

Our Ref: JDEM/SEB/NR/SP/HS/MVL440/S040/5-2

Your Ref:

21 December 2020

TO ALL KNOWN SHAREHOLDERSWhen telephoning please ask for:
Natalie Rose**Shareholder Update 21 December 2020 for Stirling Industries Plc**

Dear Shareholder

Stirling Industries Plc - In Members' Voluntary Liquidation

This note is intended to serve to update shareholders in Stirling Industries Plc as to the status of the Members Voluntary Liquidation (MVL) which the company entered into following the General Meeting on 16 December 2019.

We are conscious, on behalf of the directors, that although some shareholders have sought information from us and Numis, there has been no overall update and considerable time has passed since the commencement of the MVL.

Please note the following key information/dates:

- Details of the proposed MVL were contained in the delisting circular sent to all shareholders on 22 November 2019 (a copy of which can be found on this website in the Document Centre)
- It was confirmed at the general meeting that proceeds of 7 pence per share were expected on conclusion of the MVL
- At the general meeting (16 December 2019) it was confirmed by shareholders that the company would enter MVL and the process commenced forthwith
- The company was delisted from AIM on 24 December 2019 as confirmed by the RNS on that date (a copy of which is contained in the news feed section of this website)
- The aim was to conclude the MVL process as near as possible to the minimum 3 months required by HMRC (so by the end of March 2019) and then return remaining funds to shareholders at that point
- The administration was expedited by the company and the liquidators and indeed initial confirmation was received from HMRC by the end of March 2019 that there was not further corporation tax liability etc, and that matters would be concluded imminently, and that the MVL could soon be completed, with a capital distribution to shareholders and the company ultimately removed from the Companies House register.

Michael David Rollings, Steven Edward Butt and James Douglas Ernle Money are licensed to act in the UK as insolvency practitioners by the Insolvency Practitioners Association.

Where acting as administrators, liquidators or receivers, our insolvency practitioners act as agents of the relevant company and without personal liability.

All our practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work in relation to an insolvency appointment. The Insolvency Code of Ethics can be found at <https://insolvency-practitioners.org.uk/uploads/documents/65baadb56952a72e3afcad93591920f4.pdf>.

Rollings Butt is a trading name of Rollings Butt LLP, a limited liability partnership registered in England No: OC348050. The word "partner" used in relation to the LLP refers to a member of the LLP. A list of the members of the LLP is displayed at the LLP's registered office: 6 Snow Hill, London, EC1A 2AY

Of course, at this point (23 March 2019) the UK entered the Covid related lockdown. As HMRC were administering HM Government's furlough scheme, this scheme was prioritised and personnel from the liquidations team were redeployed. Thus our process ground to a halt and could not be concluded, pending HMRC completing their obligations.

Rollings Butt (as well as the directors) have kept in constant contact with HMRC to try and move matters forwards to no avail. So, frustratingly, matters can still not be concluded, and we and the directors continue to make the strongest possible representations to HMRC order to conclude the MVL. As yet, there is no definitive date being given for resolution of this matter. We would add that this situation is not unique to Stirling Industries Plc.

We wish to assure shareholders that everything possible is being done, but we have unfortunately been impacted by the extraordinary events of this year. This passage of time has not served to erode shareholder funds and the proceeds which will be returned to shareholders in due course (the 7 pence per share as above).

We will of course update further as any significant information becomes available, and in any event again at the end of March 2021. Please note this website will be kept live until conclusion of the MVL, and thus further information will be posted here as appropriate.

We and the board would like to thank you for your patience in these extraordinary times.

Yours faithfully,
For Stirling Industries Plc

A handwritten signature in black ink, appearing to be 'JM', written over a faint circular stamp or watermark.

James Money
Joint Liquidator