributions will in general be sourced from capital. The Company is responsible for any deduction of tax from distributions and the accounting of that tax to the Director of the Revenue Service in Guernsey in respect of distributions paid by the Company to such Guernsey resident Shareholder.

The Company’s distributions can be paid to a Shareholder who is not resident in Guernsey (which includes Alderney and Herm) for tax purposes without deduction of Guernsey income tax, provided such distributions by the Company are not to be taken into account in computing the profits of any permanent establishment in Guernsey through which such Shareholder carries on business in Guernsey.

As already referred to above, Guernsey currently does not levy taxes upon capital, inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties (save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty or similar is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

Foreign Account Tax Compliance Act (“FATCA”) and the Common Reporting Standard (“CRS”)

Guernsey has enacted legislation that implements both FATCA and the CRS. This legislation obliges certain entities that are classified as “foreign financial institutions” (“**FFIs**”) for FATCA purposes and/or “financial institutions” (“**FIs**”) for CRS purposes, to carry out diligence and reporting in relation to certain Shareholders.

The Company is a Reporting FI for CRS purposes and so the Company is obliged to report certain information in respect of certain Shareholders and/or natural persons that control certain Shareholders. Further, the Company may be required to disclose to other FFIs or FIs certain information in respect of certain Shareholders and/or natural persons that control certain Shareholders.

If the Company is or becomes a FFI for FATCA purposes, then if the Company does not comply with the due diligence and reporting requirements under FATCA it could become subject to a 30 per cent. withholding tax on certain payments of US source income (including dividends and interest) and (from no earlier than two years after the date of publication of certain final regulations defining “foreign passthru payments”) a portion of non-US source payments from certain non-US financial institutions to the extent attributable to US source payments.

UK taxation

The Company

It is the intention of the Directors to continue to conduct the affairs of the Company so that the central management and control of the Company is not exercised in the United Kingdom and so that the Company does not carry out any trade in the United Kingdom (whether or not through a permanent establishment situated there). On this basis, the Company should not be liable for United Kingdom corporation or income taxes on its profits and gains other than certain profits or gains deriving from a United Kingdom source.

UK Shareholders

Sale of Ordinary Shares Pursuant to the Tender Offer

Individual Shareholders – taxation of income

The Company has received advice that for the purpose of English tax law when analysing Guernsey company law, the sale of ordinary Shares pursuant to the Tender Offer is of a capital nature. Accordingly, the sale of Ordinary Shares pursuant to the Tender Offer will not be taxed as a distribution provided that the Company is, as intended, not UK tax resident.

Individual Shareholders – taxation of chargeable gains

Subject to the comments below in respect of section 684 Income Tax Act 2007, a Shareholder who sells Ordinary Shares pursuant to the Tender Offer should be treated as making a disposal of such Ordinary Shares. Accordingly, a Shareholder may, depending on that person’s circumstances, be subject to tax on chargeable gains in respect of any gain arising on such sale.

In the case of those Shareholders who are individuals or otherwise not within the charge to corporation tax, capital gains tax may be payable on any chargeable gain arising upon a disposal of Ordinary Shares. Any such gain may be subject to tax at a rate of 20 per cent for individuals (i) with taxable income in excess of £50,000 or (ii) whose taxable income, together with the amount of gain that is chargeable, exceeds £50,000 (and, therefore, liable to income tax at the higher or additional rate), subject in each case to the availability

of relevant reliefs and exemptions. Individual Shareholders, to the extent their taxable income is below the above threshold, will be liable to capital gains tax on any chargeable gain at 10 per cent, subject again to the availability of relevant reliefs and exemptions. Individual Shareholders are not subject to tax on chargeable gains up to the annual exempt amount; for the 2020/2021 tax year, this is £12,500.

Corporate Shareholders – taxation of income

The Company has been advised that payments to Shareholders (to the extent that the payments represent repayment of capital and any premium payable on issue of the Ordinary Shares constituting new consideration) in respect of the Tender Offer should not constitute income distributions for UK tax purposes.

To the extent that the amount received pursuant to the Tender Offer exceeds the original subscription capital provided for the Ordinary Shares, such amount may be treated as an income distribution. However, generally any such distributions should be exempt from a charge to tax and the tax treatment of this distribution will be as set out below. The tax treatment of the distribution element paid by the Company in respect of the Ordinary Shares will depend upon the size of the recipient company. Any corporate Shareholder which is not small will generally be exempt from corporation tax on the distribution element. Certain small companies will be subject to corporation tax on all dividends and distributions received from the Company. In appropriate circumstances, a tax credit should also be given for any underlying tax that is paid on the profits out of which the dividend was paid, provided certain detailed conditions are satisfied. Corporate Shareholders should seek their own separate advice as to whether they are a small company for these purposes.

Corporate Shareholders – taxation of chargeable gains

Shareholders within the charge to UK corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on a disposal of Ordinary Shares.

Corporate Shareholders should take their own advice regarding the chargeable gains implications of the sale of Ordinary Shares to the Company but, broadly, (a) where an amount treated as a distribution is taxable, this amount should be excluded from the computation of the chargeable gain and (b) where it is exempt, the distribution should be included in the disposal proceeds for the purposes of the computation of the chargeable gain.

Offshore funds

The Company believe that the shareholders in the Company (as shareholders) do not have day-to-day control of the management of the Company's assets and therefore the Company should not be regarded as a mutual fund for the purposes of section 356 Taxation (International and other provisions) Act 2010. On this basis a shareholding in the Company should not be regarded as a relevant interest in an offshore fund for tax purposes.

Transactions in securities

The attention of investors is drawn to section 684 of the Income Tax Act 2007 (for individuals) and section 731 of the Corporation Taxes Act 2010 (for companies) under which HM Revenue & Customs may seek to cancel tax advantages from certain transactions in securities. No application for clearance under section 701 of the Income Tax Act 2007 or section 748 of the Corporation Tax Act 2010 has been made.

In the event that HM Revenue & Customs did successfully apply section 684 of the Income Tax Act 2007 (and associated provisions) or section 731 of the Corporation Tax Act 2010 (and associated provisions) to payments in respect of the Tender Offer, HM Revenue & Customs might make such tax assessment on any of the Shareholders as they consider necessary in the circumstances, including the Shareholders as having received any payment as an income receipt.

Non-UK Shareholders

Shareholders who are not resident (or temporarily non-resident) in the United Kingdom and do not carry on a trade, profession or vocation through a branch, agency or other form of permanent establishment in the United Kingdom with which Ordinary Shares are connected will not normally be liable to United Kingdom taxation on capital gains arising on the sale or other disposal of Ordinary Shares. However, non-UK Shareholders will need to take specific professional advice about their individual tax position.

As noted above this tax section is a summary only and does not constitute advice. Shareholders should seek their own advice in relation to the tax consequences of the payments made to them by the Company pursuant to the Tender Offer.

MXC Capital Limited

*(incorporated in Guernsey under The Companies (Guernsey) Law 2008, as amended
with registered number 58895)*

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting of MXC Capital Limited (the “**Company**”) will be held at the offices of Carey Group, 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW at 10.00 a.m. on 17 September 2020 to consider and, if thought fit, to pass the following resolutions, resolutions 1 and 2 to be proposed as special resolutions, resolution 3 to be proposed as a waiver resolution and resolution 4 to be proposed as an extraordinary resolution. All capitalised terms referenced herein shall have the meaning given in the circular to shareholders dated 2 September 2020 (the “**Circular**”) unless expressly stated otherwise:

Special Resolutions

1. THAT:

- 1.1 the terms and conditions of the Tender Offer set out in paragraph 2 of Part III of the Circular be and are hereby approved and authorised pursuant to section 314(2) of the Law and that the Company be authorised to enter into a binding agreement with any Shareholders tendering their Ordinary Shares pursuant to those terms and conditions of the Tender Offer; and
- 1.2 the authority to enter into a binding agreement with tendering Shareholders in relation to the Tender Offer pursuant to this resolution shall expire on 31 December 2020, provided that the expiration of such authority shall not prevent the Company from purchasing Ordinary Shares after the expiration of the authority in accordance with the terms and conditions of the Tender Offer set out in paragraph 2 of Part III of the Circular made and agreed prior to the expiration of the authority.

2. THAT:

- 2.1 article 25.4 of the Articles be deleted in its entirety and replaced with the following new article 25.4:

“No person other than a Director vacating office (in accordance with Article 25.5) at a meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless not less than three nor more than twenty one days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by a Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected and containing a declaration that he is not ineligible to be a Director in accordance with the Law.”; and
- 2.2 article 25.7 to article 25.10 inclusive be deleted in their entirety.

Waiver Resolution

3. THAT pursuant to section 201 of the Law, the requirement for the Company to have an annual general meeting under section 199 of the Law and/or the Articles is hereby waived for an indefinite period.

Extraordinary Resolution

4. THAT the Directors of the Company be and they are hereby authorised to exercise all powers of the Company to issue or grant equity securities (having the meaning given in article 6.1 of the Articles) in the capital of the Company as if the pre-emption rights contained in article 6.2 of the Articles did not apply to such issue or grant provided that:

- 4.1 the maximum aggregate number of equity securities that may be issued or granted under this authority during any 12-month period commencing on the date of this meeting is 5% of the issued ordinary share capital of the Company (excluding treasury shares) as at the commencement of each such 12-month period; and
- 4.2 the authority hereby conferred shall expire at such time as determined by the Directors (unless previously renewed, revoked or varied by the Company by extraordinary resolution) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be issued or granted after such expiry and the Directors may issue or grant equity securities in pursuance of such an offer or agreement as if the authority conferred by the above resolution had not expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors of the Company to issue or grant equity securities in the capital of the Company as if the pre-emption rights contained in article 6.2 of the Articles did not apply to such issue or grant but without prejudice to any issue of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

Registered Office:
1st & 2nd Floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey
GY1 1EW

By order of the Board:

C.L. Secretaries Limited
Company Secretary

2 September 2020

Explanatory Notes:

Entitlement to attend and vote

1. The Company specifies that only those Qualifying Shareholders registered on the Company's register of members at:
 - 6.00 p.m. on 15 September 2020; or
 - if this Meeting is adjourned, at 10.00 a.m. on the day two days prior to the adjourned meeting (excluding any days which are not business days), shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to more than one share. To appoint more than one proxy please refer to the notes on the Proxy Form.

Appointment of proxy using hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
 - completed and signed;
 - sent or delivered to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH; and
 - received by the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH no later than 10.00 a.m. or, if this Meeting is adjourned, not less than 48 hours (excluding any days which are not business days) before the time of the holding of the adjourned Meeting.
6. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
7. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
8. Please note that communications regarding the matters set out in this Notice of General Meeting will not be accepted in electronic form, other than as specified in the enclosed proxy form.

Appointment of proxy by joint members

9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above.
11. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hardcopy proxy form, please contact the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH.
12. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH.
14. In the case of a member which is a Company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
15. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

