

AIB BANK PLC
Sort Code: 23-83-96

Outward Payment Instruction for Faster Payments

1. SCHEME DETAILS

Scheme Name **John Ryan Pension Scheme**

Account Number

2. PAYMENT DETAILS

Date to be actioned

Amount
(GBP)

£ 500,000.00

Amount in
Words

Five Hundred Thousand Pounds.

3. BENEFICIARY

Beneficiary
Name

Spencross Limited

Beneficiary
Sort Code

08 - 90 - 00

Beneficiary Account Number

70486023

Payment Reference

4. PURPOSE OF TRANSACTION - Description

Purchase of ordinary shares in Salram Limited

We authorise the scheme administrator to make the payment on the date stated on this form in accordance with the following authorised account signatures.

5. TRUSTEE SIGNATURE

1st Signatory

2nd Signatory - If applicable

J. Ryan

L. Ryan

Name

Name

JOHN MICHAEL RYAN

LYNNE RYAN.

Date

18 / 12 / 19

Date

18 / 12 / 19.

**Trustee Resolution for the
John Ryan Pension Scheme**

Minutes of a meeting of the trustees of the **John Ryan Pension Scheme** (the "Scheme") held at Centurian House, Grotto Lane, Over Peover, Knutsford, WA16 9HL 5HQ on 18th December 2019.

PRESENT:

NAME

Lord John Michael Ryan

Lynne Norma Ryan

- 1.1 It was reported that the purpose of the meeting was to consider and, if thought fit, approve an investment for a purchase of Ordinary class shares in Salram Limited (Company No SC121294) (the "Company"). The proposal is for a purchase of ~~<x Ordinary class>~~ shares of the Company for the sum of ~~<£500,000.00>~~ (the "Investment"). 497,500
- 1.2 The Trustees have noted that the Company is unconnected to the Scheme and associated persons, and that no Scheme members, or persons connected to members, are controlling directors of the Company or of any other vehicle that holds an interest – whether directly or indirectly – in the Company. The Trustees have furthermore noted that there is no deemed conflict of interest.
- 1.3 The Trustees have conducted due diligence into the Company and its affairs and are satisfied as to the soundness and security of the Investment.
- 1.4 The Trustees are in receipt of a share valuation report from ~~<valuation source>~~ NATHAN CHUWAN Business Services confirming that the proposed purchase price for the Investment constitutes a fair value.
- 1.5 Having noted the above, the Trustees have concluded that the Investment would represent a prudent use of Scheme funds.
- 1.6 The proposed Investment would constitute a 10% stake in the Company, and, post-purchase, the Scheme, either alone or together with associated persons, will not have control of the Company.
- 1.7 The Trustees will not have use, or right of use, of any of the assets of the Company as a result of the purchase, and the Investment will be held purely as an investment for the Scheme.

electronic signature by electronic mail in portable document format (.pdf) or any other electronic means intended to preserve the original graphic appearance of a document, will have the same effect as physical delivery of a paper document bearing an original or electronic signature.

- 1.11 There being no other business, the meeting was concluded.

Signed

A handwritten signature in cursive script, appearing to read "J. Ryan".

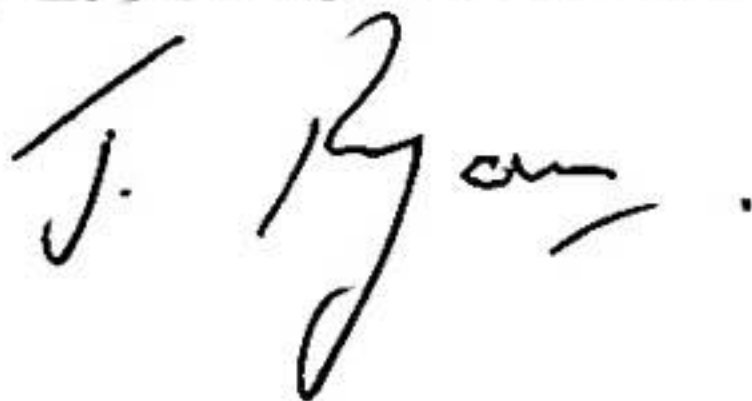
Lord John Michael Ryan
TRUSTEE

A handwritten signature in cursive script, appearing to read "L. Ryan".

Lynne Norma Ryan
TRUSTEE

- 1.8 Having confirmed the above, the Trustees have satisfied themselves that the Investment will meet all relevant legislative requirements for pension scheme investments, and therefore resolve to approve the Investment.
- 1.9 Electronic signatures adopted in accordance with Electronic Signatures Regulation 2002 (SI 2002 No. 318), whether digital or encrypted, by any and all the parties included in this document are intended to authenticate this document and shall have the same force and effect as manual signatures.
- 1.10 Delivery of a copy of this resolution contemplated hereby bearing an original or electronic signature by electronic mail in portable document format (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.
- 1.11 There being no other business, the meeting was concluded.

Signed



Lord John Michael Ryan
TRUSTEE



Lynne Norma Ryan
TRUSTEE

SALRAM LIMITED VALUATION

Net assets as per accounts to 31 March 2019	£1,310,939
Less intangible assets	(£12,712)
Less investments	(£697,187)
Sub total	<u>£601,040</u>
Cleveleys Health Centre Pharmacy Limited cash balance	£2,554,322
Value of 9.3% holding in BSPC Limited	£166,698
Value of NHS contracts in Salram Limited	£563,124
TOTAL	<u>£3,885,184</u>

NATHAN CHUWEN BUSINESS SERVICES

2 CLOUGH AVENUE
SALE
CHESHIRE
M33 4HU

TEL: 0161-969.5457
MOBILE: 07976-359046

SALRAM LTD
46 FOUNTAIN STREET
MANCHESTER
M22BE

Dear Sirs,

I have reviewed the figures in the attached summary from the accounts as at 31-03-19 and, based on these calculations
I think the valuation of the entire equity of Salram Ltd of £ 3885184 is fair and reasonable .



N CHUWEN

SALRAM LIMITED

Salram Limited is 100% owned by Spencross Limited. It owns and operates 3 retail pharmacies which are situated at 5 Station Road, Hesketh Bank, 343 Lytham Road, Blackpool, and 211 Waterloo Road, Blackpool. Each of the retail properties is freehold: Salram has no leasehold obligations. The property at Hesketh Bank consists of a retail unit at the front with a warehouse at the rear. Plans are under consideration to construct a small café within the warehouse area, which can otherwise be used for storage. Salram owns a residential flat over the retail pharmacy at Hesketh Bank and this is presently let out.

The property at 343 Lytham Road is a corner retail shop with office and storage accommodation above. The property at 211 Waterloo Road is a substantial corner site which previously comprised 4 retail units. One of the retail units is now operated as a café which trades under Salram's "Café Vert" trademark. Two of the former retail units are now used for the retail pharmacy and a third, currently empty, retail unit is available for letting out. There is substantial storage accommodation on the floor above all of the units.

Salram has recently undergone considerable change with the sale of 5 retail pharmacies. A subsidiary of Salram, Cleveleys Health Centre Pharmacy Limited, has sold its health centre pharmacy business and now has no trade but simply a cash value as of 31 March 2019 of £2,554,322 (see draft accounts which are currently pending final audit sign off).

Salram also owns a share of 9.37% in a large health centre pharmacy, BSPC Limited. Accounts to 30th April 2019 for this company are attached. A common method of goodwill valuation of pharmacies which have full NHS contracts and which are required to operate for no more than 40 hours per week is to multiply gross profit by 1.5. On this basis, Salram's share in BSPC would amount to $1.5 \times £889,565$ multiplied by 9.37%, i.e., £125,028., plus 9.37% of remaining asset value of £444,724, ie £41,670 – total £166,698.

As to the value of Salram's own NHS contracts, using the same formula of $1.5 \times$ annual gross profit would produce a figure of £563,124. In Salram's balance sheet as at 31 March 2019, this asset is described as "intangible assets" and is put at £12,712. Similarly, in the balance sheet as at 31st March 2019 Salram's interest in Cleveleys Health Centre Pharmacy Limited and BSPC is put at £697,187. If these two figures are uplifted to their proper values as above, the total of shareholders' funds for Salram Limited as at 31st March 2019 increases by £2,574,245 to £3,885.184 which is considered to be a fair and reasonably conservative valuation for 100% of Salram Limited.

