Rule 2.118 **Form 2.35B**

The Insolvency Act 1986

Notice of move from administration to dissolution

2.35B

Name of Company	Company number
Powa Technologies Group PLC	08389133

	Court case number
In The High Court of Justice, Chancery Division, Companies Court	000949 of 2016

We Robert James Harding
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Nicholas Guy Edwards
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

having been appointed Administrators of Powa Technologies Group PLC c/o Deloitte LLP, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

On 19 February 2016 by the Secured Creditor

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

attach a copy of the final progress report

Signed ____________________
Joint Administrator

Dated 17 February 2017

Contact Details:

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

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DX Number | DX Exchange

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COMPANIES HOUSE

code

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

Deloitte.

Powa Technologies Group PLC ("PLC") (In Administration) ("the Company")

Court Case No. 963 of 2016
High Court Of Justice, Chancery Division, Companies Court
Company Number. 06376989

Registered Office c/o Deloitte LLP, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

Final progress report to creditors pursuant to Rules 2.47 and 2.110 of the Insolvency Rules 1986 (as amended) ("the Rules").

Robert James Harding and Nicholas Guy Edwards (the "Joint Administrators") were appointed Joint Administrators of Powa Technologies Group Plc on 19 February 2016 by the Secured Creditors; Bay Bond Investors (Bermuda) L.P, Bay Pond Partners,L.P, Ithan Creek Master Investors (Cayman) L.P, Wolf Creek Investors (Bermuda) L.P, Wolf Creek Partners, L.P. c/o 280 Congress Street, Boston, MA 02210. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

17 February 2017

Glossary

Entity and case specific definitions

Entity definitions

Bidco	964 Bidco Limited
Deloitte	Deloitte LLP
Greenlight	Greenlight Power Limited and Green Light Digital Limited
LTD	Powa Technologies Limited (In Administration)
PLC	Powa Technologies Group plc (In Administration)
Supercom	Supercom Ltd

Group definitions

the Companies	Powa Technologies Limited and Powa Technologies Group (both in Administration)

General definitions

the Act	Insolvency Act 1986 (As Amended)
c.	Circa
Fee Estimates	Estimate of time costs for PLC and LTD for the duration of the appointment
HMRC	HM Revenue & Customs
IP	Intellectual property
the Joint Administrators	Nicholas Guy Edwards and Robert James Harding
NI	National Insurance
PAYE	Pay As You Earn
Prescribed Part	The Prescribed Part provisions pursuant to Section 176A of the Act
the Proposals	The Joint Administrators' Proposals report dated 15 April 2016
the Progress Report	The Joint Administrators' Progress report dated 16 September 2016
ROT	Retention of Title
RPS	Redundancy Payments Service
the Rules	Insolvency Rules 1986 (As Amended)
the Secured Creditors	Bay Bond Investors (Bermuda) L.P Bay Pond Partners,L P Ithan Creek Master Investors (Cayman) L P Wolf Creek Investors (Bermuda) L.P Wolf Creek Partners, L.P.
SIP 9	Statement of Insolvency Practice 9 - Remuneration Of Insolvency Office Holders
SOA	Statement of Affairs, a summary of the assets and liabilities of each company prepared by their directors as at the date of appointment
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
VAT	Value Added Tax

Contents

Key messages

Key messages

Joint Administrators of the Company

Robert James Harding

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	Commentary
Purpose of administration	• The purpose of the administration was to realise property in order to make a distribution to the Secured Creditors. • *This has been achieved as a proportion of the Secured Creditors indebtedness (£42 8m) was* released as part of the sale to Bidco
Achievement of the Joint Administrators' proposals	• During the six month period covered by this report we have finalised the outstanding matters detailed in our last progress report, including - Post completion sale matters, relating mainly to the assignment of IP to Bidco across a number of jurisdictions, - Inter-company debtors, where have we been unable to recover the balances, - Investigations, which have not led to a recovery, - Part realisation of a pre-appointment VAT refund, and - Tax and statutory matters in relation to the administrations • Further details can be found on Pages 7 to 10.
Costs	• The basis of our remuneration was fixed on a time costs basis as set out in the Fee Estimate in our Proposals dated 15 April 2016. • A revised Fee Estimate as shown on Page 16, was approved by the Secured Creditors on 7 February 2017, to draw any timecosts incurred up to the Revised Fee Estimate, with any remaining timecosts incurred above the Revised Fee Estimate to be written off • Since our appointment, we have incurred time costs of £1,190,671 and during the period of this report, we have incurred timecosts of £328,607. • Since our appointment we have drawn fees of £1,189,591 and during the period of this report we have drawn fees of £759,813 • Please refer to Page 16 for further details.
Outcome for Creditors	• As previously reported - There are insufficient asset realisations to repay the Secured Creditors in full although a proportion of their secured indebtedness (£42 8m) has been released as part of the sale to Bidco, - There were no preferential creditors in PLC as it had no employees, and - Due to insufficient floating charge realisations, there will be no distribution to the unsecured creditors
End of the administration period	• *The purpose of the administration has been achieved and all matters set out in our* Proposals have been dealt with within the 12 month period from the appointment. • As the Company had no property for distribution to their creditors, notice of move to dissolution on Form 2 35B was filed at Companies House on 17 February 2017 • The Company will be deemed to be dissolved, 3 months from the date on which Form 2.35B is filed at Companies House

Summary Proposals

Summary Proposals

Summary of the Joint Administrators' Proposals

The Joint Administrators' proposals

Our proposals for the administration include

- Continuing to manage the affairs and any remaining assets of the Company and the settlement of all administration expenses,
- Continuing with enquiries into the conduct of the directors of the Company and continuing to assist any regulatory authorities with any investigation into the affairs of the Company,
- Agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution,
- Distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the court gives permission following an appropriate application Albeit as noted, we do not believe that there will be a distribution to preferential or unsecured creditors,
- That, following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the administration, and
- That, if the Company is to be placed into Compulsory Liquidation, we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Specific approval from the Secured Creditors was sought to fix the basis of and the ability to draw our remuneration and expenses, including pre administration costs and expenses, and to agree the time of our discharge on conclusion of the administration Please refer to Page 15 for details

Summary Proposals
Steps taken

The Joint Administrators' proposals

Our proposals for the Company were deemed approved on 27 April 2016 following the expiration of 8 business days from the date of issue of our Proposals in accordance with Rule 2.37 of the Rules

Extension to the administration

It was not necessary to extend the period of the administration, as all matters have been dealt with

Steps taken during the administration

Statutory tasks

During the period of our appointment we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature

- **Case set-up and management;**
- **Statutory reporting** preparing the Joint Administrator's progress reports,
- **Creditor Correspondence** dealing with ongoing creditor matters,
- **CDDA reporting:** reporting on the directors conduct,
- **Case reviews** summary of the progress of the administrations,
- **Cashiering functions** payments of invoices received, and
- **Closing preparation:** dealing with closure matters

These tasks are a necessary part of the engagements but do not generate any direct financial benefit for creditors

Asset realisations

Investigations

Our investigations have now concluded and there are no potential recoveries for the administration estate

Sale of businesses

The PowaTag business and certain assets for the PowaWeb business were sold on the 3 March 2016 to Bidco and Greenlight respectively as set out in our Proposals The PowaTag sales consideration was structured in the form of a release of the Secured Creditors' indebtedness totalling £42 8m (by way of credit bid)

There was a subsequent ongoing workstream to finalise the sales processes including the sale of the PowaPOS business to Supercom, which concluded on the 18 April 2016

VAT refund – PLC

As advised in our Progress Report, we were pursuing a VAT refund of c £380k. HMRC have subsequently offset this amount against pre-appointment PAYE and RPS claims

Part of the PAYE claims (£283k) related to amounts that Bidco funded LTD for employee wages and associated taxes, which now represent a VAT recovery for PLC as this was offset against the aforementioned VAT refund

No further realisations will be received.

Book debts

As advised in our Progress Report, we have written to all inter-company debtors to request settlement

Settlement has not been forthcoming as these entities do not have sufficient funds to settle the outstanding inter-company liabilities and the cost of pursuing such claims would far outweigh any benefit, therefore there is no prospect of any recovery

Summary Proposals

Steps taken (cont.)

Meeting of creditors

No meeting was held with creditors.

Employee Matters

No employees of the Company.

Distributions to creditors

The Secured Creditors will not be paid in full. No other distributions are available to any other class of creditors due to insufficient realisations

Summary Proposals
Costs

Cost of the work done during the report period

The total costs and expenses incurred during the period of our appointment are detailed below

Timecosts incurred during the period have overrun the Fee Estimate provide in our Proposals dated 15 April 2016, due to the reasons set out on Page 15.

Revised Fee Estimate shown on Page 16, was approved by the Secured Creditors on 7 February 2017, to draw any timecosts incurred up to the Revised Fee Estimate, with any remaining timecosts incurred above the Revised Fee Estimate to be written off.

- Remuneration totalling £795,813 has been drawn during the period Further information on these costs is provided on Page 16

All costs that have been paid, as shown in the receipts and payments accounts on Page 10

All professional costs were reviewed and analysed in detail before payment was approved

Receipts and Payments Accounts

Receipts and payments accounts, together with a separate trading account, are provided overleaf detailing the transactions in the final period of the administration since our Progress Report, and also summarises the transactions for the entire period of the administration.

Summary Proposals

Receipts and Payments Account – PLC

PLC - Receipts and payments account

£	Statement of Affairs	22 August 2016 to 17 February 2017	22 February 2016 to 17 February 2017	Notes
Non trading receipts				
Funding from the Secured Creditors	-	-	4,957,973	1
Bank interest	-	437	905	
Pre-appointment bank account	6,213	-	250,000	2
VAT refund	-	283,705	633,226	3
Sundry refund	-	-	547	
Investment in subsidiaries	-	-	-	
Other Debtors	-	-	-	4
Inter-group debts	-	-	-	
Connected Debtors	-	-	-	
	6,213	**284,143**	**5,842,651**	
Non trading payments				
Hong Kong Employee Wages and Salaries		-	(564,198)	5
Advertising		-	(85)	
Professional fees		-	(3,000)	6
Pre-appointment Legal Fees		-	(20,000)	7
Post-appointment Legal Fees		-	(108,665)	
Pre-appointment Joint Administrators' fees		-	(52,641)	
Post-appointment Joint Administrators' fees		(795,813)	(1,189,591)	8
Joint Administrators' expenses		(2,066)	(10,771)	
Bank Charges		(50)	(105)	
Storage costs		(1,749)	(3,278)	9
Intercompany Funding		(90,317)	(3,890,317)	10
VAT Receivable			-	11
		(889,995)	**(5,842,651)**	
Balance in hand		**(605,852)**	**-**	

10 Transfer of funding received from the Secured Creditors between PLC / LTD to cover costs incurred by each estate

11 The VAT receivable balance is shown as nil as it has been assigned to Deloitte in part payment for administrators fees

1 Short term funding provided by the Secured Creditors in order to cover the costs and expenses of the Companies in administration

2 Cash at bank transferred on appointment

3 A VAT refund of £283k has been recovered by PLC from LTD, following the receipt by LTD of funding from Bidco to cover PAYE liabilities, which HMRC offset against the VAT refund due to PLC No further realisations will be received

4 The SOA for PLC identified these assets, and estimated that they have no realisable value As part of the administration we have reviewed these balances to confirm that there will be no realisations

5 Funding of £564k was provided to the Hong Kong subsidiary, Powa Technologies (Hong Kong) Ltd, who used it to pay essential employee costs

6 Kingston Smith & Partners fees for assisting directors with preparation of SOA

7 Legal fees relate to Hogan Lovells for the period of the administration

8 Joint Administrators' fees and expenses for the period of the administration – see Page 15

9 Costs of storing the Companies books and records

Information for creditors

Information for creditors

Outcome for creditors

Secured creditors

The Secured Creditors are in funds managed by Wellington Management Company LLP.

The Company granted fixed and floating charges in consideration for monies advanced by the Secured Creditors

At the date of appointment, the Secured Creditors were owed £138 1m for investment funding, £67 3m related to equity funding and £70 8m of secured debt funding

As previously reported, there have been insufficient asset realisations to repay the Secured Creditors in full. A proportion of their secured indebtedness (£42 8m) has been released as part of the sale to Bidco

Preferential creditors

The Company had no employees and therefore no preferential claims.

Unsecured creditors

At the date of appointment, the Company's SOAs show that there were £74m of unsecured claims, including 12 unsecured trade creditors with estimated claims totalling £562k

Due to insufficient realisations there has been no distribution to the unsecured creditors of the Company

Prescribed Part

As detailed in the Progress Report, there have been insufficient floating charge realisations to enable a distribution to unsecured creditors under the Prescribed Part

End of the administration

As the Company had no property for distribution to the creditors, notice of move to dissolution on Form 2.35B was sent to Companies House on 17 February 2017.

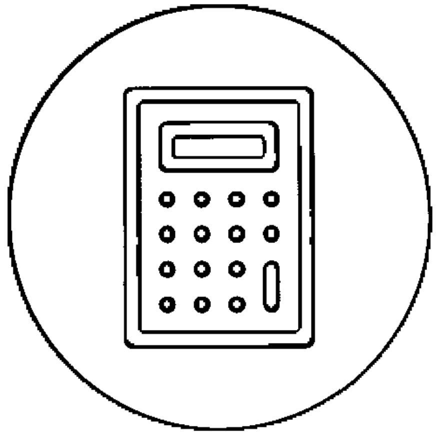
The Company will be deemed to be dissolved on 3 months from the date on which Form 2 35B is filed at Companies House.

Information for creditors

Statutory information

	PLC
Registered number:	08389133
Date of incorporation:	5 February 2013
Company directors:	**Current:** Diane Beth Glossman (appointed 5 September 2013) **Former (resigned 19 February 2016):** Daniel Maurice Wagner John Ruben Wagner Ivor Scott Dunbar Anthony Sharp **Former (resigned 16 March 2016):** Benjamin John White
Former Company Secretary:	David Andrew Stirling
Shareholders:	Total shares (nominal value 0 01) Ordinary 5,432,195 Ordinary A 775,084 Other 1,920,509 (held by companies / individuals - more than 100 holdings)
Former Registered Office:	35th Floor, Heron Tower, 110 Bishopsgate, London, EC2N 4AY
Current Registered Office:	PO Box 810, 66 Shoe Lane, London, EC4A 3WA

Remuneration and expenses



Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

Basis of remuneration

The basis of our remuneration was fixed on 5 May 2016 by the Secured Creditors by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration as set out in the Fee Estimate

On 6 February 2017, the updated Fee Estimate was presented to the Secured Creditors, who subsequently approved it on 7 February 2017

The Revised Fee Estimate for the administration was

- £1,189,591

The additional timecosts have been incurred in relation to

- Issues with the Hong Kong entity,
- In depth investigations into the Company's dealings,
- Sale of business in terms of unforeseen complications,
- Completion issues, such as assigning intellectual property in relation to the sale of business,
- Statutory tasks for reporting and closure of the administration

Time costs incurred

A copy of our Fee Estimates detailing the work that we anticipated would need to be undertaken on this case for the duration of the appointment together with the actual time costs incurred is provided on page 16

We have also updated the Fee Estimate to provide details of our actual time costs

- For the period since our last report on 16 September 2016, and
- for the duration of the appointment to 17 February 2017.

Approval was received on 7 February 2017 from the Secured Creditors to draw our fees up to the Revised Fee Estimate. The remaining timecosts will be written off

Total time costs for PLC since appointment are £1,190,671 made up of 2,251 hours at an average charge out rate of £529 across all grades of staff

A Creditors' Guide to Remuneration is available for download at www deloitte com/uk/powatechnologies

A paper copy will be provided free of charge on request to us at the address on Page 1 of this report.

PLC – Revised Fees Estimate and Joint Administrators' time costs for the period 19 August 2016 to 17 February 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system Time spent by secretarial staff working on the assignment has not been recorded or recovered The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

		Revised Fee Estimate			Actual timecosts from 19 August 2016 to 17 February 2017			Actual timecosts to 17 February 2017		
Activity		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Fees incurred in period (£)	Hours incurred to date	Avg Rate £/h	Total fees incurred to date (£)
Administrative activities	Cashiering	75 5	580	43 807	11 2	479	5 345	58 9	572	33 668
	Case supervision	175 4	437	76 650	94 6	534	50 513	197 8	425	83 984
	Case reviews	8 4	437	3 669	2 8	394	1 104	2 8	394	1 104
	Case closure matters	34 0	478	16 235	79 4	637	50,556	79 4	637	50 556
Statutory & compliance*	Compliance & IPS diary	19 7	495	9 746	7 2	353	2 522	18 6	384	7 126
	Insurance	12 5	545	6 813	8 2	510	4 182	9 3	512	4 763
	General reporting	364 9	529	193 029	78 5	543	42 561	272 8	536	146 205
	Statutory meetings	-			-	-	-	-	-	-
	Regulatory & other legislation	10 4	568	5 905	-	-	-	-		-
	Court applications	5 3	-	3 535	-	-		-		
Initial actions	Appointment matters	33 9	659	29 124	-			42 7	735	31 387
	Securing assets	70 2	704	49 421			-	71 2	888	63 232
	Notifications	19 6	566	11 086			-	26 6	546	14 526
Investigations	CDDA reporting	70 8	284	20 069	21 9	601	13 161	123 6	491	60 614
	Investigations	494 3	514	253,913	40 0	540	21,589	584 6	356	208 068
Taxation	Tax	171 8	690	118 542	56 4	656	36 997	154 8	721	111 577
	VAT	51 0	478	24,373	52 6	644	33,687	63 2	657	41 472
Asset realisations	Third party assets	-	-		-	-		-		-
	Book debts	-	-	-	16 4	557	9 141	24 2	528	12 785
	Chattel assets	-	-	-	-			-		-
	Other assets	7 0	551	3 860	0 7	545	382	5 9	789	4 658
	Property		-	-			-	-	-	-
	Retention of title			-		-	-		-	
	Sale of business	352 2	648	228 263	54 3	684	37 140	394 5	619	244 119
	Antecedent transactions			-		-	-		-	-
Trading	Day 1 control of trading	22 3	683	15 229		-	-	25 3	659	16 664
	Ongoing trading	-			-	-	-	23 0	685	15 755
	Monitoring trading	1 0	530	530	-	-	-	5 0	634	3 170
	Closure of trade	58 0	491	28,478	6 5	830	5 395	9 5	792	7 525
Employees	Consultation	-	-	-	-	-		-		-
	Correspondence	-	-	-	-	-		-		-
	Employment tribunals	-	-	-	-			-		-
	Pensions		-	-	-	-		-		-
Correspondence	Creditors	56 4	888	44 377	20 5	503	10 306	51 4	483	23 824
	Committee			-			-	-	-	
	Shareholders	1 1	425	480	0 8	430	344	0 8	430	344
	Customers	-	-		-	-	-		-	-
	Press & media queries	3 4	733	2 457	-	-	-	0 2	210	42
Distributions	Secured creditors	-	-		5 0	697	3 485	5 0	697	3 485
	Preferential creditors	-	-		-	-	-	-		-
	Unsecured creditors		-	-	-	-	-	-	-	-
	Shareholder		-	-	-	-		-	-	
Total fees estimate		2,129 0	558 7	1 189 591	556.8	590 2	328 607	2 250 9	529 0	1 190 671

Remuneration and expenses
Detailed information

Disbursements

Category 1

These are payments made by us direct to third parties and for which no approval is required.

Category 2

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs These may also include shared or allocated costs. Specific approval is required before these costs and expenses can to be drawn from the administration estate

Certain expenses have been reviewed and reallocated since the last progress report dated 16 September 2017.

Our disbursements have been incurred as summarised below

PLC

Category 1 disbursements

£ (net)	Previous Period to 18 August 2016	Current Period to 14 February 2017	Total	Paid
Travel	1 924	937	2 861	2 861
Subsistence	438	14	452	452
Insurance	230	-	230	230
Accommodation	3 839	-	3 839	3 839
Telephone	14	87	101	101
Tax Disbursements	557	28	586	586
Postage/Couriers/Stationery	2,957	(301)	2,656	2,656
Total expenses	9,959	766	10,725	10,725

Category 2 disbursements

£ (net)	Previous Period to 18 August 2016	Current Period to 14 February 2017	Total	Paid
Website	250	-	250	-
Mileage	-	47	47	47
Total expenses	250	47	297	47

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred

Our disbursements have been paid in full, with the exception of the website costs.

Remuneration and expenses

Detailed information

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2.47(1)(fa) and 2 48A of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 2.109(4) of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2.109 of the Rules

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

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