

## Questions And Answers for 79th Gp (7<sup>th</sup> April)

*The following FAQ has been extracted from a telephone conversation call with Jake Webster, Managing Director of 79<sup>th</sup> Gp on the 7<sup>th</sup> April, 2025. There is no documented evidence to back up the following. 79<sup>th</sup> Group will be emailing all investors a detailed update within the next 14 days along with their strategy of how exactly they plan to pay back investors of the loan note series (LL5, LL6 and CM3).*

1. 79th Gp has refuted the accusations of committing fraud and is continuing with their business activities so why is it the extreme measure necessary to temporarily suspend interest and principal payments to existing loan note holders? Is there a technical explanation?  
**After the The City Of London Police publicised the investigation into potential fraud many “Ambulance Chasing “ firms especially opportunistic lawyers have caused lifelong damaging press to the 79<sup>th</sup> Group. Various banks that 79<sup>th</sup> work with have frozen their accounts as a result. The 79<sup>th</sup> Gp Lawyers are working to get these accounts reopened. Not all bank account have been frozen only a few. At this stage this does not affect the continuation of the two main development projects 79<sup>th</sup> Group are working on (Loch Ness and Anglesey).**
2. As the business is continuing why cant you pay coupons and delay maturities? **All resources are being deployed into the two developments sites: (Loch Ness and Anglesey). This will enable the company to pay back investors as soon as possible.**
3. How long will the Coupon suspension last for ? **There is no direct timeframe but it is likely to be indefinite. Their main focus is to pay back capital back to loan note holders.**
4. How long will the maturity suspension last for ? **The company will communicate with investors within the 7-14 days with their strategy and estimated time frame to pay loan note holders back their capital in tranches.**
5. When will you provide specific dates and a more defined schedule? **The next communication from 79<sup>th</sup> Group is between 7-14 days and we hope this question will be answered.**
6. Will the coupons for this suspended period accumulate and paid a later date? **It is too early to say at this stage. The main focus is completing the developments to generate the liquidity and pay capital back to investors. More information will be available from 79<sup>th</sup> Group as the strategy continues and the development continues.**
7. For maturities that have passed E.g March and now April will these investors accumulate coupons from after their 12 month term? **It is still too early and we have not had a confirmation on this point.**
8. What stance is the Trustee taking at this time? The Trustee has written to all note holders explaining their roles and responsibilities. **The Deed of Trustee has reached out so far to all LL5 and CM3 not holders by email. See copies of the emails in case you have nor received them. Their email is: [info@tttrustees.gi](mailto:info@tttrustees.gi)**

**For the Trustee to take any action it requires approval of 75% of note holders. The best way this can be achieved is via a Lenders Majority Group. The Trustee has taken the initiative to form these groups for LL5 and CM3 loan note holders. We have not seen a LL6 email from the Trustee yet.**

**Please take 5 mins and register your [loan note LL5 here](#) or your [CM3 loan note here](#). Agents can**

do this on behalf of their investors but the investor will receive an email asking them to upload a copy of their ID.

KNG are organising proxy letters in order to aid communication, votes also with trustee and potential legal representation in the UK if it is required. This is only for the note holders who agents introduced the 79<sup>th</sup> Gp loan note via KNG. These proxy letters will be sent out within next 7 days.

- [Email 3 from T&T Trustee re LL5](#)
- [Email 3 from T&T Trustee re CM3](#)

9. How many months of non payment must occur before the Trustee steps and takes control of the assets to sell them and pay investors back? **See answer above as this requires a vote by the note holders**

10. Can we see the police's letter of apology and confirmation they would take down certain articles and photos from the social media? This would help to reassure clients? **This letter plus other documentation we have requested to see (engagement letter from Menzies) at this stage is not available due to the sensitive nature. The lawyers of 79<sup>th</sup> Group have advised not to provide this documentation at this stage. It is evident that the City of Police are more focused on crushing 79<sup>th</sup> Gp that protecting loan note holders investment capital.**

11. Can we see the management account of LL6 for 2024 and Jan and Feb of 2025 to ensure money from LL6 is not going to pay other loan notes holders from LL5 or CM2 or CM3. **This has not been made available at this stage due to sensitive nature according to 79<sup>th</sup> Gp lawyers.**

12. You have always talked about acquiring finance at a cheaper price, is this an option to cover the maturities? **Some banks who have frozen the 79<sup>th</sup> Gp account have retracted on this offer. Other institutions that have refinanced 79<sup>th</sup> Groups in the past still have finance to offer 79<sup>th</sup> Gp if they require it.**

13. What is the procedure if a client wants to visit 79th Group's offices? Do you have an in-person service channel or an established protocol to receive investors? **This can be arranged and I believe it important so note holders and agents can see that 79<sup>th</sup> Group are very active and are pursuing with the two real estate projects plus the Resources side of the business. Please email us at [admin@kngadvisors.co.uk](mailto:admin@kngadvisors.co.uk) at this stage and we channel it to the correct department at 79<sup>th</sup> Gp.**

14. What is the probability that 79th Group will be unable to meet either the capital or interest payments due to this situation? **They are 100% committed to protecting investors/creditors and need to develop and sell the two sites in order to satisfy their current debt.**

15. Are you still receiving funds from new investors? **NO, 79<sup>th</sup> Gp are not receiving new money in to the loan notes.**

16. When do you anticipate starting the sales and receiving income at Penrhos and for Loch Ness. **LOCH NESS HAS STARTED, PENRHOS WILL START WITHIN 4 weeks. The two projected will be rebranded to disassociate from the tarnished 79<sup>th</sup> Gp brand. Loch Ness has 23 holiday homes built and are on the market to sell, they also have the permits to build a further 10 holiday homes. The sale of all 23 units is expected to bring in around 15 million GBP of revenue. These will also provide a rental income for the company of around 1.5 million GBP year. The Penrhos site is for around 500 units to built and sold over 3 years. This is split into 3 phases. The first phase is for 140 units that is expected to bring in around 100 million GBP over the next 15-18 months.**

**The company's main focus is now on these two projects, whose revenues are to cover all of the company's debt including all loan note holders. Loan note holders are to be paid in tranches as and when sales go through. Further details will be announced in the next few official 79<sup>th</sup> Gp communications direct with loan note holders via email.**

17. How long can the company service the debt of 56M before you collapse or accountants advise insolvency. Is that a possibility. **They commented that they are well capitalised at this current time and in a financial position to carry out the developments of the two sites.**

18. We understood that you can re-structure the debt, is this still an option or is it not an option during an investigation and the fact that public raising of finance may be unlikely in the near future. **Refinance is still open from some sources yes but other sources due to bad press have cut off this offer.**

19. Is it your intention to pay all the investors back and prove no fraudulent activity or creative accounting has taken place? **YES, they are working on this right now with their solicitors**

20. We understand fraud investigations can take years, what is the plan for 79<sup>th</sup> to continue paying coupons and capital return after Menzies can present proof of no wrong doing,. **We expect to receive more detailed information within next 7-14 days to answer this question.**

21. What is the Menzies audit aiming to achieve and will it assist Peters and Peters prove there is no wrong doing? **2 months to complete but Police probably wont accept it as 79<sup>th</sup> Gp contracted Menzies so Police will take this as biased. Police continue to investigate.**