



To all known creditors

Joint Administrators' Progress Report

For the period from 20 October 2025 to
19 April 2026

DC London Pie Ltd – In Administration (Company Number 15911745)

Report pursuant to Rule 18.6 of the Insolvency (England and Wales) Rules 2016

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Glossary

Commonly Used Terms	Definition
Act / IA86	Insolvency Act 1986 (as amended)
c.	Approximately
CDDA	Company Directors Disqualification Act 1986
CT	Corporation Tax
CVL	Creditor's Voluntary Liquidation
DBT	Department for Business and Trade
EBITDAP	Earnings Before Interest, Taxes, Depreciation, Amortization and Pension Income
FTI / FTI UK	FTI Consulting LLP
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
Preferential creditors	First ranking: Principally employee claims for unpaid wages (max £800 per employee), holiday pay and certain unpaid pension contributions. Second ranking: HMRC in respect of certain specified debts.
Prescribed Part	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A IA86
RPS	Redundancy Payments Service
Sch B1	Schedule B1 IA86
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
SIP 16	Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Principally trade creditors, landlords, utility providers and HMRC

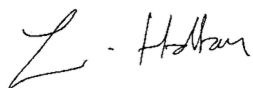
Case Specific References	Meaning
Administration	The Administration of the Company
Administrators / Joint Administrators / we / our / us	Lindsay Kate Hallam, Christopher Jon Bennett and Matthew Boyd Callaghan
Appointment date	20 October 2025
Barclays	Barclays Bank Plc
Brodies	Brodies LLP
Burness Paull	Burness Paull LLP
The Company / DCLP	DC London Pie Ltd
DC Group	DC Euro Sub 1, LLC and its subsidiaries
ERA Solutions	ERA Solutions Limited
Facility Agreement	Facility agreement dated 16 January 2025 between DC London Pie Ltd as Borrower and Yum! III UK Ltd as Lender
Hilco	Hilco Global Advisors
HLS	Hospitality Logistics Solutions Ltd
HWS	HWS 3 Limited, PHR (Northern Europe) Limited, HWS Restaurants Limited, HWSI Limited and HWSB Limited – all in administration
HWSR	HWS Restaurants Limited – in administration
Interpath	Interpath Ltd
LtO	Licence to Occupy
OHS	OHS Limited
The Period	20 October 2025 to 19 April 2026
Previous Sale Process	A comprehensive sale process for the business and assets of HWS (the previous franchisee), undertaken by Interpath
The Proposals	The Joint Administrators' Statement of Proposals dated 27 October 2025
The Purchaser	Yum! Europe Limited
Secured Creditor / Yum! / Franchisor	Creditors with security in respect of their debt in accordance with Section 248 IA86. In this case, the Secured Creditor is Yum! III (UK) Limited
Secured Debt	Yum! III (UK) Limited is a holder of fixed and floating charge security over substantially all of the Company's assets.
Shoosmiths	Shoosmiths LLP, a law firm
SOA	Director's Statement of Affairs dated 26 October 2025
SPA	Sale and Purchase Agreement dated 20 October 2025, between the Administrators, the Company and the Purchaser
Transaction	Pre-packaged sale of the Company's assets to the Purchaser



Purpose of this report

Purpose of this report

- Lindsay Hallam, Christopher Bennett and Matthew Callaghan were appointed as joint administrators of the Company on 20 October 2025.
- Pursuant to Rule 18.6 IR16, we are required to provide creditors with a report setting out what has happened in the Administration during the six-month period since our appointment.
- This report covers the period from 20 October 2025 to 19 April 2026 and contains:
 - An explanation of the work we have done in the Period and how the Administration has progressed;
 - An update on the estimated outcome for each class of creditor;
 - Details of the work we still need to do before the Administration can be concluded;
 - A statement of our receipts and payments and details of expenses we have incurred;
 - An update on our remuneration for acting as joint administrators; and
 - Further information required by statute regarding our appointment as administrators.
- Background information on the Company and events leading up to the Administration can be found in our Proposals, which continue to be available online (see How to Contact Us).
- If you are unfamiliar with insolvency, we have included as an appendix a brief overview that you may wish to read before continuing to read this report.
- Certain legal notices regarding this report, our appointment and creditors' rights are also included as an appendix.
- If you have any questions regarding this report or the Administration generally, please contact us.



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Lindsay Hallam
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability. The Joint Administrators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) IA86. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

How to Contact Us

- Creditors can contact us using the preferred methods below:
Email: DCLondonPie@fticonsulting.com
Post: DC London Pie Ltd – in Administration
c/o FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London
EC1A 4HD
Tel: 020 3727 1000
- Previous documents and further information can be found online at: www.ips-docs.com, using the login details previously provided.

Actions Required by Creditors

- No action is required by creditors at this time. This report is for information purposes only.



Progress of the Administration

Background to the Administration

Immediately upon our appointment, we completed a sale of the Company’s business and substantially all assets to Yum! Europe Limited (“the Purchaser”) for c.£3.7m, including the TUPE transfer of 1,276 employees.

Background to the Company and the Administration

- A background on the Company and the events leading up to the appointment of administrators were included in our Proposals and SIP16 Statement and are not repeated in detail here for the purposes of this report unless considered necessary or beneficial to do so. Therefore, creditors may wish to review this report in conjunction with our Proposals and SIP16 Statement.

Events leading up to Administration

- The Company acquired the business and assets of HWS out of administration on 16 January 2025. Management then launched a turnaround strategy involving cost-cutting measures such as layoffs, site closures, and in-store staffing optimisation. While these actions aimed to reduce run-rate overheads, they led to restructuring costs and ongoing cash flow strain.
- Financial pressure worsened for the Company due to declining trading performance, rising food and labour costs, and significant cash outflows; both from supporting other group entities and repaying a financing facility. As a result, the Company struggled to meet key obligations as they fell due, including tax liabilities, supplier payments, utilities, and franchise royalties.
- HMRC issued a winding-up petition against the Company on 11 September 2025 for unpaid tax liabilities of c.£9.9m. On 30 September 2025, FTI was engaged by the Secured Creditor and the Company to understand the financial position of the Company and its short-term cash flow forecast. The Company attempted to negotiate a repayment plan with HMRC but failed to do so, due to a lack of funding and creditor support. With no agreed repayment plan in place, the winding-up petition would be advertised seven days before a hearing at which the winding-up petition would be heard and the Company likely placed into liquidation.
- After the Previous Sale Process in late 2024, efforts were made in October 2025 to secure a buyer before the winding-up petition was advertised. A potential third-party bidder showed interest but required significant financial support and concessions from Yum! to proceed.

- Yum!, acting as both Franchisor and Secured Creditor, declined to support the proposal and did not believe a sale was feasible within the limited timeframe. Following the advertisement of HMRC’s winding-up petition, which risked severe operational disruption, and with no viable alternative offers, the Company was placed into Administration on 20 October 2025.
- Yum! had submitted an offer which included consideration of c.£0.4m in cash on completion; and c.£3.3m by the release and discharge of the Company from loan liabilities under the secured Facility Agreement, commonly known as a credit bid. A sale was completed on these terms, and the outcome was considered the only practical option to preserve value and achieve the best result for creditors in the circumstances.

Our initial strategy

- The purpose of the Administration is to achieve a better result for the Company’s creditors as a whole than would be likely if the Company were wound up (without first being in Administration). We believe this was achieved by way of completing the Transaction with Yum! immediately following our appointment.
- All assets not included in the Transaction, such as certain leasehold interests in exited sites, deposits, and limited trading receivables, will be pursued and realised in the Administration, though they are not expected to generate significant value for the estate.
- As part of our statutory duties, we are also investigating potential intercompany transactions within the DC Group, particularly possible breaches of the Secured Creditor Facility Agreement.
- The Company’s affairs are being managed by us (as agents of the Company), supported by internal specialists, independent third-party professionals, and subcontractors as needed. The Administration is being funded through the Transaction proceeds, existing cash balances on appointment, pre-Administration trading receipts, and a funding arrangement with the Secured Creditor for costs associated with realising assets subject to fixed charge security.

Realising the Assets | The Transaction

The business and substantially all assets of the Company have been sold to an unconnected third party (Yum!) for c.£3.7m. Work continues in relation to certain post-sale obligations.

Work undertaken in the Period

- As explained in our Proposals, following our appointment as joint administrators, the Transaction was executed to the Purchaser. Details of the marketing, valuation, interested parties, and due diligence of the sale were set out in our SIP16 Statement, published alongside our Proposals. These details are not repeated here for the purposes of this report and therefore creditors may wish to review this report in conjunction with our SIP16 Statement.

Summary of the Transaction

- The Transaction completed on 20 October 2025 and included the Company's business, goodwill, contracts, records, digital assets and stock and equipment at 36 leasehold premises in England and Wales.
- The sale consideration was split between the Company's fixed charge assets (£3.325m) and floating charge assets (c.£0.4m), the latter of which was cash consideration received in full on completion, as shown on the enclosed receipts and payments account by category of asset. Consideration for the fixed charge assets was a credit bid (debt reduction), since the Purchaser was the Secured Creditor.
- The Transaction also included a separate agreement covering 28 additional sites still legally held by HWSR (but occupied by the Company). In total, the Transaction effected the transfer of 64 dine-in restaurants and 1,276 employees to the Purchaser, supported by interim LtO agreements while lease assignments were finalised. We explain our work on the property portfolio in more detail later in this section.
- A number of assets were excluded from the Transaction, including 79 closed sites and financial assets such as cash at bank and pre-Administration trade receivables. The Transaction also resulted in 1,160 redundancies. Further details on these are also set out later.
- Overall, the Transaction delivered the best outcome for creditors by preserving business value, maintaining operations at many sites, saving a significant number of jobs, reducing potential claims, and improving recoveries compared to an alternative liquidation scenario.

Rationale for the Transaction

- The reasons for the concluding the sale are that it was in the best interest of creditors and would assist in the purpose of the Administration being achieved. Also:
 - The sale was the best offer received for the business and assets and compared favourably to the valuations received and the alternative options considered;
 - Some 1,276 jobs were safeguarded by the transfer of employment to the Purchaser, and the Purchaser contributing to the arrears of wages to 20 October 2025 for all employees, also resulting in the avoidance of significant claims against the Company that would otherwise have arisen in connection with employee-related liabilities; and
 - The continuity of the business (and ongoing relationships with customers) allowed the value of trade debts to be maximised; significantly above what we believe would likely have been achieved had the business ceased to trade.

Transactions with connected parties

- In accordance with SIP 13, we are required to disclose any known connected party transactions that occurred in the Period. We confirm that no such transactions have occurred, and none are expected.
- The Purchaser and the Company are not Connected Persons as defined under insolvency legislation; however, due to the Franchisor-Lender relationship, and to allay any creditor concerns, the Purchaser commissioned an independent evaluator's report, which confirmed that the grounds for the Transaction were reasonable in the circumstances.

Future work

- Our future work in relation to the Transaction will principally include continuing to provide reasonable assistance in the transfer of supplier (and other contracts) to the Purchaser, reconciliation and remittance of funds received by the Company that belong to the Purchaser; and management and assignment of the leasehold properties.

Realising the Assets | The Property Portfolio

We have made material progress in dealing with the Company's leasehold portfolio through assignments and surrenders, whilst managing significant ongoing obligations across all properties occupied under Licence to Occupy.

Transfer of the leasehold property portfolio

- At the date of appointment, the Company held a total of 73 leases. Of these, 27 were not part of the Transaction and were unable to be separately realised, so were offered for surrender immediately upon appointment.
 - Of the 46 leases retained within the Administration estate, 38 leases (covering 36 sites) were transferred to the Purchaser and are occupied under a LtO. A further eight leases were retained for occupation (also under licence) by, and potential transfer to, parties other than the Purchaser, with a view to realising lease premiums for the benefit of the estate.
 - Since our Proposals, we have undertaken a substantial programme of work across the portfolio, encompassing property vacations, lease surrenders and assignments. The principal focus has been the assignment of leases to the Purchaser, which represents the majority of the estate by number.
 - To date, 18 of the leases have been assigned to the Purchaser or formally surrendered. In addition, six non-Purchaser leases have been assigned, generating lease premiums of £112,976.40 for the estate. As at the date of this report, 22 leases remain live within the Administration, of which 20 are occupied by the Purchaser and two by other parties.
 - Total costs of £193,952.39 plus VAT have been paid in the Period to legal advisors in connection with the LtO arrangements, which have been (or will be) funded by the relevant licensees.
- Calculating forthcoming monthly liabilities, updated to reflect any assignments or vacations occurring in the period;
 - Preparing and issuing monthly draw-down requests or invoices to each licensee in advance of settlements;
 - Liaising with landlords to obtain and verify invoices for rent, service charges, insurance and utilities, and making timely payment of those amounts;
 - Maintaining rolling forecasts for LtO-related receipts and disbursements to ensure the Administration estate is not exposed to funding shortfalls;
 - Reconciling the LtO treasury position at the end of each period, including adjustments for assignments, surrenders and any properties vacated mid-period, and accounting for apportionments of rent and service charges where applicable;
 - Negotiating settlement statements and completion accounts with assignees;
 - Managing the handover of properties to assignees or landlords on vacation or surrender, including arranging meter readings and notifying utility providers;
 - Maintaining VAT records and preparing periodic VAT returns submitted to HMRC.
- The receipts and payments account at Appendix B sets out the transactions in the Period relating to the above activities and identifies the amount currently held in respect of future lease liabilities.

Managing the properties under licence

- The Company has ongoing obligations in respect of all leasehold properties occupied by third parties under LtO. Our work in this respect encompasses the following activities, which will continue until each property is formally exited from the estate:
 - Maintaining a schedule of properties subject to LtO, updated on a rolling basis to reflect assignments, surrenders and any changes to occupational status;
 - Liaising with licensees and landlords in respect of legal challenges to assignments, including where landlords are withholding consent or imposing unreasonable conditions, and instructing legal counsel where appropriate;
- ### Future work
- The remaining work relates to the assignment of leases still held under LtO.
 - The initial LtO period expires on 20 July 2026, being nine months from the date of appointment. Whilst we are working to complete all assignments prior to this date, should leases remain unassigned, it may be necessary to negotiate an extension of the LtO for a further fixed period to allow the outstanding assignments to be concluded.
 - The timing of individual assignments remains subject to third-party factors, including landlord consent and the progression of legal formalities.

Realising the Assets | Excluded Assets

Our work in relation to various other assets excluded from the Transaction is summarised below. The final outcome in respect of business rates refunds is likely to be uncertain for some time.

Business Rates Refunds

- Given the business only started trading in January 2025, the Company's business rates history was limited and therefore we have not engaged specialist agents to assist in the recovery of any business rates refunds or overpayments, as we have actively been pursuing these amounts ourselves.
- In the Period, £96,802.57 has been recovered, as shown on the enclosed receipts and payments account.
- The collection of business rates refunds remains ongoing; however, we expect the amounts realised to reduce in the following six-month period given the influx of refunds received in the Period.

Other Refunds and Bank Interest

- We have received various sundry refunds from the Company's suppliers totalling £9,472.64, representing account credit balances at the Appointment Date.
- We do not expect the remaining assets excluded from the Transaction to have any material value in the Administration, noting the perishable nature of stock and the prohibitive cost of removal and collection of equipment that would outweigh the recoverable value. Therefore, we will only continue to pursue their realisation if it appears to be in the best interests of creditors
- We have regularly invested funds in Treasury Deposits from the available cash at bank to maximise bank interest. To date, we have realised bank interest of £45,831.18.

Pre-Administration Accounts (cash at bank)

- According to the directors Statement of Affairs, the Company held cash balances with Barclays Bank totalling £2,042,898 at the time of our appointment. Immediately upon our appointment, we wrote to Barclays to notify them of our appointment and to arrange for the balances to be transferred into the Administration estate.
- Total funds of approximately £12.7m were received from the pre-appointment accounts, of which £9.8m related to amounts in respect of post-appointment trading activity and therefore transferred to the Purchaser. £2.6m related to funds due to the Administration which was cash at bank at the date of the appointment. There is currently £0.3m held in our suspense account, which is likely due to the Purchaser pending reconciling the amount against final bank statements.

Dealing with Creditors and other Stakeholders

We have reported regularly to the Secured Creditor and taken steps to assess the level of the Company's liabilities, including responding to queries received from creditors, to the extent possible.

- We set out below the work done in the Period relating to each class of creditor. The current estimates for amounts owed to the various classes of creditors, the anticipated recovery in each case and (where appropriate) the likely timing of distributions; are set out later in this report.

Secured Creditor

- We have engaged with the Secured Creditor regularly during the Period regarding asset realisations, their cost contribution for work relating to the fixed charge assets, and the various properties subject to the LtO it has entered into as purchaser of the business and assets.
- We have recently completed our first drawdown request to cover certain costs relating to the fixed charge assets and we expect to receive these funds in due course.

Preferential creditors

- Preferential creditors are described in the highlighted box opposite.
- Immediately following our appointment, we engaged specialist agents (ERA Solutions) to assist us with certain employee matters, including:
 - Collation of essential employee data from the Company's records to ensure that employee claims could be accurately processed for payment;
 - The completed employee data was provided to ERA Solutions. Using this information, ERA Solutions completed the RP14 and RP14a forms. We subsequently cross-checked the submitted information against company records and authorised ERA Solutions to submit the RP14 and RP14a documentation to the RPS;
 - Completion of the RP15 / RP15a in respect of the Company's pension scheme arrears;
 - Assistance in the resolution of queries from employees and the RPS;
 - Assistance with Statutory Maternity Pay entitlement notices and Direct Earnings Attachment cancellations; and
 - Processing the RP1 claims from the redundant employees.

- In due course, ERA Solutions will assist us with the agreement of the RPS's final claim and the employees' residual preferential claims in preparation for the payment of dividends.

Unsecured creditors

- In preparation for our appointment, we set up a dedicated email address and helpline number in order for creditors to contact us, other than by post.
- We have spent a significant amount of time in the Period responding to creditor queries, regarding claim submissions, the timing of any potential dividend, reissuing documentation, and addressing general enquiries regarding the progress of the Administration. We have responded to queries to the extent possible and using the information currently available to us.
- Creditors can submit their claims via the Turnkey IPS Portal, using the unique login details previously provided. However, there is currently no prospect of a dividend being available to unsecured creditors.

Preferential creditors

- Preferential creditors are certain categories of unsecured creditors that have preferential status under insolvency legislation.
- They are typically employee-related debts in relation to arrears of wages and unpaid holiday pay, subject to statutory limits. The RPS becomes a preferential creditor in place of the employees once it has paid their statutory entitlements.
- Since December 2020, HMRC is also a preferential creditor for certain specified debts but ranks behind the preferential debts described above.

Managing the Company's affairs

Until such time as the Company is dissolved, it must continue to fulfil many of its usual obligations. Whilst appointed to manage the affairs of the Company, we are responsible for ensuring these obligations are met.

VAT

- Following our appointment, we notified HMRC that the Company had been placed into Administration, a consequence of which is the creation of a new period for both tax and VAT reporting that commences on the date of Administration.
- Our internal VAT and tax specialists performed a review of the Company's VAT and tax affairs to understand the position in relation to the filing of returns and confirmed that there were no tax assets available for realisation.
- As normal, HMRC issued the VAT return form covering the pre-Administration period from 1 October 2025 to 19 October 2025 for completion from the books and records of the Company. After discussions with the relevant individuals at the Company, we concluded that the underlying records were incomplete and insufficient. Accordingly, we were unable to submit this return on behalf of the Company.
- Amounts due to HMRC in respect of unpaid VAT (and PAYE) rank as preferential claims in the Administration. The substantial majority of these liabilities relate to periods prior to 1 October 2025 and based on current information, only a limited preferential dividend is expected to be available in respect of such amounts. Accordingly, the absence of the pre-Administration VAT return is not expected to result in any detriment to HMRC or any other class of creditor.
- The first VAT return in the Administration was for the period 20 October 2025 to 31 March 2026. This has been submitted and the relevant payment made (relating to the substantial LtO funding received at the outset of the Administration).
- The next VAT return is due for the quarter ending 30 June 2026. VAT returns will continue to be filed until such time as the Company is deregistered for VAT purposes.

Corporation Tax

- As above, we discussed the preparation of the pre-administration CT return with the appropriate individuals at the Company who confirmed that the underlying records were incomplete. Accordingly, again due to insufficient information, we will not submit the pre-administration CT return.

- Any amounts owed to HMRC in respect of unpaid CT would rank as an unsecured claim in the Administration. As no dividend is expected for unsecured creditors, there will be no detriment to creditors arising as a result of this return not being filed.
- The first CT tax return in the Administration will be for the period 20 October 2025 ending 31 March 2026, and returns will continue to be prepared and filed until no further taxable income is expected to arise.

Employees

- On the Appointment Date, the Company had 2,436 employees across 143 locations. We notified the employees of the Administration immediately following our appointment.
- Of these 2,436 employees, 1,276 transferred to the Purchaser under TUPE. As a consequence of site closures, 1,160 employees were made redundant immediately on our appointment.
- We held a webcast with impacted employees immediately after our appointment and followed up with further written e-mail communication immediately following the call. We subsequently wrote to all redundant employees, outlining our appointment, contact details and providing information on how employees can make their claims.
- Throughout the Period we have responded (and will continue to respond) to employee queries both via email and telephone detailing their statutory entitlement and the process to submit their claims. Further, we have liaised with the Purchasers' HR team to ensure payroll issues were promptly resolved.
- Together with ERA Solutions, we have worked with the RPS providing them with relevant information and assisting in their wage audit prior to receiving the case reference number. We will continue to work with the RPS to facilitate the submission of claims.
- Four employees have submitted Employment Tribunal claims against the Company. We have not engaged with these proceedings due to the associated costs, which would ultimately be borne by all creditors. The Tribunal has been informed that the Company will not be participating in the proceedings for this reason. However, employees have not been prevented from pursuing their claims.

Managing the Company's affairs

Until such time as the Company is dissolved, it must continue to fulfil many of its usual obligations. Whilst appointed to manage the affairs of the Company, we are responsible for ensuring these obligations are met.

Employees (continued)

- No PAYE filings are required for the post-Administration period as the employees were either transferred to the Purchaser or made redundant immediately on appointment.
- On 5 December 2025, we were informed of a technical error within RPS that led to incorrect calculations of amounts owed to c.90 employees. We requested immediate communication to affected employees; however, internal procedures at the RPS prevented notification until 28 days had elapsed. We understand that letters were issued shortly after 29 January 2026.

Books and records

Electronic records

- Shortly after our appointment, we initiated a data capture of certain of the Company's electronic records, taking possession of the statutory books and other records likely to be required for the purpose of the Administration; including in respect of our duties to review the conduct of the directors.
- This included preserving backups of the Company's HR software, accounting software, emails and Company documents including board minutes, and conversation threads.
- We engaged the FTI IT team to assist in the collection, and they liaised with the management team to gain access to the Company's IT environment. Some £4,363.17 plus VAT was paid to various IT providers in order to obtain backups of the Company's electronic data in the Period. This collection exercise has been completed.

Physical records

- Physical employee records such as employee contracts, hours, licenses and certificates were collected by our external agent, HLS, from each closed location. These records were boxed and labelled at each location and transported to HLS's storage facility where they were securely stored until collection could be arranged.

- After some logistical challenges and discussions with HLS, collection was subsequently completed on 6 January 2026, and the records were transferred to FTI's third-party storage facility in London, where they will remain securely stored until they are considered appropriate for destruction.

FTI FLC

- We also engaged FTI's Forensic and Litigation Consulting team ("FLC") to assist with the review of the Company's records to support our investigations in line with SIP 2.
- The scope of their work has been to focus on the significant payments which were made from the Company's bank account to related parties in the period prior to our appointment, together with obtaining a better understanding of the general conduct of the management team as the Company entered into the zone of insolvency. We comment further on our investigations later.

Treasury and accounting

- An account of receipts and payments for the Period covered by this report is provided at Appendix B. A separate account is provided in relation to the LtO receipts and payments.

Fulfilling our Statutory Duties

As a consequence of the Company's insolvency, we have a number of responsibilities that do not necessarily or directly have a financial benefit for creditors but are required by insolvency legislation.

Statutory investigations

- As required by Section 7A CDDA, we have submitted information in regard to the conduct of the Company's directors to DBT. The content of our investigatory findings is confidential.
- Our investigation work was performed in accordance with SIP 2 and included a review of:
 - Questionnaires submitted by the directors of the Company who held office in the three-year period prior to the Administration;
 - The statements of affairs prepared by the directors of the Company;
 - The Company's Board Minutes in the 12 months leading up to appointment;
 - Correspondence received from creditors (who had been invited to bring any matters to our attention);
 - Specialist forensic reports commissioned in respect of the Company's pre appointment bank transactions in the two-year period prior to Administration; and
 - Certain of the Company's financial information.
- As part of our initial assessment into the Company's affairs and the directors conduct, we identified a number of pre-appointment transactions which require further investigation. We have been in ongoing engagement with the Insolvency Service in relation to a number of follow-up questions and we are currently evaluating and formulating our strategy for further enquiries and investigations.

Investigations and submission of conduct reports

- An administrator has a duty to investigate what assets there are (including potential claims against third parties including the directors) and what recoveries can be made. This gives rise to the need for an administrators to carry out appropriate investigations, in order to satisfy their specific duties and to allay, if possible, the legitimate concerns of creditors and other interested parties.
- An administrator also has a duty to report to the Department for Business and Trade on the conduct of those that formerly controlled the company.

Other statutory matters

- Other work in the Period following our appointment has included:
 - Sending the required statutory notices of our appointment to various stakeholders;
 - Assessing statutory bonding requirements and insurance of assets, and arranging cover;
 - Preparing and issuing our Proposals for achieving the purpose of the Administration, seeking their approval, and giving notice of their approval to creditors, members, the Registrar of Companies and Court;
 - Preparing and issuing our remuneration report and seeking consent to the basis of our remuneration from the Secured Creditor and by a decision of the preferential creditors; and
 - Undertaking internal periodic case reviews to ensure the strategy continues to be appropriate, and that the Administration is progressing on a timely basis.

Objective of the Administration

- As joint administrators of the Company, we are officers of the Court and must perform our duties in the interests of creditors as a whole.
- As set out in our Proposals, the statutory objective of the Administration is objective (b) to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- We continue to believe the objective of the Administration will be achieved by virtue of the Transaction (and completion of related obligations) and realisation of assets excluded from the Transaction.

Joint Administrators' Remuneration

- In Appendix C, we have provided an update on matters relating to our remuneration and expenses, including the costs that have been incurred, what creditors have approved and how much has been drawn to date.

Fulfilling our Statutory Duties

The Administration will likely end by move to dissolution. The timing of our discharge from liability is still to be determined.

Exit route from Administration

- In our Proposals we explained the manner in which we anticipated the Administration would be brought to an end once its purpose had been achieved and our work had been completed.
- The manner in which an Administration ends usually depends on the outcome of the Administration. In this case and because we do not expect a dividend to be available for unsecured creditors, the mostly likely exit route is one of the following:
 - The Administration will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.
 - If there are matters remaining that require the attention of a liquidator, the Administration may end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company. We may propose that Lindsay Kate Hallam, Christopher Jon Bennett and Matthew Boyd Callaghan (and/or any subsequent or replacement administrator holding office at that time) be appointed joint liquidators of the Company by the Court.
- We will take steps to bring the Administration to an end at the appropriate time (and when all necessary work has been completed) and by using the exit route we believe is most appropriate at the time.

Extending the period of the Administration

- Insolvency legislation sets a 12-month maximum duration for administrations, unless this is extended by the Court or creditors. This initial period ends on 19 October 2026.
- On the basis of present information, it is not yet clear whether the Administration may require an extension to the period of our appointment beyond the statutory 12-month period, in particular because certain matters remain outside of our control, such as the ongoing assignment of leases and receipt of preferential claims from the RPS.
- If it is concluded that an extension is required, we will seek consent from the relevant classes of creditors at the appropriate time.

Discharge from liability

- Pursuant to Paragraph 98 of Schedule B1, our discharge from liability (in respect of our actions as joint administrators) takes effect at a time determined by the relevant class of creditors, or the Court.
- In the circumstances of this case, it is for the Secured Creditor and preferential creditors to make that determination.
- We are likely to propose that discharge should take effect at the time of our appointment ceases to have effect. We will seek approval to this at the appropriate time.

Future reporting

- We are required to provide a further progress report to all creditors within one month of the end of the period ending 19 October 2026, or when the Administration comes to an end, whichever is sooner.
- All documents will be retained on the website and will remain available until at least two months after the conclusion of the proceedings. If you require any hard copy documents, please contact us using the details provided earlier, and you will be provided (free of charge) a hard copy of documents posted to the website, either now or in the future.



Estimated Outcomes for Creditors

Secured and First-Ranking Preferential Creditors

The liability to the Secured Creditor has been reduced by virtue of the Transaction, but a significant shortfall is still expected. There will be insufficient funds to repay the secondary preferential creditors in full.

Secured Creditor

- The secured creditor is Yum! III UK Limited, which holds both fixed and floating charges over substantially all of the Company's assets. As at the date of appointment, its total secured exposure was c.£18.2m, arising from a single secured term loan facility. This figure is consistent with that reported by the directors in their SOA.
- The Secured Creditor is also the Franchisor. Although the Company accrued significant franchise royalty arrears, these amounts are unsecured liabilities and are not included within the Secured Debt.
- The Secured Creditor's lending is secured pursuant to a security agreement in England and Wales dated 16 January 2025, alongside a bond and floating charge of the same date in Scotland. Together, these provide the Secured Creditor fixed and floating charges over all of the Company's assets.
- The validity of the security was confirmed by Shoosmiths on 23 October 2025 (an independent law firm engaged by us in the Administration).
- The consideration for the sale of the business and assets under the Transaction totals £3,748,406.00. This comprised £423,406.00 in cash payable on completion and £3,325,000.00 through the release and discharge of the Company's loan liabilities under the Facility Agreement.
- During the Period, additional fixed charge realisations were achieved from lease premiums on closed sites, totalling £94,147. Any balance available after deduction of costs will be distributed to the Secured Creditor under its fixed charge security, although a substantial shortfall to the Secured Creditor is expected.
- The balance of funds in the Administration estate will be used to settle the expenses of the Administration, or to repay the preferential creditors. No distribution to the Secured Creditor under the floating charge is anticipated.

Preferential Creditors

- Preferential claims are paid from the realisation of assets subject to a floating charge after the costs of the Administration have been paid or provided for. In their SOA, the directors' estimated that total preferential claims against the Company would be £11,283,672.

Ordinary Preferential Creditors

- As part of the Transaction, 1,276 employees transferred to the Purchaser under TUPE. Accordingly, no preferential claims are expected from this group.
- With regards to the 1,160 employees made redundant, wage arrears claims are not anticipated as the Purchaser agreed to fund wages for all hours worked up to 20 October 2025. However, these redundant employees are expected to have preferential claims in respect of accrued but untaken holiday pay.
- ERA Solutions has supported them during the Period in calculating and submitting claims to the RPS. In the directors' SOA, these claims were estimated at £311,494. To date, we estimate a final claim of c.£404k from the RPS in respect of these preferential claims and estimate a residual claim of c.£53k from the Company's employees.
- The RPS typically submits its final claim approximately six months following the appointment date, once payments to employees in respect of their statutory entitlements have been completed. At our instruction, ERA Solutions requested the claim from the RPS on 29 April 2026 and continues to issue weekly follow-up reminders requesting submission of the claim.
- Based on current information, we expect that first-ranking preferential claims will be paid in full. The timing is principally dependent on receiving the final claim from the RPS, followed by the agreement of employees' residual claims.

Unsecured and Second-Ranking Preferential Creditors

There will be insufficient net floating charge realisations to enable a distribution to the unsecured creditors.

Preferential creditors (continued)

Secondary Preferential Creditor

- On 29 October 2025, HMRC submitted a proof of debt in the Administration totalling £9,289,428.73, of which £6,972,782.52 was the preferential element. A revised and final claim was later submitted on 22 January 2026 for £13,322,730.89, of which £10,795,531.30, relating to unpaid PAYE and VAT liabilities, is preferential.
- The revised preferential claim is broadly consistent with the amount disclosed in the SOA, being £10,972,178.
- As a secondary preferential creditor, the amount available to distribute to HMRC depends on the final level of asset realisations, expenses of the Administration and first-ranking preferential creditors. Based on current information, we expect to be in a position to pay a dividend of between 15-20 pence in the pound.
- The distribution will be made once the claim has been formally adjudicated and first-ranking preferential creditors have been paid. We anticipate this will be prior to the first anniversary of the Administration.

Unsecured creditors

- In an administration, dividends may become available for unsecured creditors from two sources:
 1. The statutory (ring-fenced) Prescribed Part fund; and/or
 2. The surplus remaining after any secured and preferential creditors have been repaid in full.
- The Prescribed Part provisions are applicable in this case, as the floating charge was created after 15 September 2003. However, it is not anticipated that any Prescribed Part distribution will be available to unsecured creditors as there will be insufficient net floating charge realisations to repay the second-ranking preferential creditors in full. As such, the value of the net property will be nil.
- In addition, no surplus (or other) funds are expected to be available for distribution to unsecured creditors.

Creditor claims

- In the SOA, the directors' estimated that non-preferential unsecured claims against the Company would be £6,105,086. This estimate excluded the unsecured element of any employee claims, consumer creditors and the RPS. We have received claims totalling c.£10.2m in the Period.
- As no dividends are expected, we have not incurred (and will not incur) any time adjudicating creditor claims. However, creditors are welcome to submit their claims to us, even though we are not inviting them to do so. In order to avoid unnecessary costs, we will not be entering into general correspondence with creditors about their claims.

The Prescribed Part

- Under Section 176A IA86, where after 15 September 2003 a company has granted floating charge security, a proportion of the 'net property' of the company must be made available for the benefit of the company's unsecured creditors.
- 'Net property' is the net floating charge realisations after the costs of realisation, expenses of the Administration and Preferential Creditors have been paid in full or funds set aside for.
- The Prescribed Part is calculated as follows:
 - 50% of net property up to £10k;
 - Plus 20% of the net property in excess of £10k; and
 - Subject to a maximum of £800k
- Expenses associated with the Prescribed Part must be paid out of the Prescribed Part, such as the agreement of claims, issuing statutory notices and distributing the funds.

Shareholders






- There will be no return to the Company's shareholders as there will be a material shortfall to the Company's creditors.



Key Matters Remaining

Work We Still Need To Do

The remaining steps that need to be taken ahead of concluding the Administration are shown below, in addition to certain periodic statutory duties we must fulfil whilst we remain appointed.

Area	 <p>Company Affairs</p>	 <p>Other assets</p>	 <p>Tax / VAT</p>	 <p>Distributions</p>	 <p>Winding-down</p>
Work Required	<ul style="list-style-type: none"> Ongoing administration of the Company's affairs during the Administration period (e.g., managing funds, providing updates to creditors, filing notices and documents with Companies House, and addressing ad hoc queries from creditors). 	<ul style="list-style-type: none"> Finalise the reconciliation of funds swept from the Company's pre-administration bank accounts with the Purchaser. Continue to invest funds in the Administration to generate bank interest. Ongoing Administration of the LtO, transfer of leases and final reconciliations. Investigations follow up work and potential recovery action. 	<ul style="list-style-type: none"> Prepare and submit the Administration Corporation Tax returns. Continue to submit VAT returns and reclaim/pay VAT from/to HMRC. De-register for VAT when appropriate to do so. 	<ul style="list-style-type: none"> Advertise the dividends and distribute funds to first-ranking preferential creditors. Adjudicate all preferential claims, including correspondence with former employees. 	<ul style="list-style-type: none"> Seek the joint administrator's discharge from liability. Progress any other matters required to wind-down the Company's affairs generally prior to the Administration concluding and the Company being dissolved.
Timing	<ul style="list-style-type: none"> Management of the Company's affairs will continue for the duration of our appointment. 	<ul style="list-style-type: none"> Funds reconciliation: 1-3 months. LtO work: 3-6 months 	<ul style="list-style-type: none"> VAT: every quarter until the Company is deregistered for VAT. Tax: as required until no further taxable income. 	<ul style="list-style-type: none"> Within the next six months, before the anniversary of the Administration in October 2026. 	<ul style="list-style-type: none"> Within the next six months, before the anniversary of the Administration in October 2026.



Appendices

Appendix A: Statutory Information

Company Name: DC London Pie Ltd

Previous Name(s)	N/A	Administrators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Trading Names(s)	Pizza Hut	Administrators' Recognised Professional Body	ICAEW
Registered Number	15911745	Functions of Administrators	The joint administrators will act jointly and severally so that all functions may be exercised by any or all of them.
Date of Incorporation	22 August 2024	Appointment Date	20 October 2025
Registered Office	c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD	Appointer / Applicant	Yum! III (UK) Limited, as holder of a qualifying floating charge, pursuant to Paragraph 14 of Sch B1
Former Registered Office	6th Floor One London Wall, London, EC2Y 5EB	Objective being pursued	To achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
Court Name / Address	In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)	EC Regulation	We consider that these are "COMI proceedings" since the Company's registered office and its trading addresses are in the United Kingdom, such that its centre of main interest is in the United Kingdom.
Court Reference	CR-2025-007307	Changes in Administrator	N/A
Administrators' Names	Lindsay Kate Hallam, Christopher Jon Bennett and Matthew Boyd Callaghan	Current Administration End Date	19 October 2026

Appendix B: Receipts and Payments Account | LtO

For the period from 20 October 2025 to 19 April 2026

	Notes	From 20 October 2025 To 19 April 2026 £
LICENCE TO OCCUPY - INCOME	1	
LtO - Rent		2,119,504.07
LtO - Service charge		350,104.50
LtO - Rates		120,651.38
LtO - Insurance		38,608.32
LtO - Utilities		119,010.66
LtO - Licence fee		15,784.94
		2,763,663.87
LICENCE TO OCCUPY - EXPENDITURE	2	
LtO - Rent		(1,255,915.38)
LtO - Service Charge		(175,490.38)
LtO - Rates		(228.08)
LtO - Insurance		(13,430.24)
LtO - Utilities		(8,394.34)
		(1,453,458.42)
LICENCE TO OCCUPY - SURPLUS/(DEFICIT)	3	1,310,205.45

Notes to the LtO Receipts and Payments Account

1. We issue invoices to licensees on a monthly basis in advance, in respect of estimated forthcoming lease and property liabilities, including rent, service charge, insurance, and utilities.
2. We manage and discharge property disbursements using licence fee income received in advance from the relevant counterparties.
3. Upon the surrender or assignment of each lease, and in accordance with the terms of the LtO, a reconciliation is performed, with any surplus funds refunded to the licensee (or additional funds requested where there is a shortfall).

Accordingly, it is anticipated that the net balance of LtO funds at the conclusion of the Administration will be nil, and the transactions occurring in respect of the LtOs do not impact the Administration estate.

4. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).
5. The LtO bank account has been reconciled as at the end of the Period.
6. Funds are held with Barclays Bank Plc and the LtO account was interest bearing during the Period.

Appendix B: Receipts and Payments Account | Fixed Charge

For the period from 20 October 2025 to 19 April 2026

Statement of Affairs		From 20 October 2025 To 19 April 2026
£	Notes	£
FIXED CHARGE REALISATIONS		
3,325,000	Assignment (English Properties)	3,325,000.00
1	Goodwill	1.00
	Contribution to Costs - Security	27,360.00
	Surrender Premium	94,147.00
3,325,001		3,446,508.00
FIXED CHARGE PAYMENTS		
	Professional Fees	(171,495.18)
	Legal Fees and Expenses	(193,952.39)
		(365,447.57)
FIXED CHARGE CREDITORS		
	Distribution to fixed charge creditor	(3,325,000.00)
		(3,325,000.00)
BALANCE		(243,939.57)

Notes to the Receipts and Payments Account

1. The Transaction SPA includes consideration of £3,325,000 in respect of the English property lease assignments, which was a credit bid (not cash consideration). As this represents the realisation of the Company's assets and a reduction in the Secured Debt, we have included these in this Receipts and Payments account for illustrative purposes.
2. Assets sold as part of the Transaction on 20 October 2025.
3. A cost contribution from one of the non-Purchaser licencees towards the security costs incurred at one of the LtO sites after our appointment.
4. Surrender premiums in respect of the closed sites.
5. Amounts paid to Hilco, OHS and HLS in the Period. These amounts will be reimbursed in full by the Secured Creditor to the Administration estate.
6. Amounts paid to Brodies, Burness Paull, Shoosmiths and Linklaters in the Period. As above, these amounts will be reimbursed in full by the Secured Creditor to the administration estate.
7. Shortfall funded by a contribution to costs received from the Secured Creditor after the period-end and therefore not shown in the statement.

Appendix B: Receipts and Payments Account | Floating Charge and Funds Held

For the period from 20 October 2025 to 19 April 2026

Statement of Affairs £		Notes	From 20 October 2025 To 19 April 2026 £
FLOATING CHARGE REALISATIONS			
25,000	Assignment (Scottish Properties)	1	25,000.00
384,000	Equipment	1	384,000.00
14,400	Stock	1	14,400.00
	Other Refunds	2	9,472.64
2,042,898	Cash at Bank	3	2,640,973.78
	Business Rates Refunds	4	96,802.57
	Bank Interest Gross	5	45,831.18
5	Contracts, records, business, digital assets	2	5.00
2,466,303			3,216,485.17
FLOATING CHARGE PAYMENTS			
	Bordereau Premium		(225.00)
	Professional Fees	6	(53,139.02)
	Legal Fees	7	(1,556.00)
	IT Costs	8	(4,363.17)
	Bank analysis cost	9	(2,000.00)
	Re-Direction of Mail	10	(403.00)
	Statutory Advertising		(104.00)
			(61,790.19)
	NET FLOATING CHARGE REALISATIONS		2,910,755.41
REPRESENTED BY			
	Barclays Treasury Deposits	11	4,600,000.00
	Barclays Bank (Current)	12	135,546.19
	Barclays Bank (LTO)	12	31,134.54
	Net VAT Receivable / (Payable)	13	(220,843.16)
	Suspense Account	14	(324,876.71)
			4,220,960.86

Notes to the Receipts and Payments Account

- Assets sold as part of the Transaction on 20 October 2025.
- Balances on account received in relation pre-appointment property matters.
- Balances swept from the Company's previous accounts to the Administration.
- Business rates refunds from various councils.
- Interest generated on current accounts and regular Treasury Deposits investments.
- Payments to ERA Solutions and Hilco in the Period.
- Payment to Linklaters in relation to general Administration matters.
- Costs paid to various suppliers to enable us to secure data backups of the Company's electronic records in line with our statutory duties.
- Costs paid to Prism 339 in relation to converting and analysing the Company's pre-Administration bank statements.
- Payment to Royal Mail to redirect mail from the Company's pre-Administration registered office to our offices.
- Amounts invested in Treasury Deposits as of the last day of the Period, being 19 April 2026, including LtO funds.
- Funds are held with Barclays Bank Plc and all accounts were interest bearing during the Period. All bank accounts have been reconciled as at the end of the Period.
- Net VAT position across the LtO, fixed charge and floating charge accounts.
- Amounts due to the Purchaser in relation to trade receivables, subject to reconciliation against the Company's pre-Administration bank statements.
- The SOA amounts have been taken from the directors' Statement of Affairs dated 26 October 2025 and for asset values, represents the directors' estimated to realise value (not book value).
- All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).

Appendix C: Joint Administrators' Remuneration and Expenses

The basis of our remuneration has been approved by the Secured Creditor and preferential creditors, although no fees have been drawn to date.

Basis of our remuneration

- On 19 December 2025, we issued our Remuneration Report to creditors, setting out the proposed basis of our remuneration, a statement of the expenses likely to be incurred and work expected to be performed in the Administration. We also explained that, in the circumstances of this case, the basis of our fees must be fixed by the Secured Creditor and the preferential creditors of the Company.
- In line with the Remuneration Report, we sought approval that our remuneration (to be drawn from floating charge realisations) should be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration (a "time cost basis"), subject to a fees estimate of £1,109,516.87 plus VAT.
- We also sought approval that in relation to any work done solely for the benefit of (and funded by) a third party, we would draw fees on a % of realisations basis, being 100% of the amount received (net of VAT) from the third party.
- The Secured Creditor provided their consent to the above on 29 January 2026. In a decision procedure ending on 29 January 2026, the preferential creditors gave the same approval. There are no business or personal relationships with parties responsible for approving remuneration or who provide services where the relationship could give rise to a conflict of interest.
- Earlier in this report and later in this Appendix, we have given a description of the work done by us and our staff during the Period. Later in this Appendix, we also set out a comparison of the fees estimate and our time costs to date; and explain whether further approval will be sought to exceed the fees estimate in this case.
- As shown on the enclosed receipts and payments account, we have not drawn any fees to date.
- As reported in our Proposals and Remuneration Report, there is a funding agreement in place with the Secured Creditor in respect of costs incurred realising fixed charge assets. Agreement of such matters does not fall under insolvency legislation relating to the determination of administrators' remuneration payable from the proceeds of floating charge (or uncharged) assets.

- After the Period-end, we received an initial drawdown of £0.9m under the funding agreement, to provide coverage for costs incurred under the fixed charge to the end of November 2025.
- The LtO work is all in relation to fixed charge assets and for the benefit of the Secured Creditor. As such, costs relating to this work will be covered by the funding agreement.

Pre-Administration costs

- In our Proposals, we explained that the payment of unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 IR16. The table below provides details of the unpaid costs which we incurred before our appointment as administrators but with a view to the Company entering administration.

£'000	Unpaid
Our fees as administrators-in-waiting	76,781.70
Expenses incurred by us as administrators-in-waiting	2,500.00
Total	79,281.70

- In our Proposals, we reported unpaid pre-Administration expenses incurred by us as £91,657.20. The costs incurred by law firms Shoosmiths and Burness Paull were settled by the Secured Creditor as they related to fixed charge assets. Therefore, only the costs incurred by Hilco (£2,500 plus VAT) were to be settled from the floating charge assets and only this approval was sought.
- In conjunction with giving their initial determination on our remuneration, the Secured Creditor and preferential creditors also approved the payment of the unpaid pre-Administration costs as an expense of the Administration; to be drawn from the proceeds of the Company's floating charge assets and third-party funding (to the extent it relates to fixed charge realisation work).
- Nothing further is payable in respect of pre-Administration fees and expenses.

Appendix C: Joint Administrators' Remuneration and Expenses

As our remuneration to be drawn from floating charge assets is on a time cost basis, the manner in which we allocate staff, charge our time and the hourly rates we use, are all important factors.

Staff allocation and time charging policy

- Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team at any point in time will usually consist of one or more of the grades shown in the table below, depending on the anticipated size and complexity of the assignment.
- Work is delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and they are supervised accordingly to maximise the cost effectiveness of the work done. Complex issues or important matters of exceptional responsibility are handled by more experienced senior staff or the office-holders themselves.
- All of our staff who work on the case charge time directly to it and are included in any analysis of time charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard. Time is charged in six-minute units. We don't charge general overhead costs.
- During the administration of the insolvency, will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to VAT and tax matters and the costs of which are included within our fees estimate. In this case, we are also using specialist teams within our Forensic and Litigation Consulting, and Data Forensics teams, in relation to investigation matters. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and efficient approach to the relevant workstreams is possible.

Hourly charge-out rates

- In the table opposite, we set out the hourly charge-out rates for the various grades of staff who may work on the case.
- In common with many professional firms, these rates may be subject to change periodically, for example to cover annual inflationary cost increases.
- The 'other' rates relate to the FTI Data Forensics and Strategy Communications teams.

Grade of staff	Restructuring (£/hour)	Tax (£/hour)	FLC (£/hour)	Other (up to £/hour)
Senior Managing Director	1,375.00	1,005.00	1,237.50	845.00
Managing Director	1,155.00	810.00	1,039.50	640.00
Senior Director	1,060.00	660.00	954.00	595.00
Director	970.00	580.00	873.00	560.00
Senior Consultant	835.00	495.00	751.50	460.00
Consultant	660.00	440.00	594.00	345.00
Associate	485.00	370.00	436.50	290.00

Appendix C: Joint Administrators' Remuneration and Expenses

Prior to the determination of the basis of our remuneration **to be drawn from floating charge assets**, we provided all creditors with details of our fees estimate of £1,109,516.87. We do not anticipate exceeding this estimate.

Fees estimate

- The table below shows, for each area of the Administration and based on the charge-out rates given earlier in this section, the time and cost incurred in the Period and our current estimate of the total for the Administration, both compared against the fees estimate approved by creditors. Later in this appendix, we provide further analysis and details of the work undertaken in the Period.
- We performed a detailed review of our time costs for the Period and categorised them accordingly between those to be drawn from the fixed charge (subject to agreement with the Secured Creditor) and the floating charge (as shown in the table below). A further review will be performed before any remuneration is drawn. Subject to that further review, and given for illustrative purposes only, our time costs attributable to the fixed charge assets and LtO process were c.£975k in the Period; though the actual basis and quantum of our fixed charge remuneration is a matter to be agreed separately with the Secured Creditor in due course.
- Creditors should note that the total hours of 1,218.77 stated in our Remuneration Report was erroneously understated and should have been stated as 1,341.2 hours (giving an average hourly rate of £827.29). The cost of £1,109,516.87 was not impacted and remains correct.
- When prepared in December 2025, the fees estimate necessarily included an approximation of the cost of our future work based on information available to us at the time, our experience in these matters and certain assumptions regarding the time likely to be required. We had also made the following key assumptions:
 - Our fees estimate assumed that the anticipated duration of the case would be 12 months.
 - It also excluded any investigations work that would be undertaken for the benefit of the creditors, and any subsequent liquidation of the Company.
 - Further, the fees estimate excluded time that has been allocated to the fixed charge category (and which is payable from fixed charge assets).
- We cannot draw remuneration from the floating charge assets in excess of the total amount set out in the fees estimate without further approval from the relevant class(es) of creditors.

Area of work	Fees Estimate Hours	Fees Estimate Cost	Average rate (£/hr)	Hours Incurred	Costs Incurred	Average rate (£/hr)	Estimated Future Hours	Estimated Future Cost	Estimated Total Hours	Estimated Total Cost	Hours Variance	Cost Variance
Controlling the appointment	252.9	197,425.57	780.52	139.7	114,103.87	817.04	113.3	83,321.70	252.9	197,425.57	-	-
Realising the Assets	235.0	215,695.00	917.85	78.6	71,605.00	911.01	55.4	59,335.0	134.0	130,940.00	(101.0)	(84,755.00)
Dealing with Creditors	275.5	220,695.50	801.07	174.7	139,856.50	800.55	100.8	80,839.0	275.5	220,695.50	-	-
Managing the Company's Affairs	294.8	224,128.88	760.33	317.8	224,573.75	706.65	33.2	25,703.42	351.0	250,277.17	56.2	26,148.29
Fulfilling our Statutory Duties	282.9	251,571.92	889.17	286.0	225,423.63	788.12	101.0	84,755.00	387.0	310,178.63	104.1	58,606.71
Total	1,341.2	1,109,516.87	827.29	996.8	775,562.75	778.07	403.6	333,954.12	1,400.4	1,109,516.87	59.3	-

Appendix C: Joint Administrators' Remuneration and Expenses

Prior to the determination of the basis of our remuneration, we provided all creditors with details of our fees estimate of £1,109,516.87. We do not anticipate exceeding this estimate.

Comparison to the fees estimate

- Total floating charge time costs incurred during the Period were £775,562.75. The table shows that the time costs incurred in four areas of work remain within the estimates previously given, with the fifth area being broadly in line with the estimate. Therefore, overall, we incurred time costs in the Period equating to 70% of the fees estimate.
- More detail of the work performed in the Period is set out later in this Appendix, including the table on the following page which shows the time incurred by activity and grade of staff.
- The following are important notes in respect of some of the key areas of work:
 - Considerable additional work has been undertaken in respect of data and records capture and forensic analysis performed by our internal specialists; as part of our investigations into the Company's affairs, including in relation to the intercompany outflows and loan payments referred to in our Proposals. The additional time incurred reflects the volume of records and complexity of the matter.
 - This work is ongoing and we are evaluating options and next steps in the interests of creditors. We are also in ongoing discussions with The Insolvency Service regarding their queries into this case.
 - In determining how our remuneration should be allocated to and drawn from fixed charge and floating charge realisations, we concluded that it would be appropriate for the Secured Creditor to contribute (from its fixed charge assets) to areas of work that could not be wholly attributed to realising the fixed charge assets.
 - For example, we believed it was appropriate for our time allocated to 'Strategy and Planning', 'Employees' and certain statutory costs, to be paid from the fixed and floating charge assets. We also recognised that the proportions to be allocated would change as the Administration progressed.
- Therefore, a material amount of additional work has been undertaken in the preparation, review and detailed analysis of time internally, and for creditor reporting purposes, to ensure the proper and fair allocation of our time to the different categories of assets, mindful at all times of the interests of the relevant classes of creditors.
- In addition, there has been a higher-than-anticipated volume of accounting transactions, for example relating to non-Purchaser LtOs, investment of funds, business rates receipts, other payments and an associated increase in general account monitoring and maintenance.

Further approval

- As shown in the table, in respect of our work in realising assets subject to floating charge security (and whilst there remains some work to do), we do not anticipate incurring the number of hours work set out in the fees estimate.
- However, this is expected to be offset by the additional work described above. Therefore, at the present time, we believe our total costs will not exceed the approved fees estimate and we do not expect further approval will be required to draw remuneration in excess of what has been approved.

Appendix C: Joint Administrators' Remuneration and Expenses

Analysis of time costs for the period from 20 October 2025 to 19 April 2026

Category	Time Costs for the Period 20 October 2025 to 19 April 2026								Total Time	Total Cost	Average Cost
	Senior Managing Director	Managing Director	Senior Director	Director	Senior Consultant	Consultant	Associate	Secretarial			
Controlling our Appointment											
Pre-Appointment	-	-	-	-	-	4.7	-	-	4.7	3,102.00	660.00
Strategy & Planning	2.0	3.9	1.4	9.2	2.8	8.0	2.4	-	29.7	24,394.37	822.61
Appointee & Manager Reviews	1.5	-	-	0.7	-	3.5	1.0	-	6.7	5,711.50	852.46
Budgets, Fee Approval & Remuneration	4.0	7.2	8.8	17.6	9.0	43.7	8.3	-	98.6	80,896.00	820.45
Subtotal	7.5	11.1	10.2	27.5	11.8	59.9	11.7	-	139.7	114,103.87	817.04
Realising the Assets											
Book Debt Realisations	-	-	-	-	-	-	4.6	-	4.6	2,931.00	637.17
Intercompany Debtors	-	-	-	-	-	1.2	-	-	1.2	792.00	660.00
Other Investments	-	-	-	-	0.3	8.0	-	-	8.3	5,530.50	666.33
Other Assets	6.3	-	-	44.4	0.9	7.4	-	-	59.0	57,366.00	972.31
Insurance & Bonding	-	0.1	-	4.1	0.2	1.1	-	-	5.5	4,985.50	906.45
Subtotal	6.3	0.1	-	48.5	1.4	17.7	4.6	-	78.6	71,605.00	911.01
Dealing with Creditors and Stakeholders											
Preferential Claims Agreement	-	-	-	-	-	0.2	-	-	0.2	132.00	660.00
Unsecured Claims Agreement	-	-	-	-	-	0.2	1.3	-	1.5	867.50	578.33
Unsecured Dividends	-	-	-	-	-	-	1.2	-	1.2	792.00	660.00
Creditor Queries	20.8	3.1	15.6	22.3	2.9	25.2	78.2	-	168.1	135,623.00	806.80
Shareholders	-	-	-	-	-	-	3.7	-	3.7	2,442.00	660.00
Subtotal	20.8	3.1	15.6	22.3	2.9	25.6	84.4	-	174.7	139,856.50	800.55
Managing the Company's Affairs											
Tax	-	1.0	-	-	-	0.9	1.0	-	2.9	2,165.00	746.55
VAT	-	1.9	-	2.1	0.2	3.8	8.3	-	16.3	10,483.50	643.16
Employees	5.0	0.4	-	8.0	71.6	3.6	12.9	-	101.4	85,594.75	844.13
Pensions	-	-	-	0.7	-	0.2	-	-	0.9	811.00	901.11
Books & Records	-	0.4	88.9	9.6	-	1.0	0.4	-	100.3	62,863.50	626.75
Bank Account Management	-	1.1	-	-	-	7.3	1.1	3.5	13.0	6,818.00	524.46
Receipts, Payments & Journals	1.2	2.1	-	1.3	0.7	57.5	14.9	-	77.7	52,375.00	674.07
FCA and Other Regulatory	-	-	-	-	-	5.1	0.2	-	5.3	3,463.00	653.40
Subtotal	6.2	6.9	88.9	21.7	72.5	79.4	38.8	3.5	317.8	224,573.75	706.65
Fulfilling our Statutory Duties											
Initial Letters & Notices	0.4	0.1	1.1	-	3.4	3.1	2.0	-	10.2	8,118.66	798.77
Statement of Affairs	-	-	-	10.0	-	4.6	-	-	14.6	12,736.00	872.33
Proposals	3.6	0.9	1.7	0.4	0.2	3.9	-	-	10.8	10,984.27	1,020.65
Progress Reports	-	0.1	-	0.5	0.2	0.1	-	-	0.9	833.50	926.11
CDDA & SIP2 Assessment	31.9	0.5	40.4	77.0	8.6	64.8	-	-	223.2	174,487.70	781.75
Other Statutory Matters	-	-	-	2.2	1.5	11.6	11.1	-	26.4	18,263.50	691.80
Subtotal	35.9	1.7	43.2	90.1	13.9	88.1	13.1	-	286.0	225,423.63	788.12
Total Time by Grade	76.7	22.8	157.9	210.1	102.5	270.7	152.6	3.5	996.8	775,562.75	778.07
Total Cost by Grade	102,140.63	24,272.16	114,552.64	192,513.20	85,546.59	166,501.04	90,033.00	3.50			
Average hourly cost by Grade	1,331.78	1,063.54	725.32	916.38	835.00	614.96	590.19	1.00			

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Company's assets, quantifying its liabilities and returning funds to creditors, managing the Company's affairs and fulfilling our statutory obligations as joint administrators.

Earlier in this report, we described the main areas of our work in the Administration during the Period covered by this report. The table below provides more detail but is not an exhaustive list of all work performed. Also provided is an indication of whether the work provided a financial benefit for creditors or whether (for example) it was required by statute. The tables explain only the work performed that relates to the fees estimate and therefore not work performed wholly in relation to fixed charge assets.

Area of work	Description of work	Reason and benefit for creditors
Controlling the appointment	<ul style="list-style-type: none"> ■ Pre-Appointment: closing our files on the preparatory work undertaken prior to our appointment and attending to any matters that were necessarily carried-forward. ■ Strategy and planning: including devising and maintaining appropriate strategies for achieving the purpose of the Administration, engagement team meetings to enable oversight and progression of the various workstreams and documenting key decisions. Work in this category also includes the management of our internal insolvency systems and compliance checklists. ■ The majority of our strategy and planning time in the Period relates to the first month of the Administration during which we held daily team meetings to monitor progress on priority and urgent matters. Accordingly, the time incurred covered many of the other areas of work set out in this table, however it was not practical (or often possible) to divide and allocate time in such detail. ■ Case reviews: periodic reviews of the Administration, typically after one month, four months, six months, and then every six months; plus any ad hoc reviews as required. ■ Financial Management: preparing and maintaining cost budgets, estimated outcome statements etc, as appropriate for the case. ■ Remuneration: giving information to creditors via our remuneration report, seeking fee approval in accordance with insolvency legislation requirements, maintaining budgets, monitoring costs and drawing remuneration. 	<ul style="list-style-type: none"> ■ We have a duty to perform our functions as quickly and efficiently as reasonably practicable in the best interests of the creditors as a whole. ■ Whilst not necessarily generating a direct financial benefit for creditors, these areas of our work ensure that our strategies to maximise realisations and minimise costs (and liabilities where possible), are kept under review and amended as appropriate.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Company's assets, quantifying its liabilities and returning funds to creditors, managing the Company's affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Realising the Assets	<ul style="list-style-type: none"> ■ Sale of business: Following the immediate sale of the assets, we have continued to fulfil any post-sale obligations and undertaken the reasonable work required to support the treasury function whilst the Purchaser established its banking processes, transfer of assets to the Purchaser, such as novations of contracts or leases, communications as necessary with counter-parties, completion of transfer documentation etc. ■ Property work : Addressing any security issues at the properties. Coordinating the orderly vacation, surrender, or transfer of leases as necessary. This category also includes liaising with our appointed agents. ■ Book debt realisations: tracking and recovering business rates refunds and pursuing any other miscellaneous refunds owed to the Company. ■ Intercompany: review of the inter-company position at the date of the appointment to understand cash movements across the Group prior to the appointment and identify any potential recoveries for the benefit of the Administration estate. ■ Investments: placing available cash on deposit to generate interest income for the administration estate. ■ Other assets: overseeing the transfer of funds held in the Company's pre-administration bank accounts to the Administration estate. Once transferred, performing a reconciliation to ensure accurate allocation between assets belonging to the Company in Administration and amounts due to the Purchaser, and subsequently paying across those amounts due to the Purchaser. ■ Insurance: arranging 'open cover' insurance immediately on appointment, working with our insurance brokers to agree the scope of any ongoing insurance requirements and managing the policies as required; including cancellation and payment of premiums. ■ Bonding: arranging specific penalty bonding for each of the joint administrators following their appointment and paying premiums. 	<ul style="list-style-type: none"> ■ The sale of business provides a direct financial benefit for creditors and includes the work required after completion pursuant to the terms of the sale agreement, or otherwise. ■ Floating charge assets realised will be for the benefit of the preferential creditors. All of the LtO related work is principally carried out for the benefit of the Secured Creditor. ■ Similarly, identifying and pursuing all other assets provides a direct financial benefit. ■ The continued investment of funds has generated a material amount of interest. ■ Insurance cover is a necessary financial loss protection for the Company, their creditors and the Administrators in respect of assets held (and any insurable risks arising) during the course of the Administration. ■ Similar to insurance, bonding provides financial protection for preferential and unsecured creditors in respect of the actions of the insolvency practitioners and up to the value of the Companies assets estimated to be available for those classes of creditors. Bonding is a statutory requirement for all insolvency practitioners.

Appendix C: Joint Administrators’ Remuneration and Expenses

In broad terms our work includes realising the Company’s assets, quantifying its liabilities and returning funds to creditors, managing the Company’s affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Dealing with Creditors	<ul style="list-style-type: none"> ■ Secured creditors: liaising with / periodic reporting to the Secured Creditor regarding the LtO’s, progression of the administration and agreeing the Funding Agreement. ■ Unsecured claims agreement: liaising with the Company’s unsecured creditors regarding the provision of supporting information and responding to queries regarding their claims and the IPS Turnkey Portal. ■ Where required, maintaining our systems to record and maintain creditor details, claims received, the determination thereon and the payment of dividends. ■ Creditor queries: responding to inbound queries received to the extent possible and necessary for all classes of creditors, shareholders and other third parties. Work in this category includes managing the three mailboxes set up for the case. 	<ul style="list-style-type: none"> ■ Where available, distributions and dividends represent a repayment to creditors in respect of the amounts owed to them by the Company and therefore is a tangible financial benefit from the insolvency proceedings. ■ During the course of claims agreement, we perform a proportionate level of work with an appropriate degree of scrutiny taking into account the quantum of the dividend available, to avoid incurring unnecessary costs and to avoid adversely impacting the recovery for creditors. ■ The objective of our adjudication work is to ensure that only genuine and accurate claims are admitted for dividend purposes and where necessary we apply our expertise and commercial judgement to mitigate liabilities where possible; for the benefit of the wider body of creditors. ■ Responding to general inbound queries can take considerable time and does not have a direct financial benefit for creditors, except for example (for individual creditors) where it is to provide debt confirmations for the purpose of credit insurance claims. To the extent possible, we encourage creditors to review information already available on our website.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Company's assets, quantifying its liabilities and returning funds to creditors, managing the Company's affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Managing the Company's Affairs	<ul style="list-style-type: none"> ■ Corporation Tax: liaising with former Company staff to understand the extent of the information available in order to prepare the pre-administration tax returns due. ■ VAT: prepare the necessary and periodic first VAT return falling due during the Administration. This work included maintaining adequate VAT accounts. ■ To facilitate the above work, an initial review was performed by our internal Tax and VAT specialists; and all the information likely to be required was obtained from the Company's records and HMRC. Our internal Tax and VAT specialists also assisted us in liaising with HMRC in relation to specific queries relating to the Company that require their knowledge or expertise. ■ Employees and Pensions: work on employee matters not connected to claims and dividends; including initial communications and consultation activities, managing redundancies, responding to employee queries, liaising with the RPS to facilitate the payment of redundancy amounts and liaising with ERA Solutions. This also includes gathering pension information, preparing and issuing initial correspondence and statutory notices and coordinating with pension specialists. ■ Books and records: agreeing the strategy for the safeguarding and destruction (when required) of the Company's records. This included a data capture of certain of the Company's electronic records, taking possession of the statutory books and other records likely to be required for the purpose of the Administration; including in respect of our duties to review the conduct of the directors. The FTI IT team have collaborated with the Company's head of IT in order to retrieve data from the Company's IT environment. ■ Bank account management: opening bank accounts (under our control) for the purpose of depositing sale proceeds and other receipts, paying expenses and handling LtO related transactions. Accounts were reconciled on a monthly basis. ■ Receipts, payments and accounting journals: maintaining adequate accounting records for the period of the Administration, including the payment of costs and expenses. ■ FCA and other regulatory: collating and submitting additional information requested by the Insolvency Service and notifying the Office for National Statistics of the Company's entry into Administration. 	<ul style="list-style-type: none"> ■ We have a statutory responsibility to complete and submit post-insolvency tax and VAT returns and account for any tax due. ■ As circumstances can often be complex, the involvement of our VAT and tax specialists ensures that the Company pays the correct amount of tax, to avoid adversely impacting any amounts available for creditors. ■ Dealing with employee and pension matters are necessary as part of their transfer and/or redundancy, including to facilitate claims agreement in due course. ■ Dealing with the Company's books and records does not necessarily give a financial benefit to creditors, although they are essential when any defending actions against the Company's from third parties and when adjudicating creditor claims. ■ Opening bank accounts for the Administration avoids the costs and logistics of taking control of the Company's existing accounts (which are usually closed shortly after appointment). Regular reconciliations of the new accounts assist in maintaining accurate records for the Administration.

Appendix C: Joint Administrators' Remuneration and Expenses

In broad terms our work includes realising the Company's assets, quantifying its liabilities and returning funds to creditors, managing the Company's affairs and fulfilling our statutory obligations as joint administrators.

Area of work	Description of work	Reason and benefit for creditors
Fulfilling our Statutory Duties	<ul style="list-style-type: none"> ■ Initial letters and notices: issuing all necessary correspondence following our appointment to creditors, directors, Companies House, HMRC and others. As there was a pre-pack transaction in this Administration, we also issued our SIP 16 Statement to creditors and our regulatory body, being the ICAEW. ■ Statement of affairs: requesting statements from the directors, responding to queries from the directors and filing signed statements with Companies House. ■ Proposals: preparing and issuing our statement of Proposals (for achieving the purpose of the Administration) to creditors, members and filing with Companies House. Giving notice of the approval of the proposals to the above parties and the Court. ■ Progress reports: initial preparation of six-monthly progress report to creditors, including the receipts and payments accounts. ■ CDDA and SIP2 Assessment: gathering information from the directors and other sources, conducting an initial assessment of the Company's affairs and the conduct of its current and former directors; and submitting information to the Insolvency Service (acting for the Secretary of State). Undertaking necessary further investigations, which included providing support to the Insolvency Service, in addition to consideration of any potential asset recovery actions against the previous directors. ■ Other Statutory Matters: all other statutory work not related to the above, but arising as a consequence of our appointment, such as dealing with the Information Commissioner's Office and Office for National Statistics. ■ FLC investigations: work carried out by FTI's Forensic and Litigation Consulting department to assist us with our investigations into the conduct of the directors and the Company's affairs in line with SIP 2. 	<ul style="list-style-type: none"> ■ Due to the impact of insolvency on a company's creditors and members, there are statutory requirements to give notice of the appointment of administrators to affected parties. There is no financial benefit to creditors. ■ The various other workstreams arise from statutory requirements due to the Company being in an insolvency process and similarly do not have any direct financial benefit for creditors. Many requirements are for the purpose of keeping creditors informed about the Administration and to protect their interests generally. ■ Investigations work was carried out in line with our statutory obligations on the basis it could have led to asset recoveries for the benefit of creditors.

Appendix C: Joint Administrators' Remuneration and Expenses

An overview of the types of expenses incurred and the manner in which professional advisors and subcontractors are engaged.

Definition of expenses

- Expenses are any payments from the estate which are neither office-holders' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office-holder and then reimbursed to the office-holder from the estate.
- Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2):
 - Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office-holder. Category 1 expenses can be paid without prior approval.
 - Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office-holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- The types of disbursements categorised as Category 1 expenses typically include external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, bonding, invoiced travel and external services such as printing, room hire and document storage. Also included would be any properly reimbursed expenses incurred by personnel in connection with the case.
- The types of disbursements categorised as Category 2 expenses typically include mileage, in-house printing and electronic data storage.

Professional advisors and subcontractors

- The table on the next page provides details of professional advisors and subcontractors that we have engaged on this project. The use of subcontractors is in relation to work that we could have done (subject to the exceptions detailed below), but that we have outsourced.
- Our choice of professional advisors and subcontractors was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment.
- We also considered that the basis on which they will charge their fees is appropriate in the circumstances. Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced it as we consider it to be more cost effective and the providers have relevant specialist experience. We have reviewed the fees they have charged and are satisfied that they are reasonable in the circumstances of this case.
- Details of the expenses incurred in the Period with these third parties (whether paid or not) is set out later in this Appendix. The amounts paid are shown in the Receipts and Payments account at Appendix B.
- Also shown is our current estimate of total expenses and a comparison to our initial estimate (the details given to creditors prior to the determination of the basis of our remuneration).
- We have also utilised the services of other teams within FTI Consulting LLP to assist with the Administration process. The fees of our Tax and Technology teams have been included within the basis of our remuneration. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administration workstreams has been possible.

Appendix C: Joint Administrators' Remuneration and Expenses

The table shows the professional advisors and subcontractors engaged on the Administration.

Payee / Firm	Service provided	Reason Selected	Basis of fees/costs
Shoosmiths	Legal advice and support on the appointment of the joint administrators and sale of the business and assets to the Purchaser	Reputable firm with extensive expertise and experience in insolvency matters	Time costs and expenses
Burness Paull	Legal advice to the joint administrators in respect of Scottish law licensing arrangements	Reputable firm with extensive expertise and experience in Scottish law	Time costs and expenses
Brodies	Preparation of Scottish transfer and occupation documents, including Scottish law compliant agreements, missives, and initial advice on the Falkirk premises licence transfer	Reputable firm with extensive expertise and experience in Scottish law	Time costs and expenses
Linklaters	Legal advice to the joint administrators in respect of the properties and the LtO's	Reputable firm with extensive expertise and experience in insolvency matters	Time costs and expenses
Hilco	In collaboration with their agents, OHS, work included co-ordinating the closure of sites, changing locks, taking meter readings and handing out FAQs to employees	Reputable firm with extensive expertise and experience in insolvency matters	Time costs and expenses
EPE Reynell Limited	Gazette Notices in respect of the joint administrators' appointment	Specialists in dealing with legal advertising and regular provider of services on our insolvency appointments	Fixed cost per advert
Aon UK Limited	Insurance Risk Services, including open cover insurance, insurance brokering services and specific bonding	Experienced provider of insurance services to insolvency practitioners	Insurance premiums at market rates and fixed cost bonding premiums
ERA Solutions	Support with employee matters, including claims and redundancies. Further support on pension matters and filing of statutory notices	Experienced provider of employee services to insolvency practitioners	Fixed fee based on the number of employees and service provided
Prism 339 Limited	Conversion of PDF bank statements into Excel with supporting financial analysis	Provider of bank account analyses to insolvency appointments for investigation purposes	Fixed cost per bank account
Redfaire Ltd	Aided the FTI Forensics team in being able to draw down a backup of the Company's systems	Existing knowledge of the Company's systems	Fixed fee per service provided
Blue Tiger Solutions Limited	Aided the FTI Forensics team in being able to draw down a backup of the Company's systems	IT provider who specialises in delivering bespoke data centre and networking solutions	Fixed fee per service provided
HLS	Clearance of stock, paperwork, IT, and third-party assets across 79 Pizza Hut sites; emergency return visit to clean water from blocked drain and prevent property damage; and sorting / containerising IT equipment for data removal and return of third-party assets	Reputable firm with extensive expertise and experience in insolvency matters	Fixed fee per site

Appendix C: Joint Administrators' Remuneration and Expenses

Shown below is our firm's policy for the recovery of disbursements and the amounts incurred in the Period. No Category 2 disbursements have been incurred.

Disbursements

Category Policy		Incurring in the Period £
All disbursements reimbursed at cost:		
1	Travel: Taxi's	252.36
1	Subsistence	256.48
1	Postage	10,472.52
1	Courier	1,565.00
1	Storage	313.50
Total		12,859.86

Appendix C: Joint Administrators' Remuneration and Expenses

The table below should be read in conjunction with the receipts and payments account which shows expenses actually paid during the Period and the total paid to date.

Category	Incurred in the Period	Estimate Future	Estimated Total	Expenses initial estimate	Variance
Legal advice - Linklaters LLP	168,961.64	37,000.00	205,961.64	221,648.80	15,687.16
Statutory advertising - EPE Reynell Limited	104.00	208.00	312.00	312.00	-
Insurance - Aon UK Limited	9,660.00	9,424.80	19,084.80	9,660.00	(9,424.80)
Bonding - Aon UK Limited	225.00	-	225.00	225.00	-
Employee claims and redundancies - ERA Solutions	50,639.02	77,245.00	127,884.02	81,672.02	(46,212.00)
PDF bank statement conversion - Prism 339 Limited	2,000.00	-	2,000.00	1,000.00	(1,000.00)
IT Services - Redfaire Ltd	3,613.17	-	3,613.17	3,613.17	-
IT Services - Blue Tiger Solutions Limited	750.00	-	750.00	750.00	-
Joint Administrators disbursements	12,859.86	-	12,859.86	5,426.91	(7,432.95)
Mail redirection - Royal Mail	403.00	403.00	806.00	-	(806.00)
Total:	295,543.19	166,280.80	461,823.99	371,433.90	(90,390.09)

Expenses Estimate

- The table shows our estimate of the expenses incurred in the Period, and excludes payments made to landlords or otherwise in connection with the LtO, since these costs are funded by the Purchaser or third parties, and are not expenses of the Administration to be paid from the Company's floating charge realisations.
- The expenses estimate was provided to creditors on 19 December 2025, prior to the initial determination of the basis of remuneration.
- We expect costs associated with employee claims and redundancies, carried out by ERA Solutions, to exceed our original estimate. This is due to the initial omission of pension-related work (c.£24k) and additional work now expected in relation to unsecured employee claims (c.£25k). As a result, total expenses are expected to exceed the estimate by around £46k.
- The largest joint administrators' disbursements incurred during the period relate to postage costs. These included the initial mailout to all known creditors upon appointment, and a subsequent mailout to all known ordinary preferential creditors regarding the decision procedure to approve our remuneration and expenses as required by insolvency legislation.
- The expenses estimate does not represent a cap on the amount of expenses that can be paid, and approval for payment is only required for those that are Category 2 expenses, as previously defined.

Note: the Administrators have only provided a summary of costs which will be covered from floating charge realisations. The fixed charge costs are subject to funding from the Secured Creditor and will not be disclosed here.

Appendix D : An introduction to insolvency

If you are unfamiliar with an insolvency process, please read this page which describes the typical work and role of an insolvency practitioner. This is only a general overview and does not necessarily reflect our work in this case.

What is an insolvency process?

There are several types of insolvency process, but all are intended to achieve the same basic objective: to realise assets that the company owns and repay (to the extent possible) what it owes to creditors.

The type of process depends on the circumstances and the amount distributable to creditors (in accordance with statutory priorities) depends on the value of assets, the costs of the process and level of claims received.

What is an insolvency practitioner?

Commonly referred to as an 'IP', an insolvency practitioner is an experienced and qualified individual who is licensed and authorised to act in relation to an insolvent company, partnership or person.

IPs typically use the staff and resources of their own firm to complete the work, supported by third party professionals and other specialists as required.

IPs are routinely monitored by their professional body to ensure continued adherence to standards.

Realising the Assets

The IP evaluates possible options and pursues the best route for maximising value for creditors. Options could include an immediate sale of the business, a period of ongoing trading (prior to a sale) or a closure/wind-down of operations.

The costs of realising the assets can vary significantly, so an IP is looking to maximise the net value (after costs). Securing the ongoing employment of the workforce can materially reduce claims against the company.

Work done on realising the assets has a direct financial benefit for creditors.

Managing the Company's Affairs

Until such time as the company is dissolved, it must continue to fulfil many of its usual obligations, such as submitting VAT/tax returns and keeping adequate accounting records.

Whilst appointed to manage the affairs of the company, the IP is responsible for ensuring these obligations are met. Support from VAT/tax specialists in insolvency situations helps to ensure accuracy and minimise liabilities.

Other work might include complying with any licensing or regulatory requirements.

Dealing With Creditors

It can take several months, often longer, but if and when funds become available, the IP will distribute these to creditors once their claims have been received and agreed.

As secured creditors usually have priority rights over the assets, the amount left over for other non-preferential unsecured creditors can often be very small.

IPs keep creditors updated on their work, either through periodic reports or responding to their queries and correspondence.

Fulfilling our Statutory Duties

The impact of an insolvency can be wide ranging, so IPs are required to issue notices and periodic reports to notify those affected parties and keep them updated.

The company's affairs and conduct its directors must also be investigated to see whether any asset recovery (or other actions) need to be taken.

Whilst this work does not have any direct financial benefit for creditors, the purpose of insolvency law is to protect the interests of creditors.

Regular internal case reviews ensure the process progresses cost effectively and on a timely basis.

Appendix E : Legal Notices

We have set out below some important notices regarding this report and the appointment of administrators.

About this report

- This report has been prepared by the Joint Administrators solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the insolvency proceedings.
- It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or Companies subject to these insolvency proceedings.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Provision of Services Regulations

- To comply with the Provision of Services Regulations, some general information about FTI Consulting LLP, including about our complaints policy and Professional Indemnity Insurance, can be found online at: <https://www.fticonsulting.com/uk/creditors-portal>.

Information on creditors' rights

- A creditors' guide to administrations can be found on our website below. It includes information to help creditors understand their rights and describes how best these rights can be exercised.
<https://www.fticonsulting.com/uk/creditors-portal/forms-and-information>
- The website also has a creditors' guide to administrators' fees which is intended to help creditors be aware of their rights under legislation to approve and monitor fees; and explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.
- The above documents on our website are called:
 - Creditors Guide to Administration (E&W, February 2023)
 - Guide to Administrators Fees April 2021 England Wales
- Details of the above rights are also set out on the right.

Data Protection

- FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of its insolvency practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information in our Data Privacy statement on our website at <https://www.fticonsulting.com/uk/creditors-portal>.

Creditors' Right to Challenge Remuneration and/or Expenses

- Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors, or with the leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.36 or 18.37 IR16), challenging the amount or the basis of the remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.
- Such application must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses in question, in accordance with Rule 18.34 IR16.

Creditors Right to Request Information

- Any secured creditor or unsecured creditor with the support of at least 5% in value of the unsecured creditors, or with the leave of the Court, may, in writing, request the Joint Administrators of the Company to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 IR16.



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