

6 October 2017

Our Ref: SE167MVL/GPS/KJP/RJG/A
XS/DXW/LMMc/MVL1910P

Your Ref:
Contact: Abbie Suttling
DD: 020 7516 1500

TO ALL KNOWN SHAREHOLDERS

DECLARATION OF FIRST INTERIM DIVIDEND IN THE LIQUIDATION

Dear Sir/Madam

SRG Realisations (2017) Plc (Formerly Security Research Group Plc) (In Members' Voluntary Liquidation) ("the Company")

I write further to my initial letter to shareholders dated 16 June 2017. As you are aware, the Company was placed into members' voluntary liquidation, a solvent liquidation process, on 17 July 2017. Kirstie Jane Provan and I were appointed as joint liquidators. The purpose of the liquidation is to wind-up the Company's affairs and distribute its assets to its shareholders.

The majority of assets have been realised in the liquidation although there are still a number of assets that remain to be realised including, among others, the Company's investment in Rochdale Development Company Limited ("Rochdale"). Rochdale has, in turn, a wholly owned trading subsidiary with some considerable value. We are proposing to distribute this asset in specie i.e. distributing Rochdales' shares to the Company shareholders and/or a compensatory cash dividend as an alternative for the Rochdale shares. Details of how this will be done, will follow under separate cover in due course.

We have now received the requisite pre-liquidation tax clearance from Her Majesty's Revenue & Customs ("HMRC"). Accordingly, I am now in a position to make a first interim distribution to shareholders of the majority of cash funds in hand. So you are aware, we are obliged to necessarily make provision for certain costs and expenses and retain a certain level of cash reserves, pending completion of the liquidation and the second and final distribution prior to closing the liquidation. The calculation of the amount being distributed in the first interim distribution of £12.5M is set out below:

	£Million
Cash held in the liquidation estate bank account.	13.2
Funds retained for the future costs and expenses of the liquidation and reserves retained for the second and any subsequent interim distributions.	(0.5)
Net cash available to distribute as at October 2017	12.7
Amount of funds being distributed	12.5
No. of shares	19.8
£ per share	0.63

Notice is hereby given of the first interim distribution to shareholders of 63 pence in the pound (£0.63) on each ordinary share held. Please find enclosed a cheque in respect of the first interim distribution of 63 pence per share on your holding. This distribution has been made in accordance with your shareholding as at 4th October 2017 per the records held by the Registrars, Capita Asset Services. Please ensure you bank your cheque **within 21 days of receipt**.

Please note that this dividend payment may have personal tax implications and if in doubt, you should consult your tax advisor.

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Gary Paul Shankland and Kirstie Jane Provan are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association.

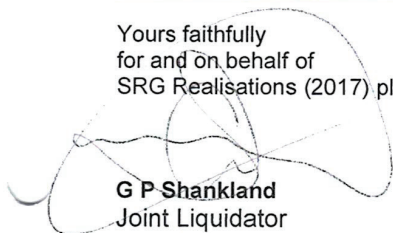
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Partners, Directors, and Consultants acting as administrators or administrative receivers contract as agents and without personal liability.

Once we have distributed the Company's interest in Rochdale in specie, and the Company's remaining assets have been realised, subject to receiving post-liquidation tax clearance from HMRC we shall make a second and if appropriate, a subsequent distribution in the liquidation.

We would kindly ask shareholders to refrain from contacting us other than in relation to any specific queries you may have in respect of the distribution. This is to ensure that we minimise our costs of dealing with this matter which may otherwise dilute the second and any subsequent distributions to shareholders. If you do need to contact us, please contact Abbie Suttling of my office in the first instance by email abbie.suttling@begbies-traynor.com.

Yours faithfully
for and on behalf of
SRG Realisations (2017) plc (Formerly Security Research Group plc)



G P Shankland
Joint Liquidator

Enc. Cheque in respect of the first interim dividend