



[Redacted]

Jim McColl  
By email

31 July 2019

Dear Jim

**Ferguson Marine Engineering Limited (“FMEL”) and Ferguson Marine Engineering (Holdings) Limited (“FMEHL”) (together the “Group”)**

I refer to my letter of 29 July 2019 in which I undertook to update you as soon as possible and certainly by 5pm on Wednesday 31 July 2019.

We have made progress on the position with HCCI through meeting with them and the timing of the next communication with them coincides with when we expected to update you further. Whilst not an absolute condition of a solvent solution, the HCCI position is key factor in any solution that allows the business to continue to trade.

CBC have been made aware of our position on the CBC proposal i.e. that it will not be progressed.

We will again update you on the progress of our discussions no later than 5pm on Friday 2 August 2019.

Please let me know if you have any queries.

Yours faithfully

[Redacted signature]

**LIZ DITCHBURN**