

To all known creditors

Administrators' Progress Report

For the period from 20 April 2026 to 19 October 2026

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

Report pursuant to Rules 18.3 to 18.6 of the Insolvency (England and Wales) Rules 2016

FTI CONSULTING™

19 November 2026

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
FTI / FTI UK	FTI Consulting LLP
FLC	Forensic and Litigation Consulting
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England and Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
LtO	Licence to Occupy
NDA	Non-Disclosure Agreement
NOID	Notice of Intended Dividend
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
RTI	Real Time Information
Sch B1	Schedule B1 IA86
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
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
OHS	OHS Limited
The Period	20 April 2026 to 19 October 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 (now Pan Pizza Restaurants UK 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 PH UK Franchising Limited formerly Yum! III (UK) Limited.
Secured Debt	PH UK Franchising 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	Directors' 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

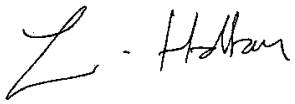
Contents

Purpose of this report	4
Progress of the Administration	6
Estimated Outcomes for Creditors	15
Key Matters Remaining	18
Appendices	20

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 previous report.
- This report covers the period from 20 April 2026 to 19 October 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.



.....
Lindsay Hallam
Joint Administrator

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

- We intend to pay a dividend to first-ranking preferential creditors before our next progress report, which will cover the period to 19 April 2027. All former employees of the Company will receive a letter from ERA Solutions and are encouraged to respond to the letter with their bank details as soon as possible to ensure payment is processed into the correct bank account.
- No action is required by creditors at this time, other than former employees who need to update their bank details as outlined above. This report is for information purposes only.

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.

Progress of the Administration

FTI CONSULTING™

Recap on the Administration

Key matters outstanding included completing lease assignments, reconciling trading receipts with the Purchaser, investigating pre-appointment transactions for potential recoveries and agreeing preferential claims for distribution.

Previously in the Administration

- A background on the Company and the events leading up to the appointment of administrators was included in our Proposals and SIP16 Statement and are not repeated here for the purposes of this report unless considered necessary or beneficial to do so. Similarly, progress in the Administration prior to this Period can be found in our previous progress report.
- Creditors may therefore wish to refer to these previous reports. All reports made available for creditors to view and download are available on the website referred to earlier and will continue to be available until two months after the end of the Administration.

Realising the assets

- We completed the sale of the Company's business and substantially all assets to the Purchaser on 20 October 2025 for £3.75m, comprising £423k in cash consideration and £3.325m through the release and discharge of the Company's secured debt. The transaction transferred 64 restaurants and safeguarded 1,276 jobs. We progressed lease assignments, surrenders and property vacations, with six leases assigned to parties other than the Purchaser, generating c.£94k plus VAT in lease premiums.
- As at 19 April 2026, 22 leases remained live, with further work ongoing to finalise assignments and manage LtO arrangements. We also recovered c.£97k in business rates refunds, c.£9k in supplier refunds and generated c.£46k in bank interest through Treasury Deposit investments. Further recoveries have been pursued where commercially worthwhile, although the remaining excluded assets are not expected to generate significant value.

Dealing with creditors

- We maintained regular engagement with the Secured Creditor regarding asset realisations; costs associated with fixed charge assets and general property updates. The sale reduced the secured debt by £3.325m, although a significant shortfall is expected. ERA Solutions has assisted with employee claims, statutory entitlements and liaising with the RPS; and first-ranking preferential claims are expected to be paid in full, subject to finalisation and agreement. We responded to creditor enquiries and facilitated claim submissions through the Turnkey Insolvency Portal. HMRC are expected to receive a dividend of c.15–20 pence in the pound as a secondary preferential creditor, with no dividend expected for unsecured creditors due to insufficient floating charge realisations.

Managing the Company's affairs

- We prepared and submitted the March 2026 VAT return and made the relevant payment to HMRC. Pre-Administration VAT and Corporation Tax returns could not be submitted due to incomplete company records. We managed the TUPE transfer of 1,276 employees to the Purchaser and matters arising from the redundancy of 1,160 employees immediately following our appointment, supporting employee claims and liaising with the RPS and the Purchaser's HR team on payroll matters. Electronic records were preserved to the extent they were available, and physical employee records were securely stored. FTI's Forensic and Litigation Consulting team reviewed significant pre-appointment related-party payments and management conduct. We also managed the Company's funds, accounting records and LtO transactions.

Fulfilling our statutory duties

- We submitted information regarding the conduct of the Company's directors to the DBT in accordance with statutory requirements. Investigations under SIP 2 identified pre-appointment transactions requiring further enquiries, and we continued to liaise with The Insolvency Service to determine next steps. We also issued our Proposals and remuneration report, obtained the required approvals for remuneration and expenses, issued statutory notices and conducted periodic internal case reviews, while continuing to manage the Administration.

Realising the Assets | Sale of Business and Portfolio Management

Significant progress has been made in resolving the Company's leasehold portfolio, with the outstanding matters being the reconciliation of LtO funds. This workstream is now substantially complete.

Transfer of the leasehold property portfolio

- At the date of appointment, the Company held a total of 73 leases. Of these, 27 were excluded from 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 occupied by the Purchaser under an LtO whilst the Purchaser made arrangements to formally assign the lease. A further eight leases were retained for occupation (also under licence) by, and for potential transfer to, parties other than the Purchaser, with a view to realising lease premiums for the benefit of the estate.
- In the period from appointment to 19 April 2026, 18 leases had been assigned to the Purchaser or surrendered. A further six non-Purchaser leases had been assigned, generating c.£94k plus VAT in lease premiums for the estate.
- As at 19 April 2026, 22 leases remained live within the Administration (20 being occupied by the Purchaser and two by other parties), with the outstanding properties continuing to be dealt with through the relevant LtO arrangements.
- During the Period, 21 of the 22 leases which remained live at the date of our previous report were successfully concluded through a combination of lease assignments and surrenders. The final property has been vacated and amounts owed to the landlords settled by the Company, with formal surrender completed shortly after the Period on 26 October 2026.

Managing the properties under licence

- The initial LtO period expired on 20 July 2026, being nine months from the Appointment date. As not all leases had been assigned by this date, we agreed an extension with the Purchaser for a further fixed period ending on 20 October 2026 to allow the outstanding assignments to be concluded. No further extension will be required.
- In addition to the LtO extension, a significant amount of other work has been necessary in managing the leasehold properties under the terms of the LtO. This included:
  - Calculating the forthcoming liabilities under the leases, considering any properties being transferred or vacated;
  - Invoicing and liaising with the Purchaser for the purpose of receiving adequate funding (under the terms of the licence) to settle the lease liabilities;
  - Liaising with landlords for the receipt of accurate invoices for rent (monthly in arrears) and making payments to settle them;
  - Maintaining records to support requirements to submit VAT returns to HMRC;
  - Maintaining rolling forecasts for LtO-related receipts and disbursements to ensure the Administration estate was 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; and
  - Extending certain LtO agreements with the Purchaser effective from 21 July 2026 to enable the Purchaser to continue occupying the remaining properties whilst the outstanding lease assignments and property exits were progressed.
- The LtO receipts and payments account in Appendix B shows the transactions in the Period relating to the leasehold property portfolio.

Future work

- The remaining work is now principally focused on completing a reconciliation of the LtO account and returning the residual funds.

Realising the Assets | Other Assets

Our work in relation to various other assets excluded from the Transaction is summarised below.

Business Rates Refunds	■ As previously reported, the Company's business rates history was limited given it only began trading in January 2025. As such, we did not engage specialist agents to assist in the recovery of rates refunds and overpayments and actively pursued these amounts ourselves. ■ In the Period, a further c.£18k has been recovered in respect of business rates refunds and overpayments. A total of c.£115k has been realised since the Appointment date, as shown on the enclosed receipts and payments account at Appendix B. ■ We understand that all material outstanding business rates refunds available to the Company have been recovered. Should we become aware of any further recoverable amounts, we will continue to pursue these for the benefit of the estate in the coming period to 19 April 2027.
Other Refunds	■ We have realised various refunds during the Period, totalling c.£108k, relating to credit balances on account as at the Appointment date. ■ Employee-related refunds consisted of c.£26k from Unum in respect of life insurance refunds and Penfold Trustees refunded c.£35k in relation to an auto-enrolment scheme. ■ Norton Rose refunded c.£46k (USD c.$64k) in respect of funds held on retainer. A further c.£1.4k was received in the Period in respect of miscellaneous pre-appointment balances.
Bank and Other Interest	■ In addition to quarterly bank interest generated on the Administration accounts, we have also regularly invested available funds in Treasury Deposits to maximise bank interest. During the Period, we realised bank interest of c.£66k, of which c.£9k related to LtO funds. ■ We will continue to invest available non-LtO funds in Treasury Deposits until it is appropriate to cease generating bank interest. ■ HMRC paid £611.29 in the Period in relation to interest applied on the late-refund payment of our June 2026 VAT return.

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.

- 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 and their cost contribution for work relating to the fixed charge.
- We completed our first drawdown request of £1.08m plus VAT in the Period, to cover certain costs relating to the fixed charge assets.
- We transferred c.£205k of post-appointment trading receipts from the pre-appointment bank accounts to the Purchaser. With the Secured Creditor's agreement, we retained the surplus of c.£530k from the cash transferred to the Administration estate from the pre-appointment bank accounts to contribute towards our costs.
- With the final LtO payments concluding in the Period, discussions with the Secured Creditor have since centred primarily on reconciling funds in order to arrange for return of the LtO funding balance.

Preferential creditors

- Preferential creditors are described in the highlighted box opposite.
- Creditors will recall that immediately following our appointment, we engaged specialist agents (ERA Solutions) to assist us with certain employee matters as detailed in our previous progress report covering the first six months of the Administration.
- During the Period, ERA Solutions assisted with agreeing employee claims and preparing to submit RTI returns in preparation for the anticipated payment of dividends.
- The RPS paid out employees' statutory entitlements within the Period and then lodged its claim in the Administration. Following this, ERA Solutions was engaged to calculate the preferential claims still owed to employees.
- We also received a revised claim from HMRC in the Period.

Unsecured creditors

- In preparation for our appointment, we set up dedicated email addresses and a helpline number in order for employees and creditors to contact us, other than by post.
- We spent significant time during the Period responding to creditor queries on claim submissions, the timing of any potential dividend, reissuing documentation and general progress of the Administration. We have responded to queries where possible and using the information currently available to us.
- During the Period, we liaised with various Courts across the UK regarding summonses for non-payment of property-related costs, including business rates and Business Improvement District (BID) levies. The Courts were notified of the Administration, and the relevant Councils updated their records to reflect that these amounts would rank as unsecured creditor claims rather than expenses of the Administration.
- Creditors can submit their claims via the Turnkey Insolvency Portal, using the unique login details previously provided. **However, there is currently no prospect of a dividend being available to unsecured creditors due to insufficient net floating charge realisations.**

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

- We have continued to work closely with our internal VAT and Tax specialists to manage the Company's tax affairs during the Administration, prepare and submit all necessary returns, recover available tax refunds and settle any tax liabilities due.
- During the Period, we arranged for the preparation and submission of the June 2026 VAT return to HMRC, and the Company was in a repayment position of c.£166k.
- The preparation of the March 2026 VAT return was complex due to the nature of the LtO arrangements and the fact that it was the first return covering approximately six months of the Administration since the date of appointment. Consequently, our internal VAT team spent significant time preparing the return, followed by a detailed review and approval process by the case team.
- We commenced preparation of the next VAT return, covering the period to September 2026, towards the end of the Period. We submitted this return to HMRC shortly after the end of the Period in October 2026, which again was a receivable position.
- Quarterly VAT returns will continue to be prepared and submitted until the Company is deregistered for VAT purposes. We expect to deregister the Company for VAT shortly after the LtO funds reconciliation has been agreed and surplus funds repaid to the Purchaser.

Tax

- As reported previously, due to incomplete records, the Company's outstanding pre-Administration CT return will not be filed by the Administrators. We continue to review the Company's CT filing requirements in respect of the Administration period.
- During the Period, we worked with our tax advisers to prepare and submit the Company's CT return for the one-day period of 20 October 2025. The return included the tax consequences of the Transaction and resulted in no CT liability, with c.£2.8m of losses carried forward which were utilised to shelter bank interest income arising during the Administration for this return and future returns.
- The following CT tax return in the Administration will be for the period 21 October 2025 to 31 August 2026, and returns will continue to be prepared and filed until no further taxable income is expected to arise.

Employees

- During the Period, we continued to liaise with ERA Solutions in relation to a number of employee matters, including obtaining RPS' final proof of debt, completing the residual preferential claim calculations, preparing for the issuance of the NOID, obtaining a PAYE reference in anticipation of the preferential distribution and responding to ongoing queries from former employees.
- ERA Solutions advised that the RPS can take up to six months following the date of insolvency to submit its final proof of debt and that the residual employee claims could not be finalised until this had been received. Following the expiry of this period, ERA Solutions requested the claim from the RPS on 29 April 2026 and issued monthly follow-up reminders until the claim was received.
- The RPS was chased regularly from April 2026, and its final proof of debt was received on 21 July 2026. There was some delay in receipt while the RPS resolved outstanding queries with certain claimants before finalising its claim.
- Following receipt of the RPS' proof of debt, we instructed ERA Solutions to finalise the residual claims of the first-ranking preferential creditors, being former employees of the Company. This work has substantially progressed, and we are expecting to issue the NOID shortly. We have spent time working with ERA Solutions to agree the most efficient process for issuing the NOID given the number of former employees concerned.
- In preparation for the ordinary preferential distribution, we instructed ERA Solutions to obtain a new PAYE reference to facilitate the necessary RTI submissions to HMRC following the distribution.
- No PAYE filings are required in respect of the post-Administration trading period, as employees were either transferred to the Purchaser under TUPE, or made redundant immediately following our appointment.
- We have also continued to deal with Employment Tribunal claims brought by former employees of the Company. As outlined in our previous report, we have not actively participated in these proceedings where doing so would incur costs that are not considered to be in the best interests of creditors as a whole. However, we have not sought, and will not seek, to prevent former employees from pursuing their claims.

Managing the Company's Affairs (continued)

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.

Treasury and accounting

- An account of our fixed charge and floating charge 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.
- A statement of expenses incurred in the Period is included at Appendix C.

Books and records

Mail redirection

- Following our appointment, we arranged for the Company's post to be redirected to us for a period of six months. This enabled us to capture and review correspondence addressed to the Company and take appropriate action where required.
- During the Period, we continued to review and retain relevant correspondence received through these arrangements and paid Royal Mail for a further six-month mail redirection.
- As the Administration approached its first anniversary, we considered that the mail redirection was no longer required and arranged for the mail redirection service to cease with effect from 19 October 2026.

Physical records

- We have continued to manage and securely retain the Company's physical books and records during the Period, including arranging appropriate external storage where required.

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 submitted information regarding the conduct of the Company's directors to the DBT in the period to 19 April 2026. The details of our investigatory findings remain confidential. However, as previously reported, our investigations identified a number of pre-appointment transactions requiring further review. During the Period, we continued to assist The Insolvency Service with its follow-up queries.
- 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.
- Following issue of the conduct report and initial engagement with The Insolvency Service, we have written to the directors seeking further information and background regarding the pre-appointment activities. These investigations remain ongoing, and together with the Secured Creditor, we are continuing to consider the merits of potential further action to establish whether there are opportunities to secure a recovery for the benefit of the estate.

Other statutory matters

- Other work in the Period has included:
  - Finalising and issuing our first progress report to creditors for the period ended 19 April 2026, including filing it at Companies House, and more recently, commencing preparation of this progress report.
  - Reviewing the insurance arrangements for the assets and amended cover as required.
  - Conducting six-monthly case reviews, updated our estimated outcome statement to assess funding for costs attributable to the fixed charge workstream and anticipated returns to creditors, and monitored fees incurred against the Administration budget.
  - Issuing the documentation required to extend the Administration and documenting our rationale. This included managing the decision-making process, obtaining a decision from the preferential creditors and seeking the Secured Creditor's consent.

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), being 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).
- This objective has been achieved by way of completion of the Transaction (and related obligations) and realisation of additional assets excluded from the Transaction.

Extension to the period of the Administration

- The Company's Administration was due to end automatically on 19 October 2026. In our previous report, we explained that it was not yet clear whether an extension to the Administration would be required, with certain matters remaining outside our control.
- However, a number of matters remained outstanding which are required to be completed in order to meet the purpose of the Administration and wind down the Company's affairs in an orderly manner. This work mainly includes:
  - Finalising the LtO workstream and associated funds reconciliations with the Purchaser;
  - Finalising the first-ranking preferential claims and making a distribution to this creditor class;
  - Making a subsequent distribution to HMRC in respect of its second-ranking preferential claim; and
  - Completing necessary corporation tax filings and recovering input VAT.

Fulfilling our Statutory Duties (continued)

The Administration has been extended for 12 months to 19 October 2027 with consent of the Secured Creditor and a decision of the preferential creditors.

Extending the period of the Administration (continued)

- To provide sufficient time for these matters to be completed, we sought consent from the Secured Creditor and a decision (by deemed consent) from the preferential creditors for a 12-month extension to the period of the Administration, to 19 October 2027.
- As relevant creditors can only consent once to an extension of the Administration, in order to avoid the costs of a court application for a second extension (in the unlikely event that became necessary), we sought the maximum extension period of 12 months.
- The Secured Creditor provided its consent on 28 September 2026. The decision date for preferential creditors to have objected was 28 September 2026. No objections were received. As such, the Administration has been extended to 19 October 2027. However, on the basis of current information, we expect that the Administration will be capable of being ended before this date.
- Notice of the extension was filed at Companies House and delivered to creditors by making it available for viewing and downloading on the website referred to earlier in this report.

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 and what creditors have approved. We are yet to draw remuneration but expect to do so following the issue of this progress report.

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 April 2027, 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.

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, because we do not expect a dividend to be available for unsecured creditors, the most 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.

Discharge from liability

- Pursuant to Paragraph 98 of Schedule B1, our discharge from liability (in respect of our actions as 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 our appointment ceases to have effect. We will seek approval to this at the appropriate time.

Estimated Outcomes for Creditors

FTI CONSULTING™

Secured and Preferential Creditors

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

Secured Creditor

- Secured creditors are those with security in respect of their debt in accordance with Section 248 IA86. In this case, the Secured Creditor is PH UK Franchising Limited (formerly Yum! III (UK) Limited). Creditors should note that the Secured Creditor changed its name in the Period.
- As at the date of appointment, the Secured Creditor's secured exposure totalled c.£18.2m, arising from a single secured term loan facility.
- 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 substantially all of the Company's assets.
- The consideration for the sale of the business and assets under the Transaction totals c.£3.75m. This comprised c.£423k in cash payable on completion and c.£3.3m through the release and discharge of the Company's loan liabilities under the Facility Agreement.
- As reported in our previous report, additional fixed charge assets of c.£94k were realised in relation to surrender premiums. After settling the relevant costs incurred under the fixed charge there will be no balance of fixed charge assets available for distribution to the Secured Creditor. No further fixed charge realisations arose during the Period and a shortfall to the Secured Creditor is expected.
- Separately, funds available within the floating charge estate will be applied towards the expenses of the Administration, and distributions to preferential creditors. No distribution to the Secured Creditor under the floating charge is anticipated.

Preferential Creditors

- In the SOA, the directors estimated that total preferential claims against the Company would be c.£11.3m.

Ordinary (First-Ranking) Preferential Creditors

- As part of the Transaction, 1,276 employees transferred to the Purchaser under TUPE. Accordingly, no preferential claims were expected, nor have been received.
- No wage arrears claims were anticipated or received in respect of the 1,160 redundant employees, as the Purchaser agreed to fund wages for all hours worked up to 20 October 2025.
- During the Period, we instructed ERA Solutions to finalise the residual claims of the first-ranking preferential creditors.
- In the directors' SOA, these claims were estimated at c.£311k. In our previous report, we estimated a final claim of c.£404k from the RPS in respect of these preferential claims, together with a residual claim of c.£53k from the Company's employees. We have since received the RPS's consolidated claim totalling £268k and the former employees' residual preferential claim of c.£128k. This variance is due to fewer employees lodging claims with the RPS than anticipated.
- Based on the information currently available, we expect first-ranking preferential claims to be paid in full. We intend to issue a NOID shortly after issue of this report and will arrange for the dividend to be paid within two months of the last date for proving.
- Where applicable, PAYE and employee National Insurance contributions will be deducted from preferential dividend payments and paid to HMRC, with the relevant RTI submissions made following the distribution.

Second-Ranking Preferential Creditor

- HMRC submitted a revised claim of c.£13.3m on 22 January 2026, of which c.£10.8m relating to unpaid PAYE and VAT liabilities was deemed preferential. On 23 June 2026, HMRC submitted a further revised claim of c.£13.4m, of which c.£10.8m was preferential. The revised preferential claim is broadly consistent with the amount disclosed in the SOA of c.£11m.
- As a secondary preferential creditor, the dividend payable to HMRC will depend on the final level of asset realisations, the expenses of the Administration and the final amount paid to first-ranking preferential creditors. Based on current information, we estimate a dividend of c.15 - 20 pence in the pound.
- The dividend will be paid once HMRC's claim has been formally adjudicated and the first-ranking preferential creditors have been paid.

Unsecured Creditors and Prescribed Part

There will be no distribution to unsecured creditors because there will be insufficient net floating charge realisations.

- 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.
- In this case, the Prescribed Part provisions are applicable, 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 creditor in full. As such, the value of the net property will be nil.
- Accordingly, we do not anticipate applying to court for an order on the ground that the cost of making a distribution to unsecured creditors would be disproportionate to the benefits.
- 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 c.£6m. This estimate excluded the unsecured element of any employee claims, consumer creditors and the RPS.
- To 19 October 2026, we have received claims totalling c.£10.8m.
- 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	Company Affairs	Other assets	Tax / VAT	Distributions	Winding-down
Work Required	■ 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). ■ Review unbilled time and proceed to draw our approved remuneration.	■ Continue investing non-LtO funds to generate bank interest. ■ Finalise the LtO funds reconciliation and remit the balance to the Purchaser. ■ Progress remaining investigations and consider whether any further action is appropriate.	■ Prepare and submit the Administration Corporation Tax returns. ■ Continue to submit quarterly VAT returns and reclaim/pay VAT from/to HMRC. ■ De-register for VAT when appropriate to do so.	■ Send the NOID to preferential creditors and distribute funds to first-ranking and second-ranking preferential creditors. ■ Adjudicate all preferential claims, including correspondence with former employees.	■ Seek the joint administrators' 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	■ Management of the Company's affairs will continue for the duration of our appointment.	■ Investments: 3-6 months ■ LtO funds reconciliation: 1-2 months ■ Investigations: 3-6 months	■ VAT: every quarter until the Company is deregistered for VAT. ■ Tax: as required until no further taxable income.	■ Within two months of the final date for proving, and in any event by January 2027.	■ Before the anniversary of the Administration on 19 October 2027.

Appendices

Appendix A: Statutory Information

Company Name:	DC London Pie Ltd		
Previous Name	N/A	**Administrators' Address**	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Trading Name	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	In the High Court 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 2027

Appendix B: Receipts and Payments Account | LtO

For the period from 20 April 2026 to 19 October 2026

Receipts and Payments Account - Licence to Occupy

Statement of Affairs £		Notes	From 20 October 2025 To 19 April 2026 £	From 20 April 2026 To 19 October 2026 £	From 20 October 2025 To 19 October 2026 £
	LtO - INCOME	1			
	LtO - Rent		2,119,504.07	-	2,119,504.07
	LtO - Service charge		350,104.50	-	350,104.50
	LtO - Rates		120,651.38	-	120,651.38
	LtO - Insurance		38,608.32	-	38,608.32
	LtO - Utilities		119,010.66	-	119,010.66
	LtO - Licence fee		15,784.94	-	15,784.94
	Bank Interest Gross	2	10,385.76	9,385.52	19,771.28
			2,774,049.63	**9,385.52**	**2,783,435.15**
	LtO - EXPENDITURE	3			
	LtO - Rent		(1,255,915.38)	(589,842.21)	(1,845,757.59)
	LtO - Service Charge		(175,490.38)	(145,404.12)	(320,894.50)
	LtO - Rates		(228.08)	-	(228.08)
	LtO - Insurance		(13,430.24)	(3,711.19)	(17,141.43)
	LtO - Utilities		(8,394.34)	(10,620.80)	(19,015.14)
			(1,453,458.42)	**(749,578.32)**	**(2,203,036.74)**
	LtO - SURPLUS/(DEFICIT)	4	**1,320,591.21**	**(740,192.80)**	**580,398.41**

General account note:
The LtO trading account is correctly recorded; however, the cash held in the LtO bank account will differ from the account above due to VAT on LtO income and expenses being recorded separately. For presentation purposes, the account reflects the net position. A full VAT reconciliation will be completed following submission of the final VAT return.

Notes to the Receipts and Payments Account

1. We issued 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. No invoices were issued in the Period.
2. Interest realised on the LtO bank account in the previous period and in the Period, has been allocated to the LtO receipts and payments account.
3. We managed and discharged property disbursements using licence fee income received in advance from the relevant counterparties.
4. 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 offset against balances owed by the licensee on the remaining sites (or additional funds requested where there is a shortfall). It is anticipated that the net balance of LtO funds at the conclusion of the Administration will be nil (once relevant VAT has been paid / recovered from HMRC), and the transactions occurring in respect of the LtOs do not impact the general Administration estate.
5. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).
6. The LtO bank account has been reconciled as at the end of the Period.
7. Funds are held with Barclays Bank plc and the LtO bank account was interest-bearing during the Period.

Appendix B: Receipts and Payments Account | Fixed Charge

For the period from 20 April 2026 to 19 October 2026

Receipts and Payments Account - Fixed Charge

Statement of Affairs £		Notes 1	From 20 October 2025 To 19 April 2026 £	From 20 April 2026 To 19 October 2026 £	From 20 October 2025 To 19 October 2026 £
	FIXED CHARGE REALISATIONS				
3,325,000	Assignment (English Properties)	**2**	3,325,000.00	-	3,325,000.00
1	Goodwill	**3**	1.00	-	1.00
	Surrender Premiums	**4**	94,147.00	-	94,147.00
3,325,001			**3,419,148.00**	**-**	**3,419,148.00**
	FIXED CHARGE PAYMENTS	**5**			
			-	**-**	**-**
	FIXED CHARGE CREDITORS				
	Fixed charge-holder contribution to costs	**6**	-	(94,148.00)	(94,148.00)
	Distribution to fixed charge creditor	**2**	(3,325,000.00)	-	(3,325,000.00)
			(3,325,000.00)	**(94,148.00)**	**(3,419,148.00)**
	BALANCE OF FIXED CHARGE		**94,148.00**	**(94,148.00)**	**-**

Notes to the Account

1. In our previous report, we presented the fixed charge and funding categories together, as the fixed charge creditor was also the Purchaser and majority funder. In this report, we have separated the fixed charge and funding categories for greater clarity.
2. These assets were sold via a credit bid, as reflected by the notional distribution to the fixed charge creditor.
3. Cash consideration received as part of the Transaction.
4. Recoveries from the surrender of leases.
5. No costs will be deducted from the cash proceeds. See the funding summary on the next page for details of costs relating to the management and transfer of leases.
6. The cash proceeds from the realisation of assets have been retained with the Secured Creditor/Purchaser's permission for the settlement of costs (thereby reducing the amount to be drawn under the funding agreement).
7. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).

Appendix B: Receipts and Payments Account | Funding

For the period from 20 April 2026 to 19 October 2026

Receipts and Payments Account – Funding

	Notes	From 20 October 2025 To 19 April 2026 £	From 20 April 2026 To 19 October 2026 £	From 20 October 2025 To 19 October 2026 £
FUNDING RECEIPTS				
Non-Purchaser Cost Funding - Security Costs	**1**	27,360.00	-	27,360.00
Non-Purchaser Cost Funding - Legal Costs	**2**	33,226.80	81,722.00	114,948.80
Secured Creditor - Contribution to Costs	**3**	-	94,148.00	94,148.00
Secured Creditor – Retained from cash receipts	**4**	-	530,135.88	530,135.88
Secured Creditor - Funding Agreement	**5**	-	1,080,000.00	1,080,000.00
		60,586.80	**1,786,005.88**	**1,846,592.68**
FUNDING PAYMENTS				
Non-Purchaser - Legal Fees and Expenses	**2**	(33,226.80)	(81,722.00)	(114,948.80)
Purchaser-related - Professional Fees	**6**	(171,495.18)	-	(171,495.18)
Purchaser-related - Legal Fees and Expenses	**6**	(195,508.39)	(55,626.10)	(251,134.49)
		(400,230.37)	**(137,348.10)**	**(537,578.47)**
BALANCE HELD	**7**	**(339,643.57)**	**1,648,657.78**	**1,309,014.21**

Notes to Account

1. A cost contribution from one of the non-Purchaser licensees in relation to the security costs incurred at one of the LtO sites after our appointment.
2. Legal fees in relation to non-Purchaser leases were funded by those third parties.
3. The cash proceeds from the realisation of fixed charge assets have been retained with the Secured Creditor/Purchaser's permission for the settlement of property-related costs (thereby reducing the amount to be drawn under the funding agreement).
4. The Purchaser also agreed for us to retain £530k from trading cash receipts payable to the Purchaser (received into the Company's pre-appointment bank account), thereby further reducing the amount to be drawn under the funding agreement.
5. The amount drawn under the funding agreement was £1.08m.
6. Principally costs relating to the management and transfer of the properties and leases that have been funded by the Secured Creditor/Purchaser. Legal costs paid in the Period include settlement (with the Secured Creditor's consent, and approval of the preferential creditors) of Burness Paull's pre-administration fees of £8,637.20 plus VAT. The balance relates to administration work carried out by Burness Paull (£20,287.90 plus VAT) and Linklaters (£26,701 plus VAT). We have also corrected legal fees reported to 19 April 2026 to reflect the net amount of the relevant invoices.
7. From the balance held, the sum of c.£32k will be utilised in the settlement of final legal fees (outside of the Period). The remaining balance of c.£1.27m will be drawn as Administrators' remuneration in due course.
8. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).

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

For the period from 20 April 2026 to 19 October 2026

Receipts and Payments Account - Floating Charge and Funds Held

Statement of Affairs £		Notes	From 20 October 2025 To 19 April 2026 £	From 20 April 2026 To 19 October 2026 £	From 20 October 2025 To 19 October 2026 £
	FLOATING CHARGE REALISATIONS				
25,000.00	Assignment (Scottish Properties)		25,000.00	-	25,000.00
384,000.00	Equipment		384,000.00	-	384,000.00
14,400.00	Stock		14,400.00	-	14,400.00
	Other Refunds	1	9,472.64	108,203.33	117,675.97
2,042,898.00	Cash at Bank	2	2,640,973.78	(205,304.72)	2,435,669.06
	Business Rates Refunds	3	96,802.57	18,099.41	114,901.98
	Bank Interest Gross	4	35,445.42	57,042.37	92,487.79
	Other Statutory Receipts	5	-	611.29	611.29
5.00	Contracts, records, business, digital assets		5.00	-	5.00
2,466,303.00			**3,206,099.41**	**(21,348.32)**	**3,184,751.09**
	FLOATING CHARGE PAYMENTS				
	Bordereau Premium		(225.00)	-	(225.00)
	Professional Fees	6	(53,139.02)	(30,170.00)	(83,309.02)
	IT Costs		(4,363.17)	-	(4,363.17)
	Bank analysis cost		(2,000.00)	-	(2,000.00)
	Stationery, Postage, Office costs	7	-	(3,574.40)	(3,574.40)
	Re-Direction of Mail	8	(403.00)	(403.00)	(806.00)
	Statutory Advertising		(104.00)	-	(104.00)
			(60,234.19)	**(34,147.40)**	**(94,381.59)**
	BALANCE OF FLOATING CHARGE		**3,145,865.22**	**(55,495.72)**	**3,090,369.50**
	TOTAL BALANCE		**4,220,960.86**	**758,821.26**	**4,979,782.12**
	REPRESENTED BY				
	Net VAT Receivable / (Payable)		(220,843.16)	284,128.20	63,285.04
	Bank (Current)		135,546.19	(124,729.34)	10,816.85
	Bank (LTO)		31,134.54	374,545.69	405,680.23
	Barclays Treasury Deposits		4,600,000.00	(100,000.00)	4,500,000.00
	Suspense Account		(324,876.71)	324,876.71	-
			4,220,960.86	**758,821.26**	**4,979,782.12**

Notes to the Receipts and Payments Account

1. Various refunds realised in the Period in relation to pre-administration credit on accounts.
2. This is cash at bank that was recovered from the various pre-appointment bank accounts operated by the Company. The Period movement relates to a re-allocation of trading receipts which were due to the Purchaser.
3. Rates refunds received from various councils during the Period.
4. Interest earned on Treasury Deposits and quarterly interest from Barclays. Interest realised on the LtO bank account in the previous period, and in the Period has been moved to the LtO receipts and payments account.
5. Interest paid by HMRC due to the late repayment of the June 2026 VAT refund.
6. £30,170 plus VAT paid to ERA Solutions for employee claims support.
7. Payment to Black & Callow for issuing a circular to preferential creditors.
8. Payment to Royal Mail for a further six-month mail redirection service.
9. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).
10. The bank account has been reconciled as at the end of the Period. Funds are held with Barclays Bank plc and the bank account was interest bearing during the Period.
11. The Statement of Affairs 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).
12. We would refer creditors to our previous progress report to 19 April 2026, for our detailed commentary on receipts and payments within that period.

Appendix C: 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

- In the previous period, we issued our remuneration report dated 19 December 2025 where we set out the proposed basis of our remuneration, our fees estimate, a statement of the expenses expected to be incurred and details of work both undertaken and anticipated in the Administration. We also explained that the basis of our fees must be fixed by the Secured Creditor and the preferential creditors of the Company.
- 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) the Purchaser or 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 decision date for the preferential creditors was 29 January 2026. We received the signed voting forms from HMRC and the RPS, with no objections received. We also received the requisite consent from the Secured Creditor on 29 January 2026. Accordingly, the basis of our remuneration and expenses was approved by the relevant creditor classes.
- 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 things done by us and our staff during the Period, and in the first year of the Administration. Creditors can refer to our previous report to 19 April 2026 for details of work performed in the first period. Later in this Appendix, we 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 in respect of the work done in the Administration. We do expect to draw the approved remuneration from floating charge realisations up to the fees estimate of £1,109,516.87 plus VAT, in the near future.
- We also expect to draw remuneration of c.£1.27m plus VAT in relation to work done for the Purchaser on the basis approved by the secured and preferential creditors, and for which funding has been received (and therefore does not impact the preferential or unsecured classes of creditors).
- This latter category includes certain work done for the Secured Creditor, as noted in our previous progress report, and the Secured Creditor has contributed to the costs as shown in the earlier receipts and payments account.

Pre-Administration costs

- The payment of unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 IR16.
- As previously reported, the Joint Administrators sought and obtained approval from the Secured Creditor and preferential creditors for our unpaid pre-Administration fees and expenses totalling £79,281.70 plus VAT, to be paid as expenses of the Administration.
- We have settled Hilco's pre-Administration expenses of £2,500 plus VAT. Our pre-Administration fees of £76,781.70 plus VAT remain outstanding. We will settle these in the period to 19 April 2027.

Appendix C: Administrators' Remuneration and Expenses

As part of our remuneration 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, we will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to Technology, VAT and tax matters and the costs of which are included within our fees estimate. 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 below, 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. Our charge-out rates were revised with effect from 1 October 2026. The revised rates do not change the approved fees estimate, which remains £1,109,516.87 plus VAT.

	Restructuring (£/hour)		Tax (£/hour)		FLC (£/hour)	Other (up to £/hour)
Grade of staff	From 1 October 2026	Up to 30 September 2026	From 1 October 2026	Up to 30 September 2026	Up to 30 September 2026	Up to 30 September 2026
Senior Managing Director	1,375.00	1,375.00	1,375.00	1,005.00	1,237.50	845.00
Managing Director	1,220.00	1,155.00	1,220.00	810.00	1,039.50	640.00
Senior Director	1,115.00	1,060.00	1,115.00	660.00	954.00	595.00
Director	1,020.00	970.00	1,020.00	580.00	873.00	560.00
Senior Consultant	890.00	835.00	535.00	495.00	751.50	460.00
Consultant	745.00	660.00	480.00	440.00	594.00	345.00
Associate	550.00	485.00	405.00	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. We do not anticipate exceeding this estimate.

Fees estimate

- The table below shows the time expected to be required in each area of the Administration and the estimated cost based on the charge-out rates given earlier in this section. As previously reported to creditors, our total fees estimate is £1,109,516.87, representing an estimated 1,341.2 hours at an average rate of £827.29 per hour.
- The table compares this fees estimate with the time and costs incurred to the end of the Period. Later in this appendix, we provide further analysis and details of the work undertaken in the Period.
- The fees estimate included an approximation of the cost of our future work based on information available to us, our experience in these matters and certain assumptions regarding the time likely to be required. We had also made the following assumptions:
  - The anticipated duration of the case would be 12 months.
  - Investigations work undertaken for the benefit of the creditors, and any subsequent liquidation of the Company, were excluded.
  - Time allocated to work for which remuneration is payable from fixed charge realisations or is otherwise drawn under the separately approved percentage basis for qualifying third-party-funded work, was excluded from the fees estimate.
- We cannot draw remuneration in excess of the total amount set out in the fees estimate without approval.

Further approval

- Total floating charge time costs incurred to 19 October 2026 were £1,034,728.27, equating to 93% of the fees estimate.
- We provide commentary as to the work performed in the Period later in this appendix. However, the following are important notes in respect of some of the key areas of work:
  - In determining how our remuneration should be allocated between the different remuneration bases, we have reviewed areas of work which benefit different creditor groups to ensure that the associated time costs are allocated appropriately between the relevant workstreams and remuneration bases.
  - 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.
- We expect our total time costs to exceed the fees estimate by c.£122k, based on the remaining work expected to be required to conclude the Administration. However, we do not intend to seek further approval to draw remuneration in excess of the approved amount of £1,109,516.87.

Area of work	Fees Estimate Hours	Fees Estimate Cost	Hours Incurred	Cost Incurred	Estimated Future Hours	Estimated Future Cost	Estimated Total Hours	Estimated Total Cost	Hours Variance	Cost Variance
Controlling the appointment	252.9	197,425.57	181.4	148,770.79	48.5	37,525.00	229.9	186,295.79	(23.1)	(11,129.78)
Realising the Assets	235.0	215,695.00	84.2	76,353.00	11.7	8,446.50	95.9	84,799.50	(139.1)	(130,895.50)
Dealing with Creditors	275.5	220,695.50	237.5	190,122.50	65.5	51,627.50	303.0	241,750.00	27.5	21,054.50
Managing the Company's Affairs	294.8	224,128.88	411.0	297,758.85	69.5	59,929.00	480.5	357,687.85	185.8	133,558.97
Fulfilling our Statutory Duties	282.9	251,571.92	396.9	321,723.13	48.5	40,107.50	445.4	361,830.63	162.5	110,258.71
Total	**1,341.2**	**1,109,516.87**	**1,311.1**	**1,034,728.27**	**243.7**	**197,635.50**	**1,554.8**	**1,232,363.77**	**213.6**	**122,846.90**

Appendix C: Administrators' Remuneration and Expenses

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

Time Costs for the Period 20 April 2026 to 19 October 2026										
Category	**Senior Managing Director**	**Managing Director**	**Director**	**Senior Consultant**	**Consultant**	**Associate**	**Secretarial**	**Total Time**	**Total Cost**	**Average Cost**
Controlling our Appointment										
Strategy & Planning	-	-	0.3	0.8	0.1	-	-	**1.2**	**1,063.92**	**871.35**
Appointee & Manager Reviews	-	-	-	7.7	4.0	1.0	-	**12.7**	**9,554.50**	**752.32**
Budgets, Fee Approval & Remuneration	1.3	0.1	4.3	20.7	-	1.4	-	**27.8**	**24,048.50**	**865.05**
Subtotal	**1.3**	**0.1**	**4.6**	**29.2**	**4.1**	**2.4**	**-**	**41.7**	**34,666.92**	**830.92**
Realising the Assets										
Book Debt Realisations	-	-	-	0.6	-	0.3	-	**0.9**	**646.50**	**718.33**
Other Investments	-	-	-	1.8	-	-	-	**1.8**	**1,519.50**	**844.17**
Other Assets	-	-	0.5	0.1	-	0.2	-	**0.8**	**665.50**	**831.88**
Insurance & Bonding	-	-	1.3	0.5	0.3	-	-	**2.1**	**1,916.50**	**912.62**
Subtotal	**-**	**-**	**1.8**	**3.0**	**0.3**	**0.5**	**-**	**5.6**	**4,748.00**	**847.86**
Dealing with Creditors and Stakeholders										
Preferential Claims Agreement	-	1.2	1.6	11.5	0.1	-	-	**14.4**	**12,778.00**	**887.36**
Preferential Dividends	-	-	9.3	12.2	-	0.8	-	**22.3**	**20,527.00**	**920.49**
Unsecured Claims Agreement	-	-	-	-	0.1	-	-	**0.1**	**66.00**	**660.00**
Creditor Queries	-	0.8	6.7	0.4	2.4	15.7	-	**26.0**	**16,895.00**	**649.81**
Subtotal	**-**	**2.0**	**17.6**	**24.1**	**2.6**	**16.5**	**-**	**62.8**	**50,266.00**	**800.41**
Managing the Company's Affairs										
Tax	0.4	2.0	-	0.3	-	0.5	-	**3.2**	**3,483.00**	**1,088.44**
VAT	-	7.4	1.1	5.3	0.9	7.8	-	**22.4**	**18,359.00**	**821.43**
Employees	-	-	0.3	17.1	-	4.5	-	**21.9**	**16,840.00**	**768.95**
Pensions	-	-	-	0.1	-	-	-	**0.1**	**83.50**	**835.00**
Bank Account Management	-	1.4	3.5	4.4	-	0.4	2.1	**11.8**	**8,907.10**	**754.84**
Receipts, Payments & Journals	1.6	2.1	2.7	7.2	12.5	7.8	-	**33.9**	**25,512.50**	**752.58**
Subtotal	**2.0**	**12.9**	**7.6**	**34.4**	**13.4**	**21.0**	**2.1**	**93.3**	**73,185.10**	**784.83**
Fulfilling our Statutory Duties										
Initial Letters & Notices	-	-	-	-	-	0.3	-	**0.3**	**145.50**	**485.00**
Progress Reports	7.7	5.9	18.3	17.4	11.2	12.9	-	**73.4**	**63,336.00**	**862.89**
Extensions	-	1.0	1.9	9.4	-	2.0	-	**14.3**	**11,920.00**	**833.57**
CDDA & SIP2 Assessment	-	-	3.8	3.8	0.3	-	-	**7.9**	**7,201.50**	**911.58**
Other Statutory Matters	-	0.2	9.1	5.7	-	-	-	**15.0**	**13,696.50**	**913.10**
Subtotal	**7.7**	**7.1**	**33.1**	**36.3**	**11.5**	**15.2**	**-**	**110.9**	**96,299.50**	**868.35**
Total Time by Grade	**11.0**	**22.1**	**64.7**	**127.0**	**31.9**	**55.6**	**2.1**	**314.3**	**259,165.52**	**824.66**
Total Cost by Grade	**15,125.00**	**25,798.50**	**63,032.85**	**107,118.02**	**21,049.80**	**27,039.25**	**2.10**			
Average hourly cost by Grade	**1,375.00**	**1,167.35**	**974.53**	**843.54**	**660.80**	**486.76**	**1.00**			

Appendix C: Joint Administrators' Remuneration and Expenses

Analysis of cumulative time costs for the period from the date of our appointment to 19 October 2026

Time Costs for the Period 20 October 2025 to 19 October 2026											
Category	**Senior Managing Director**	**Managing Director**	**Senior Director**	**Director**	**Senior Consultant**	**Consultant**	**Associate**	**Secretarial**	**Total Time**	**Total Cost**	**Average Cost**
Controlling our Appointment											
Pre-Appointment	-	-	-	-	-	4.7	-	-	**4.7**	**3,102.00**	**660.00**
Strategy & Planning	2.0	3.9	1.4	9.5	3.6	8.1	2.4	-	**30.9**	**25,458.29**	**824.53**
Appointee & Manager Reviews	1.5	-	-	0.7	7.7	7.5	2.0	-	**19.4**	**15,266.00**	**786.91**
Budgets, Fee Approval & Remuneration	5.3	7.3	8.8	21.9	29.7	43.7	9.7	-	**126.4**	**104,944.50**	**830.26**
Subtotal	**8.8**	**11.2**	**10.2**	**32.1**	**41.0**	**64.0**	**14.1**	**-**	**181.4**	**148,770.79**	**820.23**
Realising the Assets											
Book Debt Realisations	-	-	-	-	0.6	-	4.9	-	**5.5**	**3,577.50**	**650.45**
Intercompany Debtors	-	-	-	-	-	1.2	-	-	**1.2**	**792.00**	**660.00**
Other Investments	-	-	-	-	2.1	8.0	-	-	**10.1**	**7,050.00**	**698.02**
Other Assets	6.3	-	-	44.9	1.0	7.4	0.2	-	**59.8**	**58,031.50**	**970.43**
Insurance & Bonding	-	0.1	-	5.4	0.7	1.4	-	-	**7.6**	**6,902.00**	**908.16**
Subtotal	**6.3**	**0.1**	**-**	**50.3**	**4.4**	**18.0**	**5.1**	**-**	**84.2**	**76,353.00**	**906.81**
Dealing with Creditors and Stakeholders											
Preferential Claims Agreement	-	1.2	-	1.6	11.5	0.3	-	-	**14.6**	**12,910.00**	**884.25**
Preferential Dividends	-	-	-	9.3	12.2	-	0.8	-	**22.3**	**20,527.00**	**920.49**
Unsecured Claims Agreement	-	-	-	-	-	0.3	1.3	-	**1.6**	**933.50**	**583.44**
Unsecured Dividends	-	-	-	-	-	-	1.2	-	**1.2**	**792.00**	**660.00**
Creditor Queries	20.8	3.9	15.6	29.0	3.3	27.6	93.9	-	**194.1**	**152,518.00**	**785.77**
Shareholders	-	-	-	-	-	-	3.7	-	**3.7**	**2,442.00**	**660.00**
Subtotal	**20.8**	**5.1**	**15.6**	**39.9**	**27.0**	**28.2**	**100.9**	**-**	**237.5**	**190,122.50**	**800.52**
Managing the Company's Affairs											
Tax	0.4	3.0	-	-	0.3	0.9	1.5	-	**6.1**	**5,648.00**	**925.90**
VAT	-	9.3	-	3.2	5.5	4.7	16.1	-	**38.7**	**28,842.50**	**746.25**
Employees	5.0	0.4	-	8.3	88.7	3.6	17.4	-	**123.3**	**102,434.75**	**830.78**
Pensions	-	-	-	0.7	0.1	0.2	-	-	**1.0**	**894.50**	**894.50**
Books & Records	-	0.4	88.9	9.6	-	1.0	0.4	-	**100.3**	**62,863.50**	**626.75**
Bank Account Management	-	2.5	-	3.5	4.4	7.3	1.5	5.6	**24.8**	**15,725.10**	**634.08**
Receipts, Payments & Journals	2.8	4.2	-	4.0	7.9	70.0	22.7	-	**111.6**	**77,887.50**	**697.92**
FCA and Other Regulatory	-	-	-	-	-	5.1	0.2	-	**5.3**	**3,463.00**	**653.40**
Subtotal	**8.2**	**19.8**	**88.9**	**29.3**	**106.9**	**92.8**	**59.7**	**5.6**	**411.0**	**297,758.85**	**724.39**
Fulfilling our Statutory Duties											
Initial Letters & Notices	0.4	0.1	1.1	-	3.4	3.1	2.3	-	**10.5**	**8,264.16**	**789.77**
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	7.7	6.0	-	18.8	17.6	11.3	12.9	-	**74.3**	**64,169.50**	**863.65**
Extensions	-	1.0	-	1.9	9.4	-	2.0	-	**14.3**	**11,920.00**	**833.57**
CDDA & SIP2 Assessment	31.9	0.5	40.4	80.8	12.4	65.1	-	-	**231.1**	**181,689.20**	**786.19**
Other Statutory Matters	-	0.2	-	11.3	7.2	11.6	11.1	-	**41.4**	**31,960.00**	**771.98**
Subtotal	**43.6**	**8.8**	**43.2**	**123.2**	**50.2**	**99.6**	**28.3**	**-**	**396.9**	**321,723.13**	**810.54**
Total Time by Grade	**87.7**	**44.9**	**157.9**	**274.8**	**229.4**	**302.6**	**208.1**	**5.6**	**1,311.1**	**1,034,728.27**	**789.24**
Total Cost by Grade	**117,265.63**	**50,070.66**	**114,552.64**	**255,546.05**	**192,664.61**	**187,550.84**	**117,072.25**	**5.60**			
Average hourly cost by Grade	**1,337.20**	**1,114.61**	**725.32**	**930.07**	**839.73**	**619.79**	**562.58**	**1.00**			

Appendix C: 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.

Area of work	Description of work	Reason and benefit for creditors
Controlling the appointment	■ **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 included the management of our internal insolvency systems and compliance checklists. ■ **Case reviews:** periodic reviews of the Administration, typically 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, maintaining budgets and reviewing our unbilled WIP.	■ 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.
Realising the Assets	■ **Sale of business:** Following the immediate sale of the assets, we fulfilled any post-sale obligations and undertook the reasonable work required to support the transfer of assets to the Purchaser, such as novation of contracts or leases, communications as necessary with counter-parties, completion of transfer documentation etc. ■ **Property work:** Coordinating the orderly surrender or transfer of leases as necessary. This category also includes liaising with the parties subject to the LtO. ■ **Book debt realisations:** tracking and recovering business rates refunds and pursuing any other miscellaneous refunds owed to the Company. ■ **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 Purchaser following a final reconciliation between assets belonging to the Company in Administration and amounts due to the Purchaser. ■ **Insurance:** worked with our insurance brokers to agree the scope of any ongoing insurance requirements and manage the policies as required.	■ 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. ■ The property work facilitated completion of the post-Transaction lease arrangements and the orderly transfer, surrender or vacation of the Company's leasehold interests, while managing the Company's associated liabilities. ■ Insurance cover is a necessary financial loss protection for the Company, its creditors and the Administrators in respect of assets held (and any insurable risks arising) during the course of the Administration.

Appendix C: 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	■ **Secured creditors**: liaising with / periodic reporting to the Secured Creditor regarding the LtOs, progression of the Administration and requesting drawdowns in line with the Funding Agreement. ■ **Preferential claims agreement:** reviewing first and second ranking claims as a preferential dividend is expected; including liaising with the creditors, ERA Solutions and HMRC regarding the provision of supporting information and responding to queries. ■ **Preferential dividends:** preparing calculations and drafting statutory notices in preparation to pay dividends. ■ **Unsecured claims:** recording claims received and responding to queries regarding claim submissions and the Turnkey Insolvency Portal. As no dividend is expected, unsecured claims have not been adjudicated. Maintaining creditor and claim records within the case management system where required. ■ **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.	■ Where available, distributions and dividends represent a repayment to creditors in respect of the amounts owed to them by the Company and therefore are a tangible financial benefit from the insolvency proceedings. ■ During the course of claims agreement, we perform a proportionate level 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. Where possible, we encourage creditors to review information already available on our website.

Appendix C: 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	■ **Corporation Tax:** preparing and submitting the necessary and periodic tax returns falling due during the Administration. We submitted the one-day CT return in the Period. ■ **VAT:** preparing and submitting the necessary and periodic VAT returns falling due during the Administration. This work included making payments to (or requesting refunds from) HMRC and maintaining adequate VAT accounts. ■ To facilitate the above work, a review is performed by our internal Tax and VAT specialists; and all the information likely to be required is 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:** working on employee matters including communications and consultation activities, responding to employee queries, liaising with the RPS to facilitate the payment of redundancy amounts and liaising with ERA Solutions regarding the RPS' final claim. This also includes gathering pension information, preparing and issuing statutory notices and coordinating with pension specialists. ■ **Books and records:** agreeing the strategy for the safeguarding and destruction of the Company's physical records that have been uncovered in the Period and arranging storage. Work in this category also includes the arrangement of mail redirection to our address. ■ **Bank account management:** Management of the Administration and LtO bank accounts for receipt of funds and payment of expenses, including monthly bank reconciliation processes. ■ **Receipts, payments and accounting journals:** maintaining adequate accounting records for the period of the Administration, including the payment of costs and expenses.	■ 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 the Company's books and records does not necessarily give a financial benefit to creditors, although they may be required in connection with claims or proceedings involving the Company 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: 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	■ **Initial letters and notices:** issuing all necessary correspondence following our appointment to creditors of whom we were not previously aware. ■ **Progress reports:** preparing and issuing six-monthly progress reports to creditors, including receipts and payments accounts. ■ **Extension to the Administration:** preparing letters and notices to the Secured and preferential creditors requesting a 12-month extension to the Administration, to 19 October 2027. Corresponding with both classes of creditors regarding the extension request and supporting information. Receipt and filing of consent forms from the Secured Creditor and monitoring objections from the preferential creditors. Preparation of our internal records/checklists and notifying Companies House of the extension. ■ **CDDA and SIP2 Assessment:** gathering information for The Insolvency Service (acting for the Secretary of State) in relation to their follow up queries and undertaking necessary further investigations, 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 Office for National Statistics.	■ 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 direct 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. ■ Further investigative work was undertaken in connection with the CDDA and SIP 2 assessments following submission of the conduct report to The Insolvency Service. This work was necessary to fulfil our statutory obligations to investigate the Company's affairs and pre-appointment activities, provide further assistance to The Insolvency Service and explore potential avenues for recovery for the benefit of the estate.

Appendix C: Administrators' Remuneration and Expenses

An overview of the types of expenses incurred.

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) are 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: 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 the 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
Black & Callow	Printing and postage services on large circulars issued by the joint administrators	Experienced provider of large volume postage services for insolvency practitioners	Fixed cost per letter to be printed / posted and staff labour
Royal Mail	Mail re-direction from the Company's former registered address	National postage service in the United Kingdom	Fixed fee per service

Appendix C: 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

- The disbursements below have been incurred but not yet paid. We will arrange for them to be paid in the period to 19 April 2027.
- Of the previously reported postage costs of £10,472.52, £4,990.33 relates to the fixed charge workstream and has therefore been excluded from the expenses shown below. Where applicable, costs relating to this workstream are met under the Secured Creditor funding arrangements.

Category	Policy	Incurred Previously (£)	Incurred in the Period (£)	Total incurred (£)
1	All other disbursements reimbursed at cost:			
	■ Travel: Taxis	252.36	-	252.36
	■ Subsistence	256.48	21.33	277.81
	■ Postage	5,482.19	-	5,482.19
	■ Courier	1,565.00	-	1,565.00
	■ Storage	313.50	-	313.50
	Total	**7,869.53**	**21.33**	**7,890.86**

Appendix C: 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	Notes	Incurred Previously*	Incurred in the Period	Total Incurred	Estimate future	Estimated total	Expenses estimate[1]	Variance
Statutory advertising - EPE Reynell Limited		104.00	-	104.00	208.00	312.00	312.00	-
Insurance - Aon UK Limited	1	9,660.00	6,711.60	16,371.60	-	16,371.60	9,660.00	(6,711.60)
Bonding - Aon UK Limited		225.00	-	225.00	-	225.00	225.00	-
Employee claims and redundancies - ERA Solutions	2	50,639.02	30,170.00	80,809.02	5,382.72	86,191.74	81,672.02	(4,519.72)
PDF bank statement conversion - Prism 339 Limited		2,000.00	-	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	3,613.17	-
IT Services - Blue Tiger Solutions Limited		750.00	-	750.00	-	750.00	750.00	-
Joint Administrators disbursements	3	7,869.53	21.33	7,890.86	-	7,890.86	5,426.91	(2,463.95)
Mail redirection - Royal Mail		403.00	403.00	806.00	-	806.00	-	(806.00)
Postage - Black & Callow		-	3,574.40	3,574.40	-	3,574.40	-	(3,574.40)
Totals		**75,263.72**	**40,880.33**	**116,144.05**	**5,590.72**	**121,734.77**	**102,659.10**	**(19,075.67)**

1. *The expenses estimate was provided to creditors on 19 December 2025, prior to the initial determination of the basis of remuneration.*

** Our previous progress report incorrectly reported the expenses incurred in the period to 19 April 2026 as £295,543.19. We have reported the correct figure in the 'Incurred Previously' column above. This takes in to account the deduction of the £4,990.33 postage costs referred to on the previous page.*

- The table summarises our estimated expenses incurred during the Period and the first year of the Administration. It excludes costs paid by the Purchaser or third parties in connection with LtOs, as these are not expenses of the Administration payable from the Company's floating charge realisations. Only expenses funded from floating charge realisations are included; fixed charge costs, which are funded separately by the Secured Creditor, are excluded.
- Our total expenses have exceeded the estimate previously provided to creditors by c.£14k. The principal adverse variances relate to insurance costs, employee claims support provided by ERA Solutions and postage disbursements. The reasons for these increases are outlined below.
- 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.
- We have removed costs incurred by Linklaters LLP from the above table as they are being funded by the Purchaser or third parties.

1. Insurance was initially estimated for the first six months of the Administration. We have confirmed with our insurers that cover is no longer required and no further costs are expected.
2. ERA Solutions' costs are approaching the original estimate of £81,672.02 and are expected to exceed this by 19 April 2027, due to additional pension-related work not included in the original estimate.
3. Postage remains the largest disbursement. The initial creditor mailout costs of £4,990.33 have now been removed from the above table.

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 (nt 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 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 then 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 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.



Experts with Impact™

FTI CONSULTING™