

MERCIA TECHNOLOGIES PLC

NOTICE OF ADOPTION OF FINANCIAL REPORTING STANDARD (“FRS”) 101 - REDUCED DISCLOSURE FRAMEWORK FOR SUBSIDIARY COMPANIES

The Group's consolidated financial statements will be prepared in accordance with European Union endorsed International Financial Reporting Standards (“IFRSs”).

In the preparation of the financial statements of its parent company Mercia Technologies PLC and its subsidiary companies Mercia Investments Limited and Mercia Fund Management Limited, for the period ended 31 March 2015, Mercia Technologies PLC has elected to adopt Financial Reporting Standard 101 (“FRS 101”) ‘Reduced Disclosure Framework’. FRS 101 allows qualifying entities to adopt IFRSs but with a reduction in the required level of disclosures. The standard is not yet mandatory but Mercia is proposing early adoption.

As part of the Financial Reporting Council's early adoption procedures, Mercia Technologies PLC is obliged to give shareholders the opportunity to object to the adoption of FRS 101 and the disclosure exemptions therein.

Any shareholders wishing to object to the adoption of FRS 101 for the preparation of Mercia Technologies PLC's parent and subsidiary companies' accounts, should contact the Company Secretary, Martin Glanfield, in writing by no later than 30 June 2015.