

Appendix I
9 August 2023

Company	GFG FX Algo Bond Trading Limited (In Liquidation) ("the Company")
Liquidators	Benjamin Alexander Rhodes (12 March 2020 – present) Andrea Frances Alice Harris (10 June 2021 – present) James Robert Toynton (12 March 2020 – 10 June 2021)
Date of appointment	12 March 2020
Current status of the liquidation	<p>The Company's only assets as at the date of this report are cash at bank of £74,940 and a loan made to a Dubai based entity named DXD Commodities DMCC ("DXD") of which \$560,055 remains outstanding plus interest which as at 9 August 2023 totalled \$223,562 ("the Loan"). Interest continues to accrue at a rate of 10% per annum on a daily basis from the date of demand (being 14 August 2019). DXD has been dissolved since 24 November 2017.</p> <p>As set out in the Preceding Report, the Loan was secured against a portfolio of precious stones ("the Security"). The Liquidators have obtained an expert valuation of the Security, which indicates that the current realisable value of the Security is £44,000 - £49,000. The Security continues to be preserved in a secure vault in the UK.</p> <p>Having undertaken investigations and considered recoverability of the Loan with their legal counsel, the Liquidators consider it unlikely that the full value of the Loan will be recovered, and that incurring further costs in respect of pursuing recovery of the Loan is not likely to be of any benefit to the Company's shareholders.</p> <p>On this basis, the Liquidators are making arrangements to realise the Security for the benefit of the liquidation estate.</p>
Outstanding matters	The liquidation will remain open until the realisation of the Security has been completed. Following this, the Liquidators will seek final tax clearance and the Liquidation of the Company shall proceed towards final meeting.
Distributions	No distributions have been declared in the liquidation to date. The Liquidators' intention is to settle any outstanding liquidation costs following the realisation of the Security. Thereafter, the Liquidators will declare a final distribution of any surplus to investors. The quantum and the time of the final distribution is currently unknown.

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Remaining Asset Position

As at the date of this report, the Company holds cash of £74,940, the Security (valued at £44,000 - £49,000), and the loan position is as follows:

	<u>USD</u>
Loan to DXD*	560,055
Interest accrued as at 9 August 2023*	223,562
	<u>783,617</u>

Future Liabilities

Future liabilities are difficult to estimate given the ongoing recovery efforts but a provision has been made for future costs totalling £25,000 as outlined below:

<u>Provision for:</u>	<u>GBP</u>
Legal Fees	5,000
Liquidators' Fees	10,000
General Provision	10,000
	<u>25,000</u>

Additionally, the following costs have been incurred but not yet paid:

	<u>GBP</u>
Secure Vault Storage Fees*	1,500
Insurance Premium Allocation	9,277
Custodian Fees**	1,808
Liquidators' Fees	42,403
	<u>54,988</u>

**Costs in this regard continue to accrue at £25 per day.*

*** Butterfield have raised an invoice of £12,295 in respect of custodian fees for the period from 21 March 2020 – 31 October 2020. The Liquidators consider that only £1,808 of this invoice is due and payable, as no custodian fees should be payable from the date of closure of the Algo Cell on 6 April 2020 (following the transfer of the Company's shares from the Butterfield's nominee to underlying shareholders on 20 March 2020). As such, the Liquidators are only recognising £1,808 as an unpaid liability.*

After taking account the unpaid liabilities of £54,988 (excluding provisions), the net cash position of the Company as at the date of this report is £19,952 including provisions for future costs (£25,000), the Company has a cash shortfall of £5,048. As set out above, the Liquidators are looking to realise the Security, after which they will settle outstanding liquidation costs and seek to declare a first and final shareholder distribution, should sufficient funds be available to do so.

Creditors

The Liquidators have not received any claims from creditors. Any liabilities arising prior to the liquidation or as expenses of the liquidation have been settled from the funds on hand.

Liquidators' Time and Cost Analysis

In the letter of engagement, signed by Grant Thornton Limited and the Directors of the Company, the Joint Liquidators advised that in a liquidation of this complexity it is difficult to give a fees estimate, as such it was agreed that the Joint Liquidators be remunerated on a time-cost basis with reference to hourly rates for the staff members undertaking the work, with an agreed discount of 5% on our standard hourly rates.

Currently invoices for the sum of £67,136 have been raised in respect of post-liquidation fees and disbursements. Since the date of the last report, further liquidation costs of £42,403 have been incurred but not yet billed. A summary of total liquidation costs incurred to date is as follows:

	<u>GBP</u>
Time Costs Billed, settled	67,136
Time Costs Incurred but not yet Billed*	42,403
Time Written off **	14,458
Total Time Costs***	123,997
Disbursements Billed, settled	303
Disbursements Outstanding	-
Total Disbursements	303

*The Joint Liquidators will refrain from raising further invoices pending future realisation of the Security.

** See below breakdown of time-costs written off to date:

From 12 March 2020 to 15 July 2022	From 16 July 2022 to 3 August 2023	Total
£6,006	£8,452	£14,458

***See below a breakdown of our WIP incurred to date:

From 12 March 2020 to 15 July 2022	From 16 July 2022 to 3 August 2023	Total
£96,689	£27,308	£123,997

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Annual General Meeting

The Liquidators are required to summon a general meeting of the Company's shareholders pursuant to Section 399 of the Companies (Guernsey) Law, 2008.

NOTICE IS HEREBY GIVEN, in accordance with Section 399 of The Companies (Guernsey) Law, 2008 that a GENERAL MEETING of the above named company will be held at the offices of Grant Thornton Limited, St James Place, St James Street, St Peter Port, Guernsey, on **8 September 2023 at 3.00 pm** for the purpose of having an account laid before the members of the Liquidators' acts, dealings and the conduct of the winding up during the preceding year.

A member entitled to attend and vote at the above meeting may appoint a proxy or proxies to attend and vote instead of them.

The Liquidators also enclose a proxy form for the general meeting that should be completed and returned in accordance with the instructions on the proxy form, which is enclosed at **Appendix IV**.

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