

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO SME CREDIT REALISATION FUND LIMITED ON WHICH YOU ARE BEING ASKED TO VOTE.

Shareholders should read this Circular carefully and in its entirety and, if you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a territory outside the UK, from an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Shares in the Company, please send this Circular, but not the Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into Canada, Australia, South Africa or Japan or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction. If you have sold or transferred only part of your holding of Shares please consult the stockbroker, bank or other agent through which the sale or transfer was effected.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred, directly or indirectly, into or within the United States, or to or for the account or benefit of U.S. persons as defined in Regulation S under the Securities Act (“**U.S. Persons**”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company to register under the Investment Company Act.

SME CREDIT REALISATION FUND LIMITED

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008, as amended, with registered number 60680)

NOTICE OF EXTRAORDINARY GENERAL MEETING RECOMMENDED PROPOSALS FOR VOLUNTARY LIQUIDATION OF THE COMPANY

The Proposals described in this Circular are conditional on approval from Shareholders, which is being sought at an Extraordinary General Meeting of the Company to be held at the Company's registered office, 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL at 11 a.m. on 24 March 2023. Notice of the Extraordinary General Meeting is set out in Part III of this Circular.

The Company is registered as a Registered Closed-ended Collective Investment Scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, and the Registered Collective Investment Schemes Rules and Guidance, 2021 (the “**Rules**”) issued by the Commission. Notification of the Proposals has been given to the Commission in accordance with the Rules. The Commission does not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Shareholders are asked to complete, sign and return the Form of Proxy by one of the following means: (i) by voting online at www.signalshares.com; (ii) in the case of CREST members, by utilising the CREST system service (details of which are contained in this Circular); or (iii) by requesting a hard copy Form of Proxy from the Company's Registrar, in each case as soon as possible and, in any event, not later than 11 a.m. on 22 March 2023. The lodging of a Form of Proxy will not prevent a Shareholder from attending the Extraordinary General Meeting and voting in person if they so wish.

This Circular should be read as a whole. Your attention is drawn to the letter from the Chair of the Company which is set out on pages 5 to 10 of this Circular and which recommends that you vote in favour of the Resolutions to be proposed at the Extraordinary General

Meeting. Your attention is drawn to the section entitled “Action to be Taken by Shareholders” on page 10 of this Circular, and to the section entitled “Risks Associated with the Proposals” on page 8 of this Circular. The definitions used in this Circular are set out in Part II on pages 11 to 12.

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EXPECTED TIMETABLE OF EVENTS

The anticipated dates and sequence of events relating to the implementation of the Proposals are set out below:

Record date for participation and voting at the Extraordinary General Meeting	11 a.m. on 22 March 2023
Latest time and date for receipt of Form of Proxy for the Extraordinary General Meeting*	11 a.m. on 22 March 2023
Closing of the Company's register and record date for participation in liquidation distributions	6.30 p.m. on 23 March 2023
Suspension of listing and trading of the Shares	7.30 a.m. on 24 March 2023
Extraordinary General Meeting	11 a.m. on 24 March 2023
Joint Liquidators appointed	24 March 2023
Announcement of results of the Extraordinary General Meeting	24 March 2023
Cancellation of listing and trading of the Shares on the Main Market	8 a.m. on 27 March 2023

Each of the times and dates in the expected timetable of events may be extended or brought forward without notice. If any of the above times and/or dates change materially, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through an RIS provider. All references are to London time unless otherwise stated.

* Please note that the latest time for receipt of the Forms of Proxy in respect of the Extraordinary General Meeting is 48 hours (excluding any part of a day which is not a Business Day) prior to the time allotted for the meeting.

PART I – LETTER FROM THE CHAIR
SME CREDIT REALISATION FUND LIMITED

*(a company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended,
with registered number 60680)*

Directors
(all non executive)
Frederic Hervouet (Chair)
Jonathan Bridel
Richard Burwood
Anthony Nicol

Registered Office
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey
GY1 2HL

6 March 2023

Recommended proposals for the voluntary liquidation of the Company
Notice of Extraordinary General Meeting

Dear Shareholders

1. INTRODUCTION AND BACKGROUND

I am writing to you to outline details of important proposals regarding the future of the Company.

As you are aware, the Company has been in managed wind-down since 11 June 2019, during which time the Company has realised the Portfolio in an orderly manner and has made regular distributions to Shareholders through compulsory redemptions of Shares and distributions of dividends.

The Company and its subsidiaries (the “**Group**”) entered into agreements on 2 December 2022 (in respect of the U.S. loans in the Portfolio) and 9 December 2022 (in respect of the UK and CE loans in the Portfolio) (together, the “**Sale Date**”) to sell all remaining credit assets in the Portfolio with an Economic Cut-Off Date of 30 September 2022 (the “**Sale Agreements**”).

On 18 January 2023, the Company announced a return of approximately £16.4 million to Shareholders by way of a compulsory redemption of Shares at 116.02 pence per Share (being the NAV per Share as at 31 December 2022), which was paid to Shareholders on 6 February 2023. This distribution represented the net proceeds from the sale of loans in the previous quarter under the Sale Agreements, less the following amounts which were set aside: (i) accruals for ongoing costs through to full liquidation of the Group; (ii) approximately £5.4 million related to indemnities under the Sale Agreements (see further detail in sections 2 and 3 below); and (iii) a £1.2 million liquidity reserve to provide for any contingent tax liabilities which may arise (see further detail in section 3 below).

As at 28 February 2023, the NAV attributable to the Shares of the Company is £6.65 million and the NAV per Share is 116.02 pence.

In light of the Company’s current position, the Board has now unanimously agreed that it is in the best interests of the Company and its Shareholders to place the Company into voluntary liquidation in accordance with Companies Law, appoint Andrea Frances Alice Harris and Benjamin Alexander Rhodes of Grant Thornton as Joint Liquidators and to cancel the admission of its Shares to the premium listing category of the Official List and to trading on the Main Market.

The Board is therefore putting forward the Proposals for approval by Shareholders at the Extraordinary General Meeting which, if approved, would commence the liquidation of the Company. No further distributions will be paid by the Company pending the voluntary liquidation of the Company. Further details of the Proposals, which require Shareholder approval, are set out in section 2 below.

This Circular sets out details of, and seeks your approval for, the Proposals and explains why the Board is recommending that you vote in favour of the Resolutions to implement them. Notice of the Extraordinary General Meeting is set out in Part III of this Circular.

2. PROPOSALS

The purpose of this Circular is to convene an Extraordinary General Meeting of the Company to be held at the Company's registered office, 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL. The Extraordinary General Meeting will be held at 11 a.m. on 24 March 2023 to seek approval from the Shareholders of the Proposals, in accordance with applicable law.

At the Extraordinary General Meeting, the Board proposes:

- a) that the Company be put into Members' Voluntary Winding Up;
- b) the Joint Liquidators be given sanction in accordance with the Articles to divide amongst the Shareholders *in specie* any part of the assets of the Company and / or vest any part of the assets of the Company in trustees upon such trust for the benefit of the Shareholders, in each case as they think fit;
- c) to appoint Andrea Frances Alice Harris and Benjamin Alexander Rhodes of Grant Thornton as Joint Liquidators of the Company;
- d) that any one of the Joint Liquidators is empowered to transact on behalf of the Company;
- e) that the remuneration of the Joint Liquidators be drawn in accordance with the letter of engagement with the Company; and
- f) that the Joint Liquidators be authorised to destroy any of the Company's records in their possession as they think fit,

together, the "**Proposals**".

The Proposals set out in this Circular are subject to the approval of the Shareholders. Notice of the Extraordinary General Meeting at which the Resolutions to approve the Proposals will be considered is set out in Part III of this Circular.

The Proposals will, if approved, result in the voluntary liquidation of the Company. Surplus funds (if any) remaining after the Joint Liquidators have settled all liabilities, costs and expenses (including the costs of the Company's liquidation) will be available to Shareholders at the conclusion of the liquidation. Upon their appointment, the Joint Liquidators intend to seek to surrender the Company's registration as a registered collective investment scheme.

As is industry practice, the Group as seller has offered certain warranties and indemnities under the Sale Agreements to buyers of the loans and accordingly is required to hold back cash equating to the value of these indemnities of c. £5.4 million until such time as the indemnity period has finished. This period will be 12 months from the Sale Date and amortisation will commence after six months with the majority of cash flows becoming available at the end of this period. The Company does not anticipate any material claims against these indemnities and expects to distribute any unclaimed provisions during the voluntary liquidation of the Company and by the end of 31 March 2024.

Provided the Proposals are approved, no audited financial statements of the Company will be prepared for the financial year ended 31 March 2023 or subsequent years. The decision to place the Company into liquidation prior to 31 March 2023 and accordingly not to prepare audited financial statements for the financial year ended 31 March 2023 is being taken by the Board following (i) consultation with certain major Shareholders; and (ii) written support from a majority of the Shareholders.

The Company appointed Funding Circle Global Partners Limited ("**FCGPL**") pursuant to an agreement dated 26 November 2018 to provide corporate services to the Company (the "**Services Agreement**"). The Company and FCGPL will terminate the Services Agreement as appropriate on a date mutually agreed between them and such termination will not result in material costs to the Company.

Further details of the Proposals outlined above are set out in sections 2.1 to 2.3 below.

2.1 Appointment of Joint Liquidators and Liquidation

Subject to Shareholder approval of the Resolutions relating to the Proposals at the Extraordinary General Meeting, Andrea Frances Alice Harris and Benjamin Alexander Rhodes of Grant Thornton will be appointed as Joint Liquidators of the Company and their remuneration shall be determined in accordance with the letter of engagement between the Joint Liquidators and the Company. The

appointment of the Joint Liquidators will take effect immediately upon the passing of the Resolutions at the Extraordinary General Meeting. Upon the appointment of the Joint Liquidators, all powers of the Board will cease and the Joint Liquidators will be responsible for the affairs of the Company until it is wound up. The Joint Liquidators will wind up the Company in accordance with Guernsey law, discharge the liabilities of the Company and, following satisfaction of all the creditors of the Company, will divide the surplus assets (if any) of the Company among the Shareholders according to their respective rights and interests in the Company.

After the liquidation of the Company and the distribution of surplus assets to Shareholders, existing certificates in respect of the Shares will cease to be of value and any existing credit of the Shares in any stock account in CREST will be redundant.

The Joint Liquidators will establish a reserve (the “**Retention**”) of such amount as they consider appropriate to meet the Company’s liabilities (including the indemnities provided under the Sale Agreements and any contingent tax liabilities, as detailed in section 3 below) and estimated costs and expenses whilst in liquidation (including the costs of terminating any service provider agreements). The Joint Liquidators estimate that the Retention will amount to approximately £7.7 million. Any surplus funds remaining from the Retention after the Joint Liquidators have settled all liabilities, costs and expenses, will be distributed to Shareholders at the conclusion of the liquidation or earlier if available. Payment will be made using the CREST system provided that any such amount payable to a Shareholder is at least £10.00 or more. Where less than £10.00 is payable to a Shareholder, the amount will be transferred instead by the Joint Liquidators to UNICEF (registered charity number 1072612) as the distribution of any amount of less than £10.00 per Shareholder is likely to be nullified by the administrative costs of making such distribution.

Prior to any distribution to a Shareholder, the Joint Liquidators are required to ensure that they have appropriate anti-money laundering and know your customer due diligence on that Shareholder in accordance with applicable law. Accordingly, Shareholders are advised to review, or instruct their custodian to review, the registration details in relation to their holdings of Shares. If you have any questions on this process, please contact Link Group on 0371 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, or email Link at shareholderenquiries@linkgroup.co.uk. Shareholders should be aware that they may receive requests from the Company and / or the Joint Liquidators for further information as part of this process.

2.2 Suspension and cancellation of admission of the Shares to trading on the Main Market

The register of members will be closed at 6.30 p.m. on 23 March 2023 and the Shares will be disabled in CREST at the start of business on 24 March 2023. Accordingly, to be valid, all transfers must be lodged before 6.30 p.m. on 23 March 2023. Application will be made to the FCA for suspension of listing of the Shares on the Official List and application will be made to the London Stock Exchange for suspension of trading in the Shares, in each case, at 7:30 a.m. on 24 March 2023. The last day for dealings in the Shares on the London Stock Exchange on a normal rolling two-day settlement basis will be 22 March 2023. After 22 March 2023, dealings should be for cash settlement only and will be registered in the normal way if the transfer, accompanied by the documents of title, is received by the Registrars by close of business on 23 March 2023. The record date, being the date for determining which Shareholders are entitled to receive liquidation distributions, is close of business on 23 March 2023.

Transfers received after the time specified above will be returned to the person lodging them and, if the Resolutions relating to the Proposals are passed, the original holder will receive any proceeds from distributions made by the Joint Liquidators.

If the Resolutions relating to the Proposals are passed, the Company will make applications for the cancellation of the admission of the Shares to listing on the Official List and to trading on the Main Market following the Extraordinary General Meeting with the cancellations expected to take effect at 8 a.m. on 27 March 2023.

After the liquidation of the Company and the making of the final distribution to Shareholders (if any), existing certificates in respect of the Shares will cease to be of value and any existing credit of the Shares in any stock account in CREST will be redundant.

2.3 Costs of the Proposals

The expenses to be incurred in relation to the Proposals (including professional advice and the Joint Liquidators’ fees) are currently estimated to amount to approximately £0.2 million. Provision

has been made in the Company's published NAV for these estimated expenses, in addition to the estimated fees and expenses of service providers in the ordinary course of business up to the date of the Joint Liquidators' appointment in accordance with the terms of their engagement.

3. RISKS ASSOCIATED WITH THE PROPOSALS

In considering your decision in relation to the Proposals, you are referred to the risks set out below.

Shareholders should read this Circular carefully and in its entirety and, if you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a territory outside the UK, from an appropriately authorised independent financial adviser.

Only those risks which are material and currently known to the Company have been disclosed. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, may also have an adverse effect on the Company.

- As detailed in section 2 above, the Group as seller has offered certain warranties and indemnities under the Sale Agreements to buyers of the loans and accordingly is required to hold back cash equating to the value of these indemnities of c. £5.4 million (which will form part of the Retention) until such time as the indemnity period has finished. This period will be 12 months from the Sale Date and amortisation will commence after six months. To the extent these indemnities are claimed against, the remaining cash distributable to Shareholders after the indemnity period has expired may be lower than that initially set aside. This cash is additionally to be held in the currency of the associated loans and may be exposed to foreign exchange gains and losses.
- Ireland introduced its interest limitation rule to apply to Irish companies with respect to accounting periods commencing on or after 1 January 2022. The interest limitation rule provides that where an entity has exceeding borrowing costs of more than EUR 3,000,000 it may only deduct its exceeding borrowing costs up to an amount equal to 30.0 per cent. of its earnings before interest, tax, depreciation and amortisation ("EBITDA"), calculated in accordance with the interest limitation rules, in the year in which they are incurred but the balance would remain available for carry forward, subject to certain conditions. For these purposes, "exceeding borrowing costs" mean the amount by which an entity's borrowing costs exceed "interest revenues and other equivalent taxable revenues". Accordingly, an entity will not be restricted from deducting its interest expenses to the extent that it funds such interest expenses from interest or "interest equivalent revenues". In connection with the liquidation of the Company, subsidiaries which are established in Ireland disposed of loans and may realise income (in excess of the EUR 3,000,000 threshold) as a consequence of an improvement in the fair value and reversal of impairment of those loans relative to prior years in which those loans were impaired. There is some uncertainty as to whether this income recognised as a result of the revised fair valuation or impairment reversal may be treated as interest or equivalent income for the purposes of the interest limitation rule. If the income is not treated as interest or equivalent income, the relevant Irish subsidiary's ability to deduct its interest expenses, which will otherwise fully offset such income, may be restricted to 30.0 per cent of its EBITDA. This may result in the relevant Irish subsidiary having taxable profits in Ireland. To manage the uncertainty on this point the Group has decided to maintain a liquidity reserve of £1.2 million to provide for any contingent tax liabilities as a result of the interest limitation rule until such time as the position is more certain.

4. EXTRAORDINARY GENERAL MEETING

The Proposals are subject to Shareholder approval. Notices convening the Extraordinary General Meeting, to be held at the Company's registered office, 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL at 11 a.m. on 24 March 2023, are set out at the end of this Circular. The Notice includes the full text of the Resolutions.

In order to become effective, Resolution 1 must be approved by a majority of not less than seventy-five per cent. of the votes cast by Shareholders who, being entitled to vote, are present in person or by proxy at the Extraordinary General Meeting while Resolutions 2 to 5 must be approved by a

simple majority of votes cast by Shareholders who, being entitled to vote, are present in person or by proxy at the Extraordinary General Meeting.

The quorum for the Extraordinary General Meeting is two Shareholders who, being entitled to vote, are present in person or proxy. If within half an hour after the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for seven days at the same time and place and no notice of adjournment need be given (or if that day is not a Business Day, to the next Business Day). On the resumption of an adjourned meeting, those Shareholders who, being entitled to vote, are present in person or proxy shall constitute the quorum.

5. GUERNSEY REGULATORY NOTIFICATION

The Commission will be notified of the Proposals in respect of the Company in accordance with and as required by the Registered Collective Investment Schemes Rules and Guidance, 2021.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any Business Day from the date of this Circular until the conclusion of the Extraordinary General Meeting:

- the Articles; and
- this Circular.

A copy of this Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

7. TAXATION

The following comments are intended only as a general guide to certain aspects of current UK tax law and HM Revenue & Customs' published practice, both of which are subject to change possibly with retrospective effect. They are of a general nature and do not constitute tax advice and apply only to Shareholders who are resident in the UK (except where indicated) and who hold their Shares beneficially as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies or collective investment schemes. The information below does not constitute legal or tax advice to any Shareholder. If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your independent professional adviser.

Subject to the comments in the next paragraph, any Shareholder who is UK tax resident may, depending on that Shareholder's personal circumstances, be subject to capital gains tax (or, in the case of a corporate Shareholder, corporation tax on chargeable gains) in respect of any gain arising on a disposal (including on any distribution in the final liquidation of the Company) of their Shares. For such individuals, capital gains are taxed at a rate of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate taxpayers). Individuals may, depending on their personal circumstances, benefit from certain reliefs and allowances, including an annual exempt amount, which exempts the first £12,300 for the tax year 2022-23. The annual exempt amount will reduce to £6,000 for the tax year 2023-2024 and £3,000 for the tax year 2024-2025. Shareholders who are not resident in the UK for taxation purposes will not normally be liable to UK taxation on chargeable gains arising from the disposal of their Shares unless those Shares are held for the purposes of a trade, profession or vocation through a UK branch, agency or permanent establishment, although they may be subject to foreign taxation depending on their own particular circumstances. Individual Shareholders who are temporarily not resident in the UK for tax purposes may, in certain circumstances, be liable to capital gains tax in respect of gains realised when they are not resident in the UK under anti-avoidance legislation.

The treatment described above is based on any gain arising on a disposal of a Shareholder's Shares not being taxed as income under the "offshore fund" rules which apply for the purposes of UK tax legislation. Under current law, if the Company (or any class of Shares) were to be treated for UK taxation purposes as an "offshore fund", gains on disposals of Shares realised by a Shareholder would be taxable as income and not as capital gains.

8. CONSEQUENCES OF THE PROPOSALS NOT BEING APPROVED

If the Proposals are not approved, the Proposals will not be implemented and the Board shall consult with Shareholders as to the future course of action.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Whether or not you intend to be present at the Extraordinary General Meeting, you are asked to complete a Form of Proxy by one of the following means:

- by voting online at www.signalshares.com;
- in the case of CREST members, by utilising the CREST system service in accordance with the procedures set out in the notes to the Notice of Extraordinary General Meeting; or
- you can request a hard copy Form of Proxy by contacting the Company's Registrar, Link Group.

In each case, the Form of Proxy must be received by the Company as soon as possible and, in any event, no later than 48 hours (excluding any part of a day which is not a Business Day) prior to the time allotted for the Extraordinary General Meeting. To be valid, the Form of Proxy should be completed and lodged with the Company's Registrars by the relevant time.

The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so.

10. RECOMMENDATION

The Board considers that the Proposals described in this Circular are in the best interests of Shareholders as a whole and accordingly recommends that Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

The Directors intend to vote in favour of the Resolutions in respect of their holdings of Shares, amounting to 7,280 Shares in aggregate (representing approximately 0.1276 per cent. of the issued share capital of the Company (excluding any Shares held in treasury) as at 1 March 2023 (the latest practicable date prior to the publication of this Circular).

Yours faithfully

Frederic Hervouet

Chair

PART II – DEFINITIONS

“Articles”	the articles of incorporation of the Company in force from time to time
“Board” or “Directors”	the board of directors of the Company whose names are set out on page 5 of this Circular
“Business Day”	any day (other than a Saturday or a Sunday) on which banks are open for general business in London and Guernsey
“Circular”	this document
“Commission”	the Guernsey Financial Services Commission
“Companies Law”	The Companies (Guernsey) Law, 2008, as amended
“Company”	SME Credit Realisation Fund Limited
“Company Secretary”	Sanne Group (Guernsey) Limited
“CE”	Continental Europe
“CREST”	the system for paperless settlement of trades and the holding of uncertificated securities administered by Euroclear
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“Economic Cut-off Date”	in respect of the sale of loans pursuant to the Sale Agreements, the date after which beneficial ownership is deemed to have transferred to the new owner. As is common practice in such transactions, the Sale Date occurs after the Economic Cut-off Date to allow parties time to review the data, provide bids and to complete due diligence before signing legally binding contracts
“Extraordinary General Meeting”	the extraordinary general meeting of the Company convened for 11 a.m. on 24 March 2023 at the Company’s registered office, 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL (or any adjournment thereof), notice of which is set out in Part III of this Circular
“FCA”	the Financial Conduct Authority of the UK
“FCGPL”	Funding Circle Global Partners Limited
“Form of Proxy”	the form of proxy for use at the Extraordinary General Meeting
“Grant Thornton”	Grant Thornton Limited
“Group”	the Company and its subsidiaries
“HMRC”	HM Revenue & Customs
“Joint Liquidators”	Andrea Frances Alice Harris and Benjamin Alexander Rhodes of Grant Thornton
“Listing Rules”	the listing rules made by the FCA under Part VI of the Financial Services and Markets Act 2000
“London Stock Exchange”	London Stock Exchange plc
“Main Market”	the Main Market of the London Stock Exchange
“Members’ Voluntary Winding Up”	a voluntary winding up pursuant to Section 391(1)(b) of the Companies Law
“NAV” or “Net Asset Value”	the value of the assets of the Company less its liabilities determined in accordance with the Company’s accounting policies and applicable accounting standards
“NAV per Share”	the Net Asset Value of the Company divided by the number of Shares in issue at the relevant time

“Ordinary Resolution”	a resolution which requires a majority of the Shareholders present in person or by proxy and entitled to vote and voting at the appropriate meeting
“Portfolio”	the Company’s portfolio of investments from time to time
“Proposals”	has the meaning given section 2 of Part I of this Circular
“Registrar”	Link Group, a trading name of Link Market Services Limited
“Resolutions”	the resolutions to be proposed at the Extraordinary General Meeting in relation to the Proposals; being one Special Resolution and four Ordinary Resolutions
“Retention”	has the meaning given in paragraph 2.1 of Part I of this Circular
“RIS”	a regulatory information service, being one of the service providers listed in Schedule 12 of the Listing Rules
“Rules”	the Protection of Investors (Bailiwick of Guernsey) Law, 2020, and the Registered Collective Investment Schemes Rules and Guidance, 2021
“Sale Agreements”	has the meaning given section 1 of Part I of this Circular
“Sale Date”	has the meaning given section 1 of Part I of this Circular
“Services Agreement”	the services agreement between FCGPL and the Company dated 26 November 2018
“Shareholders”	holders of Shares
“Shares”	ordinary shares of no par value in the capital of the Company
“Special Resolution”	a resolution which requires a majority representing not less than three quarters of the Shareholders present in person or by proxy and entitled to vote and voting at the appropriate meeting
“UK”	the United Kingdom of Great Britain and Northern Ireland
“U.S.”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia

PART III – NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL, at 11 a.m. on 24 March 2023 to consider and, if thought fit, to pass the following Resolutions:

SPECIAL RESOLUTION

THAT:

- 1) with effect from the conclusion of this Extraordinary General Meeting:
 - a. the Company be and is hereby placed into Members' Voluntary Winding Up;
 - b. the Joint Liquidators be given sanction in accordance with the Articles to divide amongst the Shareholders *in specie* any part of the assets of the Company, and may with the like sanction vest any part of the assets of the Company in trustees upon such trust for the benefit of the Shareholders as the Joint Liquidators with the like sanction shall think fit.

ORDINARY RESOLUTIONS

THAT:

- 2) Andrea Frances Alice Harris and Benjamin Alexander Rhodes of Grant Thornton Limited, St James Place, St James Street, St Peter Port, Guernsey, GY1 2NZ be hereby appointed as Joint Liquidators.
- 3) Any one of the Joint Liquidators is hereby empowered to transact on behalf of the Company.
- 4) The remuneration of the Joint Liquidators be drawn in accordance with the letter of engagement with the Company.
- 5) The Joint Liquidators be authorised to destroy any of the Company's records in their possession as they think fit.

Save where the context requires otherwise, the definitions contained in the Circular shall have the same meanings where used in the Resolutions.

Registered office:
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey
GY1 2HL

Explanatory notes to the Notice of Extraordinary General Meeting:

1. The approval of a majority of the total number of votes cast by Shareholders being entitled to vote is required to pass an Ordinary Resolution while the approval of not less than 75 per cent. of the total number of votes cast by Shareholders being entitled to vote is required to pass a Special Resolution.
2. A member of a company is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at a meeting of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by them.
3. You can vote either:
 - a. by logging on to www.signalshares.com and following the instructions;
 - b. in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
 - c. by requesting a hard copy Form of Proxy from Link Group on 0371 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, or email Link at shareholderenquiries@linkgroup.co.uk.
4. Where there are joint registered holders of any Shares, such persons shall not have the right of voting individually in respect of such Share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the Company's register of members shall alone be entitled to vote.
5. Any corporate which is a member of the Company may by resolution of its directors or other governing body or officers authorised by such body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which it represents as that corporate could exercise if it were an individual member of the Company.
6. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be delivered to Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL not less than forty-eight hours (excluding weekends) before the time appointed for holding the meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken more than 48 hours after it is demanded, not less than twenty four (24) hours (excluding weekends) before the time appointed for the taking of the poll and in default, unless the Board directs otherwise, the instrument of proxy shall not be treated as valid.
7. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (RA10) not later than 48 hours before the time appointed for holding the meeting (excluding weekends). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. Only Shareholders registered in the register of members of the Company at the close of business on 22 March 2023 shall be entitled to attend or vote at the aforesaid meeting in respect of the number of Shares registered in their name at the time, or in the event that the meeting is adjourned in accordance with the provisions contained in the Company's Articles, in the register of members at close of business two days before the time of any adjourned meeting. Changes to entries on the register of members after such time or, in the event that the meeting is adjourned, to entries in the register of members after close of business before the time of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

9. To change your proxy instructions, simply submit a new proxy appointment using the method set out above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Please note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
10. Completion of the Form of Proxy will not prevent a member from attending the meeting and voting in person should the member so wish.

