



To All Known Creditors and Members



**InfraRed UK Lion Limited Partnership
InfraRed UK Lion Nominee 1 Limited
InfraRed UK Lion Nominee 2 Limited
InfraRed UK Lion GP Limited
(all in Administration)**

Joint Administrators' Statement of Proposals

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

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Glossary

| Abbreviation | Definition |
|----------------------------------|--|
| BEIS | Department for Business, Energy and Industrial Strategy |
| BTCM | Basildon Town Centre Management |
| c. | Approximately |
| CDDA | Company Directors Disqualification Act 1986 |
| CT | Corporation Tax |
| CVL | Creditor's Voluntary Liquidation |
| EBITDAP | Earnings Before Interest, Taxes, Depreciation, Amortization and Pension Income |
| FTI / FTI UK | FTI Consulting LLP |
| HMRC | HM Revenue & Customs |
| IA86 | Insolvency Act 1986 (as amended) |
| ICAEW | Institute of Chartered Accountants in England & Wales |
| IPO1994 | The Insolvent Partnerships Order 1994 |
| IP | Insolvency Practitioner |
| IR16 | Insolvency (England and Wales) Rules 2016 (as amended) |
| IRCP / InfraRed | InfraRed Capital Partners Limited |
| IRUK N1 | InfraRed UK Lion Nominee 1 Limited |
| IRUK N2 | InfraRed UK Lion Nominee 2 Limited |
| IRUK GP | InfraRed UK Lion GP Limited |
| IRUK LP / the Partnership | InfraRed UK Lion Limited Partnership |
| Schedule B1 | Schedule B1 IA86 |
| SIP | Statement of Insolvency Practice |
| SIP 2 | Investigations by office holders in administration and insolvent liquidations |
| SIP 7 | Presentation of financial information in insolvency proceedings |
| SIP 9 | Payments to insolvency office holders and their associates from an estate |
| VAT | Value Added Tax |

| Term | Meaning |
|--|---|
| Administration | The Administrations of IRUK LP, IRUK GP, IRUK N1 and IRUK N2 |
| Appointment Date | 22 November 2021 for IRUK LP, IRUK N1 and IRUK N2 23 November 2021 for IRUK GP |
| the Court | The High Court of Justice, Business and Property Courts of England and Wales, Insolvency List (ChD) |
| Administrators / Joint Administrators / we / our / us | Andrew Johnson, Ali Khaki, Matthew Callaghan |
| Eastgate / the Centre | Eastgate Shopping Centre, Basildon |
| the Companies / the Group | IRUK LP, IRUK GP, IRUK N1 and IRUK N2 |
| the Directors | The directors of InfraRed UK Lion GP Limited: Christopher Gill, David Hudson, Andreas Katsaros and Timothy Thorp; and the directors of InfraRed UK Lion Nominees 1 and 2 Limited: Keith Butcher, David Hudson and Timothy Thorp. |
| Lender / Secured Lender / Secured Creditor | Creditors with security in respect of their debt in accordance with Section 248 IA86. In this case, the secured creditor is Bayerische Landesbank. |
| PPM | Planned Preventative Maintenance |
| The Proposals | This Joint Administrators' Statement of Proposals including its appendices. |
| 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 |
| Secured Debt | c.£55,610,178.44 term loan provided by the Secured Lender |
| Shareholder / IRCP | InfraRed Capital Partners Limited, the ultimate shareholder of the Companies |
| Non-preferential unsecured creditors | Creditors who are neither secured nor preferential. Principally trade creditors, inter-company debts and utility providers. HMRC and employee-related claims that do not rank preferentially are also included here. The Secured Creditor may also claim for the unsecured element of its debt. |



Introduction

Purpose of this Report

- Ali Khaki, Matthew Callaghan and I were appointed as joint administrators of InfraRed UK Lion Limited Partnership, InfraRed UK Lion Nominee 1 Limited and InfraRed UK Lion Nominee 2 Limited on 22 November 2021. We were also subsequently appointed as joint administrators of InfraRed UK Lion GP Limited on 23 November 2021.
- The appointments were made by the members of the Partnership in relation to IRUK LP and by the company directors in relation to IRUK GP, IRUK N1 and IRUK N2.
- IRUK LP is a limited partnership under the Limited Partnerships Act 1907. IRUK GP, IRUK N1 and IRUK N2 are companies incorporated under the Companies Act 2006. Unless otherwise stated (and for the ease of reading), we collectively refer to all four entities as “the Companies” and references to ‘company’ include the Partnership.
- Following our appointment, we now have responsibility to manage the affairs, business and property of the Companies. We do this as agents and without incurring any personal liability.
- This is our statement of proposals for achieving the purpose of administration and includes:
 - a brief history of the Companies;
 - the reasons why the Companies are in Administration;
 - what the purposes of the Administrations are;
 - how we expect to achieve these purposes;
 - an indication of the likely outcome for the various classes of creditors; and
 - how we envisage the Administrations will be brought to an end.
- We have also included certain legal notices regarding this report, our appointment and creditors’ rights. If you are unfamiliar with insolvency, we have also included a brief overview that you may wish to read before you continue to read this report.
- On the next page we describe the manner in which these proposals will be approved and any actions that creditors may wish to take.
- If you have any queries regarding the content of this report or should you require hard copies of any of the documents made available online, please contact us using the details provided on the right.
- These Proposals are anticipated to be delivered to creditors on 13 January 2022.

How to Contact Us

- Creditors and members can contact us using the preferred methods below:

Email: IRUKLion@fticonsulting.com

Post: InfraRed UK Lion
c/o FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London
EC1A 4HD

Tel: 020 7269 9391

- Information can also be found at:

<https://www.fticonsulting.com/emea/cip/infrared-uk-lion>



Signed:

Andrew Johnson

Joint Administrator
Acting as agent and without personal liability

Objective of the Administration

The purpose of each Administration is to achieve a better result for each company's creditors as a whole than would be likely if the company were wound up (without first being in Administration).

Objective of the Administration

- As joint administrators of the Companies, we are officers of the Court and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of each Administration, which is to achieve one of the three objectives set out in insolvency legislation, namely to:
 - a) rescue the company as a going concern; or
 - b) 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); or
 - c) realise property in order to make a distribution to one or more secured or preferential creditors.
- We did not consider it to be reasonably practicable to rescue any of the Companies as a going concern given the existing debt burden.
- Therefore we are pursuing objective (b) for each of the Companies. This is on the basis that the outcome for the Secured Creditor of the Companies and the unsecured creditors of IRUK LP (and therefore creditors as a whole) will be better than if the Companies had entered liquidation.
- We believe the objective will be achieved by virtue of the ongoing trading of the Eastgate Shopping Centre and the options that are available to maximise realisations from a sale of the business and assets.
- The trading strategy is supported by the Secured Creditor. To help achieve the purpose of the Administrations, the Secured Creditor has provided funding to the Administrators, as well as providing funding for the Companies prior to our appointment, which allowed the Directors to continue to pay the vast majority of critical suppliers and ensure the continuity of supplies during the periods immediately prior to and following the appointment of Administrators. Such funding was provided from the Secured Creditor's fixed charge security.
- We do not expect there to be any preferential claims against any of the Companies based on information available to us.
- Unsecured creditors of IRUK LP are expected to receive a small dividend from the insolvency proceedings. By maximising the value of the Centre, it is intended that the unsecured element of the Secured Creditor's debt will be reduced accordingly, thereby benefitting the other unsecured creditors of IRUK LP.
- In these Proposals, we provide details of the work we have done to date and our anticipated future work, that together will enable the purpose of each Administration to be achieved.

Approval of these Proposals

We are asking creditors to approve our proposals in relation to IRUK LP. Similar approval is not required for the other companies and our proposals in relation to those companies are likely to be deemed approved.

IRUK LP

- We anticipate a dividend will become available to the unsecured creditors of IRUK LP. Consequently, we are seeking a decision from the creditors of IRUK LP to approve our Proposals in relation to the Partnership, using the deemed consent procedure.
- **If a creditor agrees that our Proposals should be approved, then they do not need to do anything.** Our Proposals will be automatically approved on 28 January 2022 (the “Decision Date”), unless 10% of creditors (who would be entitled to vote at a qualifying decision procedure) object to the decision to approve our Proposals.
- If a creditor wishes to object to the decision, they must complete and return the enclosed notice of objection (Appendix G) so that it is received by us by no later than 23.59 hours on the Decision Date. If a creditor has not already submitted proof of their debt, they should complete a claim form (a copy of which can be found at www.fticonsulting.com/emea/cip/infrared-uk-lion) and return it to us. Objections by a creditor will not count unless they have lodged a proof of debt by no later than 23.59 on the Decision Date.
- It is our responsibility to determine whether any objections received are sufficient for this deemed consent procedure to end without a decision being made. If sufficient objections are received, then we will write to creditors to seek approval for this decision using a qualifying decision process.
- Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within five business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. We will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
- Whilst we are not seeking the formation of a Creditors’ Committee, insolvency legislation requires that creditors of IRUK LP be invited to determine whether to form one and therefore a notice of invitation to form a Creditors’ Committee and further instructions are enclosed at Appendix H.

- To enable creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information has been prepared by R3 and can be found online at: www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/.
- If these Proposals are approved using the deemed consent procedure, notice of that fact will be filed with the Court and also made available online for creditors at: www.fticonsulting.com/emea/cip/infrared-uk-lion.

IRUK GP, IRUK N1 and IRUK N2

- The financial position of these three companies means that they have insufficient assets to enable a dividend to be paid to their non-preferential unsecured creditors. As a result, we are prohibited by insolvency legislation from seeking a decision from the creditors to consider these proposals (in relation to these three companies), in accordance with Paragraph 52(1)(b) IA86.
- However, a creditor, or creditors, whose debts amount to at least 10% of the total debts of a company can require us to hold a decision procedure to enable creditors to consider whether or not to approve its proposals and/or to consider such other decision as they see fit. Such a request must be received by us within eight business days from the date these proposals are delivered to the creditors. If creditors do not require us to hold a decision procedure within that time period, then the proposals will be deemed to have been approved.
- Creditors should note that we need not initiate the decision procedure unless the creditor, or creditors, requisitioning the decision procedure provides us with such amount that we request from them to meet the expenses of the requisitioned decision procedure.
- If these Proposals are deemed to be approved in the manner described above, notice of that fact will be filed with the Registrar of Companies, the Court and also made available online for creditors at: www.fticonsulting.com/emea/cip/infrared-uk-lion.

Key Messages

The Companies own the Eastgate Shopping Centre which remains open and is continuing to trade. We are supporting certain planning appeals and otherwise assessing options to maximise value from the sale of the Centre in due course.

Background to the Companies

- The Companies' principal asset is the Eastgate Shopping Centre in Basildon. IRUK N1 and IRUK N2 hold legal title to the property, however IRUK LP holds the beneficial interest and will be the recipient of proceeds when the property is sold.
- Transactions principally flow through IRUK LP and relate to the collection of rent and service charges from tenants of the Centre. Payments predominately relate to the upkeep of the property and to Eastgate's Property and Asset Managers (see below).
- The Companies entered Administration as a result of financial difficulties arising from the combined effects of Covid-19, growing online sales, rising costs and reduced consumer demand.

Our Strategy

- Following our appointment as joint administrators over the Companies, Eastgate has continued to trade with shops remaining open. The existing Property Managers (Munroe K) and Asset Managers (Sovereign Centros) have been retained to assist us.
- Our view is that the ongoing trading of Eastgate prior to its ultimate sale is likely to offer the best outcome for creditors. The Centre has several ongoing planning appeals, the outcome of which have the potential to significantly enhance its realisable value. We are therefore continuing to support (and the Companies are continuing to fund the costs of) each of the outstanding planning appeals with a view to their conclusion in the Companies' favour.
- The timeframe for concluding these planning issues remains uncertain and subject to significant change. The outcome of these issues may also materially impact our future strategy.

Management of the Property

- Suppliers to the Centre should contact Munroe K directly with regards to ongoing or future trading arrangements. They can be contacted at: info@mkaml.co.uk.
- Sovereign Centros will continue to liaise with tenants and other parties in relation to lettings and planning. They can be contacted at: enquiries@sovereigncentros.co.uk.

Estimated Outcome for Creditors

- On the following page we set out our current estimates of the likely recovery for the various classes of creditor in each of the Companies.
- As you will note, the Secured Creditor has the principal financial interest in the Administrations due to the level of its debt, fixed charge security on the main property asset and the likelihood of facing a shortfall on its lending.
- However, the unsecured creditors of IRUK LP are expected to receive a small dividend. This is because a limited partnership is unable to grant a floating charge over its assets meaning the balance of any unencumbered assets (after costs) would be available for preferential creditors in the first instance and then unsecured creditors. We do not expect any preferential claims against IRUK LP.
- As noted earlier and as a result of the Secured Creditor funding certain of the Companies' critical liabilities prior to the Administrations, debts that may have ranked preferentially against IRUK LP were extinguished and unsecured claims have been significantly reduced compared to what would have been the case had the Companies been placed into liquidation and the Centre been closed.
- **All creditors are invited to provide us with details of their claims as soon as possible.**

Estimated Outcome for Creditors

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Dividend Prospects

- The guidance given in the tables below on anticipated outcomes for various classes of creditors is only an indication and should not form the basis for any bad debt provision.
- The figures are based on the directors/members' Statements of Affairs, with appropriate adjustments as a result of subsequent discussions with the Companies management. These figures may be subject to material change as the value of the Companies' assets, final level of liabilities and the costs of the Administrations, are all yet to be determined.

Secured Creditors

- The amount owed to the Secured Creditor is approximately £52.9m plus accrued interest of £2.8m and is secured by fixed and floating charges. The main sources of recovery for the Secured Creditor are proceeds from the sale of the property and rental income collected prior to the sale, all of which are captured by fixed charge security.

| IRUK LP Creditor Class | Amount Owed | Estimated Recovery | Timing of Payment |
|---------------------------|----------------|-----------------------|----------------------|
| ■ Secured Creditor | £55.8m | 66% | 12 - 18 months |
| ■ Preferential Creditors | Nil | n/a | n/a |
| ■ Unsecured Creditors | £326k | 4.3% | 18 - 24 months |

| IRUK GP Creditor Class | Amount Owed | Estimated Recovery | Timing of Payment |
|---------------------------|----------------|-----------------------|----------------------|
| ■ Secured Creditor | £55.8m | £Nil | n/a |
| ■ Preferential Creditors | Nil | n/a | n/a |
| ■ Unsecured Creditors | £287 | £Nil | n/a |

Preferential Creditors

- None of the Companies employed any staff.
- The statement of affairs for IRUK LP detailed HMRC liabilities totaling £566k, of which £424k was classified as preferential. We have discussed the basis of these numbers with management and understand of the £566k:
 - £424k largely related to VAT on applications for payment issued to tenants pre-Administration, this does not accord with the Companies' usual treatment of VAT, where VAT is only payable to HMRC on receipt of cash from tenants, as such this should not have been shown as a preferential liability in the statement of affairs;
 - The balance of c£142k represents a VAT payment deferral agreement with HMRC but did not account for payments made to date, with only c£28k remaining; in addition
 - Taking into account the errors detailed above and other VAT balances post the last VAT return, IRUK LP is expected to be in a **VAT receivable position with HMRC**.

Unsecured Creditors

- The level for unsecured creditors of IRUK LP included in the statement of affairs excludes c.£19m in relation to the estimated shortfall on the Secured Creditor's lending. Whilst the value of the Centre (and therefore the Secured Creditor's recovery under its fixed charge security) is highly uncertain at this early stage, the shortfall due to the Secured Creditor is still expected to represent the vast majority of unsecured liabilities.
- We set out later, other comments on the value of liabilities in the statements of affairs.

| IRUK N2 & IRUK N1 Creditor Class | Amount Owed | Estimated Recovery | Timing of Payment |
|-------------------------------------|----------------|-----------------------|----------------------|
| ■ Secured Creditor | £55.8m | £Nil | n/a |
| ■ Preferential Creditors | £Nil | n/a | n/a |
| ■ Unsecured Creditors | £Nil | n/a | n/a |

Legal Notices

Creditors should read these important notices regarding this report and the appointment of Joint Administrators.

Agents of the Entities

- The affairs, business and property of the Companies are being managed by the Joint Administrators, who act as agents of the Companies 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) of the Insolvency Act 1986.

Information on Creditors' Rights

- Information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at www.creditorinsolvencyguide.co.uk/.
- Details about how administrators' fees may be approved are provided in a 'Guide to Administrators Fees April 2021 England & Wales', which can be found online at: www.fticonsulting.com/emea/cip/forms-and-information.

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: www.fticonsulting.com/emea/cip.

Insolvency Code of Ethics

- Administrators are bound by the Insolvency Code of Ethics which can be found online at: www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics.
- In all cases and prior to accepting any appointment, administrators must review any significant relationships with a company and its stakeholders to assess whether they can meet the ethical standards expected of them.

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 on our website at www.fticonsulting-emea.com/~media/Files/emea-files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf.

About this report

- This report has been prepared by the Joint Administrators solely to comply with their statutory duties under insolvency law and regulation. 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 Companies.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act 1986 and 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.

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 a company owns and repay (to the extent possible) what it owes to creditors.
- The type of process depends on the circumstances and the amount distributable to creditors (in accordance with statutory priorities) depends on the value of assets, the costs of the process and level of claims received.

What is an insolvency practitioner?

- Commonly referred to as an 'IP', an insolvency practitioner is an experienced and qualified individual who is licensed and authorised to act in relation to an insolvent company, partnership or person.
- IPs typically use the staff and resources of their own firm to complete the work, supported by third party professionals and other specialists as required.
- IPs are routinely monitored by their professional body to ensure continued adherence to required 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 those affected parties and keep them updated.
- The entity's affairs and conduct of 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.



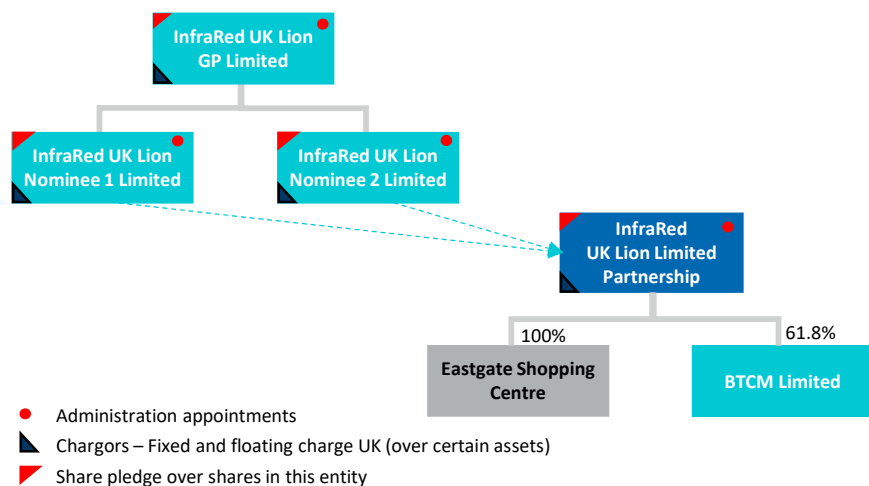
Background to the Administration

Brief History of the Companies

The Companies acquired Eastgate in 2014 with the support of the Secured Creditor. The Companies have been loss-making since 2018, with asset value declining c.65% since 2017.

- Built in the 1980s, the Eastgate Shopping Centre in Basildon comprises over 100 lettable units, a food terrace and car park. It undertook substantial refurbishments in 2007 and 2013 in relation to the multi-storey car park and in 2019, annual footfall totalled 11.5 million.
- The Companies purchased the Centre from British Land in 2014 for £88.6m, financed in part by a £53m term loan provided by the Secured Lender. IRUK N1 and IRUK N2 are the legal owners of the Centre, including the leasehold and freehold interest, while IRUK LP holds the beneficial interest and will be the recipient of proceeds on a sale.
- A summary of the Group structure is shown below:

- A summary of the Companies' recent trading performance is shown below. Please note that the management accounts have not been verified for accuracy and therefore may not reflect the Companies true trading position.
- The value of Eastgate has seen a material decline since InfraRed's acquisition in 2014 which is largely driven by the reduced revenues and loss-making performance. This is a consequence of industry factors over the past few years which include tenants seeking revised terms, the increase in online retail reducing footfall and consumer spend; and increased supply of lettable units as various retailers have fallen into insolvency.
- As reflected in the table below, the existing significant challenges were exacerbated as a result of the Covid-19 lockdowns in 2020, during which Eastgate was forced to close. The lockdowns increased pressure on tenants, resulting in a significant decrease in rents collected. Ultimately, Covid-19 and the headwinds in the UK retail market led to the loss of several key tenants, most notably Topshop and Debenhams which occupied 28% of total retail floorspace.
- Further details of the events leading up to the Administrations is set out on the following page.



- Unless otherwise stated, information on the Companies' history has been provided by the Companies and is not from our personal knowledge as joint administrators.

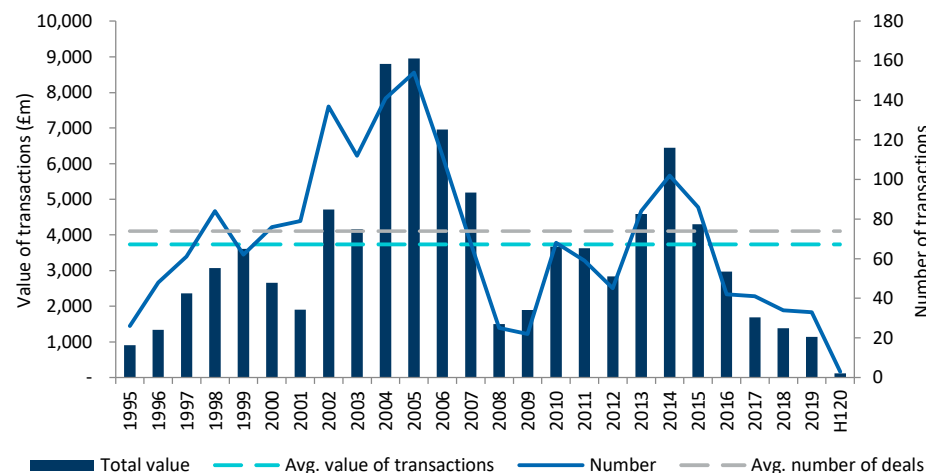
| £'000 | Mgmt Accounts 9 m/e 31-Oct-21 | Mgmt Accounts FY 2020 | Statutory Accounts FY 2019 | Statutory Accounts FY 2018 |
|----------------------|-------------------------------------|--------------------------|-------------------------------|-------------------------------|
| Net Rental Income | 3,108.0 | 4,988.8 | 6,172.4 | 7,124.9 |
| Net Operating Income | 854.5 | 1,287.6 | 4,214.4 | 5,523.7 |
| Net Loss | (4,535.5) | (22,517.1) | (16,429.1) | (15,186.3) |
| Net Assets | (19,915.9) | (15,380.4) | 7,399.7 | 28,856.3 |

Events Leading up to the Administrations

The Centre suffered a decline in profitability as a result of Covid-19 and other headwinds affecting the sector, combined also with the ultimate shareholder’s decision to no longer provide additional funding.

- Following its acquisition in 2014, InfraRed sought to develop the Centre for the benefit of its customers, tenants and Basildon as a whole.
- The Centre was revalued in December 2019, with the value of the property falling from £85m to £58m. At this point, covenants within the loan agreement were breached, however the Lender remained supportive and did not declare a default or look to enforce its security.
- The Lender continued to support Eastgate by extending the debt maturity date (originally February 2019) to December 2020, with the option to further extend to March 2021. This was eventually extended to 30 November 2021.
- Shopping centres (including Eastgate) have faced a number of challenges driven by macroeconomic events, such as Brexit and Covid-19. These events exacerbated challenges already existing in the market which included growing online sales, rising costs and reduced consumer demand with dampened investment sentiment as a consequence (see the graph opposite).
- From June 2020, and as a consequence of Covid-19, the Secured Lender facilitated and part-funded the ongoing operation of the Centre in order to provide a more stable platform for a sale of the property. Without this support, the Companies would have been forced to enter an insolvency process much sooner, with asset value further reduced given the uncertainty caused by the pandemic.
- In late September 2021 with (i) the ultimate shareholder not prepared to contribute any further funding; (ii) the Secured Lender was not prepared to further extend debt maturity terms (due to expire on 30 November 2021); and (iii) with the Group being balance sheet insolvent, the directors of IRUK N1, IRUK N2 and IRUK GP and the members of IRUK LP, took the decision to place the Companies into Administration.
- During October 2021 and November 2021, careful planning was undertaken for the Administrations including the necessary diligence for both a seamless continuation of trading and to ensure a smooth transition of control to the Joint Administrators.
- The time taken to properly plan for the Administration appointments assisted in ensuring value in the site was preserved. Throughout the planning process, the directors/members of the Companies took steps to ensure no creditor positions were worsened.
- The directors of IRUK N1 and IRUK N2 and members of IRUK LP appointed us as joint administrators on 22 November 2021. The directors of IRUK GP appointed us as joint administrators the following day.
- The appointment to IRUK LP was made by IRUK GP (as the general partner of the Partnership) pursuant to Paragraph 22 of Schedule B1 (as modified by Paragraph 9 of Schedule 2 to IPO 1994). The appointments to the Companies were made by their directors, also under the provisions of Paragraph 22 of Schedule B1.
- The Administrations provide control over the Companies and all their assets, and the ability to recover costs such as VAT. It was also considered that the statutory moratorium inherent in an Administration process would minimise disruption to the business.
- Details of our prior involvement with the Companies are set out in Appendices C and D.

Value and Number of UK Shopping Centre Investments



Pre-Administration Costs

On 27 September 2021, the decision was taken to place the Companies into Administration. Costs since that time were paid prior to our appointment, with the exception of certain legal fees that will be paid as an expense of the Administration (subject to approval).

Joint Administrators' Role Prior to Appointment

- Prior to an appointment, an administrator may act as an advisor to a company, its secured creditor or other stakeholders. Services can include supporting a company's efforts to find a buyer for its business and assets, but do not include advising the directors, who typically receive independent legal advice on their personal responsibilities. Similarly, advice would not be given to any potential purchaser.

Extent of Our Prior Involvement

- Iain Graham, a Senior Managing Director within the FTI restructuring team, was contacted by the Secured Lender in August 2020, with a view to pitching to undertake financial advisory work. Shortly thereafter, FTI was engaged by the Secured Lender to review the Companies' short term cash flow forecast and the options available to it (both enforcement and non-enforcement).
- In July 2021, FTI was requested to perform a refresh of this work by the Secured Lender, with a greater focus on insolvency options given the Group's financial position.
- On 27 September 2021, the decision was taken by the directors of the Companies (including the members of the Partnership) to place them into Administration. Andrew Johnson, Ali Khaki and Matthew Callaghan were proposed as joint administrators and from that date all costs were incurred with a view to the Companies being placed into Administration.
- In Appendix D, we provide a summary of the work undertaken since 27 September 2021. Please note that it represents a summary of the key workstreams and is not an exhaustive list of all the work performed.
- FTI's role in preparing and planning for our appointment made a significant contribution to achieving the purpose of the Administration because it has allowed the short-term continuation of trade without any disruption to the business.

Pre-Administration Costs

- Our time costs from 27 September 2021 until the Appointment Dates totalled £260,883.69. We raised invoices totalling £185,000 plus VAT in respect of these time costs, and the invoices were paid by IRUK LP prior to the Administration.
- Legal expenses totalling £80k were also incurred by law firms BCLP and Stephenson Harwood, of which £55k was unpaid at the time of our appointment. All other amounts were paid prior to our appointment by IRUK LP. In Appendix D, we provide details of the legal services performed and advice received.
- To the best of our knowledge, no pre-Administration costs were incurred by any other persons qualified to act as an insolvency practitioner.
- The payment of unpaid pre-administration costs as an expense of the Administration is subject to approval under Rule 3.52 IR16 and does not form part of our Proposals subject to approval under Paragraph 53 Sch.B1 IA86. Where no creditors committee is appointed (and as these unpaid costs relate to IRUK LP) it will be for the Partnership's creditors to give such approval.
- All of these workstreams were necessary to enable the Companies to be placed into Administration in a prepared and orderly manner, to ensure uninterrupted trading and ultimately to enable the purpose of the Administration to be achieved.



Our Strategy to Achieve the Purpose of the Administration

Administration Strategy

Our strategy is to maintain business as usual at the Centre and pursue a non-distressed sale in due course, potentially with the benefit of value-enhancing planning permissions that are currently in progress.

Business As Usual

- The Companies are continuing to trade the Centre under our control, maintaining business as usual for all key stakeholders including customers and tenants. The Secured Lender is facilitating the ongoing operation of the Centre to provide a stable platform for a non-distressed sale of the property. Subject to successful resolution, the benefit of planning permission will significantly improve recoveries for the Companies creditors.
- We have retained the existing property managers (Munroe K) and asset managers (Sovereign Centros) given their detailed knowledge of the Centre. This has also helped to minimise disruption for stakeholders, including suppliers who in many cases have ongoing relationships, or whose main point of contact, is with Munroe K or Sovereign Centros. Similarly, tenants will see no changes in the accounts to which rent and service charge payments are made.
- Since appointment, rent and service charge monies have continued to be received from tenants. Payments to support the ongoing trading of the business have also continued to be met.

Planning Appeals

- Outline planning permission continues to be sought for part demolition and redevelopment of the site in order to provide a mix of town centre uses. This includes new residential units, a reconfiguration of car parking and existing commercial and retail floorspace; and the introduction of new commercial and retail spaces.
- The Council resolved to grant outline planning permission on 22 April 2021 subject to satisfactory completion of the associated Section 106 agreement. Due to lack of progress on the Section 106, the Companies submitted an appeal against non-determination in October 2021. This Eastgate appeal is progressing as anticipated. We continue to liaise with relevant advisors in relation to the appeal.

- To maximise the prospects of success and to mitigate future costs (e.g. additional reading-in time if new advisers were appointed), the incumbent professional advisors involved with the planning process have been retained.

Asset Realisations

- In due course, we will be engaging specialist property agents to provide valuation advice, sales strategy advice and ultimately to effect a sale of Eastgate.
- It is anticipated that the repurposing of the Centre from 100% retail to residential / mixed-use will increase the number of potential purchasers and add value to the site.
- The exact timing of the sale will be dependent on discussions between the selected sales agent, ourselves and the Secured Lender given their position as the party with the main economic interest.
- A separate sale of the Companies' long-leasehold interest in a small part of the Eastgate property to a third party purchaser is in the process of being negotiated. The terms of this agreement remain confidential, however, should this complete it will generate further realisations for the estate.
- In addition to the anticipated realisations from the above property assets, significant cash at bank was held by IRUK LP on appointment totalling £2,575,842, of which £1,645,269 was held in accounts specifically charged to the Secured Lender.

BTCM

- As a major landowner in Basildon town centre, the Companies have the ability to have board representation at BTCM, a company which owns and operates town centre car parks and the market. We have therefore approached an independent third party who we intend to place on the board of BTCM and who will look to protect the interests of Eastgate in relation to decisions taken by BTCM.
- Discussions with the proposed director remain ongoing and should be concluded shortly, following which the necessary steps will be taken to appoint the director to the BTCM board.

Our Work in the Administrations

Our work to achieve the purpose of the Administrations also involves continuing to manage the Companies' affairs and finances; and the fulfilment of many statutory duties arising as a consequence of our appointment.

Funding Agreement

- Following our appointment, we entered into a funding agreement with the Secured Lender. This ensured sufficient ongoing funding would be available to meet any trading shortfall, as well as the costs and expenses of the Administrations.

New Banking Arrangements

- We have set up new bank accounts for the purposes of the Administrations, which will be used for the continued trading at Eastgate.
- The Property Manager continues to provide Collections and Service Charge accounts. Both rental and service charge income is received from tenants into the Collections Account, and these balances are then transferred to our Fixed Charge Realisations account (rent) and the Property Manager's Service Charge account (service charge).
- Payments made from our Fixed Charge Realisations account will require Secured Lender approval and are expected to largely consist of a quarterly drawdown to our Operating account from which suppliers (outside of the remit of the Property Managers) will be paid directly. The drawdowns will be based on our cash flow forecast and approved by the Secured Lender.
- Service charge payments will also be made directly by the Property Managers from their Service Charge account where these are included within a pre-agreed budget.

Managing the Companies' Affairs

- The key aspects of our work in this area will include:
 - Finalising a data download of all the Companies' electronic books and records;
 - Working with our internal tax specialists to review the Companies' VAT and tax affairs; and in due course, prepare and submit periodic returns to HMRC as required, dealing with any queries as they arise; and
 - Maintaining adequate accounting records for the period of the Administrations, making payments in respect of the costs of the proceedings and performing regular reconciliations of bank accounts.

Statutory and Compliance

- We have issued all notices required by insolvency legislation and contacted all known creditors as well as the tenants at Eastgate. We have fulfilled all other obligations required of us as joint administrators up to the date of these Proposals.
- Statutory and compliance work includes tasks that are required by statute or regulatory standards (as a result of the Companies entering Administration), or are necessary for the orderly conduct of the proceedings. Whilst there is no direct benefit for creditors, this work still has to be carried out and is generally required as part of protecting creditors' interests.
- We will continue to fulfil our statutory obligations during the course of the Administrations. These are varied but include:
 - Giving notice of our appointment to creditors and other parties;
 - Preparing and issuing this statement of proposals for achieving the purpose of the Administrations;
 - Investigating the Companies' affairs, the conduct of their directors and members, and submitting a report to BEIS within three months of our appointment;
 - Preparing and issuing reports to creditors on the progress of the Administrations;
 - Maintaining a record of the Companies' creditors and any claims submitted to us; and (where required) adjudicating such claims for the purpose of paying any dividends;
 - Ensuring adequate insurance and bonding for the office holders remains in place; and
 - Maintaining records and evidence of the work done on our case files.

Insurance

- On appointment, we obtained confirmation from the existing insurance providers of ongoing cover in line with the cancellation period. We subsequently instructed our brokers, Aon, to arrange new policies. A policy has now been arranged with Aon and ongoing cover is in place.

Trading Overview

The Centre has continued to trade as normal with the Property Managers collecting rent and service charges and making payments in line with budget. Appendix B contains a detailed analysis of receipts and payments to date.

Bank Accounts Held by the Companies

- As at the Appointment Date, IRUK LP held £2.6m in cash, of which £1.66m was subject to the Secured Creditor's fixed charge security. Prior to the receipt of these funds HSBC informed the Joint Administrators of their intention to apply set off of the c£14k overdrawn position in the Operating Account meaning the total fixed charge cash received into the administration was £1.645m. This is broken down as follows:

| Account | Balance |
|--|---------------------|
| Rent Account | 338,897.02 |
| Demolition Account | 2,305.78 |
| Disposal Account | 1,318,328.30 |
| Total Fixed Charge | 1,659,531.10 |
| Operating Account | (14,227.70) |
| Service Charge Account | 925,029.22 |
| Collection Account | 5,881.70 |
| Total Uncharged Cash | 916,683.22 |
| Total Fixed Charge and Uncharged Cash | 2,576,214.32 |

- The overdrawn balance on the operating account is the result of a direct debit made to HMRC on the day of the appointment, before the Notice of Intention to Appoint Administrators was filed at Court.
- The Property Managers continue to operate the Collections Account, into which tenants make payment of both rent and service charge. There are no changes in this respect.
- Receipts are subsequently swept from the Collections Account, with fixed charge rent monies transferred to our fixed charge (rent) account and service charge monies swept to a service charge account which continues to be operated by the Property Managers. The Property Managers report to us monthly and have authorisation to make only pre-approved budgeted expenditure from that account. Any payments made from the fixed charge account are subject to Secured Creditor approval.

Rent Account

- Rental income remains subject to a fixed charge held by the Secured Creditor. Rental receipts allocated since appointment total £181,747, which comprises both quarterly rents payable in advance and historic rental arrears.
- Alongside the Property and Asset Managers, we continue to liaise with tenants regarding rental arrears.

Service Charge Account

- The Service Charge Account is maintained by the Property Managers on behalf of the Companies and £177,556 of service charge payments have been made.
- Service charge receipts during the period total £90,390.

Payments

- The Property Managers continue to make payments required for the operation of the Centre. This included pre-planned and pre-approved expenditure.
- The majority of expenditure to date relates to repairs and maintenance, alongside payments for Centre staff and health and safety matters.

Taxation

- HMRC were notified of our appointment as part of our initial communications, providing information regarding Corporation Tax and VAT.
- FTI's tax team have been instructed to undertake work regarding the Companies VAT position and this work has commenced with a review of the Companies VAT position and which of IRUK LP, IRUK GP, IRUK N1 and IRUK N2 are able to recover VAT.
- In addition they have undertaken a review of the historic basis under which VAT has been recovered, so as to assess how best to recover VAT in the future and specifically whilst the joint administrators continue to trade the Centre.



Estimated Outcomes for Creditors

Estimated Outcomes

The Secured Creditor has the principal financial interest in the Administrations. A small dividend may also become available to the unsecured creditors of IRUK LP.

Secured Creditor

- At the Appointment Date, the Secured Creditor was owed c.£52.9m plus accrued interest totalling £2.8m. As this debt is subject to fixed and floating charge security, we engaged an independent law firm (BCLP) to undertake a review of all security and comment on its validity. BCLP has confirmed the validity of the security.
- The fixed charge security extends to the following assets:
 - Land and buildings (by way of legal mortgage and fixed charge);
 - Investments (including IRUK N1 and IRUK N2, owned by IRUK GP); and
 - Controlled bank accounts (holding a significant proportion of the Companies cash).
- Assets in the Administrations that are not subject to fixed charge security principally relate to the c.£931k of opening cash balances referred to earlier and held by IRUK LP. As noted earlier, a limited partnership is unable to grant a floating charge over its assets meaning any surplus funds remaining (after costs) would not be available to the Secured Creditor under its security entitlements.
- Therefore, recoveries for the Secured Creditor will largely arise from the sale of Eastgate; the value of which remains highly uncertain due to the ongoing planning appeals and different realisation strategies that may be available.
- Additional fixed charge realisations are expected from rental receipts from tenants (net of funding for ongoing trading) and a potential disposal of a long leasehold interest of a unit within the Centre. Realisations in relation to both of these remain uncertain; and in respect of rent, it will be dependent on the length of time before a sale of the Centre is completed.
- All fixed charge realisations are expected through IRUK LP, however, at this stage, given the continued market volatility predominantly due to the ongoing pandemic and uncertainty around the success in obtaining various planning permissions, it is difficult to provide a likely recovery rate for the Secured Creditor.

- We note that the estimated asset value given by the members in their Statement of Affairs for IRUK LP equates to a recovery of 66 pence in the pound. This is indicative, based largely on the statement of affairs estimates provided to us, and likely to be subject to material change

Utilisation of Uncharged Assets

- Opening cash balances that are not captured by the Lender's security principally represent the service charge account balance, which in the ordinary course of business would be used to trade the Centre. However as a consequence of our appointment and the lack of floating charge security (in IRUK LP), we recognise that preferential creditors (if any) and unsecured creditors may have an interest in this asset.
- As we expect the Secured Creditor to suffer a significant shortfall on its lending, it is highly likely to represent the majority of unsecured claims against IRUK LP and therefore receive the majority of the funds distributed to creditors.
- After discussion with our legal advisors and the Secured Creditor, we are proposing to utilise uncharged funds to the extent of the Secured Creditor's anticipated dividend entitlement, in order to fund trading and in lieu of reliance on the funding agreement.
- This approach will require us to ring-fence and set aside sufficient funds that would be available for other unsecured creditors, based on valuation advice, further investigation on the quantum of unsecured claims and analysis of likely costs. At the present time, we have prudently assumed a ring-fenced sum of £50k.

Estimated Outcomes

The Secured Creditor has the principal financial interest in the Administrations. A small dividend may also become available to the unsecured creditors of IRUK LP.

Preferential Creditors

- No preferential claims are expected in any of the Companies and as a consequence no preferential dividend is anticipated.

Unsecured Creditors

- In an administration, dividends may become available for unsecured creditors from two sources:
 - The statutory (ring-fenced) Prescribed Part fund in accordance with Section 176A IA86; and/or
 - The surplus remaining after any secured and preferential creditors have been paid in full.
- The Prescribed Part applies to each of IRUK N1, IRUK N2 and IRUK GP as there is a floating charge created on or after 15 September 2003. However, a Prescribed Part dividend is not expected to be paid from any of these three entities as they have no known realisable assets. For the same reason, no other surplus is expected to be available for creditors of these companies.
- The Prescribed Part does not apply in relation to IRUK LP, as Section 176A IA86 does not apply to limited partnerships. However, a small dividend is expected to become available for the unsecured creditors of IRUK LP from opening cash balances (after costs) that are not subject to the Lender's security.
- We are unable to provide a realistic estimate of the dividend available given considerable uncertainty on the:
 - level of costs to be attributed against the uncharged realisations;
 - value of the property (and other fixed charge realisations) that will determine the extent of the Secured Creditor's shortfall that will rank alongside other unsecured creditors; and
 - the final quantum of other unsecured claims.

- However, in order to give creditors an indication of the potential magnitude of any dividend and for illustrative purposes only, we have estimated that this will be less than five pence in the pound.
- If a dividend for unsecured creditors does become available, we may agree in principle the claims of unsecured creditors. We also expect to ask the Court to allow us to pay dividends to those creditors, as it is not possible to move a limited partnership from Administration to Creditors' Voluntary Liquidation.

Shareholders and Members

- There will be no return to the shareholders of the Companies (including members of the Partnership) as there will be a material shortfall to the Companies' creditors.

Preferential Creditors

- Preferential creditors are certain categories of unsecured creditors that have preferential status under insolvency legislation.
- They are typically employee-related debts in relation to arrears of wages and unpaid holiday pay, subject to statutory limits. The RPS becomes a preferential creditor in place of employees (if any) 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.



The Administration Process

Matters Relating to the Administration Process

The role of administrators includes investigating the affairs of the Companies and conduct of their directors prior to the Administration. As part of their duties, the directors must provide us with a statement of the company's affairs.

Directors' Conduct and Investigations

- We have a duty to investigate the affairs of the Companies and to establish if there are any actions that can be pursued for the benefit of creditors as a whole and also to review the conduct of the directors (including members of the Partnership).
- In respect of the latter, we must submit a confidential report to BEIS regarding the conduct of all directors and shadow directors who were in office during the three years prior to the Administration. A similar report is required on the members of the Partnership.
- We have commenced our review of relevant information and in accordance with SIP 2. The data gathered during our initial assessment will assist with our statutory duties pursuant to the CDDA.
- If creditors wish to bring to our attention any matters that may merit investigation, they should contact us using the details provided at the beginning of this report.
- This request forms part of our normal investigations into the directors'/members' conduct and does not imply any criticism of them. The content of our reports are confidential and must be submitted to BEIS within three months of our appointment as joint administrators.

Statement of Affairs

- The directors of the Companies (including members of the Partnership) must provide us with a statement of affairs setting out the assets and liabilities of the Companies at the Appointment Dates.
- The statements were received on 17 December 2021 and were signed by David Hudson. Except for IRUK LP (where it is not required), the statements have been filed with Companies House.
- As required by law, the statements include details of the creditors' names, addresses and debts (including details of any security held). Where applicable, details for any employees and former employees of the Companies and consumers claiming amounts paid in advance for the supply of goods and services, are set out on separate schedules. These separate schedules do not need to be attached or filed at Companies House as they may contain personal information.
- Please note that we have not performed any audit or verification of the amounts shown in the statements.
- In line with the standard format for a statement of affairs, the costs incurred (or likely to be incurred) after the Appointment Dates are not included.
- Our comments and observations on the Statements of Affairs are set out at Appendix F.

Matters Relating to the Administration Process

Insolvency legislation sets a 12-month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. We expect the Companies to be dissolved once the Administrations come to an end.

Extension to the Period of Administration

- Insolvency legislation sets a 12-month maximum duration for Administrations, unless the duration is extended by the Court or the creditors.
- If we are unable to complete the Administration of each company within 12 months, then we will either apply to the Court, or seek a decision from the relevant class (or classes) of creditors, to extend the duration of any one or more of the Administrations.

Ending the Administrations of IRUK N1, IRUK N2 and IRUK GP

- The manner in which an Administration ends usually depends on the outcome of the Administration. In this case and because we do not expect a dividend to be available for unsecured creditors of IRUK N1, IRUK N2 and IRUK GP, the most likely exit route will be one of the following:
 - a) The Administration will end by filing notice of dissolution with the Registrar of Companies. The company will then be deemed to be dissolved by the Registrar of Companies three months after the notice is registered.
 - b) 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 Andrew Johnson, Ali Khaki and Matthew 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 Administrations to an end at the appropriate time (and when all necessary work has been completed) by using the exit route we believe is most appropriate at the time.

Ending the Administration of IRUK LP

- As a limited partnership is unable to move to Creditors' Voluntary Liquidation in order to distribute any surplus funds to unsecured creditors, should such a dividend become available, we would expect to ask the Court to allow us to pay dividends to those creditors during the Administration.
- Therefore, the Administration of IRUK LP is likely to end in the following way regardless of whether a dividend is available:
 - The Administration will end by filing notice of dissolution with the Court. The Partnership will then be deemed to be dissolved three months after the notice is registered.
- However, in the unlikely event that 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 Partnership. We may propose that Andrew Johnson, Ali Khaki and Matthew 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) by using the exit route we believe is most appropriate at the time.
- Please note that as a consequence of the Partnership's general partner (IRUK GP) also entering an insolvency process, the Partnership automatically terminated in accordance with terms of the Partnership Deed. As a result, our work in the Administration represents the actions that are necessary for the winding-up of the business and affairs of the Partnership.

Matters Relating to the Administration Process

The basis of our remuneration and the timing of our discharge from liability are to be determined by the relevant classes of creditors in each case.

Administrators' Remuneration

- We propose that our fees for acting as joint administrators of IRUK LP will be based on the time we and our staff spend on the case at the charge out rates shown in Appendix E (a time cost basis). For IRUK N1, IRUK N2 and IRUK GP, we are proposing that the basis of our remuneration be a set amount (a fixed fee basis).
- We also propose that disbursements for services provided by our firm (defined as Category 2 expenses in SIP9) are charged as per our firms policy.
- Where a creditors' committee is appointed it will be for them to fix the basis of our fees and Category 2 expenses. Where there is no committee appointed, the relevant class of creditors to give such determination is as follows:
 - For IRUK LP, the creditors of the Partnership (because we have said that a dividend for unsecured creditors might become available); and
 - For the other three companies, the Secured Creditor (because we have said that there are insufficient funds for a distribution to be made to unsecured creditors).
- If the creditors or the committee do not fix the basis of our fees and Category 2 expenses, we may apply to the Court to fix them no later than 18 months after the date of our appointment.
- Before the basis of our remuneration can be approved, we must provide all creditors with the following:
 - Details of the work we have done and propose to do (much of which has been included in this report);
 - Details of the expenses we expect to incur; and
 - If any element of our remuneration is to be paid on a time cost basis, an estimate of the hours likely to be incurred and the hourly rates for that work (a fees estimate).
- This information is enclosed at Appendix E.

Discharge from Liability

- We will be discharged from liability in respect of any of our actions as joint administrators at a time specified by the Court or at a time decided by the relevant creditors, which are:
 - For IRUK LP, the creditors of the Partnership (if no committee is appointed); and
 - For the other three companies, the Secured Creditor.
- We will seek such determination from the relevant creditors in due course.



Appendices

Appendix A: Statutory Information

| Entity Information | InfraRed UK Lion Limited Partnership | InfraRed UK Lion Nominee 1 Limited | InfraRed UK Lion Nominee 2 Limited | InfraRed UK Lion GP Limited |
|-------------------------------|--|--|--|--|
| Previous name: | N/A | N/A | N/A | N/A |
| Trading name: | N/A | N/A | N/A | N/A |
| Company (Partnership) number: | LP015850 | 08818236 | 08818235 | 08818231 |
| Date of incorporation: | 18 December 2013 | 17 December 2013 | 17 December 2013 | 17 December 2013 |
| Trading address: | N/A | N/A | N/A | N/A |
| Current registered office: | FTI Consulting LLP 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP 200 Aldersgate, Aldersgate Street, London, EC1A 4HD |
| Former registered office: | Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL | Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL | Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL | Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL |
| Principal trading activity: | Acquiring, holding and at the appropriate time releasing investment in property. | 64999 - Financial intermediation not elsewhere classified | 64999 - Financial intermediation not elsewhere classified | 64999 - Financial intermediation not elsewhere classified |
| Appointment Details: | Appointed by members of the Limited Partnership under Paragraph 22 of Schedule B1 (as modified by Paragraph 9 of Schedule 2 IPO1994) | Appointed by the directors under the provisions of Paragraph 14 of Schedule B1 | Appointed by the directors under the provisions of Paragraph 14 of Schedule B1 | Appointed by the directors under the provisions of Paragraph 14 of Schedule B1 |
| Administrators: | Andrew James Johnson, Ali Abbas Khaki, Matthew Boyd Callaghan | Andrew James Johnson, Ali Abbas Khaki, Matthew Boyd Callaghan | Andrew James Johnson, Ali Abbas Khaki, Matthew Boyd Callaghan | Andrew James Johnson, Ali Abbas Khaki, Matthew Boyd Callaghan |
| Administrators' address: | FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD | FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD |
| Date of appointment: | 22 November 2021 | 22 November 2021 | 22 November 2021 | 23 November 2021 |
| Court name and reference: | The High Court of Justice, Business and Property Courts of England and Wales, Insolvency List (ChD), ref: CR-2021-002168 | The High Court of Justice, Business and Property Courts of England and Wales, Insolvency List (ChD), ref: CR-2021-002152 | The High Court of Justice, Business and Property Courts of England and Wales, Insolvency List (ChD), ref: CR-2021-002150 | The High Court of Justice, Business and Property Courts of England and Wales, Insolvency List (ChD), ref: CR-2021-002153 |

Appendix A: Statutory Information

| Entity Information | InfraRed UK Lion Limited Partnership | InfraRed UK Lion Nominee 1 Limited | InfraRed UK Lion Nominee 2 Limited | InfraRed UK Lion GP Limited |
|--|--|--|--|--|
| Actions of Administrators: | The Joint Administrators may exercise any of the powers conferred on them by the IA86 jointly or individually. | The Joint Administrators may exercise any of the powers conferred on them by the IA86 jointly or individually. | The Joint Administrators may exercise any of the powers conferred on them by the IA86 jointly or individually. | The Joint Administrators may exercise any of the powers conferred on them by the IA86 jointly or individually. |
| Officers (Members) of the Company (Partnership): | Infrared Lion UK GP Limited Infrared Lion Limited | Keith David Butcher David Christopher Hudson Timothy Geoffrey Thorp | Keith David Butcher David Christopher Hudson Timothy Geoffrey Thorp | Christopher Paul Gill David Christopher Hudson Andreas Katsaros Timothy Geoffrey Thorp |
| Company Secretary: | N/A | Emily Mendes | Emily Mendes | Emily Mendes |
| Shareholdings held by the directors and company secretary: | N/A | N/A | N/A | N/A |
| Share Capital: | N/A | Authorised: 1 ordinary share £1 each Allotted, called up and fully paid: 1 ordinary shares of £1 each | Authorised: 1 ordinary share £1 each Allotted, called up and fully paid: 1 ordinary shares of £1 each | Authorised: 100 ordinary shares £1 each Allotted, called up and fully paid: 100 ordinary shares of £1 each |
| Type of proceedings | COMI proceedings, since the Partnership's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom. | COMI proceedings, since the Company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom. | COMI proceedings, since the Company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom. | COMI proceedings, since the Company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom. |

Appendix B : Receipts and Payments Account

This statement is for the period from 22 November 2021 to 31 December 2021 and in relation to IRUK LP only. There have been no receipts or payments in any of the other three companies.

| S of A (£) | GBP | Notes | £ | Total |
|------------------------------|--|-------|------------------|------------------|
| Fixed Charge Receipts | | | | |
| 34,200,000 | Freehold Land & Property | | - | - |
| | Rent Income | 1 | 28,289 | 28,289 |
| 1,677,943 | Cash at Bank | 2 | 1,645,269 | 1,645,269 |
| 976,648 | Book Debts - Rent Income | 3 | 153,458 | 153,458 |
| | Car Park Income | 4 | 35,171 | 35,171 |
| | Subtotal | | 1,862,188 | 1,862,188 |
| Fixed Charge Payments | | | | |
| | Car Park Expenses | | (6,364) | (6,364) |
| | Rent Adjustment and Reduction | | (62,030) | (62,030) |
| | Subtotal | | (68,394) | (68,394) |
| | Fixed Charge Balance | | 1,793,794 | 1,793,794 |
| Uncharged Receipts | | | | |
| 567,609 | Other Sundry Debtors | | - | - |
| 2,306 | Cash at Bank | 5 | 930,543 | 930,543 |
| | Trading Account | 6 | (82,295) | (82,295) |
| | Subtotal | | 848,247 | 848,247 |
| Uncharged Payments | | | | |
| | Funding Arrangement Fee | 7 | (50,000) | (50,000) |
| | Subtotal | | (50,000) | (50,000) |
| | Balance of Uncharged Assets | | 798,247 | 798,247 |
| | Receipts & Payments Total | | 2,592,041 | 2,592,041 |
| | Unallocated Cash balance held in Suspense Accounts | 8 | 831,769 | 831,769 |
| | VAT Control Account | | (15,967) | (15,967) |
| | Current Cash at Bank | | 3,407,843 | 3,407,843 |

Notes

- Rent Income** – Rental receipts from tenants for invoices raised after our appointment.
- Cash at Bank (fixed charge)** – Funds recovered from HSBC accounts which are subject to the Lender's fixed charge security. No amounts from these accounts can be utilised without the agreement of the Secured Lender.
- Book Debts - Rent Income** – This is rental income received against applications for payment issued to tenants prior to the Administration, with payment made by the tenant following Administration. The periods covered by the application may include both before and after our appointment.
- Car Park Income** – Income received from customers using the centre car park. Payments specific to the running of the car park have also been shown.
- Cash at Bank (uncharged)** - Funds held in the Munroe K Collections and Service Charge Accounts. These funds are held in Munroe K accounts in the name of the Partnership and funds flows are subject to our approval.
- Trading Account** – See our further comments on trading payments on the following page.
- Funding Arrangement Fee** – An amount payable from IRUK LP to the lender in relation to agreeing ongoing funding for the Administration.
- Suspense Accounts** – Cash received into the MK collections account which has not yet been allocated between rent income, tenant expense income and service charge income.
- VAT** – All figures are shown net of VAT.

Appendix B: Trading Account

The table below sets out trading receipts and payments to 31 December 2021 and should be viewed in conjunction with the fixed charge rental income in order to understand the current trading position of the Centre during the Administration.

| GBP | Notes | £ | Total |
|------------------------------------|-------|------------------|------------------|
| Trading Income | | | |
| Book Debts - Tenant Expense Income | | 4,871 | 4,871 |
| Book Debts - Service Charge Income | | 90,390 | 90,390 |
| Subtotal | | 95,261 | 95,261 |
| Trading Payments | | | |
| Indirect Labour | 1 | 51,341 | 51,341 |
| Repairs & Maintenance | 2 | 54,163 | 54,163 |
| Utilities | | 12 | 12 |
| Bank Charges | | 30 | 30 |
| Marketing & Advertising Expense | | 5,622 | 5,622 |
| Direct Property Management Expense | | 4,991 | 4,991 |
| Security Expense | | 1,981 | 1,981 |
| Health and Safety | 3 | 13,803 | 13,803 |
| Ransom Creditors | | 3,536 | 3,536 |
| Miscellaneous Income/Expenditure | | 42,078 | 42,078 |
| Subtotal | | (177,556) | (177,556) |
| Trading Accounts Balance | | (82,295) | (82,295) |

Notes

- All of the Companies' trading is done through IRUK LP and therefore no trading account has been produced for IRUK N1, IRUK N2 or IRUK GP.
- All rental income is subject to fixed charge security. In the period, some c.£168k has been collected, as shown on the previous page.
- Trading income consists of the following receipts:
 - **Pre-Admin Service Charges** – Monies paid by tenants in respect of the Service Charge. Amounts received to date are where applications for payment were raised prior to appointment with payment made following our appointment.
 - **Pre-Admin Tenant Expenses** – Consists of amounts received in respect of utilities and insurance, where these balances have been prepaid by the Partnership. As above, an application for payment of these amounts was made to tenants pre-Administration with payment made by the tenants post-Administration.
- Payments consist of those required for the ongoing running of the Centre. Key payments include:
 1. **Indirect labour** – Centre staff who are employed by Munroe K and paid from Partnership funds.
 2. **Repairs & maintenance** – ongoing repairs and maintenance to the Centre. Typically this is in respect of works carried out as a consequence of general wear and tear to the building.
 3. **Health & Safety** – costs incurred to ensure that the Centre reaches the necessary standards to comply with health and safety regulations.

Appendix C: Ethical Considerations

The assessment of our prior relationships and requirements of the Insolvency Code of Ethics concluded that there were no threats to the fundamental principles and that it was reasonable to accept the appointments.

Prior Relationship

- The following information should be read in conjunction with our earlier explanation of the events leading up to the Companies entering Administration.
- FTI's prior relationship with the Companies arose initially from a review in August 2020 of the Companies' short term cash flow forecast and the options available (both enforcement and non-enforcement) for the Secured Lender. In July 2021, a refresh of that work was requested by the Secured Lender, with a greater focus on insolvency options.
- The above engagements were led by Andrew Johnson who has subsequently been appointed as one of the joint administrators. Neither Ali Khaki or Matthew Callaghan had any prior involvement with the Companies until the decision was taken to place the Companies into Administration on 27 September 2021, after which Ali Khaki had an active role on the case.
- On 27 September 2021, the decision was taken by the directors/members of the Companies to place them into Administration. We were proposed as joint administrators and focused on the necessary planning and preparations required to place the entities into Administration without disrupting the business. We worked closely with the Companies, their management team and the Secured Lender in completing this work.
- As required by the Code, before our appointment we considered the various potential threats to the fundamental principles arising from our prior involvement with the Companies. We did not perceive there to be any threats to the fundamental principles and as such no safeguards (to mitigate any such threats) were required.
- In this case, our work is primarily focussed on maximising recoveries for the Secured Creditor as the value of the Companies' assets will be insufficient to repay its debt in full. The Secured Creditor is providing funding to the Administration to help this purpose to be achieved.
- Whilst also acknowledging that the Secured Creditor engaged FTI in earlier phases of work, we do not believe that these circumstances will impact on our objectivity in the performance of our role and discharging our duties as administrators. We have been mindful throughout of the potential interests that preferential (where applicable) and unsecured creditors may have in the Administrations.

Ethical Considerations

- Whilst not formally in office at that time, we were still required to act in our dealings with the Companies in accordance with the Insolvency Code of Ethics, which can be found online at: www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics.

Appendix D: Pre-Appointment Costs

The payment of unpaid pre-administration costs as an expense of the Administration is subject to approval under Rule 3.52 IR16 and does not form part of our Proposals subject to approval under Paragraph 53 of Schedule B1.

Pre-Administration Costs

- The table below provides details of costs incurred prior to our appointment but with a view to the Companies entering Administration.

| £ | Unpaid | Paid | Paid by |
|--|------------------|-------------------|---------|
| Our fees as administrators-in-waiting | - | 185,000.00 | IRUK LP |
| Expenses incurred by us as administrators-in-waiting | 55,203.40 | 25,000.00 | IRUK LP |
| Total | 55,203.40 | 210,000.00 | |

- We set out below further details of the work giving rise to the pre-Administration costs. The work was necessary for the Companies to be placed into Administration, to avoid disruption to the business and ultimately enable the purpose of the Administration to be achieved.

FTI Consulting

- FTI was engaged by the Secured Lender on 9 July 2021 to refresh a review performed in the previous year, but with a greater focus on insolvency options. The pre-Administration costs incurred from 27 September 2021 principally relate to the following work:
 - Developing and refining a detailed planning programme, including commercial discussions with the property managers (Munroe K) and asset managers (Sovereign Centros) to establish post-appointment contractual arrangements.
 - Undertaking further diligence and planning in relation to key contracts, tax, BTCM and Health and Safety procedures.
 - Understanding the Companies' banking and funding flows, and establishing a post-administration funding agreement including drawdown mechanisms.

- Drafting a communications strategy and associated documents.
- Completing the necessary statutory planning to place the Companies into Administration.
- Understanding and assessing the current position in respect of property planning application issues for progression post-appointment.

BCLP

- BCLP was engaged by FTI on 22 October 2021 to undertake a security review to ensure the validity of our appointment and confirm the extent of security over the Companies' assets. BCLP also drafted the funding agreement between the Secured Lender and the joint administrators.
- BCLP's costs of £25,000 plus VAT were paid by IRUK LP prior to appointment.

Stephenson Harwood

- Stephen Harwood were engaged by the proposed administrators on 10 November 2021, to undertake the following work:
 - Advising the proposed administrators on the Administration appointments. Reviewing and amending appointment documentation.
 - Advising the proposed administrators regarding the continuance of certain supplier contracts, including the Property Managers' and Asset Managers' contracts.
 - Drafting the revised Property Management and Asset Management agreements.
 - Providing insolvency advice specific to a Limited Partnership.
- Fees of £55,203.40 plus VAT and disbursements were unpaid as at the date of Administration and will be paid as an expense of the estate, subject to obtaining the approval of IRUK LP's creditors in due course.

Appendix E: Remuneration Report

Before the basis of our remuneration can be fixed, we are required to provide all creditors with certain information on the proposed basis of our fees, estimates of expenses and details of the work we intend to do.

Requirement for Fee Approval

- When a company enters a formal insolvency process under the control of an insolvency practitioner, the costs of the proceedings are paid out of the assets of the company and include the insolvency practitioners' fees and expenses.
- We must seek approval to the basis of our fees and certain categories of expenses before they are paid. Approval must be sought from the appropriate class(es) of creditors or the Court, as determined by insolvency law and the circumstances of the case.
- Where a creditors' committee is appointed it will be for them to fix the basis of our fees and Category 2 expenses. Where there is no committee appointed, the relevant class of creditors to give such determination is as follows:
 - For IRUK LP, the creditors of the Partnership (because we have said that a dividend for unsecured creditors might become available); and
 - For the other three companies, the Secured Creditor (because we have said that there are insufficient funds for a distribution to be made to unsecured creditors).

Information provided in this Report

- We have set out the proposed basis for our remuneration and how this will be funded, together with details of the expenses expected to be incurred.
- We refer you to earlier sections of these Proposals for details of the key areas of work we expect to do as joint administrators. Further details are included later in this Appendix E.
- This Remuneration Report should be read in conjunction with the remainder of these Proposals.

Action required by Creditors

- Please read this report carefully and contact us if you have any questions regarding the approval of our remuneration or in connection with the Administration generally, or if you would like hard copies of any of the documents made available online.
- As explained earlier, in the circumstances of these Administrations and if no creditors' committee is formed, the basis of our remuneration and certain categories of disbursements will be determined by the Companies' creditors.
- However, we are not seeking fee approval at this time. We will contact creditors on this matter in due course.

Other Fee Disclosures

- Information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at www.creditorinsolvencyguide.co.uk/.
- Details about how administrators' fees may be approved are provided in a 'Guide to Administrators Fees April 2021 England & Wales', which can be found online at: www.fticonsulting.com/emea/cip/forms-and-information.
- There are no business or personal relationships with parties responsible for approving our remuneration or who provide services where the relationship could give rise to a conflict of interest.

Appendix E: Remuneration Report

We are proposing that our remuneration for acting as joint administrators is to be on a time cost basis for IRUK LP and a set (fixed) amount for the other companies, the latter of which will be funded by the Secured Creditor.

Insolvency Legislation

- Insolvency law allows fees to be calculated in the three ways set out below. Different bases (or a combination of them) can be used for different parts of the work.
 - As a percentage of the value of the property realised and/or distributed (often referred to as a “percentage basis”).
 - By reference to the time properly given by the office-holders and their staff in attending to the matters arising (“time cost basis”); or
 - A set amount (a fixed fee).
- The office-holders must seek approval to the proposed basis (or combination of bases) and provide sufficient supporting information in order for the fee approving body to decide whether it represents the most appropriate mechanism in the circumstances of the case. This information must include details of the expenses the office-holders consider will be (or are likely to be) incurred and the work the office-holders propose to undertake.
- Insolvency law says that in determining the basis of remuneration, regard must be had to the following:
 - The complexity (or otherwise) of the case;
 - Any exceptional responsibility falling on the office-holders;
 - The effectiveness with which the office-holders are carrying out, or have carried out, their duties; and
 - The value and nature of the property with which the office-holders have to deal.
- If any part of the remuneration is intended to be taken on a time cost basis, the office-holders must also provide a fees estimate to all creditors, containing:
 - the hourly charge-out rate(s) proposed for each part of that work;
 - the time the office-holders anticipate each part of that work will take; and
 - whether (and if so, why) the office-holders anticipate that it will be necessary to seek further approval to exceed the fee estimate.

Proposed Basis of Remuneration

- As noted earlier, the majority of the Companies’ asset value is held (and the trading of Eastgate is undertaken) by IRUK LP. Therefore, we anticipate that the vast majority of our work will arise in the Administration of IRUK LP.
- For IRUK LP, we are proposing that our fees be determined on a time cost basis. This is principally due to the indeterminate amount of work (and duration of time) that is expected to be incurred in trading the Centre, progressing the planning appeals and ultimately selling the property. A time cost basis ensures that fees are only charged for work that is performed in the Administration.
- On the following page we have set out our fees estimate of £775,000.
- For IRUK N1, IRUK N2 and IRUK GP, we are proposing that our fees be determined as a set amount in each case, totalling £50,000.
- There are no known assets in any of these three companies, yet work is still required to manage their affairs and undertake our statutory duties as administrators. In respect of IRUK GP, additional work is expected because (as general partner of the Partnership) it manages the Partnership’s VAT affairs and other day-to-day matters.
- The fixed fee basis reflects the necessity for work to be performed, but provides the Secured Creditor (funding the costs) with certainty over the amount to be charged.

Approval of Fee Bases

- We set out on the previous page the manner in which we expect our fees to be approved and confirmed that we are not seeking fee approval at this time.
- We will provide an update on the approval of our remuneration in our first progress report to creditors in June 2022.

Appendix E: Remuneration Report

For IRUK LP, we have provided details of the hourly charge-out rates that will apply to the work we do in the Administration and that have been used to calculate our fees estimate.

Staff Allocation

- 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 opposite, 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.

Time Charging Policy and Hourly Rates (IRUK LP only)

- All of our staff who work on the case charge time directly to it and are included in any analysis of time charged. Time is charged in six minute units. We don't charge general overhead costs.
- The Administration will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to VAT and tax matters and the costs of which are included within our fees estimate.
- 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 Administration workstreams is possible.

- A schedule of FTI's charge-out rates (exclusive of VAT) for this assignment is shown below, these rates will also be applicable to our specialist tax and VAT colleagues for this assignment. These rates have been agreed between FTI and the Secured Lender, and reflect a discount to our standard charge out rates.

| Grade of Staff | 2021 (£/hour) | 2022 (£/hour) |
|--------------------------|------------------|------------------|
| Senior Managing Director | 647.50 | 672.00 |
| Managing Director | 556.50 | 577.50 |
| Senior Director | 518.00 | 539.00 |
| Director | 462.00 | 479.50 |
| Senior Consultant | 409.50 | 427.00 |
| Consultant | 350.00 | 364.00 |
| Associate | 164.50 | 171.50 |

- In common with many professional firms, these rates may rise to cover inflationary cost increases. Any changes will be notified to creditors in our next statutory report.

Appendix E: Remuneration Report

In relation to IRUK LP, our fees estimate for work performed as joint administrators is £775k. As at 31 December 2021, our time costs totalled £141,940.

Fees Estimate (IRUK LP only)

- Earlier in this report, we set out details of the key areas of work we expect to undertake in the Administration of IRUK LP. Further information is included in this Appendix.
- On the previous page, we confirmed the hourly charge-out rates that will apply to each area of that work.
- Together, these give the time costs (fees estimate) that we anticipate will be incurred in undertaking our duties in respect of IRUK LP during the first twelve months of the Administration. A breakdown of the fees estimate for the first twelve months by category of work, is provided in the table opposite.
- In arriving at this estimate, a number of assumptions have been necessary. These are summarised below:
 - A Liquidation is not expected to follow the Administration but if required, we may propose that the Joint Administrators are appointed as Joint Liquidators. In circumstances where this is required, we will revert to creditors with the anticipated additional costs of a Liquidation.
 - These estimates have been provided to creditors at a relatively early stage in the administration of the case. Estimates are based on our current knowledge of the case and our experience with cases of a similar size and complexity.
 - Estimates do not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case exceed the estimate, or are likely to exceed the estimate, we will provide an explanation as to why that is the case in the next progress report.
 - Time costs are recorded against and expected to be paid from the estate of IRUK LP.

| InfraRed UK Lion Limited Partnership - Fee Estimate | | | |
|--|----------------|--------------|----------------|
| | Total Estimate | | |
| | Avg £/Hr | Hr | £ |
| Administration and Planning | 514 | 175 | 90,000 |
| Investigations | 325 | 100 | 32,500 |
| Realisation of assets | 333 | 480 | 160,000 |
| Trading | 447 | 750 | 335,000 |
| Creditors | 500 | 125 | 62,500 |
| Tax | 350 | 100 | 35,000 |
| Reporting | 300 | 200 | 60,000 |
| Administrators' fee estimate | 402 | 1,930 | 775,000 |
| Total estimate inclusive of VAT | | | 930,000 |

- To 31 December 2021, a total of 379 hours have been spent working on the Administration of IRUK LP at an average charge-out rate of £374, giving a total time cost of £141,940. A analysis of the time spent by category of work and grade of staff is provided on the next page.

Further Approval (IRUK LP only)

- It is considered probable that the Administration could run beyond its first anniversary as a consequence of planning issues remaining open and a sale of the property not having completed. Where this is the case, additional costs are expected and a further fees estimate will be circulated and creditor approval sought at an appropriate time.

APPENDICES

InfraRed UK Lion Limited Partnership - Analysis of Time Costs In Accordance with SIP9 for the period 22 November 2021 to 31 December 2021

| Task | Senior Managing Director | Managing Director / Director | Senior Consultant / Consultant | Associate | Total Time | Total Cost | Average Cost |
|--|--------------------------|------------------------------|--------------------------------|------------------|------------------|-----------------|--------------|
| Administration and Planning | | | | | | | |
| Strategy and planning | 12.3 | 50.9 | 5.0 | 1.8 | 70.0 | 35,137.2 | 502.0 |
| Initial actions | 7.5 | 8.4 | - | 36.5 | 52.4 | 15,535.1 | 296.5 |
| Appointment and related formalities | - | 3.9 | - | 25.3 | 29.2 | 6,332.2 | 216.9 |
| Receipts and payments accounts | - | 1.2 | - | 1.0 | 2.2 | 832.3 | 378.3 |
| Checklist and reviews | - | 0.8 | - | - | 0.8 | 445.2 | 556.5 |
| Cashiering and reconciliations | - | 0.1 | - | 14.8 | 14.9 | 2,490.3 | 167.1 |
| Bonding and IPS maintenance | - | 0.2 | 1.0 | - | 1.2 | 520.8 | 434.0 |
| Subtotal | 19.8 | 65.5 | 6.0 | 79.4 | 170.7 | 61,293.1 | |
| Investigations | | | | | | | |
| Correspondence with directors | - | 0.5 | - | - | 0.5 | 278.3 | 556.5 |
| Directors questionnaire/checklists | - | 0.6 | - | - | 0.6 | 333.9 | 556.5 |
| Statement of affairs | - | 1.2 | - | - | 1.2 | 667.8 | 556.5 |
| Reports of Directors' conduct | - | 1.3 | - | - | 1.3 | 723.5 | 556.5 |
| Subtotal | - | 4.1 | - | 0.0 | 4.1 | 2,281.7 | |
| Realisation of assets | | | | | | | |
| Cash and investments | - | 5.3 | - | - | 5.3 | 2,949.5 | 556.5 |
| Sale of business | - | 2.1 | - | - | 2.1 | 1,168.7 | 556.5 |
| Property, plant and vehicles | - | 4.5 | - | - | 4.5 | 2,504.3 | 556.5 |
| Other assets | - | 2.5 | - | - | 2.5 | 1,391.3 | 556.5 |
| Health & Safety/Insurance | - | 0.5 | - | - | 0.5 | 278.3 | 556.5 |
| Legal issues/litigation | - | 0.5 | - | - | 0.5 | 278.3 | 556.5 |
| Subtotal | - | 15.4 | 0.0 | 0.0 | 15.4 | 8,570.1 | |
| Trading | | | | | | | |
| Initial control of operations | - | 2.6 | - | 0.5 | 3.1 | 1,529.2 | 493.3 |
| Ongoing trading / monitoring | - | 46.0 | - | 10.2 | 56.2 | 26,520.9 | 471.9 |
| BTOM | - | 14.0 | - | - | 14.0 | 7,791.0 | 556.5 |
| Property Development Planning | - | 4.2 | - | 1.4 | 5.6 | 2,567.6 | 458.5 |
| Subtotal | - | 66.8 | 0.0 | 12.1 | 78.9 | 38,408.7 | |
| Creditors (correspondence and claims) | | | | | | | |
| Unsecured creditors | - | - | - | 1.3 | 1.3 | 213.9 | 164.5 |
| Secured creditors | 9.0 | 1.5 | - | - | 10.5 | 6,662.3 | 634.5 |
| Subtotal | 9.0 | 1.5 | 0.0 | 1.8 | 12.3 | 6,958.4 | |
| Tax | | | | | | | |
| Pre-appointment VAT | - | 0.2 | - | - | 0.2 | 111.3 | 556.5 |
| Post appointment CT | - | 0.2 | - | - | 0.2 | 111.3 | 556.5 |
| Post appointment VAT | - | 3.6 | - | - | 3.6 | 2,003.4 | 556.5 |
| Tax advice on transactions | - | 1.0 | - | 0.7 | 1.7 | 671.7 | 395.1 |
| Other post appointment tax | - | 1.9 | - | - | 1.9 | 1,057.4 | 556.5 |
| Subtotal | - | 6.9 | 0.0 | 0.7 | 7.6 | 3,955.0 | |
| Reporting | | | | | | | |
| Proposals | - | 24.5 | - | 78.6 | 103.1 | 26,564.0 | 257.7 |
| Other statutory reports/meetings | - | 1.5 | - | - | 1.5 | 834.8 | 556.5 |
| Secured creditor reports | - | 11.3 | 8.0 | - | 19.3 | 9,564.5 | 495.6 |
| Secured creditor calls | 1.2 | 3.0 | - | - | 4.2 | 2,446.5 | 582.5 |
| Subtotal | 1.2 | 40.3 | 8.0 | 78.6 | 128.1 | 39,409.7 | |
| Total Time by Grade | 30.0 | 200.5 | 14.0 | 172.6 | 417.1 | | |
| Total Cost by Grade | 19,425.0 | 107,325.8 | 5,733.0 | 28,392.7 | 160,876.5 | | |
| Average by Grade | 647.5 | 535.3 | 409.5 | 164.5 | 385.7 | | |
| | Time Costs | Category 1 | Category 2 | Total | | | |
| Total Costs to Date | 160,876.5 | 1.2 | - | 160,877.7 | | | |
| Amount Billed | - | - | - | - | | | |
| Total WIP | 160,876.5 | 1.2 | - | 160,877.7 | | | |

Appendix E: Remuneration Report

For IRUK N1, IRUK N2 and IRUK GP, we are proposing that our remuneration is a set amount, as it provides the Secured Creditor with a degree of certainty and control over the costs in these Administrations.

Remuneration as a Fixed Fee (IRUK GP, IRUK N1 and IRUK N2)

- For these three companies, we are proposing that our remuneration be determined on a fixed fee basis. This is principally due to insufficient assets in these estates and the manner in which the costs will be funded.
- A fixed fee basis provides the Secured Creditor with a degree of certainty and control over the costs of the Administrations and we believe this will be appropriate in the circumstances and subject to certain assumptions regarding the extent of work involved.
- We are proposing that the fixed fees be set at the following levels:

| Legal entity | £ |
|--------------|---------------|
| IRUK GP | 40,000 |
| IRUK N1 | 5,000 |
| IRUK N2 | 5,000 |
| Total | 50,000 |

- The variation in the above amounts reflects the work being undertaken in relation to each company, which is summarised below:
 - **IRUK N1 and IRUK N2** – The work for these entities is expected to be limited to the statutory and compliance requirements in any administration, including (but not limited to) the following workstreams:
 - Case planning and routine administrative tasks (e.g. setting up case files and dealing with routine correspondence);
 - Issuing notifications and reports to creditors and others, both on and during the office-holders' appointment;
 - Reporting on and conducting investigations into the directors' conduct; and
 - If applicable, dealing with any creditor correspondence and claims.

- **IRUK GP** – We are required to complete the same statutory and compliance workstreams as IRUK N1 and IRUK N2. However, additional work is necessary for the following key reasons:
 - Dealing with the interconnectivity between IRUK GP and the Partnership and ensuring all Partnership matters managed by its general partner continue to be addressed, for example, in relation to supplier contracts.
 - IRUK GP is the VAT registered entity and is therefore responsible for the completion and submission of VAT returns and ensuring any VAT is properly accounted for.
- We hold the view that the proposed fixed fees are a reasonable and fair reflection of the work expected to be required in order to complete the workstreams required for each of the three companies.

Appendix E: Remuneration Report

The table below provides additional narrative on the work we expect to perform in the Administrations.

- The main body of our report includes an explanation of the main areas of our work in the Administrations. The table below categorises this work, provides additional narrative and indicates whether the work is ongoing (O), completed (C) or intended future work (F).
- Where work is specific to an individual entity this has been highlighted. We have also indicated in the table below the rationale for undertaking the work, for example whether it is required by statute or compliance with the Statements of Insolvency Practice, or whether there is a potential direct benefit for creditors.

| Category | Description | Rationale/Benefit to Creditors |
|---------------------------|---|---|
| Administration & Planning | <ul style="list-style-type: none"> • Case planning - devising appropriate strategies for all entities and dealing with the case generally, including instructions to staff when working on the cases (O). • Issuing the statutory notifications to creditors and others required on appointments as office holders, including gazetting the office holders' appointments (C). • Routine administrative tasks, such as setting up case files, dealing with routine correspondence (O). • Obtaining specific penalty bonds (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate) (C). Review of this bond and whether it is sufficient on a quarterly basis (F). • Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court (F). • Cashiering – including opening, maintaining and managing the office holders' estate bank accounts, processing of receipts and payments and bank reconciliations (O). • Undertaking periodic reviews of the progress of the cases, including six-month progress reports to creditors and members (F). | Statutory / compliance requirement and to ensure efficient project management (and control of costs) |
| Investigations | <ul style="list-style-type: none"> • Recovering, listing and reviewing the books and records for the Companies (O). • Submitting online returns on the conduct of the directors/ members for each of the four entities as required by the Company Directors Disqualification Act 1986 (O). • Conducting initial investigations with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc. (O). • Liaising with the Companies Directors/ Members in relation to the completion of the Statement of Affairs (C). • Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors (O). | Statutory / compliance requirement. Where potential asset recoveries are identified this may be to the benefit of creditors. |

Appendix E: Remuneration Report

| | | |
|-----------------------|---|--|
| Realisation of Assets | <p>All assets are held by IRUK LP, this section is therefore specific to this entity.</p> <ul style="list-style-type: none"> • Arranging suitable insurance over assets (C). Regularly monitoring the suitability and appropriateness of the insurance cover in place (O). • Monitoring the Property Development planning appeals and engaging advisors as appropriate (O). • Following pitches from a selection of sales advisors, engaging appropriate Sales Agent to value, provide strategic advice and ultimately market the Centre (O). Once sales agents are appointed, regularly review sales strategy and anticipated returns (F). • Completing a sale process of the Centre (F). • Liaising with the Companies' bankers regarding pre-appointment accounts, and arranging for transfers of funds, and closure of the accounts (C). | Identify, assess and seek to realise potential value for creditors |
| Tenants | <p>All assets (including rental income from tenants) are held by IRUK LP, this section is therefore specific to this entity.</p> <ul style="list-style-type: none"> • Administration of ongoing and renewal of leases (O). • Dealing with tenant enquiries and concerns regarding ongoing trading (O). • Liaising with tenants regarding historic rental and service charge arrears and Covid concessions (O). | Identify, assess and seek to realise potential value for the ongoing trading of the Centre |
| Creditors | <ul style="list-style-type: none"> • Dealing with creditor correspondence, emails and telephone conversations regarding their claims (O). • Maintaining up to date creditor information on the case management system (O). • For IRUK LP only, reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend (O). • Calculating and making distributions to both the Companies' secured and unsecured creditors (F). | Statutory requirements and required for orderly case management |
| Tax | <ul style="list-style-type: none"> • Preparing and filing VAT returns on a quarterly basis - IRUK GP and IRUK LP are the VAT group members (O). • Preparing and filing Corporation Tax returns for both the pre-administration and post-administration periods (O). • Seeking clearance to conclude the administrations from HMRC and other relevant parties (F). | Statutory requirements and assist in maximising recoveries for creditors |
| Reporting | <ul style="list-style-type: none"> • Preparing, reviewing and issuing proposals to the creditors and members (C). • Filing the proposals at Companies House and (for IRUK LP) the Court (O). • Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court (F). • Reporting to the Lender on the progress of the Administration (O). • Preparing, reviewing and issuing six-monthly (and final) progress reports to creditors and members (F). • Filing progress reports at Companies House (F). | Required by statute and to inform creditors |
| Technology | <ul style="list-style-type: none"> • Ensure ongoing registration with the Information Commissioners Office to ensure GDPR compliance (C). | Compliance/legal requirement |

Appendix E: Remuneration Report

Expenses

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

- 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 the nature of this 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, combined with the providers having more relevant specialist experience.
- The following professional advisors and subcontractors have been engaged.

| Firm | Services | Fee Arrangement | Reason Selected |
|---------------------|--|--|---|
| Munroe K | Property Management Services | Monthly fixed fee | Experience and prior knowledge of the Companies |
| Sovereign Centros | Asset Management Services | Monthly fixed fee | Experience and prior knowledge of the Companies |
| Stephenson Harewood | Legal Advice | Time cost and expenses | Experience and prior knowledge of the Companies |
| Aon UK Limited | Insurance Risk Services | Insurance premiums | Experienced provider of insurance services to IPs |
| Aon UK Limited | Bonding | Fixed premium | Experienced provider of insurance services to IPs |
| ERA Solutions | Payroll in relation to BTCM directorship | Fixed fee based on number of employees | Experienced provider of employee services to IPs |
| EPE Reynell | Gazette Notices | Fixed cost per advert | Specialists in dealing with legal advertising |

Appendix E: Remuneration Report

Estimates of expenses

Expenses Estimates

- The tables opposite show our estimates of the expenses likely to be incurred during the course of the Administrations.
- We do not anticipate incurring any Category 2 expenses and therefore we will not need to seek approval to the basis upon which these may be charged to the estate. If this changes, we will write to creditors at the appropriate time to seek the necessary approval.
- The unpaid Pre-Administration costs have not been included and need to be approved by the creditors of IRUK LP before these can be paid (as set out previously in this report).
- Except for our remuneration and pre-Administration costs, there is no requirement for us to seek approval to any of these expenses and the estimates provided do not represent a cap on the amount that can be paid. However, when reporting to creditors, we will provide an update on the amounts incurred and paid, together with an explanation for any material differences compared to the estimates.
- We are satisfied that the amounts expected to be incurred are reasonable in the circumstances of the case and are consistent with the monthly running costs incurred by the Companies in the lead up to the Administrations.
- No Category 2 expenses have been paid as at 31 December 2021. Those category 1 expenses that have been paid have been included in the receipts and payments accounts provided in this report.

Trading expenses

- Total trading expenses for the full duration of the Administration cannot be reliably estimated as the length of the Administration remains undecided, however we present a high level estimate for certain costs below:

| Expense Type | Estimate | Comment |
|--------------------------------|--------------------|--|
| Service Charge expenditure | £290,400 per month | Includes all PPM, including the fees due to the Property Manager |
| Non-Service Charge expenditure | £85,000 per month | Includes capital expenditure beyond the scope of PPM. |
| Professional Fees | £574,400 | Fees relating to planning, including legal and architects fees. |
| Insurance | £257,148 | Annual Premium for maintaining insurance at the site. |
| Employee costs | £5,000 | Fees resulting from the employment of a director at BTCM |

Non-trading expenses

| Expense Type | Estimated to be incurred in total |
|---------------------------------|-----------------------------------|
| Sales Agents Fees | TBD |
| Bonding | £180 |
| Gazetting | £442 |
| Legal fees | £132,000 |
| Postage and stationery | £500 |
| Travel and subsistence expenses | £500 |
| Total | £473,622 |

Appendix F: Statement of Affairs

A copy of the statement of affairs for each of the Companies is included within this Appendix. Our comments on the Statements are set out below and reflect discussions with management after receipt of the Statements.

IRUK LP

- **Cash relating to Service Charge payments:** Management has confirmed that they viewed cash held in the Service Charge account as funds available for the ongoing maintenance of the Centre and for the benefit of Eastgate's tenants. This amount was therefore excluded from the Statement of Affairs.
- **Positive balances in the creditor's ledger:** The Statement suggests that an amount of £56k may be recoverable in relation to a small number of positive balances on the creditor ledger. The balances are relatively historic and as such recoverability is considered unlikely. However, we have written to the relevant parties to seek recovery of these amounts.
- **HM Revenue & Customs:** The Statement detailed claims from HMRC totaling £566k, of which £424k ranked preferentially. We have discussed these debts with management and understand that the majority relates to VAT on applications for payment issued to tenants pre-Administration. As the VAT is only payable to HMRC on receipt of cash from tenants, it will be accounted for during the Administration and therefore should not have been shown as a preferential liability in the statement of affairs.
- The balance of c£142k represents the amount of a VAT payment deferral agreement with HMRC but did not account for payments made to date (with only c£28k remaining). Having taken into account the two errors detailed above and other VAT balances, IRUK LP is expected to be in a VAT receivable position with HMRC.
- **Presentation and calculation errors:**
 - The unsecured liabilities does not include the estimated unsecured balance of the Secured Creditor's debt.
 - Details of trade creditors should have been shown in Schedule B but are included in Schedule C.
 - Centre Staff Salaries should also be shown in Schedule B as they are not directly employed by LP. They are shown in Schedule D.

- Schedule E (Members) should include details of the Limited Partner of the Partnership (InfraRed Lion Limited, Oak House, Hirzel Street, St Peter Port, Guernsey GY1 2NP).

IRUK N1 and N2

- **Uncharged Assets – Share Capital Receivable:** The share capital amounts of £1 relate to share capital issued but not called up. This is not considered to be a realisable asset.
- **Nil liabilities:** No liabilities are presented for the Nominee companies, despite being subject to the security agreement and the counterparty to certain trade creditor contracts. As all trading was done through (and all assets are held by) the Partnership, management determined that all liabilities should also reside in the Partnership, which is the only entity expected to be able to pay a dividend.
- **Shareholders:** Shareholders details have been omitted. For the Nominee entities, this is IRUK GP.

IRUK GP

- **Nil tax liabilities:** Despite being in a VAT group with IRUK LP, the tax liability is not shown in IRUK GP. Management's view is that as the main trading entity, any HMRC liability should be attributed to the Partnership only.
- **Nil secured liabilities:** As for the Nominee entities, no secured liabilities are shown in IRUK GP.
- **Unsecured creditors:** The small unsecured balance of £287 is not itemised in the schedules. Management have confirmed that this represents an estimate for tax payable, released on finalisation of tax returns.
- **Shareholders:** Shareholders details have been omitted. This should show Infrared Active Real Estate III General Partner LLP, Level 7, One Bartholomew Close, Barts Square, London, United Kingdom, EC1A 7BL.

Statement of affairs

| | |
|--|--|
| Name of Company InfraRed UK Lion Limited Partnership | Company number LP015850 |
| In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List | Court case number 002168 of 2021 |

(a) Insert name and
address of registered
office of the company

(b) Insert date

Statement as to the affairs of (a) InfraRed UK Lion Limited Partnership, Level 7, One Bartholomew Close, Barts Square, London, United Kingdom, EC1A 7BL ("the partnership") on the (b) 22 November 2021, the date that the partnership entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named partnership as at (b) 22 November 2021, the date that the partnership entered administration. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full name **David Hudson**

Signed

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David Hudson
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Date

12/17/2021

A – Summary of Assets

Assets

Assets subject to fixed charge:

East Gate Shopping Centre

Bank accounts:

Rent

Collection

Disposal

Tenant arrears net of provision for doubtful debts

Bank debt including accrued interest

Total assets subject to fixed charges

Assets subject to floating charge:

Cash – Operating account

Prepayments

Positive balances in creditors ledger

Sundry debtors

Acquisition accounting receivables

Total assets subject to floating charge

Uncharged assets:

Estimated total assets available for preferential creditors

| | Book Value £ | Estimated to Realise £ |
|--|-----------------|---------------------------|
| | 34,200,000 | 34,200,000 |
| | 333,519 | 333,519 |
| | 26,096 | 26,096 |
| | 1,318,328 | 1,318,328 |
| | 976,648 | 976,648 |
| | (55,838,527) | (55,838,527) |
| | (18,992,936) | (18,992,936) |
| | | |
| | | |
| | | |
| | 2,306 | 2,306 |
| | 38,466 | - |
| | 56,147 | 56,147 |
| | 12,146 | - |
| | 460,850 | - |
| | 569,914 | 58,453 |
| | | |
| | | |
| | | |
| | 569,914 | 58,453 |

DocuSigned by:

Signature David Hudson Date 12/17/2021
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A1 – Summary of Liabilities

| | Estimated to realise £ |
|--|------------------------------|
| Estimated total assets available for preferential creditors (carried from page A) | 58,453 |
| Liabilities | |
| Ordinary Preferential creditors:- | - |
| Employees (no.) | - |
| Estimated deficiency/surplus as regards ordinary preferential creditors | 58,453 |
| Secondary Preferential creditors:- | |
| HMRC | (424,249) |
| Estimated deficiency/surplus as regards secondary preferential creditors | (365,796) |
| Estimated prescribed part of net property where applicable (to carry forward) | - |
| Estimated total assets available for floating charge holders | (365,796) |
| Debts secured by floating charges | - |
| Estimated deficiency/surplus of assets after floating charges | (365,796) |
| Estimated prescribed part of net property where applicable (brought down) | - |
| Total assets available to unsecured creditors | (365,796) |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | (619,157) |
| Consumer creditors for pre-paid goods or services (no.) | - |
| Shortfall to floating charge holders (brought down) | (619,157) |
| Estimated deficiency/surplus as regards creditors | (984,954) |
| Issued and called up capital and partner loans | (39,878,102) |
| Estimated total deficiency/surplus as regards members | (40,863,056) |

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 Signature David Hudson Date 12/17/2021
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B Company Creditors

Note You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

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C Consumer Creditors

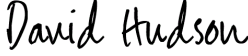
Note You must include all creditors who are consumers claiming amounts paid in advance of the supply of goods or services

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|--------------------------------|--|------------------|--|---------------------|---------------------|
| Anglian Water Business | PO Box 259, Rotherham, United Kingdom, S98 1QU | 2,874.52 | N/A | N/A | N/A |
| Armco Asbestos Consultants Ltd | Unit 45,Bury Business Centre, United Kingdom,BL9 6BU | 834.00 | N/A | N/A | N/A |
| Aviva Life Services Ltd | PO Box 520, Norwich, United Kingdom,NR1 3WG | 347.58 | N/A | N/A | N/A |
| Axis Elevators | Unit G1, Blackfriars Foundry Annexe,65 Glasshill Street,London,SE1 0QR | 1,503.82 | N/A | N/A | N/A |
| Basildon Council | PO Box 4,Basildon,Essex,SS14 1BY | 39,175.31 | N/A | N/A | N/A |
| Brasier Freeth LLP | 38 The Clarendon Road, Hertfordshire, WD171HZ | 3,600.00 | N/A | N/A | N/A |

| | | | | | |
|---|---|------------|-----|-----|-----|
| British Telecom | BT Customer Accounts,Providence Row,Durham,DH98 1BT | 227.90 | N/A | N/A | N/A |
| Browning Electric Co Ltd | 11 Thames Road, Barking,Essex,IG11 0HG | 6,156.00 | N/A | N/A | N/A |
| CBRE Global Workplace Solutions | 57 Southwark Street, City Bridge House, London, SE1 1RU | 161.81 | N/A | N/A | N/A |
| Centre Radio - OnBrand Group Ltd | 4th Floor 29-45 High Street,Middlesex House,Edgeware,HA8 7UU | 608.40 | N/A | N/A | N/A |
| CF Corporate Finance Ltd | Reading International Park, Reading, Berkshire,RG2 6AA | 987.15 | N/A | N/A | N/A |
| City Electrical Factors Ltd | Unit 42 Yardley Business Park, Miles Gray Road, Basildon, Essex, SS14 3GN | 6.60 | N/A | N/A | N/A |
| Connect Plumbing & Heating Supplies Ltd | Courtauld House, Basildon, Essex, United Kingdom, SS13 1RZ | 431.95 | N/A | N/A | N/A |
| Corona Energy Retail 2 Ltd | 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ | 1,243.02 | N/A | N/A | N/A |
| Eastgate Sundry Income | 7/8 Eastgate Business Centre, Basildon, Essex, SS14 1EB | 2,400.23 | N/A | N/A | N/A |
| E.C.M.A. Ltd | Lower Galleries, Eastgate Shopping Centre, Basildon, Essex, SS14 1AG | 84,896.26 | N/A | N/A | N/A |
| EDF ENERGY | PO BOX 140, PAYMENT PROCESSING, PLYMOUTH, PL3 5RG | 99.32 | N/A | N/A | N/A |
| EE | Trident Place , Mosquito Way, Hatfield, AL10 9BW | 405.31 | N/A | N/A | N/A |
| EON UK PLC | Westwood Way,Westwood Business Park, Coventry, CV4 8LG | 111.13 | N/A | N/A | N/A |
| Future Office Solutions Ltd | Unit G & H The Business Centre,Faringdon Avenue,Romford, RM3 83N | 136.66 | N/A | N/A | N/A |
| Gazprom Energy | 5th Floor, Bauhaus, 27 Quay Street, Manchester, M3 3GY | 170.76 | N/A | N/A | N/A |
| HM Revenue & Customs | | 142,277.06 | N/A | N/A | N/A |
| Iceni Projects Ltd | Flitcroft House 114-116, Charing Cross Road, London, WC2H 0JR | 23,400 | N/A | N/A | N/A |
| KakeCo Ltd | The Armoury, Norwich Guildhall, Guildhall Hill, Norwich, NR2 1JS | 4,676.28 | N/A | N/A | N/A |

| | | | | | |
|--------------------------------|---|-----------|-----|-----|-----|
| Kengary Electric | Unit 3 Dolphin Point, Dolphin Way, West Thurrock, RM19 1NR | 760.29 | N/A | N/A | N/A |
| Kone PLC | Contract Accounts, Global Hse, Station Place, Chertsey, KT16 9HW | 3,247.92 | N/A | N/A | N/A |
| Npower Commercial Gas Ltd | PO Box 209, Wetherby Road, Scarcroft, LS14 3WX | 31,759.64 | N/A | N/A | N/A |
| NWG Business | PO Box 4998, Lancing, BN11 9AY | 50,137.69 | N/A | N/A | N/A |
| On Brand Music | 4th Floor Middlesex House, 29-45 High Street, Edgware, HA8 7UU | 576.00 | N/A | N/A | N/A |
| PCS Construction | Unit 1, Daniels Farm, Wash Road, Noak Bridge, Basildon, SS15 4AZ | 4,476.00 | N/A | N/A | N/A |
| Petty Cash - Basildon | 7/8 Eastgate Business Centre, Basildon, SS14 1EB | 1,733.86 | N/A | N/A | N/A |
| PFP Energy Ltd | Edward VII Quay, Navigation Way, Aston-on-Roibbie, PE2 2YF | 285.62 | N/A | N/A | N/A |
| PFS Group Limited | 21 Towerfield Road, Southend-on-Sea, SS3 9QE | 216.60 | N/A | N/A | N/A |
| S2 Partnership | 14-17 Avenue Business Park, Elsworth, CB23 4EY | 3,069.67 | N/A | N/A | N/A |
| Shoppertainment Management Ltd | 55 Spring Gardens, Manchester, M2 2BY | 14,798.58 | N/A | N/A | N/A |
| Shop Safe | Radio Technology Group, Unit 1 Brickfields Business Park, Woolpit, IP30 9QS | 116.74 | N/A | N/A | N/A |
| SmartestEnergy | The Columbus Building, 7 Westferry Circus, London, E14 4HD | 6,947.37 | N/A | N/A | N/A |
| Southern Drain Services Ltd | Southern Drain, Unit 12 The Glade Business Centre, West Thurrock, RM20 3FH | 4,020.00 | N/A | N/A | N/A |
| Steven J. Dunne | 14 Warren Terrace, Artial Road, RM16 6UT | 302.09 | N/A | N/A | N/A |
| SWALEC | PO Box 7507, Perth, PH1 3NT | 69.49 | N/A | N/A | N/A |
| Swift trading | Unit 3, Dolphin Point, Dolphin Way, West Thurrock, RM19 1NR | 358.64 | N/A | N/A | N/A |
| The Escalator Company UK Ltd | Unit 12, Central Business Park, Neptune Close, Rochester, ME2 4LW | 6,609.60 | N/A | N/A | N/A |
| Tri-Star Packaging Supplies Lt | Unit 4 The Arena, Mollison Ave, Enfield, EN3 7NL | 597.43 | N/A | N/A | N/A |
| TUV SUD Ltd | 52 West Street, Fareham, PO16 OJX | 303.08 | N/A | N/A | N/A |
| Carter Cradle Maintenance Ltd | Unit 4 Wickham Business park, Honywood Road, Basildon, SS14 3EQ | 1,194.00 | N/A | N/A | N/A |
| Aviva Life Services Ltd | PO Box 520, Norwich, NR1 3WG | 20.78 | N/A | N/A | N/A |
| Axis Elevators | Unit G1, Blackfriars Foundry Annexe, 65 Glasshill Street, SE1 0QR | 352.74 | N/A | N/A | N/A |


| | | | | | |
|---------------------------------|--|----------|-----|-----|-----|
| British Telecom | BT Customer Accounts, Correspondence Centre, Providence Row, DH98 1BT | 5.97 | N/A | N/A | N/A |
| CF Corporate Finance Ltd | Reading International Park, Reading, RG2 6AA | 25.83 | N/A | N/A | N/A |
| EE | PO Box 238, Sheffield, S98 1PS | 10.59 | N/A | N/A | N/A |
| Future Office Solutions Ltd | Unit G & H The Business Centre, Faringdon Avenue, Rromford, RM3 83N | 3.02 | N/A | N/A | N/A |
| Kengary Electric | Unit 3 Dolphin Way, West Thurrock, RM19, 1NR | 148.40 | N/A | N/A | N/A |
| NWG Business | PO Box 4998, Lancing, BN11 9AY | 26.52 | N/A | N/A | N/A |
| Petty Cash Basildon | 7/8 Eastgate Business Centre, Basildon, SS14 1EB | 52.87 | N/A | N/A | N/A |
| S2 Partnership Ltd | 14-17 Avenue Business Park, Elsworth, CB23 4EY | 80.33 | N/A | N/A | N/A |
| Steven J. Dunne | 14 Warren Terrace, Artial Road, RM16 6UT | 7.91 | N/A | N/A | N/A |
| The Escalator Company UK Ltd | Unit 12, Central Business Park, Neptune Close, Rochester, ME2 4LW | 1,550.40 | N/A | N/A | N/A |
| TUV SUD Ltd | 52 West Street, Fareham, PO16 OJX | 57.17 | N/A | N/A | N/A |

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 Signature _____ Date 12/17/2021
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D Employee Creditors

Note You must include all employees who owed monies by the company in respect of unpaid wages, holiday pay, pay in lieu of notice etc

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|---------------------------------|----------------------------|------------------------|---|------------------------|------------------------|
| Center Staff Salaries | N/A | 26,189.33 | N/A | N/A | N/A |

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 Signature _____ Date 12/17/2021
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E Shareholders

Note You must include all shareholders of the company

| Name of shareholder | Address (with postcode) | Type of share held | Nominal value of share £/p | Number of shares held | Amount per share called up £/p | Total amount called up £ |
|-----------------------------|---|---------------------|----------------------------|-----------------------|--------------------------------|--------------------------|
| InfraRed UK Lion GP Limited | Level 7 One Bartholomew Close, Barts Square, London, United Kingdom, EC1A 7BL | Partnership Capital | £3 | N/A | N/A | £3 |

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Signature David Hudson Date 12/17/2021
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A – Summary of Assets

Assets

Assets subject to fixed charge:

Assets subject to floating charge:

Uncharged assets:

Share capital receivable

Estimated total assets available for preferential creditors

| | Book Value £ | Estimated to Realise £ |
|--|-----------------|---------------------------|
| | | |
| | 1 | 1 |
| | 1 | 1 |

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 Signature David Hudson Date 12/17/2021
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A1 – Summary of Liabilities

| | Estimated to realise £ |
|--|------------------------------|
| Estimated total assets available for preferential creditors (carried from page A) | 1 |
| Liabilities | - |
| Ordinary Preferential creditors:- | - |
| Employees (no.) | - |
| Estimated deficiency/surplus as regards ordinary preferential creditors | 1 |
| Secondary Preferential creditors:- | |
| HMRC | - |
| Estimated deficiency/surplus as regards secondary preferential creditors | 1 |
| Estimated prescribed part of net property where applicable (to carry forward) | - |
| Estimated total assets available for floating charge holders | 1 |
| Debts secured by floating charges | - |
| Estimated deficiency/surplus of assets after floating charges | 1 |
| Estimated prescribed part of net property where applicable (brought down) | - |
| Total assets available to unsecured creditors | 1 |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | - |
| Consumer creditors for pre-paid goods or services (no.) | - |
| Employees (no.) | - |
| Shortfall to floating charge holders (brought down) | - |
| Estimated deficiency/surplus as regards creditors | 1 |
| Issued and called up capital | - |
| Estimated total deficiency/surplus as regards members | 1 |

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B Company Creditors

Note You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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C Consumer Creditors

Note You must include all creditors who are consumers claiming amounts paid in advance of the supply of goods or services

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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D Employee Creditors

Note You must include all employees who owed monies by the company in respect of unpaid wages, holiday pay, pay in lieu of notice etc

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
|--|--|--|--|--|--|

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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E Shareholders

Note You must include all shareholders of the company

| Name of shareholder | Address (with postcode) | Type of share held | Nominal value of share £/p | Number of shares held | Amount per share called up £/p | Total amount called up £ |
|---------------------|-------------------------|--------------------|----------------------------|-----------------------|--------------------------------|--------------------------|
| | | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
 35F20982147C44E...

Statement of affairs

| | |
|--|--|
| Name of Company InfraRed UK Lion Nominee 2 Limited | Company number 08818235 |
| In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (ChD) | Court case number 002152 of 2021 |

(a) Insert name and
address of registered
office of the company

(b) Insert date

Statement as to the affairs of (a) InfraRed UK Lion Nominee 2 Limited, Level 7, One Bartholomew Close, Barts Square, London, United Kingdom, EC1A 7BL ("the company")

on the (b) 22 November 2021, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 22 November 2021, the date that the company entered administration. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full name **David Hudson**

Signed

DocuSigned by:
David Hudson
35F20982147C44E...

Date

12/17/2021

A – Summary of Assets

Assets

Assets subject to fixed charge:

Assets subject to floating charge:

Uncharged assets:

Share capital receivable

Estimated total assets available for preferential creditors

| | Book Value £ | Estimated to Realise £ |
|--|-----------------|---------------------------|
| | | |
| | 1 | 1 |
| | 1 | 1 |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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A1 – Summary of Liabilities

| | Estimated to realise £ |
|--|------------------------------|
| Estimated total assets available for preferential creditors (carried from page A) | 1 |
| Liabilities | - |
| Ordinary Preferential creditors:- | - |
| Employees (no.) | - |
| Estimated deficiency/surplus as regards ordinary preferential creditors | 1 |
| Secondary Preferential creditors:- | |
| HMRC | - |
| Estimated deficiency/surplus as regards secondary preferential creditors | 1 |
| Estimated prescribed part of net property where applicable (to carry forward) | - |
| Estimated total assets available for floating charge holders | 1 |
| Debts secured by floating charges | - |
| Estimated deficiency/surplus of assets after floating charges | 1 |
| Estimated prescribed part of net property where applicable (brought down) | - |
| Total assets available to unsecured creditors | 1 |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | - |
| Consumer creditors for pre-paid goods or services (no.) | - |
| Employees (no.) | - |
| Shortfall to floating charge holders (brought down) | - |
| Estimated deficiency/surplus as regards creditors | 1 |
| Issued and called up capital | - |
| Estimated total deficiency/surplus as regards members | 1 |

DocuSigned by:

 Signature _____
35F20982147C44E...

Date 12/17/2021

B Company Creditors

Note You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
35F20982147C44E...

C Consumer Creditors

Note You must include all creditors who are consumers claiming amounts paid in advance of the supply of goods or services

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
35F20982147C44E...

D Employee Creditors

Note You must include all employees who owed monies by the company in respect of unpaid wages, holiday pay, pay in lieu of notice etc

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
|--|--|--|--|--|--|

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:

Signature David Hudson Date 12/17/2021
35F20982147C44E...

E Shareholders

Note You must include all shareholders of the company

| Name of shareholder | Address (with postcode) | Type of share held | Nominal value of share £/p | Number of shares held | Amount per share called up £/p | Total amount called up £ |
|---------------------|-------------------------|--------------------|----------------------------|-----------------------|--------------------------------|--------------------------|
| | | | | | | |

DocuSigned by:

Signature David Hudson Date 12/17/2021
35F20982147C44E...

Statement of affairs

| | |
|--|--|
| Name of Company InfraRed UK Lion GP Limited | Company number 08818231 |
| In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List | Court case number 002153 of 2021 |

(a) Insert name and
address of registered
office of the company

(b) Insert date

Statement as to the affairs of (a) InfraRed UK Lion GP Limited, Level 7, One Bartholomew Close, Barts Square, London, United Kingdom, EC1A 7BL ("the company")

on the (b) 23 November 2021, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 23 November 2021, the date that the company entered administration. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full name **David Hudson**

Signed

DocuSigned by:
David Hudson
35F20982147C44E...

Date

12/17/2021

A – Summary of Assets

Assets

Assets subject to fixed charge:

Assets subject to floating charge:

Cash – Current account
Other receivables

Total assets subject to floating charge

Uncharged assets:

Estimated total assets available for preferential creditors

| | Book Value £ | Estimated to Realise £ |
|--|--------------------|------------------------------|
| | | |
| | 304 | 304 |
| | 100 | - |
| | 404 | 304 |
| | | |
| | 404 | 304 |

DocuSigned by:
David Hudson
Signature 35F20982147C44E... Date 12/17/2021

A1 – Summary of Liabilities

| | Estimated to realise £ |
|--|------------------------------|
| Estimated total assets available for preferential creditors (carried from page A) | 304 |
| Liabilities | |
| Ordinary Preferential creditors:- | - |
| Employees (no.) | - |
| Estimated deficiency/surplus as regards ordinary preferential creditors | 304 |
| Secondary Preferential creditors:- | |
| HMRC | - |
| Estimated deficiency/surplus as regards secondary preferential creditors | 304 |
| Estimated prescribed part of net property where applicable (to carry forward) | - |
| Estimated total assets available for floating charge holders | 304 |
| Debts secured by floating charges | - |
| Estimated deficiency/surplus of assets after floating charges | 304 |
| Estimated prescribed part of net property where applicable (brought down) | - |
| Total assets available to unsecured creditors | 304 |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | (287) |
| Consumer creditors for pre-paid goods or services (no.) | - |
| Employees (no.) | - |
| Shortfall to floating charge holders (brought down) | - |
| Estimated deficiency/surplus as regards creditors | 17 |
| Issued and called up capital | 100 |
| Estimated total deficiency/surplus as regards members | 117 |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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B Company Creditors

Note You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|---------------------|--|---------------------|------------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
35F20982147C44E...

C Consumer Creditors

Note You must include all creditors who are consumers claiming amounts paid in advance of the supply of goods or services

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|---------------------|--|---------------------|------------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
35F20982147C44E...

D Employee Creditors

Note You must include all employees who owed monies by the company in respect of unpaid wages, holiday pay, pay in lieu of notice etc

| Name of creditor or claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|------------------------------|-------------------------|------------------|--|---------------------|---------------------|
| | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
 35F20982147C44E...

E Shareholders

Note You must include all shareholders of the company

| Name of shareholder | Address (with postcode) | Type of share held | Nominal value of share £/p | Number of shares held | Amount per share called up £/p | Total amount called up £ |
|---------------------|-------------------------|--------------------|----------------------------|-----------------------|--------------------------------|--------------------------|
| | | | | | | |

DocuSigned by:
 Signature David Hudson Date 12/17/2021
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Appendix G

Notice of decision by deemed consent**InfraRed UK Lion Limited Partnership (“the Partnership”)
(In Administration)****In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies
List (ChD) Number 002168 of 2021****(Partnership Number: LP015850)**

NOTICE IS GIVEN by Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan to the creditors of InfraRed UK Lion Limited Partnership that the following decision under paragraph 51 of Schedule B1 of the Insolvency Act 1986 is sought from them by way of a Deemed Consent Procedure.

1. That the Joint Administrators proposals dated 13 January 2022 be approved without modification.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 28 January 2022, the Decision Date.

1. To object to this decision, creditors must send to the Joint Administrators’ staff by email at IRUKLion@fticonsulting.com or by posting it to InfraRed UK Lion F/O FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, a duly completed notice of objection by no later than 23.59 hours on the Decision Date, together with proof of their debt, (if not already been lodged) without which objections will be invalid.
2. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on the Decision Date, without which, objections will be invalid.
3. Creditors should note that it is my responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then I will write to creditors to seek approval for this decision using a qualifying decision process.
4. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
5. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the resolution provided they have lodged proof of their debt.
6. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the resolution above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
7. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to Court under Rule 15.35 of the Insolvency (England and Wales) Rules 2016 within 21 days of the Decision Date.

Creditors requiring further information regarding the above, should contact the Joint Administrators’ staff by email at IRUKLion@fticonsulting.com, or by phone on 020 7269 9391.

DATED THIS 13TH DAY OF JANUARY 2022

Yours faithfully



Andrew Johnson
JOINT ADMINISTRATOR

Enc.

Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan of FTI Consulting LLP ("FTI") were appointed as Joint Administrators (the "Joint Administrators") of InfraRed UK Lion Nominee 1 Limited, InfraRed UK Lion Nominee 2 Limited and InfraRed UK Lion Limited Partnership on 22 November 2021 and InfraRed UK Lion GP Limited on 23 November 2021.

The affairs, business and property of the Entities are being managed by the Joint Administrators. The Joint Administrators act as agents of the Entities and without personal liability. Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan 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) of the Insolvency Act 1986.

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>.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our 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 on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

**InfraRed UK Lion Limited Partnership (“the Partnership”)
(In Administration)
In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies
List (ChD) Number 002168 of 2021**

(Partnership Number: LP015850)

NOTICE OF OBJECTION TO DEEMED CONSENT

If you agree with the proposed decision, then you do not need to do anything, and can disregard this form.

The following decision is sought from the creditors of InfraRed UK Lion Limited Partnership by way of a Deemed Consent Procedure;

1. That the Joint Administrators proposals dated 13 January 2022 be approved without modification.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

The completed form should be delivered to the Joint Administrators’ staff by email at IRUKLion@fticonsulting.com or by posting it to InfraRed UK Lion F/O FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD so that it is delivered by 23.59 hours on 28 January 2022 in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on the Decision Date.

Appendix H

Notice of invitation to form a Creditors' Committee**InfraRed UK Lion Limited Partnership ("the Partnership")
(In Administration)****In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies
List (ChD) Number 002168 of 2021****(Partnership Number: LP015850)**

NOTICE IS GIVEN by Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan to the creditors of InfraRed UK Lion Limited Partnership of an invitation to establish a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established. The deemed consent procedure is being used and the decision being sought is that a Creditors' Committee is NOT established.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 28 January 2022, the Decision Date.

2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipt of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 28 January 2022, the Decision Date.
5. If you object to the decision being sought, i.e. if you want a Creditors' Committee to be established, please complete the form sent with this notice. The completed document should be returned to Joint Administrators' staff by email at IRUKLion@fticonsulting.com so that it is received by no later than 23.59 hours on the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>.

If you require a hard copy of the booklet please contact the Joint Administrators' staff by email at IRUKLion@fticonsulting.com, or by phone on 020 7269 9391.

The final date for votes to establish a committee is 28 January 2022, the Decision Date.

1. To object to this decision, creditors must deliver to the Joint Administrators' staff by email at IRUKLion@fticonsulting.com or by posting it to InfraRed UK Lion Limited Partnership F/O FTI Consulting, 200 Aldersgate, Aldersgate Street, London EC1A 4HD, a duly completed notice of objection by no later than 23.59 hours on the Decision Date, together with proof of their debt, (if not already lodged) without which objections will be invalid.

2. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 28 January 2022, without which, objections will be invalid.
3. Creditors should note that it is my responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then I will write to creditors to seek approval for this decision using a qualifying decision process.
4. Creditors with small debts, that is claims of £1,000 or less, must have lodged proof of their debt for their vote to be valid.
5. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
6. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
7. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to Court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 28 January 2022 the Decision Date.

Creditors requiring further information regarding the above, should contact the Joint Administrators' staff by email at IRUKLion@fticonsulting.com, or by phone on 020 7269 9391.

DATED THIS 13TH DAY OF JANUARY 2022

Yours faithfully



Andrew Johnson
JOINT ADMINISTRATOR

Enc.

Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan of FTI Consulting LLP (“FTI”) were appointed as Joint Administrators (the “Joint Administrators”) of InfraRed UK Lion Nominee 1 Limited, InfraRed UK Lion Nominee 2 Limited and InfraRed UK Lion Limited Partnership on 22 November 2021 and InfraRed UK Lion GP Limited on 23 November 2021.

The affairs, business and property of the Entities are being managed by the Joint Administrators. The Joint Administrators act as agents of the Entities and without personal liability. Andrew James Johnson, Ali Abbas Khaki and Matthew Boyd Callaghan 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) of the Insolvency Act 1986.

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>.

FTI Consulting LLP (“FTI”) uses personal information in order to fulfil the legal obligations of our 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 on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

InfraRed UK Lion Limited Partnership (“the Partnership”)
(In Administration)
In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies
List (ChD) Number 002168 of 2021

_____ hereby consents to act as a member of the Creditors’ Committee in respect of the Administration of **InfraRed UK Lion Limited Partnership (“the Partnership”)**.

Address of creditor:

.....

.....

.....

Signature of creditor*:

Capacity in which signing:

(e.g. creditor in person, director,
or authorised signatory)

Dated:

** Where the consent to act is signed at the meeting of creditors and the signatory to the consent to act is not the creditor in person, complete the following as well.*

I confirm that I have been authorised** by the above-named creditor to sign this consent on their behalf:

Name of authorised signatory:

Address of signatory:

.....

.....

.....

Signature of authorised signatory:

**** A creditor’s proxy-holder attending a meeting establishing the committee or, in the case of a corporation attending the meeting in person, its duly appointed representative, may give such agreement, unless the proxy or instrument conferring authority contains a statement to the contrary.**

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST

| Company Name | Company Number | Court Reference Number | Date of Administration |
|--|----------------|------------------------|------------------------|
| InfraRed UK Lion GP Limited | 08818231 | CR-2021-002153 | 23 November 2021 |
| InfraRed UK Lion Limited Partnership | LP015850 | CR-2021-002168 | 22 November 2021 |
| InfraRed UK Lion Nominee 1 Limited | 8818236 | CR-2021-002150 | 22 November 2021 |
| InfraRed UK Lion Nominee 2 Limited | 08818235 | CR-2021-002152 | 22 November 2021 |
| Together “the Entities” (In Administration) | | | |

- 1 Name of creditor

(If a company, please also provide the company registration number).
- 2 Correspondence address of creditor (including any email address)
- 3 Total amount of claim (£)

(include any Value Added Tax)
- 4 Name of entity to which your claim relates
- 5 Details of how and when the debt was incurred.

(If you need more space, attach a continuation sheet to this form)
- 6 Details of any security held, the value of the security and the date it was given.
- 7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.
- 8 Details of any document by reference to which the debt can be substantiated
- 9 Signature of creditor

(or person authorised to act on the creditor’s behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

14 Bank account details, including Sort Code and Account Number if UK account

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

**Please submit this form along with supporting documentation by email to IRUKLion@fticonsulting.com or by post at:
InfraRed UK Lion (in Administration) c/o FTI Consulting LLP
200 Aldersgate London
EC1A 4HD**

For Internal use only:

Admitted to vote for

Admitted for dividend for

Amount (£)

Amount (£)

Date

Date

JOINT ADMINISTRATOR



Experts with Impact™