

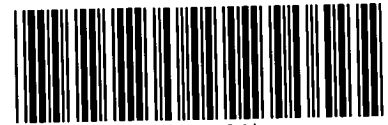
LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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11/09/2021

#45

COMPANIES HOUSE

1 Company details

Company number 0 4 3 5 5 4 3 7

Company name in full The Establishment Investment Trust Plc

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Gareth Rutt

Surname Morris

3 Liquidator's address

Building name/number Kings Orchard

Street 1 Queen Street

Post town Bristol

County/Region

Postcode B S 2 0 H Q

Country

4 Liquidator's name ①

Full forename(s) Andrew Martin

Surname Sheridan

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Kings Orchard

Street 1 Queen Street

Post town Bristol

County/Region

Postcode B S 2 0 H Q

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 1	^d 8	^m 0	^m 7	^y 2	^y 0	^y 2	^y 0
To date	^d 1	^d 7	^m 0	^m 7	^y 2	^y 0	^y 2	^y 1

7 Progress report

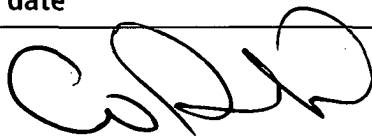
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 0	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1
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LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Gareth Rutt Morris

Company name FRP Advisory Trading Limited

Address Kings Orchard

1 Queen Street

Post town Bristol

County/Region

Postcode B S 2 0 H Q

Country

DX cp.bristol@frpadvisory.com

Telephone 0117 203 3700



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



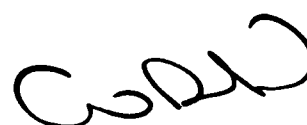
Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

The Establishment Investment Trust Plc
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency		From 18/07/2020 To 17/07/2021	From 18/07/2019 To 17/07/2021
£		£	£
45,721,503.00	ASSET REALISATIONS		
	Shares & Investments	NIL	22,273,148.00
	Cash at Bank	NIL	503,289.51
	Bank Interest Gross	115.98	1,748.84
	Marketable Securites - Distribution in	NIL	22,148,041.00
	Interest received from HMRC	1,095.92	1,095.92
	VAT Refund	30,647.09	30,647.09
		<u>31,858.99</u>	<u>44,957,970.36</u>
	COST OF REALISATIONS		
	Pre-appointment fees	NIL	17,000.00
	Joint Liquidators' Remuneration	7,000.00	23,000.00
	Joint Liquidators' Disbursements	739.77	956.31
	Tax advisors' fees and disbursements	5150.00	5150.00
	Accountancy fees	NIL	2,000.00
	Legal Fees (1)	NIL	455.00
	Brokers fees and disbursements	NIL	37,412.09
	Payroll processing fees	NIL	345.00
	Stationery & Postage	NIL	4,722.12
	Administrators fees & Disbs - PraxisIF	NIL	10,484.82
	Link Asset Services fee	NIL	24,255.16
	Regulatory fees - FCA	NIL	6,870.31
	Membership fees	NIL	20.00
	Directors & Officers Liability Insurance	NIL	7,334.81
	Bank Charges - Floating	(15.40)	15.00
(299,362.00)	Costs of the winding up & other expen	NIL	NIL
		<u>(12,874.37)</u>	<u>(140,020.62)</u>
(32,262.00)	UNSECURED CREDITORS		
	Accrued expenses	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
	The HINT Rollover Pool	NIL	12,876,448.00
	Garraway Rollover Pool	NIL	9,271,593.00
	Cash Pool	NIL	22,273,148.00
		<u>NIL</u>	<u>(44,421,189.00)</u>
45,389,879.00		<u>18,984.62</u>	<u>396,760.74</u>
	REPRESENTED BY		
	IB Current Floating		395,212.79
	Vat Control Account		1,547.95
			<u>396,760.74</u>



Gareth Rutt Morris
Joint Liquidator

**THE ESTABLISHMENT INVESTMENT TRUST PLC
(IN LIQUIDATION)
(‘EIT’ OR ‘THE COMPANY’)
Company No: 4355437**

JOINT LIQUIDATORS’ PROGRESS REPORT PURSUANT TO SECTION 92A OF THE INSOLVENCY ACT 1986 AND RULE 18.3 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

Further to our appointment as Joint Liquidators on 18 July 2019, we report on the progress of the solvent liquidation for the period from 18 July 2020 to 17 July 2021 (‘the period’).

Shareholders’ Summary:

Overview

At the General Meeting of the Company on 10 July 2019, the Ordinary Shareholders of the Company voted to receive their entitlement upon the winding up of the Company either in cash and/or to roll over some or all of their investment into one or both of the following Rollover Funds:

Ordinary shares in ***Henderson International Income Trust PLC (‘HINT’)***; and/or
Class R sterling net income shares in ***Garraway Asian Centric (‘Garraway’)***.

If no election was received from a shareholder (other than Restricted Shareholders), the entire shareholding of ordinary shares held by that shareholder was deemed to have elected for the HINT option.

Distributions to Shareholders to date and future distributions

The total EIT shareholding of 20,000,000 shares was allocated as follows:

Elections by Shareholders	No. of Shares	% of shareholding	Value of assets distributed
HINT	5,797,435	28.99	12,876,448
Garraway	4,174,401	20.87	9,271,593
Cash	10,028,164	50.14	22,273,148
	20,000,000	100.00	44,421,189

The residual net asset value per share was £2.22105945.

A further distribution to shareholders is dependent on all liabilities of the Company being discharged which is currently ongoing. A further update will be provided to shareholders in our next annual report.

Contact Details

If shareholders have any queries regarding shares issued in HINT or Garraway, please contact the following:

HINT Shareholders

Computershare
Telephone: 0370 702 000
ISIN No: GB00B3PHCS86

Garraway Shareholders

Valu-Trac Administration Services
Telephone: 01343 880344
ISIN No: GB00BK7XYB09

1. Background information

The Board announced on 20 November 2018 that it would not recommend that Shareholders vote in favour of the continuation of the Company in its current form at the Annual General Meeting and invited proposals to be submitted for alternative plans for the Company future.

The small size of the Company, the continuing discount, increased regulatory and governance obligations, and increased costs had led the Board to conclude that the Company continuing in its current form was not an attractive option for shareholders.

On 12 April 2019, the Board announced that, following a review of the options available, the Board had concluded that it was in the Shareholders' interests to put forward proposals for the reconstruction and members' voluntary liquidation of the Company, through a scheme of reconstruction under Section 110 of the Insolvency Act 1986.

As detailed in the circular document sent to all shareholders on 10 June 2019, EIT was to enter members' voluntary liquidation to enable a reconstruction as it was no longer sustainable in its current form. As part of the reconstruction, pursuant to section 110 of the Insolvency Act 1986, the shareholders were asked to elect for any combination of the following options: roll over some or all of their investment into new ordinary shares to be issued by Henderson International Income Trust PLC ('HINT'); and/or roll over some or all of their investment into new class R sterling net income shares to be issued by VT Garraway Asian Centric Global Growth Fund ('Garraway'); and/or receiving cash in the liquidation of the Company. Shareholders (other than Restricted Shareholders) that made no election, automatically received ordinary shares in HINT.

2. Mechanics of the Scheme of Reconstruction

As part of the reconstruction, the total aggregate value of the assets of the Company was calculated by the investment manager and verified by the Company's independent auditors. Shortly after the calculation date, the Investment Manager, in consultation with the Joint Liquidators, finalised the division of the Total Assets and apportioned them to four separate and distinct pools: The Liquidation Pool, The HINT Rollover Pool, the Garraway Rollover Pool and the Cash Pool.

2.1 The Liquidation Pool

The Company is being wound down by means of a members' voluntary liquidation. The directors, in consultation with the Joint Liquidators, set aside sufficient assets in the liquidation pool to meet all estimated liabilities and contingencies, including the costs of implementing the scheme. Included in the Liquidation Pool is a retention of £50,000, which the directors in conjunction with the Joint Liquidators, consider sufficient to meet any contingent and unknown liabilities of the Company.

If there is a balance remaining after discharging all current and future actual and contingent liabilities of the Company, the Liquidators will in due course pay the same to Shareholders on the Register on the date of liquidation, 18 July 2019, pro rata to their respective holdings of Ordinary Shares, provided that any amount payable to any shareholder which is less than £5.00, will be not be paid the Shareholder but will be aggregated and paid by the Joint Liquidators to a charity nominated by the Directors.

Details of the funds paid to the Joint Liquidators in respect of the Liquidation Pool and expenses paid to date, are provided in the Joint Liquidators' Receipts and Payments are detailed below in Section 3 and in Appendix A and C.

2.2 The HINT Rollover Pool

The HINT rollover pool consists of such assets, cash and other rights of the Company from the assets of the Company after sufficient funds are appropriated to the Liquidation Pool based on the elections for the HINT Ordinary shares by the Ordinary Shareholders.

On appointment, we entered into a HINT Transfer Agreement with HINT whereby we procured the transfer of the assets in the HINT Rollover Pool to HINT in exchange for the allotment of HINT ordinary shares to the Liquidators as nominees for the relevant Shareholders.

Total assets valued at £12,876,448 were transferred directly from the Company to HINT following our appointment under the Transfer agreement.

2.3 The Garraway Rollover Pool

The Garraway rollover Pool consists of such assets, cash and other rights of the Company from the assets of the Company after sufficient funds are appropriated to the Liquidation Pool based on the elections for the Garraway Ordinary shares by the Ordinary Shareholders.

On appointment, we entered into a Garraway Transfer Agreement with Garraway ICVC whereby we procured the transfer of the assets in the Garraway Rollover Pool to Garraway ICVC (or its nominees) for the benefit of Garraway Asian Centric, in exchange for the allotment of Garraway net income shares to the Liquidators as nominees for the relevant Shareholders.

Total assets valued at £9,271,593 were transferred directly from the Company to Garraway following our appointment under the Transfer Agreement.

2.4 The Cash Pool

The Cash Pool consists of such assets, cash and other rights of the Company from the assets of the Company after sufficient funds are appropriated to the Liquidation Pool based on the elections by the Ordinary Shareholders.

Total cash of £22,273,148 was distributed to those shareholders who elected to receive cash, by the Joint Liquidators, via the Company's registrar, Link Asset Services on 22 July 2019.

2.5 Overseas shareholders

As set out in the circular, those overseas shareholders registered in the relevant jurisdictions were not entitled to vote and their allocation of EIT Ordinary shares were issued to the Liquidators as the overseas shareholders' nominees in order that the shares could be sold for cash and the funds distributed to the overseas shareholders accordingly.

3. The Liquidation Pool - Asset realisations and payments

Attached, **at Appendix A**, is a copy of the Joint Liquidators' Receipts and Payments account for the period, details of which are summarised below:

3.1 VAT refund

During the period, we have received a pre-liquidation VAT refund due to the Company from HM Revenue & Customs ("HMRC") of £30,647, plus interest of £1,095.92 for the late payment.

3.2 Bank Interest

In the period we have received a total of £115.98 in gross bank interest.

3.3 Investments

On appointment the Company held a shareholding in a company called Silver Heritage Group Limited, a gaming operator that operated and managed casinos in Nepal. Due to COVID-19, the company ceased to trade and without additional support from the company's secured creditors and shareholders the company went into Voluntary Administration on 18 May 2020.

Further to our last update, on 15 September 2020, a Deed of Company Arrangement was executed by the company's creditors and shareholders in order to give effect to a recapitalisation proposal. This has resulted in the issuance of 53m shares (comprising 95% of the then issued capital of the company). As a result, we do not anticipate any significant return to the original shareholders.

3.8 Winding up costs and expenses

The Directors' Declaration of Solvency showed that the cost of the winding up and other expenses were estimated to be £299,362. The majority of these costs related to professional costs incurred in the Scheme of Reconstruction and the Liquidation Pool.

4. Unsecured creditors

The Directors' Declaration of Solvency showed that there were accrued expenses to be paid which were estimated to be £32,262. The majority of these claims relate to professional costs incurred in the Scheme of Reconstruction and the Liquidation Pool, as referred to above.

Notice for creditors to submit their claims in the liquidation was advertised in the London Gazette.

No claims have been received to date.

5. Corporation Tax

We have continued to correspond with HMRC with regards to the pre-liquidation tax returns submitted in the previous period in order to obtain tax clearance.

We instructed Grant Thornton to assist with the preparation and submission of the corporation tax return for the year to 17 July 2020 during the period.

We have yet to commence work on the current period corporation tax return.

6. Summary of work undertaken in the Period

The following is a summary of the work undertaken during the period:

- We have continued to comply with our statutory and regulatory obligations in respect of the liquidation;
- We have continued to correspond with HMRC in relation to any potential claims in the liquidation, the submission of returns and the VAT refund of £30k received during the period;
- We have continued to correspond with the Company's custodian, The Northern Trust Company, with regards to their role as custodian of the Company, the transfer of funds held, the closure of accounts and to obtain information on the remaining securities held;

- We have liaised with KPMG Australia and the Company's custodian with regards to the insolvency of the Silver Heritage Group Ltd investment; and
- We have responded to shareholder queries and requests for information regarding their shareholding and in respect of the liquidation.

7. Outstanding Matters

There are a number of outstanding matters to be dealt which are listed below:

- We continue to liaise with Northern Trust PLC, with regards to a number of matters including the closure of the accounts and transfer of funds held;
- We continue to liaise with the Company's Registrar, Link Group Ltd, with regards to the transfer of the shareholders' register and the information regarding any unclaimed dividends held;
- We continue to correspond with HMRC with regards to obtaining tax clearance for the pre-liquidation period;
- We continue to comply with all statutory matters that relate the liquidation, including the completion and submission of VAT and Corporation tax returns;
- We are continuing to make payment to those suppliers who submit invoices that are overdue for payment from the Liquidation Pool; and
- Responding to shareholders queries as they arise and make a final distribution to shareholders (if applicable).

8. Joint Liquidators' Remuneration, Disbursements and Expenses

In accordance with the resolution approved by the shareholders at the General Meeting of the Company on 18 July 2019, we were authorised to draw fees on a time cost basis. In the period of this report, £7,000 plus disbursements and VAT have been drawn in respect of the annual fee agreed with the Board of Directors in our letter of engagement. To date, the total remuneration drawn as liquidators is £23,000 plus VAT.

The Joint Liquidators' time costs are based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates are attached together with a breakdown of our time costs and disbursement incurred during the period of this report, in accordance with Statement of Insolvency Practice 9.

We have attached, at **Appendix B**, a summary of the Liquidators' time costs to 17 July 2021 which shows total time costs incurred to date of £12,930.50, representing 34.60 hours, at an average charge out rate of £373.71 per hour.

The Joint Liquidators' disbursements are a recharge of actual costs incurred by the Joint Liquidators in dealing with this matter. Details of disbursements incurred during the period of this report are set out in **Appendix B**.

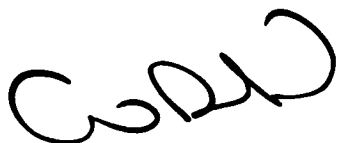
We also attach at **Appendix C** a statement of expenses that have been incurred during the period covered by this report. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details provided prior to the determination of the basis of the Liquidators' remuneration, via the Liquidation Pool.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Liquidator is obliged to ensure that such advice or work is warranted and the advice or work contracted reflects the best value and service for the work being undertaken. This reviewed by the Joint Liquidator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Liquidators and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Shareholders have a right to request further information from the Joint Liquidators and further have a right to challenge the Joint Liquidators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix C** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://creditors.frpadvisor.com/feesguide.htm> and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of this matter, please do not hesitate to contact our office.

Date: 10 September 2021

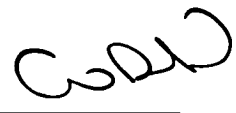


Gareth Morris
Joint Liquidator

Licensed in the United Kingdom by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

**The Establishment Investment Trust Plc
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Declaration of Solvency £		From 18/07/2020 To 17/07/2021 £	From 18/07/2019 To 17/07/2021 £	Notes
	ASSET REALISATIONS			
45,721,503.00	Shares & Investments	NIL	22,273,148.00	
	Cash at Bank	NIL	503,289.51	
	Bank Interest Gross	115.98	1,748.84	
	Marketable Securities - Distribution in	NIL	22,148,041.00	1
	Interest received from HMRC	1,095.92	1,095.92	
	VAT Refund	30,647.09	30,647.09	
		<u>31,858.99</u>	<u>44,957,970.36</u>	
	COST OF REALISATIONS			
	Pre-appointment fees	NIL	17,000.00	
	Joint Liquidators' Remuneration	7,000.00	23,000.00	
	Joint Liquidators' Disbursements	739.77	956.31	
	Tax advisors' fees and disbursements	5150.00	5150.00	
	Accountancy fees	NIL	2,000.00	
	Legal Fees (1)	NIL	455.00	
	Brokers fees and disbursements	NIL	37,412.09	
	Payroll processing fees	NIL	345.00	
	Stationery & Postage	NIL	4,722.12	
	Administrators fees & Disbs - PraxisIF	NIL	10,484.82	
	Link Asset Services fee	NIL	24,255.16	
	Regulatory fees - FCA	NIL	6,870.31	
	Membership fees	NIL	20.00	
	Directors & Officers Liability Insurance	NIL	7,334.81	
	Bank Charges - Floating	(15.40)	15.00	
(299,362.00)	Costs of the winding up & other expenses	<u>NIL</u>	<u>NIL</u>	
		(12,874.37)	(140,020.62)	
	UNSECURED CREDITORS			
(32,262.00)	Accrued expenses	<u>NIL</u>	<u>NIL</u>	
		NIL	NIL	
	DISTRIBUTIONS			
	The HINT Rollover Pool	NIL	12,876,448.00	1
	Garraway Rollover Pool	NIL	9,271,593.00	1
	Cash Pool	<u>NIL</u>	<u>22,273,148.00</u>	
		NIL	(44,421,189.00)	
<u>45,389,879.00</u>		<u>18,984.62</u>	<u>396,760.74</u>	
	REPRESENTED BY			
	IB Current Floating		395,212.79	
	Vat Control Account		1,547.95	
			<u>396,760.74</u>	


Gareth Rutt Morris
Joint Liquidator

Notes

- Following our appointment on 18 July 2020, distributions in specie were made by the Company of approximately £22m; £12.8m was transferred to HINT and £9m was transferred to Garraway under the Transfer Agreement.
- The basis of the Directors' valuation is per the attached extract from the Circular to shareholders.

The Establishment Investment Trust PLC in Liquidation

Extract from Circular to Shareholders dated 10 June 2019 regarding the basis of the valuation as required by Rule 18.11(2)(b) of the Insolvency Rules 2016.

1 Calculations of the Value of Total Assets

1.1 For the purpose of the calculation of the value of the Total Assets required to be made on the Calculation Date when appropriating assets to the Liquidation Fund and the Rollover Funds, the assets of the Company will be valued on the basis that:

1.1.1 investments of the Company which are listed, quoted or dealt in on any recognised stock exchange other than the London Stock Exchange will be valued by reference to the bid prices on the principal stock exchange on which the relevant investment is listed, quoted or dealt in as at the Calculation Date, as shown by the relevant exchange's recognised method of publication of prices for such investments or, in the absence of any such recognised method, by the latest quoted price on the Calculation Date. Investments of the Company which are listed on the London Stock Exchange will be valued according to the prices issued by the London Stock Exchange as at the Calculation Date, being the bid prices (or in the case of investments temporarily suspended from listing on the Calculation Date, the suspension price). If any such investments are traded under SETS and the latest recorded prices at which such investments have been traded as shown in the Official List differ materially from the bid and offer prices of the investments quoted on SETS as at the Calculation Date, the value of such investments will be adjusted to reflect the fair realisable value as determined by the Directors. Debt related securities (including government stocks) will be valued by reference to the bid price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Date;

1.1.2 unlisted investments or quoted investments of the Company which are subject to restrictions on transferability will be valued at their fair value which is determined by the Directors, through discussion with the Manager which prepares a summary and valuation recommendation on each investment. Valuation techniques may include price of recent "arm's length" transactions, earnings multiples and net assets. If in any case the Directors determine that fair value cannot be reliably measured, the valuation will be the same as at the previous reported value unless there is evidence that the asset has been since impaired, in which case the Directors will reduce the value;

1.1.3 cash and deposits with, or balances at, bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs 11.1.1 or 11.1.2 above and held by the Company as at the Calculation Date will be valued at par (together with interest accrued up to the Calculation Date);

1.1.4 any sums owing from debtors (including any dividends due but not received and any accrual of interest on debt related securities to the extent not already taken into account under paragraphs 11.1.1 or 11.1.2 above) on the Calculation Date will be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as may be appropriate;

1.1.5 assets denominated in currencies other than sterling will be converted into sterling at the closing mid-point rate of exchange of sterling and such other currencies prevailing on the Calculation Date as may be determined by the Directors; and

1.1.6 any debtors or contingent assets will be valued in accordance with the Company's normal accounting policy, save that any such sums that are not expected to be recovered or refunded within the period of nine months from the Winding-up Date will be written down to a nominal value of £1.00 each.

1.2 Notwithstanding the foregoing, the Directors (or a duly authorised committee thereof) may, in their absolute discretion, permit an alternative method of valuation to be used if they consider that such valuation better reflects the fair value of any asset or security. None of the Directors, the Manager, HINT, Garraway Asian Centric, the Garraway ACD or the Liquidators will be under any liability by reason of the fact that a valuation believed to be appropriate may subsequently be found not to have been appropriate.

1.3 In consideration for the transfer of the Rollover Funds, Rollover Shares shall be issued on the following basis:

1.3.1 the issue of HINT Ordinary Shares shall be made to holders of Shares with "A" rights on the basis that the number of such shares to which each of them is entitled shall be determined in accordance with the following provisions:

$$\text{Number of HINT Ordinary Shares} = \frac{A}{C} \times \frac{B}{D}$$

Where:

- A is the value of the HINT Rollover Pool at the Calculation Date;
- B is the aggregate number of Reclassified Shares with "A" rights held by the relevant Shareholder;
- C is the HINT NAV per Share; and
- D is the total number of Reclassified Shares with "A" rights.

1.3.2 Fractions of HINT Ordinary Shares will not be issued under the Scheme and entitlements to such HINT Ordinary Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of those Shareholders who elect for HINT Ordinary Shares and whose holding is rounded down shall be retained by HINT and represent an accretion to its assets.

1.3.3 The issue of Garraway Net Income Shares shall be made to holders of Ordinary Shares with "B" rights on the basis that the number of such shares to which each of them is entitled shall be determined in accordance with the following provisions:

$$\text{Number of Garraway Net Income Shares} = \frac{A}{C} \times \frac{B}{D}$$

Where:

- A is the value of the Garraway Rollover Pool at the Calculation Date;

- B is the aggregate number of Reclassified Shares with "B" rights held by the relevant Shareholder;
- C is the Garraway FAV per Share; and
- D is the total number of Reclassified Shares with "B" rights.

1.3.4 Fractions of Garraway Net Income Shares will not be issued under the Scheme and entitlements to such Garraway Net Income Shares will be rounded down to the nearest whole number. However, any balance of a shareholder's entitlement to Garraway Net Income Shares remaining after such rounding down will be dealt with by the issue of smaller denomination shares each equivalent to one thousandth of a Garraway Net Income Share, in accordance with the terms of the Garraway Prospectus.

1.3.5 Cash entitlements payable to the holders of Ordinary Shares with "C" rights shall, following realisation of the Cash Pool, be distributed by the Liquidators in cash to each Shareholder who has elected, or who is deemed to have elected, for the Cash Option in proportion to their respective holdings of Ordinary Shares with "C" rights. Each such Shareholder will be entitled to receive the net realisation proceeds of such portion of the Cash Pool that corresponds (as at the Calculation Date) to the Residual Net Asset Value per Share multiplied by Ordinary Shares for which the Shareholder has elected to receive cash, rounded down to the nearest penny.

1.4 After paying or providing for all liabilities, the Liquidators shall distribute in cash to each Shareholder (other than Dissenting Shareholders), *pro rata* to its proportionate ownership of the Ordinary Shares on the Winding-up Date, out of the Liquidation Pool in due course any available cash in the Liquidation Pool.

1.5 For the purposes of the Forms of Election, the provisions of which form part of the Scheme:

1.5.1 if, on any Form of Election, the total of a Shareholder's Elections is greater than his actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election shall be decreased, *pro rata* where more than one Election is made, in respect of the relevant Election, so that the total of such Election(s) shall equal his total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such Shareholder on the Form of Election for all purposes of this Scheme;

1.5.2 if, on any Form of Election, the total of a Shareholder's Elections is less than his actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder will be deemed to have elected for HINT Ordinary Shares;

1.5.3 subject to any arrangements made by the plan administrators of investors who hold their Ordinary Shares within ISAs a Shareholder who makes no Election by the due date, or in respect of whom no Form of Election has been duly completed in accordance with the instructions therein, shall be deemed to have made an Election for the HINT Option in respect of all of the Ordinary Shares held by such Shareholder for all purposes of the Scheme;

1.5.4 notwithstanding the above, a Shareholder who is a Restricted Shareholder shall be deemed to have made an Election for the Cash Option in respect of all the Ordinary Shares held by such Shareholder for all purposes of the Scheme; provided that, if the Directors in their absolute discretion are satisfied that it is lawful in the relevant

jurisdiction for such Shareholder to receive this document and a Form of Election and for the relevant Rollover Fund(s) to issue shares to such Shareholder, the Company may notify such Shareholder accordingly and permit such Shareholder to make an Election for the relevant Rollover Fund(s);

- 1.5.5 by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder agrees that the Election made on the Form of Election will be irrevocable (other than with the consent of the Directors) and, by such signature and delivery, such Shareholder represents and warrants that his Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and
- 1.5.6 any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election shall be at the discretion of the Directors, whose determination shall be final.

JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD TO 17 July 2021 AND CUMULATIVELY TO DATE

Time charged for the period 18 July 2020 to 17 July 2021

	Total Hours	Total Cost £	Average Hrly Rate
⊖ Administration and Planning	5.60	1,773.50	316.70
A&P - Case Accounting	1.60	242.00	151.25
A&P - Case Accounting - General	0.20	74.00	370.00
A&P - Fee and WIP	0.40	112.00	280.00
A&P - Case Control and Review	3.40	1,345.50	395.74
⊖ Asset Realisation	4.90	2,113.00	431.22
ROA - Asset Realisation	4.90	2,113.00	431.22
⊖ Creditors	2.70	999.00	370.00
CRE - Shareholders	1.70	629.00	370.00
CRE - TAX/VAT - Pre-appointment	1.00	370.00	370.00
⊖ Statutory Compliance	21.40	8,045.00	375.93
STA - Tax/VAT - Post appointment	3.00	1,082.00	360.67
STA - Statutory Reporting/ Meetings	18.40	6,963.00	378.42
Grand Total	34.60	12,930.50	373.71

Disbursements for the period
18 July 2020 to 17 July 2021

	Value £
⊖ Category 1	
Postage	64.77
Grand Total	64.77

Time charged from the start of the case to 17 July 2021

	Total Hours	Total Cost £	Average Hrly Rate £
⊖ Administration and Planning	24.45	6,717.50	274.74
A&P - Case Accounting	10.30	1,394.00	135.34
A&P - Case Accounting - General	5.25	1,942.50	370.00
A&P - Fee and WIP	0.50	123.00	246.00
A&P - Case Control and Review	8.40	3,258.00	387.86
⊖ Asset Realisation	8.00	3,397.50	424.69
ROA - Asset Realisation	8.00	3,397.50	424.69
⊖ Creditors	7.10	2,747.00	386.90
CRE - Shareholders	5.00	1,970.00	394.00
CRE - TAX/VAT - Pre-appointment	1.70	629.00	370.00
CRE - Employees	0.20	74.00	370.00
CRE - Unsecured Creditors	0.20	74.00	370.00
⊖ Statutory Compliance	26.55	9,948.25	374.70
STA - Statutory Compliance - General	0.20	46.00	230.00
STA - Bonding/ Statutory Advertising	0.70	284.00	405.71
STA - Appointment Formalities	1.85	753.25	407.16
STA - Tax/VAT - Post appointment	5.40	1,902.00	352.22
STA - Statutory Reporting/ Meetings	18.40	6,963.00	378.42
⊖ Pre-Appointment	0.40	198.00	495.00
PRE APP - Pre Appointment	0.40	198.00	495.00
Grand Total	66.50	23,008.25	345.99

Disbursements for the period
18 July 2019 to 17 July 2021

	Value £
⊖ Category 1	
Advertising	216.54
Postage	64.77
Bonding	675.00
Grand Total	956.31

FRP Advisory Trading Limited ("FRP")

	£/hour
Appointment taker/Restructuring Advisory Partner	370-495
Managers/Directors	280-370
Other Professional	165-230
Junior Professional/Support	80-110

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frapadvisory.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

DISBURSEMENT POLICY

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance, licence fees.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

JOINT LIQUIDATORS' EXPENSES FOR THE YEAR ENDED 17 JULY 2021

Statement of expenses for the period ended 17/07/2021		
Expenses	Period to 17/07/2021 £	Cumulative period to 17/07/2021 £
Office Holders' remuneration (Time costs)	12,931	23,008
Office Holders' disbursements	65	956
Pre-appointment fees - FRP Advisory		17,000
Accountancy fees - BDO LLP		2,000
Legal fees - Cheeswrights LLP		455
Brokers fees and disb - Shore Capital & Corporate Ltd		37,412
Payroll processing fees - Taylor Viney Marlow		345
Stationery & Postage		4,722
Praxis IFM - administrators' fees and disbursements		10,485
Link Asset Services Ltd		24,255
FCA - Regulatory fees		6,870
Membership fees - Issuer Direct Ltd		20
Directors & officers liability insurance - Howden		7,335
Tax advisors' fees & disbursements - Grant Thornton LLP	5,150	5,150
Bank charges - Barclays Bank plc	(15)	15
Total	18,131	140,029