

**CONDUITY CAPITAL PLC
(IN MEMBERS' VOLUNTARY LIQUIDATION)**

JOINT LIQUIDATORS' UPDATE TO MEMBERS AND SHAREHOLDERS

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CONDUITY CAPITAL PLC
(IN MEMBERS' VOLUNTARY LIQUIDATION)

JOINT LIQUIDATORS' UPDATE TO MEMBERS AND SHAREHOLDERS

1 General Information

Company number: 08000104

Joint Liquidators: Stuart David Morton and Matthew Robert Howard of Price Bailey LLP, Anglia House, 6 Central Avenue, St Andrews Business Park, Thorpe St Andrew, Norwich.

Date of appointment: 29 September 2023

Shareholders wishing to contact the Joint Liquidators, should contact Thomas South by email at thomas.south@pricebailey.co.uk.

2 Summary of Joint Liquidators' actions since appointment

- 2.1 Since my appointment, I have carried out my statutory duties which included filing of the declaration of solvency and relevant resolutions at Companies House, notifying the Company's members of my appointment, advertising my appointment in the London Gazette and submitting statutory forms with HM Revenue & Customs ("HMRC").
- 2.2 I have dealt with ad-hoc correspondence, kept up to date with the Company's taxation requirements, as well as completing my general administrative and cashiering duties.
- 2.3 As detailed in previous communication, I envisaged an initial disposal of Smarttech247 ("SM247") shares in order to cover the fees and expenses of the liquidation to occur around March/April albeit amount subject to share price, buyer appetite and liquidation costs.
- 2.4 On 06 March 2024, with assistance from Shard Capital, we successfully completed a sale of 270,000 shares. This sale was designed to minimize disruption to the market as far as possible and cover ongoing costs such as those for Link Registrars to maintain the share register. Post sale, the Company now holds 2,176,515 shares in SM247.
- 2.5 The next stage of the liquidation involves an in-specie distribution of the remaining 2,176,515 shares whereby we will distribute the beneficial interest of the shares to all Conduity Capital PLC shareholders.

3 Progression of the Liquidation

- 3.1 I am currently liaising with the relevant stakeholders to enable the initial disposal of shares with an in-specie distribution whereby the remaining shares held in SM247 will be distributed to all Conduity Capital PLC shareholders.
- 3.2 Due to unanticipated difficulties with the mechanics of distribution and the complications of liaising with multiple different parties regarding the AML and legal transfer of the beneficial interest of the

shares, we are unable to provide an anticipated date for the in-specie distribution of shares.

- 3.3 In addition, the Company is exploring a material tax refund that would significantly increase the funds available to be transferred to shareholders through ongoing discussions with PKF (the Company's former accountants) & HMRC. We are unable to proceed with a distribution until all matters of the liquidation have been concluded which includes the aforementioned tax refund. Further details will be provided once the tax refund has been finalised.


4 Further information/Timeline

- 4.1 Please see a short summary of the anticipated timeline:

Date	Description
29 September 2023	Conduity Capital PLC was placed into liquidation
06 March 2024	Initial share disposal completed
Ongoing	Liaising with HMRC to ensure that the Company's tax affairs are in order prior to in-specie distribution & ongoing discussions with key stakeholders
TBC	In-specie distribution of remaining 2,176,515 shares in SM247
TBC	A draft final report is circulated to all members for their consideration.
TBC	Following an 8-week period (or less if all shareholders agree) the draft report is finalised and circulated to all members

5 Conclusion

- 5.1 As noted above, I am awaiting for a conclusion to the tax matters with HMRC and am in ongoing discussions with key stakeholders. Further updates will be provided once I am able.
- 5.2 Should you have any queries regarding this matter please contact Thomas South by email at thomas.south@pricebailey.co.uk.



Stuart Morton FIPA FABRP
Joint Liquidator
Authorised to act in the UK by the Insolvency Practitioners Association
For and on behalf of
PRICE BAILEY LLP