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12 October 2018

Liz Ditchburn
Director General Economy
St Andrews House
Regent Road
Edinburgh
EH1 3DG

CONFIDENTIAL: COMMERCIALY SENSITIVE

Dear Liz

I refer to your letter of 11 October 2018.

We are somewhat surprised that the arranged meeting is now conditional upon the receipt of certain information on the basis that it was your letter of 5 October 2018 which invited us to meet to discuss the way forward. Our view is still that as you suggested in your letter of 5 October 2018, meeting to discuss these matters, is the correct approach

You also state that we have not provided the confirmation of the Realised Profit from the recent sale. Again, you are incorrect. Our letter of 8 October 2018 states that "*We are in a position to provide the further funds...*"

In terms of the other requests made in your letter, following the numbering in your letter:

2. As your advisors will be able to tell you, based on the current financial position of the business, to inject further equity into this structure on the current terms would mean no recovery of the equity for CBC. This is a fundamental flaw.
3. PWC have already been provided with the up to date information on FMEL which I am certain they will have shared with you.
4. As stated in our letter of 8 October 2018, the changes to the loan would allow further equity to be provided.
5. CBC does not hold copies of the contracts. These are company documents.

6. [REDACTED]



I look forward to meeting with you on Wednesday as agreed.

Kind regards



Partner
Clyde Blowers Capital IM LLP