



To All Known Creditors and Members

**LumiraDx Group Limited**  
**LumiraDx International Ltd**  
**(in Administration)**

Joint Administrators' Statement of Proposals  
and SIP 16 Statement on the Sale of the  
Business and Assets

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986, Rule 3.35 of  
the Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 16

# Table of Contents

Introduction	3
Background to the Administration	11
SIP 16 Statement	15
Our Strategy to Achieve the Purpose of the Administration	30
Estimated Outcomes for Creditors	33
The Administration Process	36
Appendices	40
<i>Appendix A: Statutory Information</i>	41
<i>Appendix B: Pre-Administration Costs</i>	43
<i>Appendix C: Remuneration Report</i>	44
<i>Appendix D: Statement of Affairs</i>	55
<i>Appendix E: Simplified Group Structure</i>	56
<i>Appendix F: Glossary</i>	57



# Introduction

## Purpose of this Report

- On 29 December 2023, Andrew Johnson, Lisa Rickelton and Lindsay Hallam were appointed as joint administrators of LumiraDx Group Limited and LumiraDx International Ltd and are responsible for the management of the affairs, business and property of the Companies. The appointment was made on 29 December 2023 by the directors of the Companies (the “**Directors**”).
- This is our Statement of Proposals for achieving the purpose of the Administrations and our SIP 16 Statement, and includes:
  - a brief history of the Companies;
  - the reasons why they are in Administration;
  - what the purpose of each Administration is;
  - how we expect to achieve that purpose;
  - information about the recent sale of the majority of the Companies' businesses and assets and the reasons for undertaking it;
  - an indication of the likely outcome for the various classes of creditors; and
  - how we envisage the Administrations will be brought to an end.
- These Proposals are anticipated to be delivered to creditors on 4 January 2024.
- We have also included certain legal notices regarding this report, our appointment and creditors' rights.
- If you are unfamiliar with insolvency, we have included a brief overview that you may wish to read before continuing to read this report.
- If you have any queries regarding the content of this report or if you want hard copies of any of the documents made available online, please contact us using the details provided on the right.

### How to Contact Us

- Creditors can contact us using the preferred methods below:

Email: [Lumira@fticonsulting.com](mailto:Lumira@fticonsulting.com)

Post: LumiraDx Group Limited or LumiraDx International Ltd  
c/o FTI Consulting LLP  
200 Aldersgate  
Aldersgate Street  
London  
EC1A 4HD

Tel: 020 3077 0200

- Information can also be found at: [www.fticonsulting.com/uk/creditors-portal/LumiraDx](http://www.fticonsulting.com/uk/creditors-portal/LumiraDx)

Signed:



[Andrew James Johnson](#)

Joint Administrator  
Acting as agent and without personal liability

## Key Messages (1/2)

**Immediately after the Companies were placed into Administration, we executed a sale of the majority of the Companies' business and assets to the Purchaser for headline consideration of \$295m. The Transaction will complete once the deal precedents have been met.**

### Pre-Pack Sale of Business and Assets

- The Companies operate together with LumiraDx Limited (Cayman) (“**LDx Cayman**”) and its other subsidiaries (all together the “**Group**”) to provide a range of point of care testing and diagnostic services internationally.
- Following our appointment as joint administrators of the Companies on 29 December 2023, we executed a sale of the majority of the Group’s business and assets to Roche Diagnostics Limited (the “**Purchaser**”), for headline consideration of \$295m (the “**Transaction**”), dependent on certain conditions (the “**Transaction Conditions**”). Under the Transaction, once the Transaction Conditions are met:
  - LDx Group will sell to the Purchaser its trademarks and its 100% shareholdings in:
    - LumiraDx Inc. (USA) (“**LDx Inc**”);
    - LumiraDx UK Ltd (UK) (“**LDx UK**”);
    - LKM Innovations Limited (UK) (“**LKM**”);
    - LumiraDx GmbH (Austria) (“**LDx Austria**”);
    - LumiraDx AB (Sweden) (“**LDx Sweden**”);
    - Biomedical Services Srl (Italy) (“**LDx Italy**”);
    - LumiraDx Japan Co Ltd (Japan) (“**LDx Japan**”);
    - LumiraDx (Pty) Ltd (South Africa) (“**LDx South Africa**”);
    - LumiraDx SAS (France) (“**LDx France**”); and
    - LumiraDx B.V. (Netherlands) (“**LDx Netherlands**”).
  - LDx International will sell to the Purchaser :
    - its intellectual property; and
    - its 100% shareholding in LumiraDx GmbH (Germany) (“**LDx Germany**”).
- The Transaction reflects the best offer received for the Companies' assets, and consequently provides the best outcome available for the Companies' creditors as a whole, and a better outcome than would be achieved if the Companies were wound-up. Additionally, the Transaction is supported by Biopharma Credit Plc, in its capacity as qualifying floating charge holder in respect of the Companies, acting as security trustee for itself, BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP (together the “**Secured Creditors**”) and ensures that the Companies' core business will continue. We expect that the Transaction Conditions will be met within six months of our appointment.
- The Transaction does not include the Companies other subsidiaries, most notably LDx International’s shareholding in LumiraDx Colombia Holdings Limited (UK) (“**LDx Colombia Holdings**”) or LumiraDx Brazil Holdings Limited (UK) (“**LDx Brazil Holdings**”). We will continue to explore options to realise these excluded assets for the benefit of creditors.
- **Our Work in the Administration**
- Whilst we have entered into a sale of the business and assets, there remains a significant amount of work to do in the Administrations. In broad terms, this is expected to include:
  - Providing oversight of, and funding to, the Group’s business until the Transaction can be completed.
  - Pursue any potential further realisable assets, including shareholdings in entities not included in the Transaction and any debtor balances.
  - Complying with our statutory obligations, including completing our initial assessment of the Companies’ affairs and the conduct of their Directors.
  - Agreeing claims of secured and unsecured creditors and distributing available funds.
  - Reporting to any creditors’ committee, should one be formed.
- In approximately seven months’ time, we will update creditors on the progress of the Administrations, including the above matters.

## Key Messages (2/2)

**We anticipate a recovery in LDx Group of c.77% to the Secured Creditors, no preferential creditors and a recovery of <1% to the unsecured creditors from the Prescribed Part fund only. We are not able to estimate the outcomes for creditors in LDx International at this stage as a significant proportion of assets are excluded from the Transaction.**

### Estimated Outcome for Creditors – LDx Group

- The following table shows our current estimates of the outcome for the various classes of LDx Group’s creditors. Please note that this guidance is only an indication and should not be used as the main basis of any bad debt provision.

LDx Group			
Creditor Class	Amount Owed	Estimated Recovery	Timing of Payment
■ Secured Creditors	\$379m	c. 77%	9 months
■ Preferential Creditors	n/a – no preferential creditors anticipated.		
■ Unsecured Creditors	\$379m	c. 0.21 %	12 months

- Because the consideration for the Transaction is less than the amount owed to the Secured Creditors, we anticipate a recovery of c. 77% to the Secured Creditors.
- We anticipate there will be a small return to the Unsecured Creditors from LDx Group’s Prescribed Part fund.
- The above estimates are based on initial information provided by the LDx Group. Until we have received and adjudicated all claims and confirmed the costs of doing so (and the expenses of the Administrations generally), we are unable to give a reliable estimate of the net amounts available to distribute and the dividends that can be paid.
- Creditors have been invited to provide details of their claims and supporting information as soon as possible, by emailing a proof of debt form to us using the contact details provided on page 4.

### Estimated Outcome for Creditors – LDx International

- We are not able to estimate outcomes for creditors of LDx International at this stage as:
  - A significant proportion of LDx International’s assets (in particular its shares in LDx Colombia Holdings and LDx Brazil Holdings) are excluded from the Transaction and have not yet been realised; and
  - As these assets are not fungible, their value will be determined by the market appetite for them. We are currently exploring this through an active and ongoing sales process.
- If you have any interest in purchasing the assets of LDx International excluded from the Transaction, please contact us immediately.
- We will provide an update on this situation in our progress report, which we will issue in approximately seven months’ time.

## Approval of these Proposals

**These Proposals will be deemed to have been approved unless the requisite value of creditors request (within eight business days) that we seek a decision of creditors regarding their approval.**

### Objective of the Administration

- As administrators of each of the Companies, we are officers of the Court and must perform our duties in the interests of each company's creditors as a whole in order to achieve the purpose of the Administrations, which is to achieve one of the three objectives set out in the 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.
- In order to help us achieve the objective, we have a wide range of powers, as set out in insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the company as a whole, other than where objective (c) is being pursued when we need only ensure that we do not unnecessarily harm the interests of the creditors of the company as a whole.
- In this case, we intend to pursue objective (b) because no purchaser could be found for the shares of the Companies, and so it was not reasonably practicable to rescue the Companies as a going concern, as explained further in our enclosed SIP 16 Statement. As a result, we are seeking to achieve objective (b) by continuing to trade the Companies' business until the Transaction Conditions are met and the Transaction can be completed, alongside the orderly disposal of the Companies' other assets.
- We believe that the Transaction will enable the statutory purpose of the Administrations to deliver a better result for the Companies' creditors as a whole than would be likely if the Companies were to be wound-up.

- We believe that the Transaction provides the best available outcome for the Companies' creditors as a whole given the circumstances of our appointment.
- 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

- The financial position of the Companies means that they have insufficient assets to enable a dividend to be paid to non-preferential unsecured creditors (other than by way of the Prescribed Part). As a result, under insolvency legislation (in accordance with Paragraph 52(1)(b) Schedule B1) we are not required to seek a decision from the creditors to consider these Proposals and are not seeking a decision from creditors to consider these Proposals at this point.
- However, if any creditor, or creditors, object to what is being proposed or have any concerns over the manner in which the Administrations have been (and are proposed to be conducted), or in relation to the Transaction and our consideration of creditors' interests, please contact us using the details provided.
- A creditor, or creditors, whose debts amount to at least 10% of the total debts of either company can require us to hold a decision procedure to enable creditors to consider whether or not to approve these 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 for us to hold a decision procedure within that time period, then these 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.

## Actions For Creditors

**Creditors may need or wish to take action in respect of certain consequences of the Companies entering an Administration procedure. Note that the moratorium prevents any legal action against the Companies.**

### Amounts Owed to Creditors

- As a result of our appointment, you are a creditor of the Companies in respect of the money owed to you. We cannot make any payment to creditors of the Companies in respect of any debts arising prior to our appointment, unless there are sufficient assets (after the costs of the Administrations) to do so.
- Whilst it is the responsibility of the directors to provide us with details of the debts owed by the Companies, it would be of assistance to us if you would forward details of your claim to us.
- Creditors are invited to lodge their claims and supporting evidence using the contact details provided (on page 4), and the proof of debt form available on the FTI portal (<https://www.fticonsulting.com/uk/creditors-portal/forms-and-information>). Please contact us if you are unable to access the FTI portal.

### Goods in the Companies' Possession

- If you consider that you have supplied goods to the Companies that are subject to reservation of title, please notify us of this fact within the next 10 days. If you do not notify us of any reservation of title claims you consider you have within the next 10 days, then we will assume that you have no such claim to the goods you have supplied to the Companies.
- If you have supplied the Companies with equipment, vehicles or other items that are subject to a hire or finance agreement, then you should forward to us proof of ownership and a detailed description of the items concerned.

### Review of the Companies' Affairs and their Directors

- As part of our statutory duties, it is our responsibility to report on the conduct of the directors of the Companies and also to consider any areas requiring investigation with a view to making asset recoveries. Please provide us with any information you have about the way that the Companies' business was conducted or potential asset recoveries, that you consider will assist us.

### VAT Bad Debt Relief

- Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and "written off" by the creditor entering it on their VAT refunds-for-bad-debts-account. Insolvency Practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain as to how they may claim should contact their VAT office or take professional advice.

### Moratorium on Legal Processes

- Unless the administrator consents or with the permission of the court, no step may be taken to enforce security over the Companies' property or repossess goods in the Companies' possession under a hire-purchase agreement. Similarly, a landlord may not exercise a right of forfeiture by peaceable re-entry in relation to premises let to the Companies; and no legal process may be instituted or continued against the Companies or their property.

## Legal Notices

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

#### Agents of the Companies

- 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.

#### Insolvency Code of Ethics

- Administrators are bound by the Insolvency Code of Ethics which can be found online at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

#### Information on Creditors' Rights

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

#### Provision of Services Regulations

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

#### Data Protection

- FTI Consulting 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 Consulting uses your personal information in our Data Privacy policy on our website at [www.fticonsulting.com/uk/creditors-portal](http://www.fticonsulting.com/uk/creditors-portal).

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

### What is an insolvency practitioner?

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

- Until such time as a Company is dissolved, it must continue to fulfil many of its usual obligations, such as submitting VAT/tax returns (if registered) 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 company'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 necessarily lead to 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

**Unless otherwise stated, this background on the Companies is either based on publicly available sources or information provided by the Directors of the Companies and is not from our personal knowledge as administrators.**

- Among other activities, the Group provide point of care testing and diagnostic services to community-based healthcare.
- The Group was founded in 2014 by a group of entrepreneurs, shortly after which LDx Group was incorporated on 1 September 2014 and LDx International was incorporated on 10 July 2014 to facilitate its business. The Group's main products are its point of care platforms for community-based healthcare, its Fast Labs solutions aimed at larger labs, and test strip consumables for its products.
- In March 2021, the Group obtained a facility with the Secured Creditors, shortly after which the Secured Creditors registered a charge over the Companies. This supported the Group's rapid growth, leading to its September 2021 listing on the NASDAQ, development of 30+ tests, and international expansion.
- Notwithstanding growth in revenues between December 2021 to March 2022, the Group remained unprofitable. Additionally, for a number of reasons, including challenges related to the COVID-19 pandemic and regulatory and government changes, the operating business of LumiraDx Group Limited and each of its direct and indirect subsidiaries experienced a decline in sales over the course of 2023, which it attempted to manage with cost reduction program commenced in early 2023 to stem ongoing losses, including significant redundancies. However, ultimately the Group decided to explore its strategic options, including appetite for a sale.
- Neither the business nor its assets have been acquired from an insolvency practitioner within the past two years.
- A summary of the Companies' recent trading performance is shown below. It should be noted that the accounts have not been verified for accuracy and therefore may not reflect the Companies' true trading position.
- This information is unaudited and has been provided by the directors of the Companies and is not from our personal knowledge as joint administrators. The Companies are holding companies for the trading entities in the Group, and so their financial performance was linked to the financial performance of the wider Group (shown below).

### Group consolidated quarterly financial results

\$ million	3 months ending:						
	30-Jun-23	31-Mar-23	31-Dec-22	30-Sep-22	30-Jun-22	31-Mar-22	31-Dec-21
Revenue	21.0	22.2	41.1	42.2	44.7	126.4	118.3
Cost of sales	(30.9)	(23.9)	(139.9)	(33.6)	(39.9)	(76.4)	(63.7)
<b>Gross profit</b>	<b>(9.9)</b>	<b>(1.8)</b>	<b>(98.8)</b>	<b>8.6</b>	<b>4.8</b>	<b>50.0</b>	<b>54.5</b>
<i>Gross profit %</i>	-47%	-8%	-240%	20%	11%	40%	46%
Overheads	(38.5)	(45.5)	(52.8)	(66.6)	(85.3)	(81.5)	(76.6)
<b>Operating loss</b>	<b>(48.4)</b>	<b>(47.2)</b>	<b>(151.6)</b>	<b>(57.9)</b>	<b>(80.5)</b>	<b>(31.4)</b>	<b>(22.1)</b>
<i>Operating loss %</i>	-231%	-213%	-369%	-137%	-180%	-25%	-19%
Finance & tax expenses	(1.2)	3.1	49.4	(86.0)	(66.9)	(24.2)	(15.1)
<b>Loss for the period</b>	<b>(49.7)</b>	<b>(44.1)</b>	<b>(102.2)</b>	<b>(143.9)</b>	<b>(147.4)</b>	<b>(55.7)</b>	<b>(37.2)</b>

Source: LumiraDx unaudited consolidated quarterly results Q2 2023, Q1 2023 and Q4 2022.

## Events Leading up to the Administrations

**LDx's cumulative losses and cash burn led to it exploring its strategic options, including a sale. As no offers for the whole Group on a going concern basis were received, the Directors decided to place the Companies into Administration, to transact the best and only practicable offer received for substantially all of the Group's assets.**

### Events Leading to the Administrations

- Since its inception, the Group has made a significant investment, funded by debt and equity, in researching and developing its proprietary tests.
- Despite the scale of this investment, the Group has not reached the stage where it is profitable or cash generative, and so has been dependent on the support of its shareholders and the Secured Creditors whilst it attempts to obtain sufficient scale to become profitable.
- This situation was worsened by challenges related to the COVID-19 pandemic and regulatory and government changes.
- Ultimately, accumulated losses led to the Group breaching the covenants of its borrowing. Due to the scale of the debt accumulated, the EBITDA generated by the operating business is not sufficient to service the debt burden, even if research and development were paused. Therefore, the Secured Creditors engaged with the Group's management to understand possible strategic options.
- The options the Directors explored included raising additional capital, a combination of a capital raise and debt restructuring, and a sale process inviting offers on a variety of bases. Management have extensively explored the sale and finance options available to the Group, as detailed in our SIP 16 Statement.
- Unfortunately, no solvent solution could be found, and so on 29 December 2023 the Companies' boards of Directors decided to place the Companies into Administration in order to progress and complete the Transaction.
- Details of our prior involvement with the Companies are set out in SIP16 Statement section of these Proposals.

### Moratorium

- A moratorium gives struggling businesses formal breathing space (for a limited time) in which to explore rescue and restructuring options, free from creditor action and monitored by a licensed insolvency practitioner.
- We confirm that there has been no moratorium in force (under Part A1 IA86) in respect of the Companies at any time within the period of two years ending with the day on which it entered Administration.

## Pre-Administration Costs

**Pre-Administration costs are fees charged and expenses incurred by the administrator (or another insolvency practitioner) before the Companies entered Administration but with a view to it doing so.**

### Administrators' pre-Administration time

- Pre-administration costs are those incurred with a view to a company entering administration. Any unpaid pre-administration costs at the time of an administrator's appointment can be paid as an expense of an administration, subject to obtaining consent from the relevant classes of creditors. In this case, we believe all pre-Administration costs have been paid in full and therefore it will not be necessary to seek consent to pay any unpaid pre-Administration costs as an expense of either Administration.
  - FTI Financial Services Limited ("FTI FS") were initially engaged by the Group in June 2023 to provide certain services to the Group, including financial advisory advice. During these initial phases of the engagement Goldman Sachs' sale process had not yet concluded, and a solvent solution seemed a likely outcome.
  - On 29 August 2023, the Purchaser made an initial non-binding offer on an insolvent basis, making it clear that any transaction was likely to be completed through an insolvency process. Further details of this sale process are set out in our SIP 16 Statement.
  - FTI FS's initial role was to advise the Group on their options. However, when it became clear that insolvency of the Companies were inevitable, FTI FS additionally worked with the Companies' Directors and their legal advisers in preparing for Administration.
  - On 14 December 2023, the Group agreed to engage FTI Consulting to assist in preparation for the Transaction and the appointment of the then prospective administrators (now the joint administrators).
  - The decision was taken by the Directors on 29 December 2023 that the Companies should be placed into administration.
- Our time costs from 29 November 2023 in relation our pre-Administration work before our appointment totalled \$440,647.78 plus VAT for LDx Group and \$328,653.06 plus VAT for LDx International. These amounts were paid in full by the Group shortly before our appointment, and so no pre-Administration time costs or expenses remain unpaid.
  - We believe that FTI FS and FTI Consulting's (together "FTI") role in preparing and planning for our appointment made a significant contribution to achieving the purpose of the Administrations because it allowed us to execute the Transaction immediately after appointment. If this work had not been done prior to our appointment, we would not have been able to execute the Transaction immediately after appointment, leading to worse outcomes for the Companies' creditors.
  - More details of these fees and expenses, including further information regarding the work undertaken, can be found in the Appendices.
  - To the best of our knowledge and belief, no fees or expenses were charged by any other insolvency practitioner in preparation for the administrations.

### Administrators' pre-Administration expenses

- Additionally, as detailed in the appendices, Fried, Frank, Harris, Shriver & Jacobson LLP ("Fried Frank") assisted the then prospective administrators in preparing for the Companies entering administration. Fried Frank has invoiced \$575,462.93 plus VAT in relation to LDx Group and \$315,726.19 plus VAT in relation to LDx International. These amounts were paid in full by the Group shortly before our appointment, and so no pre-Administration time costs or expenses remain unpaid.

### Approval of pre-Administration time costs and expenses

- The pre-Administration costs were paid before our appointment. Therefore, it will not be necessary to seek consent to pay any unpaid pre-Administration costs as an expense of either Administration

**Note:** Pre-administration time costs and expenses were incurred and paid in GBP but have been converted to USD at the 29 December 2023 rate of 1.27 GBP:USD for comparability.



# SIP 16 Statement

## Our Prior Involvement With the Companies (1/2)

**FTI previously advised the Companies in respect of the Group's options. We consider that any potential threats to the fundamental principles of the ethical code are at an acceptable level such that we could be appointed.**

### Joint Administrator's 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.
  - 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.
  - In a pre-pack situation, an administrator completes a sale immediately (or shortly after) the appointment, potentially having earlier acted in an advisory capacity in relation to the transaction. In considering whether to complete the transaction, administrators must bear in mind their duties to a company and its creditors as a whole.
- Specifically, FTI's involvement with the Companies before our appointment as joint administrators was as follows:
    - **23 June 2023:** FTI FS was engaged by the Group to support the Group's short-term liquidity forecasting process and contingency planning, including analysis of insolvent outcomes.
    - **20 July 2023:** FTI FS was jointly engaged by the Group and the Secured Creditors to provide a second phase of work, including an options analysis and potential transaction structure planning.
    - **14 December 2023:** FTI Consulting was engaged by the Group to provide services as prospective administrator including preparing for the Administration of the Companies.

### Source of Our Initial Introduction

- Lisa Rickelton was first introduced to management and the boards of the Companies (the "Board") by Fried Frank, the Companies' incumbent legal advisors, on 16 May 2023. Lisa Rickelton first had a call with management and the Board on 22 May 2023 with a view to potentially being engaged to assist with the financial affairs of the Companies.

### Extent of our Prior Involvement

- Prior to the commencement of the Administration (and as described opposite), Lisa Rickelton and Andrew Johnson advised the Companies about their financial difficulties and provided advice about the options available to the Companies to help them determine an appropriate course of action to take. The Joint Administrators have not provided any directors duties advice or advice to the Companies' Director in their personal capacity.
- The work included provision of advice around the availability, if applicable, of potential insolvency processes to the Companies, but also included consideration of potential asset transfer and regulatory issues. As part of the sale process, we were responsible for considering and commenting on the offers for the business, the sale agreement, and any post-sale matters or obligations.
- Prior to the engagements set out above, FTI and the Joint Administrators had no prior relationship with the Companies or their directors.
- No advice was given by FTI or its employees to the individual directors regarding the impact of any insolvency of the Companies on their personal financial affairs.
- We have previously verbally informed the Companies' Directors of our duties and role in any pre-Administration period, which was confirmed via correspondence sent on 15 December 2023.

## Our Prior Involvement With the Companies (2/2)

**FTI previously advised the Companies in respect of the Group's options. We consider that any potential threats to the fundamental principles of the ethical code are at an acceptable level such that we could be appointed.**

### Extent of our Prior Involvement (continued)

- At all times, including prior to our appointment, we are bound by (and have acted in accordance with) the Insolvency Code of Ethics, which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

- We identified two potential threats to the ethical fundamental principles in respect of this case:

1. As administrators have an obligation to examine the events leading up to insolvency, FTI's and our pre-appointment involvement in the Transaction creates a potential self-review threat to our objectivity.

It is not unusual for insolvency practitioners who have (or their firm has) previously been advising a company or its stakeholders, to be appointed as office-holders; where a potential threat to any fundamental principle can be managed or mitigated to an acceptable level.

In this case, the threat is mitigated by the fact that FTI advised the Group pre-appointment with a view to maximising the value realised, which is aligned with the duties of an administrator to maximise returns for creditors.

Furthermore, all key decisions were taken independently by the Companies' Directors, who were separately advised by independent solicitors, and so will not pose a self-review threat in that respect.

2. Our role as joint administrators of both Companies could create a potential familiarity threat to our objectivity in dealing with intercompany claims. In particular, LDx Group has a material unsecured claim against LDx International.

This threat is mitigated by the fact that it is highly unlikely that LDx International will be in a position to pay a material dividend to its unsecured creditors.

In addition, LDx Group is the only known unsecured creditor of LDx International and therefore no other creditors would be affected by any decision regarding LDx Group's potential claim.

Furthermore (if a dividend becomes likely), supporting information for the claim will be obtained and compared to the available books and records of the Companies.

We will not use the intercompany position to vote on appointment or remuneration related matters in respect of LDx International. With regards to our remuneration, it is expected that this will be for the Secured Creditors to determine.

- In conclusion, we consider that these threats are at an acceptable level such that we could be appointed as joint administrators.

## Statement of Insolvency Practice 16 (1/2)

**We must provide creditors with sufficient information regarding the pre-pack sale, including the reasons why we believe the outcome achieved was the best available outcome for creditors as a whole in all the circumstances.**

### Statements of Insolvency Practice

- The purpose of SIPs is to promote and maintain high standards by setting out required practice and harmonising the approach of insolvency practitioners to particular aspects of insolvency practice. SIPs set principles and key compliance standards with which insolvency practitioners are required to comply. They apply in parallel to the prevailing statutory framework.
- SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities, acting through the Joint Insolvency Committee.

### Statements of Insolvency Practice 16

- SIP 16 applies to all pre-packaged sales in administrations, irrespective of who the purchaser may be.
- The term 'pre-packaged sale' refers to an arrangement under which the sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an administrator and the administrator effects the transaction or transactions immediately on (or shortly after) appointment.
- The administrator should provide creditors with sufficient information ("the SIP 16 Statement") such that a reasonable and informed third party would conclude that the pre-packaged sale was appropriate, and that the administrator has acted with due regard for the creditors' interests.
- A copy of SIP 16 can be found online at:  
<https://www.icaew.com/-/media/corporate/files/technical/insolvency/regulations-and-standards/sips/england/sip-16---england-and-wales-300421.ashx>
- We have made this statement in order to comply with our responsibilities under SIP 16. Later in this statement, we summarise the pre-pack transaction and the reasons why we believe it represents the best outcome for creditors as a whole in all the circumstances. We also provide the detailed information required by SIP 16.

### Purpose of the Administrations

- As joint administrators, we are officers of the Court and are responsible for managing the business, property and affairs of the Companies. The purpose of the Administrations must be to achieve one of the hierarchy of statutory objectives, namely to:-
  - a) rescue the Companies as a going concern; or
  - b) achieve a better result for the Companies' creditors as a whole than would be likely if the Companies 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.
- In this case and as stated earlier, we are pursuing objective (b) because it was not reasonably practicable to rescue the Companies as a going concern.
- In order to help us achieve the objective, we have a wide range of powers, as set out in the insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the Companies as a whole.
- We believe the Transaction will enable the statutory purpose to be achieved and that the outcome is the best available for creditors as a whole in all the circumstances.

## Statement of Insolvency Practice 16 (2/2)

**We must provide creditors with sufficient information regarding the pre-pack sale, including the reasons why we believe the outcome achieved was the best available outcome for creditors as a whole in all the circumstances.**

### Purpose of the Administrations (continued)

- We have acted with due regard for the interests of creditors and summarise below the principal benefits and reasons for undertaking the pre-packaged sale:
  - The Companies have undertaken a long-running series of comprehensive sale processes, most recently including the processes managed by Covington Associates LLC (“**Covington**”) and Goldman Sachs & Co. LLC (“**GS**”), thoroughly testing the market value of the Group and its assets.
  - The Transaction was the best offer received through all of these processes, and the only practicable offer for the majority of the Group’s business and assets. As such we are confident that any alternative to the Transaction would have provided materially worse outcomes for the creditors of each company.
  - As the Group is wholly dependent on the Secured Creditors for funding, without the Secured Creditor’s support there would be no funding to continue trading. As the only stakeholder in whose debt the realisable value of the Companies’ assets breaks, the Secured Creditors stated their support for the Transaction.
  - Given the ongoing funding requirement of the Group as a whole and vast majority of operating companies, if the Secured Creditors did not fund a trading administration, there would not be sufficient cash and assets in the business for us to continue to trade. This would be value destructive for all creditors.
  - The Transaction is expected to safeguard the solvency of all the Group entities within the Transaction perimeter, and from a Group perspective, minimise creditor claims generally (through the businesses continuing to trade) and preferential claims (through continued employment of employees).

## The Transaction and Creditor Outcome

**The Transaction includes the purchase of trademarks and the shares of several subsidiaries owned by LDx Group, and the IP and shares in LDx Germany owned by LDx International; for total consideration of \$295m.**

### Purchaser Offer

- The Group is loss-making and has required waivers from the Secured Creditors to continue to operate. The most recent waiver granted, the seventeenth waiver, expired on 29 December 2023, was in practice granted in expectation of the Transaction, and could be terminated after 2 December 2023 with 1 business days' notice from the Secured Creditors.
- Therefore, it would not have been possible to continue to trade the Group solvently beyond 29 December 2023 without the Secured Creditors providing further support.
- The Group considered that certain assets of the Companies had value and as explained in more detail later in this report, a sale process was undertaken for the Group. Following on from that process, the Purchaser made an offer for certain assets of the Companies, the closing of which is conditional on anti-trust and other regulatory approvals being obtained.

### Pre-pack Sale of Assets

- On 29 December 2023, the Companies appointed us as joint administrators, and we immediately agreed to sell substantially all of the Companies' assets to the Purchaser via a pre-pack transaction (which is not considered to be a connected party transaction). Completion is subject to, inter alia, obtaining the necessary regulatory and other approvals in certain jurisdictions.
- The sale consideration of \$295m (subject to certain adjustments) will be received on completion (subject to the Purchaser holding back an amount pending determination of the final adjustments to the purchase price), as set out in more detail later.
- We do not consider that there was any deliverable alternative sale of the Group's businesses, and further details about the rationale for the Transaction are also set out later.
- Certain subsidiaries of the Companies were excluded from the Transaction. The majority of these have little residual value and elicited no interest from parties during the sale process and will therefore be wound down.

- We understand that there is separate interest in the Brazilian and Colombian subsidiaries of LDx International, which were excluded by the Purchaser from the Transaction. We will explore this interest in a post-appointment sale processes, with a view to realising value for creditors.

### Estimated Outcome For Creditors

- Our understanding is that the Companies have no preferential creditors.
- We do not anticipate there will be any return to unsecured creditors in excess of the Prescribed Part.
- An indicative estimate of dividends to unsecured creditors of the Companies are set out below. Creditor claims have not yet been adjudicated and therefore the amount owed could increase.
- Please note that this guidance is only an indication and should not be used as the main basis of any bad debt provision.

Creditor Class	Amount Owed	Estimated Recovery	Indicative Timing of Payment
<b>LDx Group</b>			
Secured Creditors	\$379m	c. 77%	22/09/2024
Preferential Creditors	Nil	n/a	n/a
Unsecured Creditors	\$379m	c. 0.21%	22/12/2024
<b>LDx International</b>			
Secured Creditors	\$379m	As discussed on page 6, we are not able to estimate outcomes for creditors of LDx International at this stage	
Preferential Creditors	Nil		
Unsecured Creditors	\$31m		

## Alternative Options Considered (1/2)

### Before concluding that the Transaction represented the best outcome for creditors in the circumstances, we considered a number of alternative options.

- A number of alternative options to the Transaction were considered and ultimately the Transaction was concluded to be in the best interests of each company's creditors as a whole for the reasons set out below.

#### Do Nothing/Compulsory Liquidation

- The Group is consistently loss-making and requires regular funding from the Secured Creditors in order to maintain liquidity and continue to trade. Additionally, the Group has required waivers and financial support from its Secured Creditors to continue to operate. The last waiver granted, the seventeenth waiver, expired on 29 December 2023 and was in practice granted in expectation of the Transaction.
- Therefore, it would not be possible to continue to trade the Group solvently beyond 29 December 2023 without the Secured Creditors providing further financial support.
- Had no action been taken by the Companies, it is likely that one or more creditors would have taken action to protect their own interests, and this would likely have led to uncontrolled insolvencies across the Group that would have been value-destructive for stakeholders.
- The Official Receiver may have become liquidator (or an IP unfamiliar with the business), leading to realising liquidation asset values and consequently a worse outcome for creditors.

#### Solvent Sale or Additional Funding

- The Group has extensively explored the possibility of raising additional equity or debt, in parallel to the various sale processes undertaken. Whilst there have been offers for additional equity and debt, these have not been of sufficient size to allow the Group to continue to trade solvently and offers fell away as the level of distress rose. They also required significant concessions from the Secured Creditors, which they were not willing to give.
- The Group has been marketed extensively on a solvent basis. However, this has not resulted in any offers of sufficient value to complete a solvent sale.

- The options available to a company are often determined by the level of its cash resources, the timing of any additional cash requirements and the potential sources (if any) of that funding.
- In this case, it was unlikely that any third party would provide debt funding without super senior security, which the Secured Creditors would not grant given it would dilute their position without any assurance of return. Therefore, the only source of debt funding would be additional funds from the Secured Creditors, who have stated that they will only provide funding to complete the Transaction.

#### Solvent Restructuring (including use of formal restructuring tools/ Companies Act Procedures)

- A solvent restructuring, either by way of consensual negotiations or through the use of a formal restructuring (e.g. a Company Voluntary Arrangement, Restructuring Plan, Scheme of Arrangement or a Moratorium) was not considered viable given the Companies' funding requirement and the reluctance of the existing stakeholders to provide funding and concessions in order to complete a solvent restructuring.
- Additionally, whilst formal restructuring tools could provide temporary relief from trade creditor pressure, they would not provide sufficient savings to address the fundamental position that the Group's operations are loss making, and the continuous funding that is required to continue to operate as a going concern.

#### Trade in Administration and Post-Insolvency Marketing Process

- The Companies could have been placed into Administration whilst the wider Group, comprising the operating subsidiaries, continued to trade for the duration of a post-appointment sale process.
- As the Group's business is loss-making, this would have required significant post-administration funding. Additionally, as the Group would be in breach of its facilities, it would require waivers from the Secured Creditors. The Secured Creditors provided support for the pre-administration sales process, enabling the directors to continue trading and in order to complete the Transaction. However, that further support (including willingness to provide funding) was conditional on the Transaction taking place and would not have been available to run another sale process during an Administration.

## Alternative Options Considered (2/2)

**Before concluding that the Transaction represented the best outcome for creditors in the circumstances, we considered a number of alternative options.**

### Trade Administration and Post-Insolvency Marketing Process (cont.)

- Trading the Group in administration without a transaction in place was likely to have led to significant value deterioration in the business, through the loss of customers, creditor demands, and lower staff retention. This would have been value-destructive, and likely led to a lower value being achieved than is provided by the Purchaser's offer.
- There was also a risk that, given the Purchaser's insistence on exclusivity, any further steps to explore the market could have caused the offer to fall away.
- The market for the sale of the Group as a whole was thoroughly explored, including on an asset basis. We do not believe a post-appointment sale and marketing process would generate any additional viable interest in the majority of the Group's business and assets. However, we understand there is limited interest from separate third parties in acquiring the Brazil and Colombia subsidiaries of LDx International, which are not included in the Transaction. We will explore this via post-appointment sale processes in order to realise value for creditors.
- Given the uncertain macroeconomic environment and value of the Group's assets, it was considered likely to be extremely difficult to obtain or justify Administration funding from any party other than the Secured Creditors.
- The Transaction contemplates funding in Administration as the entities being sold are being sold on a going concern basis, and so during the period from signing to closing they will need to be funded to continue trading solvently. The funding during the period between signing and close is to be provided by the Secured Creditors to the Companies and then disbursed to the relevant subsidiary entities in the Group. Up to \$55 million of this funding will be reimbursed by the Purchaser to the extent that it relates to entities included in the Transaction, and subject to the Transaction completing and certain conditions stipulated by the Purchaser. Therefore, no funding is available to explore alternative strategies post-appointment.
- For the reasons set out above, we therefore consider it was not appropriate to trade the business in Administration and pursue an alternative sale or asset realisation strategy.

### Creditors' Voluntary Liquidation

- Following withdrawal of funding, the Companies could have entered into creditors' voluntary liquidation. However, this would have resulted in a delay in the appointment of liquidators (and similar uncertainty over the identity of the liquidators) and therefore a delay in completing the Transaction, as it would have required a decision-making procedure of unsecured creditors.
- Further, as it is a terminal (rather than a rescue) procedure, a liquidation of the Companies without the Transaction would trigger an insolvency of the wider group, and in particular the main trading entity, LDx UK (and the resultant termination of key customer and supplier contracts). Given the regulated nature of the Group's products and customers it would not be able to trade with the Opco's in insolvency, and this would be value-destructive.

### Consultation with Major or Representative Creditors

- **Group Shareholders and the Public:** The Group announced on 20 July 2023 that it was undertaking a strategic review, in parallel to announcing its ninth waiver from the Secured Creditors. However, as the Group is publicly listed on NASDAQ, it has not been possible to keep the Group's shareholders (other than directors) informed of the progress of the sale processes without potential value destruction. The signing of the Transaction was announced on 29 December 2023.
- **Secured Creditors:** The Group companies and their management have kept the Secured Creditors briefed throughout the sale processes. The Secured Creditors are supportive of the Transaction.
- **Pension Scheme:** The Companies have no employees and no pension commitments.
- **Unsecured Creditors:** No request to support the Companies in continued trading was made to the general body of unsecured creditors, since there was no prospect of the Companies continuing as a going concern without Secured Creditors' support.

## Marketing of the Business and Assets (1/3)

**The Group has explored its sale, investment and refinance options extensively through a series of processes, the most recent of which was commenced in July 2023.**

### Goldman Sachs, and equity advisor Partners process

- In July 2022, there was a public capital raise attempt by GS, and two equity advisors. The Group announced a raise of \$100m on 21 July 2022, but were only able to attract c.\$8m from new investors. Existing shareholders invested c.\$75m and the Bill and Melinda Gates Foundation contributed an additional \$25m.

### Covington process

- Following the undersubscribed capital raise, an M&A advisor, Covington, was engaged by the Group to explore the Group's options throughout the end of 2022 and early 2023. Covington approached 27 parties regarding a sale of the Group for equity value.
- We understand that no parties presented bids to acquire the Companies, and the process was subsequently paused.

### Equity advisor led public capital raise

- As no buyer was found, alongside the Covington and GS processes (see below), around June 2023 the Group also looked at raising capital in the public markets.
- In support of this process, the Senior Creditor agreed that upon a successful capital raise, the sales and liquidity covenants could be significantly reduced, and the maturity date of the loan would be extended.
- The Group approached large number of investors, and held numerous meetings, but was unable to find equity investors to participate in its current capital structure.
- One party made an offer to be the lead investor in an equity raise, contingent on the Secured Creditors converting the vast majority of their senior secured debt into preferred stock, extending its maturity date, suspending of all sales covenants and significantly reducing the liquidity covenant. The Secured Creditors did not support this offer, making it impracticable.

### Goldman Sachs process

- GS's M&A team was engaged by the Group in July 2023 to run a sale process for the Group. The Group was dependent on ongoing waivers (and eventually additional funding tranches) from the Secured Creditors in order to keep trading.
- GS worked with the Group's management to prepare a list of potential purchasers and marketing materials including a teaser document and a 63-page information memorandum, designed to provide interested parties with sufficient information to formulate an informed indicative offer for the Group.
- GS identified the initial parties based on their expertise in the sector and ran the process for over approximately three months.
- GS began their initial outreach on 24 July 2023, contacting 47 strategic and financial parties regarding the opportunity. Whilst the primary objective of this initial outreach was to sell the Group for equity value, we understand that GS encouraged consideration of alternative structures, and that if parties indicated that they could not put forward a proposal that delivered equity value, GS encouraged them to provide the best value they could, for all or part of the business, including discussing alternative transaction structures.
- Some 38 of these parties declined to participate further in the process, due to reasons including the rate of the Group's cash burn.
- The nine remaining parties signed non-disclosure agreements and were given access to management and an extensive virtual data room. Parties who continued to express an interest were further issued with a first round process letter.
- The information provided to us confirmed that five of these nine parties submitted detailed follow-up questions to management regarding topics such as regulatory approval and commercial pipelines.

## Marketing of the Business and Assets (2/3)

The sale processes resulted in three offers being received, all of which explicitly envisaged an insolvent asset sale.

### Goldman Sachs process (continued)

- Further engagement with these parties resulted in three offers being made to GS, the Secured Creditors and the Companies, all of which contemplated a transaction via an insolvency process:
  - On 29 August 2023, the Purchaser made an initial non-binding offer, which later culminated in the Transaction (see later for details).
  - Party B first submitted an offer for equity investment, contingent on the Group securing additional equity funding and the Secured Creditors extending the maturity of its loan, making all interest payments PIK (or accepting common stock instead) and removing all sales covenants. In subsequent discussions with management, Party B envisaged a transaction via an insolvency process, although did not submit a revised offer in writing. The Secured Creditors were not able to accommodate Party B's requests to extend the maturity of their loan, PIK interest payments and remove sale covenants.
  - Party C submitted an offer of investment to purchase exclusive distribution rights and 7% of the business out of an insolvency (with the other 93% to be purchased by the Secured Creditors). Party C's offer required the Senior Creditor to convert their debt into equity, and then sell 7% of the converted equity to Party C, giving Party C senior priority over the Senior Creditor for a \$50m note to be provided to the Group. The Secured Creditors were not able to accommodate Party C's requests to, among other things, convert their debt to equity.
- The remaining parties indicated they were no longer interested in the opportunity. Where GS considered it appropriate, all parties who had actively engaged in diligence were reengaged to discuss alternative structures that would deliver value, including proposal structures that contemplated administration, but all declined to do so.
- On 11 September 2023, the Secured Creditors wrote to the Group expressing their strong preference for the Group to pursue the Purchaser's offer based on it being the only bid actually received to purchase substantially all of the assets of the group, urging the Group's Directors to consider engaging fully with the Purchaser.
- On 16 October 2023, following the completion of further due diligence and negotiations between the Group's Directors and the Purchaser, the Purchaser issued a revised non-binding offer letter, valid until 19 October 2023. As with the Purchaser's previous non-binding offer, this included a request for exclusivity until completion.
- On 31 October 2023, the Group's Directors wrote to the Secured Creditors in response to the Secured Creditors making acceptance of the Purchaser's exclusivity agreement a condition of its continued support (through waivers and additional funding) for the Group. The Directors agreed to focus on the Purchaser's offer and grant exclusivity.
- On 31 October 2023, Party B confirmed in writing to the Secured Creditors that they were no longer interested in the opportunity.
- On 2 November 2023, the Secured Creditors approached Party C to encourage them to submit a more favourable offer. Subsequently, on 5 November 2023, Party C confirmed via an advisor that they were unwilling to improve their prior offer in order to proceed further.
- Following the withdrawal of Parties B and C, only the Purchaser's offer remained, with no other viable options. On 6 November 2023, the Group therefore agreed to the consideration of the Purchaser's revised non-binding offer, and entered into an exclusivity agreement with the Purchaser, in order to focus on delivering the Transaction.

### Other Stakeholder Support

- Throughout the marketing processes, the Secured Creditors assisted Covington and GS with the scheduling of meetings with private equity groups.
- An independent equity advisor coordinated discussions with seven sponsors, three of which signed Non-Disclosure Agreements.
- There were also discussions between the Group and three sponsors under Confidential Disclosure Agreements. No offers were received.

## Marketing of the Business and Assets (3/3)

**The Purchaser's offer provided the highest value of the offers received, and was the only offer supported by the Secured Creditors (rendering the other offers impracticable).**

### FTI process

- Neither Covington nor GS approached distressed financial sponsors as part of their processes, on the basis that the Group's financial profile did not align with their investment thesis.
- In order to verify this view, the Group and FTI together approached five distressed financial investors regarding the opportunity to purchase all or part of the Group's business and assets, three of whom agreed to calls to discuss the opportunity. All three of these parties went on to decline the opportunity due to the stage of the business, cash burn and investment required to potentially make the Group profitable, supporting GS's decision not to include them in the process. We understand that the Group did have discussions with distressed financial sponsors in the past who chose not to proceed.

### Variation from SIP 16 Marketing Essentials – Independence

- The pre-appointment sale processes were run by parties engaged by the Group. Notwithstanding this presents a potential lack of independence in the SIP 16 sense (i.e. the sales process was not run by the Joint Administrators), we are satisfied with the adequacy of the sale process as:
  - GS are an independent (from the Group), established sales advisor with experience in the sector and contacts with a broad range of interested parties. In addition to the GS process another M&A process was run by Covington, resulting in no offers.
  - The process involved a number of parties, and the sales advisers sought to keep a number of interested parties in their process to generate competitive tension and improve bids.
  - The Secured Creditors, the primary economic stakeholder in the situation, were kept informed of the status of the sales process, and introduced a number of interested parties to the process.
  - FTI have engaged in 'top-up' conversations with debt funds where we felt parts of the market had not been fully explored in the GS process.
  - We have reviewed the sale process materials and interaction logs and are satisfied that parties were approached regarding an asset-sale where appropriate.

### Variation from SIP 16 Marketing Essentials – Connectivity

- So far as we are aware, the business has never been marketed online.
  - Practically given the size, funding requirement, and specialised nature of the Group the potential buyer universe (of strategic and financial parties) is relatively small. Because of the small size of the buyer universe, we believe that it has been adequately explored through the bilateral conversations that have taken place as part of the various sale processes. Given the specialist nature of the asset, GS identified the relevant buyer universe and reached out to them in their initial outreach.
  - Marketing the Group online would broadcast the Group's distress, which would risk damaging the business and ultimately could be severely value destructive.
  - On 20 July 2023, the Group announced on the NASDAQ that it had agreed to engage strategic advisors to advise on available options. This information is publicly available.
- Therefore, we do not believe marketing online would have improved creditor outcomes, and are satisfied that the Group's business and assets have been adequately marketed.

### Conclusions

- On the basis of the processes conducted, we are satisfied that the market appetite was thoroughly explored pre-appointment.
- The Purchaser's offer presented significantly higher consideration than either of the other two offers received, and was the only proposal received for the acquisition of substantially all of the assets of the Group, thereby providing a better return to each company's creditors as a whole.
- Additionally, the other two offers received were contingent on the Secured Creditors' support and additional concessions/further unacceptable amendments and waivers from the Secured Creditors. This support was not forthcoming and the other two offers were not capable of being delivered.

## Valuation of the Business and Assets

**The value of the business and assets was determined by the extensive marketing process and additional asset valuations were deemed not to be required. The Purchaser is not a party connected to the Companies.**

### Valuation of the Business and Assets

- The accuracy of any valuation of the business (whether based on multiples, comparable transactions, or discounted cashflows) would likely be limited as:
  - The Group is loss making;
  - The Group's existing forecasts do not realistically reflect the recent trajectory of the business, and management do not have the capacity to update them; and
  - The Group's technology and operations are specialised in nature, with few directly comparable businesses to benchmark against.
- The Group's main asset is its intellectual property. We believe that a valuation of the intellectual property would also be unreliable as:
  - The Group's IP has largely been internally developed;
  - The Group's IP is unique, and not directly equivalent to any other IP; and
  - Consequently, there is not an active market for comparable intellectual property.
- As previously stated, we are satisfied the Group and its business and assets have been marketed extensively. This provides a more objective value, reflecting real market conditions, than a desktop valuation could. Consequently, we have not obtained a valuation of the Group's business or assets.

### Connected Persons Transactions

- There is no known connection between the parties and all required information on the sale has been included elsewhere in this SIP 16 Statement.
- As such, the sale is not considered to be a substantial disposal to a connected party (as defined by SIP 16 and Paragraph 60A(3) Sch B1 IA86).

## Details of the Transaction (1/3)

The total consideration for the Companies' assets is \$295m and the allocation of the consideration by asset and entity is set out below.

- The assets acquired in the Transaction are the shares in the entities shown to the right, together with all trademarks owned by LDx International and LumiraDx Brazil Holdings Limited.
- The consideration for these assets is \$295m. The table sets out the indicative allocation of consideration received for each of the assets included within the Transaction sale agreement. This is subject to certain completion adjustments, including for the net debt and working capital position. Consequently, the allocation of consideration shown is to some extent indicative. The final allocation of consideration will be determined after completion, once the completion accounts have been prepared. In addition, the Purchaser will reimburse the Secured Creditors for up to \$55m of funding provided to the Companies during the period between signing and completion.
- The allocation of consideration across the assets acquired by the Purchaser equals the value ascribed to them by the Purchaser in its offer. The majority of consideration has been allocated to LDx UK, which is a key trading entity and holds the majority of the Group's IP. LDx USA and LDx Italy are also key trading entities.
- The consideration is deferred until completion of the Transaction.
- Completion of the Transaction is dependent on certain conditions being met, primarily the Transaction receiving antitrust and other regulatory clearances in certain jurisdictions of the entities being purchased. The Purchaser estimates this process may take up to six months until completion. There is a risk that, if these conditions are not met, the Transaction may not complete. However, the Secured Creditors have agreed to provide funding to allow the entities included in the Transaction to continue to trade solvently in the period until completion. Should the Transaction subsequently not complete, the positions of the unsecured creditors as a whole will not have been worsened.
- During the Administration period, it is anticipated that Administration funding provided by the Secured Creditors will be on-lent to various Group entities. As aforementioned, a portion of this funding is anticipated to be reimbursed by the Purchaser. Part of the reimbursement may be included as additional consideration.

Indicative Allocation of Consideration	\$	Security
<b>29 December 2023</b>		
<b>LDx Group (in administration)</b>		
Trademarks	1	Floating
LumiraDx UK Ltd (UK)	248,397,203	Floating
LumiraDx Inc. (USA)	25,445,657	Fixed
Biomedical Services Srl (Italy)	12,501,605	Floating
LumiraDx GmbH (Austria)	2,088,174	Floating
LumiraDx Japan Co Ltd (Japan)	2,055,405	Floating
LumiraDx AB (Sweden)	1,356,432	Floating
LumiraDx B.V. (Netherlands)	1,213,020	Floating
LKM Innovations Limited (Scotland)	733,455	Floating
Lumira Dx (Pty) Ltd (South Africa)	289,736	Floating
LumiraDx SAS (France)	273,647	Floating
<b>LDx Group Consideration</b>	<b>294,354,335</b>	
<b>LDx International (in administration)</b>		
Trademarks	499,998	Floating
LumiraDx GmbH (Germany)	145,666	Floating
<b>LDx International Consideration</b>	<b>645,664</b>	
<b>LDx Brazil Holdings (not in administration)</b>		
Trademarks	1	N/A
<b>LDx Brazil Holdings Consideration</b>	<b>1</b>	
<b>Total Consideration</b>	<b>295,000,000</b>	

## Details of the Transaction (2/3)

Below we set out the key details of the Transaction.

Disclosure Requirement	Details
<ul style="list-style-type: none"> <li>The date of the Transaction</li> </ul>	<ul style="list-style-type: none"> <li>SPA signed 29 December 2023 with an expected completion date on or before 30 June 2024 subject to satisfaction of certain conditions.</li> </ul>
<ul style="list-style-type: none"> <li>The identity of the Purchaser</li> </ul>	<ul style="list-style-type: none"> <li>The business and assets are being acquired by Roche Diagnostics Limited, which is registered at Roche House, Charles Avenue, Burgess Hill, West Sussex, RH15 9RY and its company registration number is (00571546).</li> </ul>
<ul style="list-style-type: none"> <li>The consideration for the Transaction, terms of payment and any condition of the contract that could materially affect the consideration</li> </ul>	<ul style="list-style-type: none"> <li>\$295.0m (of which \$1 relates the trademarks of LDx Brazil Holdings (not in administration) with adjustments for Net Debt and Working Capital Adjustment, deferred until completion. Completion of the Transaction is dependent upon certain conditions, primarily approval of the Transaction by antitrust and other regulatory authorities. In addition, the Purchaser will reimburse the Secured Creditors for up to \$55m of funding provided to the Companies during the period between signing and completion.</li> </ul>
<ul style="list-style-type: none"> <li>Details of the assets involved and the nature of the Transaction</li> </ul>	<ul style="list-style-type: none"> <li>The Transaction includes the purchase of the trademarks owned by LDx Group, the shares of several subsidiaries of LDx Group, and the IP and shares in LDx Germany owned by LDx International as well as trademarks owned by LDx Brazil Holdings (not in administration). Certain other subsidiaries were excluded from the Transaction (see Group structure on page 56).</li> <li>Further detail of the Transaction and consideration received is set out on page 27.</li> </ul>
<ul style="list-style-type: none"> <li>Whether any directors had given guarantees for amounts due from the Companies to a prior financier and whether that financier is financing the new business</li> </ul>	<ul style="list-style-type: none"> <li>None known.</li> </ul>
<ul style="list-style-type: none"> <li>The names of any directors, or former directors, of the company who are involved in the management or ownership of the purchaser, or of any other entity into which any of the assets are transferred;</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>

## Details of the Transaction (3/3)

### Below we set out the key details of the Transaction

Disclosure Requirement	Details
<ul style="list-style-type: none"> <li>Any options, buy-back agreements, deferred consideration or other conditions attached to the Transaction</li> </ul>	<ul style="list-style-type: none"> <li>Consideration is payable upon completion of the Transaction (subject to a holdback pending finalisation of the completion accounts). Completion is dependent upon certain conditions being met, primarily approval of the Transaction by antitrust and other regulatory authorities. The Purchaser estimates this may take up to six months.</li> <li>The Secured Creditors have agreed to provide funding to allow the subsidiaries purchased as part of the Transaction to continue to trade solvently in the period to completion.</li> </ul>
<ul style="list-style-type: none"> <li>Details of any security taken by the administrator in respect of any deferred consideration. Where no such security has been taken, the administrator's reasons for this and the basis for the decision that none was required</li> </ul>	<ul style="list-style-type: none"> <li>Bar any holdback amounts, the consideration for the Transaction is not deferred, and so no security has been taken. The Secured Creditors will provide funding to allow the purchased entities to trade solvently, and we are therefore comfortable that the position of unsecured creditors as a whole will not be worsened should the Transaction fail to complete.</li> </ul>
<ul style="list-style-type: none"> <li>If the sale is part of a wider transaction, a description of the other aspects of the transaction</li> </ul>	<ul style="list-style-type: none"> <li>The Transaction includes an assignment of the trademarks owned by LDx Brazil Holdings (not in administration) to an affiliate of the Purchaser on completion.</li> </ul>
<ul style="list-style-type: none"> <li>Details of registered charges</li> </ul>	<ul style="list-style-type: none"> <li><b>LDx Group:</b> a debenture (charge code 0919 8288 0011), a pledge agreement (charge code 0919 8288 0009) and a deed of pledge (charge code 0919 8288 0010) of shares in the capital of LKM Innovations Limited, all in favour of BioPharma Credit plc, acting as security agent for itself and other secured parties, dated 29 March 2021.</li> <li><b>LDx International:</b> a debenture (charge code 0912 4383 0007) and an intellectual property security agreement (charge code 0912 4383 0006), both in favour of BioPharma Credit plc, acting for itself and other secured parties, dated 29 March 2021.</li> </ul>
<ul style="list-style-type: none"> <li>If the business or business assets have been acquired from an IP within the previous 24 months, or longer if deemed relevant to the understanding of creditors, did the administrator disclose both the details of that transaction and whether the administrator, their firm, or associates were involved;</li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable.</li> </ul>



# Our Strategy to Achieve the Purpose of the Administration

## Strategy and Our Work in the Administration

**The Purchaser has agreed to, subject to certain conditions, purchase substantially all of the business and assets of the Group, with certain exceptions including the Brazilian and Colombian businesses.**

### Strategy

- Earlier in these Proposals, and in our SIP 16 statement, we have explained why the Companies have entered administration, and that the purpose of the Administrations is to achieve a better outcome for each Company's creditors (through a pre-packaged sale) than would be otherwise achieved.
- We are satisfied that the outcome for creditors is the best available outcome for each Company's creditors as a whole in the circumstances. Therefore, the main focus on the Administration will be overseeing the Group with a view to ensuring that the Transaction completes.
- The Transaction sells materially all of the assets of the Group. We will also endeavour to realise the Companies' assets not included in the Transaction in the course of the Administrations, including working with the Group's management to achieve a sale of the other assets of LDx International, most notably LDx Brazil Holdings and LDx Colombia Holdings.
- The Companies' affairs have been since our appointment, and will continue to be, managed by us as joint administrators. We will be supported by internal specialists (for example on tax and VAT matters), third-party professionals, and subcontractors as required. Further details of third parties and their expenses is set out in our Remuneration Report in the Appendix.
- The Administrations of the Companies will be funded by the administrator funding agreements, cash held in the Companies bank accounts at the time of our appointment, and proceeds from the Transaction once it completes.

### Key Initial Actions

- The following is a summary of the key actions to be taken shortly after our appointment. It is not an exhaustive list of the work we will perform.
- **Statutory and compliance:** our team has to date and will continue to issue all notices required by insolvency legislation, ensure appropriate insurance cover is in place, give notice of our appointment to all known creditors, and fulfil our other obligations as joint administrators.
- **The Transaction:** we will look to facilitate the Transaction Conditions being met, including the Group continuing to trade until anti-trust and other regulatory clearance can be obtained. Once these conditions are met we will complete the Transaction for the benefit of the Companies' creditors.
- **Managing the Companies' affairs:** we have requested new bank accounts to be set up for the purposes of the Administrations, including managing funding to the wider Group until the Transaction can be completed.
- **Creditor and stakeholder management:** we have corresponded with the Companies' creditors regarding their claims, and set up a case inbox (details on page 4) through which creditors can submit their claims and manage their details.

### Receipts & Payments Account

- There have been no receipts or payments to date.

## Our Work in the Administration

There are a number of key areas of work still to be undertaken or concluded before the Administrations can be brought to an end.

Area	Controlling our Appointment	Realising the Assets	Dealing with Creditors and Stakeholders	Managing the Companies' Affairs	Fulfilling our Statutory Duties
Work Performed to Date	<ul style="list-style-type: none"> <li>Agreed and documented our Administration strategy.</li> <li>Set up the systems required to control the administration.</li> </ul>	<ul style="list-style-type: none"> <li>Agreed and signed the SPA for the Transaction, setting out how the Group's business and the majority of its assets will be realised.</li> </ul>	<ul style="list-style-type: none"> <li>Set up the creditors' website and helpline for the Administrations.</li> </ul>	<ul style="list-style-type: none"> <li>Applied for VAT deregistration.</li> </ul>	<ul style="list-style-type: none"> <li>Issued initial letters and notices of our appointment as joint administrators.</li> <li>Issued our Proposals and SIP 16 Statement.</li> <li>Ensured appropriate insurance cover is in place.</li> </ul>
Anticipated Future Work	<ul style="list-style-type: none"> <li>Continue to monitor costs against the Administration budget.</li> <li>Once the Companies' assets have been realised, close the Administrations.</li> </ul>	<ul style="list-style-type: none"> <li>Fund and support the trading of the Companies subsidiaries until anti-trust and other regulatory clearances can be obtained, and the Transaction completed.</li> <li>Explore options to realise the assets excluded from the Transaction, in particular LDx International's shares in LDx Brazil Holdings and LDx Colombia Holdings.</li> </ul>	<ul style="list-style-type: none"> <li>Respond to any inbound creditor queries.</li> <li>Liaise and report to the Secured Creditors, and to the extent required by the SPA, the Purchaser.</li> <li>Upon completion of the Transaction, agree claims and make distributions where available.</li> </ul>	<ul style="list-style-type: none"> <li>Collection the Companies' books and records.</li> <li>Set up Administration bank accounts.</li> <li>Make funding payments as required to the Group.</li> <li>Complete regular and bank reconciliations.</li> <li>Ensure compliance with all post-administration tax and VAT obligations.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure appropriate bonding cover is in place.</li> <li>Complete SIP 2 investigations and comply with our CDDA obligations.</li> <li>Complete regular case reviews.</li> <li>Issue progress reports to creditors on the course of the Administrations.</li> </ul>



# Estimated Outcomes for Creditors

## Estimated Outcomes

**We expect the Secured Creditors to receive a total return of c.77% of their claim, through a combination of fixed and floating charge realisations from the Companies.**

### Secured Creditors

- The Secured Creditors lending to the Companies as at the date of Administration was c.\$379m and is secured by, among other things, a 29 March 2021 debenture over the Group, containing fixed and floating charges over all of the Companies' assets. The Group engaged Fried, Frank, to undertake a review of the security over the assets that are the subject of the Transaction and other relevant assets and advise in relation to its characterisation and the entitlements of the Secured Creditors.
- No distributions have been made to creditors to date.
- If the Transaction completes as anticipated, we expect to make a total distributions to the Secured Creditors of c. \$292m, funded by the sale consideration, providing a c. 77% return. We anticipate that the majority of this will be paid within the first six months of appointment.
- We anticipate that materially all of this distribution to the Secured Creditors will be paid from LDx Group.

### Preferential Creditors

- Dividends to Preferential Creditors are paid from floating charge realisations, after the costs of the Administration.
- There are no known employees of the Companies. As such, we do not anticipate there being any ordinary preferential creditors.
- Whilst the Companies are a member of the UK VAT group, the Group is generally in a net reclaim position, and we are not aware of any outstanding balances owed to HMRC. Therefore we do not anticipate there being any secondary preferential creditors.

### Preferential Creditors

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

**Note:** LDx Group and LDx International are chargors under an English law debenture dated 29 March 2021. Among other things, the debenture creates a first floating charge over all of each entity's "assets both present and future". Accordingly, the administrators have determined that LDx Group and LDx International's assets, including assets in other jurisdictions, are subject to this security or such rights take effect in equity based upon existing legal authority.

## Estimated Outcomes

**We expect a small dividend will be available to the unsecured creditors of the Companies.**

### Unsecured Creditors

- In an administration, dividends may become available for unsecured creditors from two sources:
  - The statutory (ring-fenced) Prescribed Part fund; and/or
  - The surplus remaining after any secured and preferential creditors have been repaid in full.
- The prescribed part applies in this case as there is a floating charge created on or after 15 September 2003 over both Companies.

#### The Prescribed Part

- Under Section 176A of the Act, where after 15 September 2003 a company has granted floating charge security, a proportion of the net property of the Companies (achieved from floating charge asset realisations) must be made available for the benefit of the Companies' unsecured creditors.
- The Prescribed Part applies where there are net floating charge realisations (i.e. after costs of realisation) and is calculated as follows:
  - 50% of net property up to £10k;
  - Plus 20% of the net property in excess of £10k; and
  - Subject to a maximum of £800k (prior to the deduction of the costs of distributing).

- We can also confirm that (aside from the Prescribed Part provision where available) there will be no other surplus or funds otherwise available for unsecured creditors, as the Secured Creditors are not expected to recover their lending in full.

### LDx Group

- Based on current information we believe that there will be a Prescribed Part distribution to the unsecured creditors of LDx Group.
- We estimate that, should the Transaction successfully complete, LDx Group's net property will be in excess c.\$50m, and so the Prescribed Part will be at the maximum amount of £800k (c.\$1,013k).
- The administrators do not intend to apply to court under section 176A(5) to disapply the net property and we estimate that the Prescribed Part will provide unsecured creditors of LDx Group with a return of c. 0.21%.

### LDx International

- Based on current information, we believe that there will not be any floating charge realisations in LDx International, and so a Prescribed Part will not be available.

#### Shareholders

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



# The Administration Process

## Matters Relating to the Administration Process

**Insolvency legislation sets a 12-month maximum duration for administrations, unless the duration is extended. We expect the Companies to be placed into liquidation or dissolved when 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 the Companies within 12 months, then we will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administrations.
- At the present time, we do not anticipate an extension being required, but this will depend on certain factors beyond our control.

### Ending the Administrations

- The manner in which an Administration ends usually depends on the outcome of the Administration. The mostly likely exit route for each Administration is described below.
- We will take steps to bring the Administrations to an end at the appropriate time (and when all necessary work has been completed) and by using the exit route we believe is most appropriate at the time.

### Discharge from Liability

- We will be discharged from liability in respect of any of our actions as administrators at a time decided by the Secured Creditors, or by an order of the Court.

### Ending the Administration of LDx Group

- In this case and because we do not expect a dividend to be available for unsecured creditors (other than from the Prescribed Part), the mostly likely exit route is one of the following:
  - a) The Administration will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered; or
  - 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 James Johnson, Lisa Jane Rickelton and Lindsay Kate Hallam (and/or any subsequent or replacement administrator holding office at that time) be appointed joint liquidators of the Company by the Court.

### Ending the Administration of LDx International

- In this case and because we do not expect a dividend to be available for unsecured creditors, the mostly likely exit route is one of the following:
  - a) The Administration will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered; or
  - 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 James Johnson, Lisa Jane Rickelton and Lindsay Kate Hallam (and/or any subsequent or replacement administrator holding office at that time) be appointed joint liquidators of the Company by the Court.

## Matters Relating to the Administration Process

### Due to the Companies' financial positions, we will be seeking approval for our remuneration from the Secured Creditors.

#### Administrators' Remuneration

- We propose that our fees be based on the time we and our staff spend on the case at charge out rates agreed with the Senior Lenders, and consistent with those charged to the Group for our pre-appointment work (a time cost basis). We also propose that disbursements for services provided by our firm (defined as Category 2 expenses in SIP9) are charged as per our firm's policy.
- If a creditors' committee is appointed, it will be up to the creditors' committee to fix the basis of our fees and Category 2 expenses. If there is no committee, our fees will be approved by the following classes of creditors:
  - **LDx Group:** because we do not expect a dividend to unsecured creditors (other than via the Prescribed Part), and because we do not anticipate there being any preferential creditors, we will ask the Secured Creditors to approve our remuneration. This request for approval does not form part of these Proposals and will be done separately.
  - **LDx International:** because we do not expect a dividend to unsecured creditors, and because we do not anticipate there being any preferential creditors, we will ask the Secured Creditors to approve our remuneration. This request for approval does not form part of these Proposals and will be done separately.
- If the relevant class of 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 has been set out in Appendix C.

#### Directors' Conduct and Investigations

- We have a duty to investigate the affairs of the Companies 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.
- In this latter respect, we must submit a confidential report to the Secretary of State regarding the conduct of all directors and shadow directors who were in office during the three years before the Administration. The content of the reports are confidential and must be submitted within three months of our appointment as joint administrators.
- 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 is a normal part of the course of an Administration and does not imply any criticism of the directors.

## Matters Relating to the Administration Process

**As a part of their duties, the Companies' director must provide us with a statement of affairs for each of the Companies. The director of the Companies provided this statement shortly after our appointment as Joint Administrators.**

### **Directors' Statement of Affairs**

- We were given statement of affairs for the Companies on 29 December 2023. They were signed by the Companies sole director, Veronique Ameye, with a statement of concurrence from the Group's CFO, Dorian LeBlanc.
- A summary of the statement of affairs and our comments on it are attached as an Appendix. As required by law, it includes details of the names, addresses and debts of creditors (including details of any security held).



# Appendices

## Appendix A: Statutory Information

Please find below a summary of statutory company information for LDx Group and LDx International.

Company Information	LDx Group	LDx International
<b>Company name:</b>	■ LumiraDx Group Limited	■ LumiraDx International Ltd
<b>Previous name:</b>	■ Lumira Holdings Ltd (8 April 2015 to 26 September 2016) ■ Aegle Care (Holdings) Ltd (1 September 2014 to 8 April 2015)	■ Lumira Diagnostics Ltd (8 April 2015 to 25 May 2016) ■ Aegle Technology Ltd (17 September 2014 to 08 April 2015) ■ Aegle Care Ltd (10 July 2014 to 17 September 2014)
<b>Trading name:</b>	■ LumiraDx	■ LumiraDx
<b>Company number:</b>	■ 09198288	■ 09124383
<b>Date of incorporation:</b>	■ 1 September 2014	■ 10 July 2014
<b>Trading address:</b>	■ 3 More London Riverside, London, England, SE1 2AQ	■ 3 More London Riverside, London, England, SE1 2AQ
<b>Current registered office:</b>	■ 3 More London Riverside, London, England, SE1 2AQ	■ 3 More London Riverside, London, England, SE1 2AQ
<b>Former registered office:</b>	■ 2 Temple Back East, Temple Quay, Bristol, BS1 6EG (from 3 September 2014 to 19 July 2016) ■ 6 <sup>th</sup> Floor, One London Wall, London, EC2Y 5EB, United Kingdom (until 2 September 2014)	■ 2 Temple Back East Temple Quay Bristol BS1 6EG (from 9 April 2015 to 2 June 2016) ■ Units Scf 1&2 South Core Western International Market Hayes Road Southall Middlesex UB2 5XJ United Kingdom (until 8 April 2015)
<b>Principal trading activity:</b>	■ Manufacture of medical instruments and supplies	■ Wholesale of pharmaceutical goods
<b>Administrators:</b>	■ Andrew James Johnson, Lisa Jane Rickelton and Lindsay Hallam	■ Andrew James Johnson, Lisa Jane Rickelton and Lindsay Hallam
<b>Administrators' address:</b>	■ c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD	■ c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD
<b>Date of appointment:</b>	■ 29 December 2023	■ 29 December 2023
<b>Court name and reference:</b>	■ In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD) - CR-2023-007307	■ In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD) - CR-2023-007308
<b>Appointment made by:</b>	■ The Directors of the Company	■ The Directors of the Company

## Appendix A: Statutory Information

### Company information for LDx Group and LDx International.

Company Information	LDx Group	LDx International
<b>Actions of Administrators:</b>	<ul style="list-style-type: none"> <li>Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.</li> </ul>	<ul style="list-style-type: none"> <li>Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.</li> </ul>
<b>Officers of the Companies:</b>	<ul style="list-style-type: none"> <li>Veronique Yvonne Ameye</li> </ul>	<ul style="list-style-type: none"> <li>Veronique Yvonne Ameye</li> </ul>
<b>Company Secretary:</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Shareholdings held by the directors and company secretary:</b>	<ul style="list-style-type: none"> <li>None. 100% owned by LDx Cayman.</li> </ul>	<ul style="list-style-type: none"> <li>None. 100% owned by LDx Group.</li> </ul>
<b>Share Capital:</b>	<ul style="list-style-type: none"> <li>Authorised: 326,740 ordinary shares with a nominal amount of \$0.001 each</li> <li>Allotted, called up and fully paid: 326,740 ordinary shares of with a nominal amount of \$0.001 each</li> </ul>	<ul style="list-style-type: none"> <li>Authorised: 3 ordinary shares with a nominal amount of £1 each</li> <li>Allotted, called up and fully paid: 3 ordinary shares of with a nominal amount of £1 each</li> </ul>
<b>EU Regulation on Insolvency Proceedings:</b>	<ul style="list-style-type: none"> <li>We consider that these are “COMI proceedings” since the Companies’ registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.</li> </ul>	<ul style="list-style-type: none"> <li>We consider that these are “COMI proceedings” since the Companies’ registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.</li> </ul>

## Appendix B: Pre-Administration Costs

**The payment of unpaid pre-administration costs as an expense of the Administrations 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.**

### Pre-Administration costs

- The table opposite provides details of costs which were incurred before our appointment as administrators but with a view to the Companies entering administration, under the letter of engagement signed 14 December 2023 between FTI Consulting LLP and the Companies.
- The work included preparing for our appointment as administrators over the Companies as required by the Transaction, as well as providing ad-hoc related advice to the Group and the Secured Creditors as required by the situation.
- Our fees as administrators-in-waiting:
  - FTI have charged \$440,647.78 plus VAT to LDx Group and \$328,653.06 plus VAT to LDx International in relation to placing the Companies into administration.
  - The work done includes, among other things, preparing for placing the Companies into administration, negotiating the structure and terms of the Transaction, negotiating the Joint Administrators' funding agreement, and estimating the Group's funding requirement to completion.
  - It was necessary for this work to take place prior to our appointment in order to agree to the Transaction immediately after our appointment, in order to maximise realisations for the Companies' creditors.
- Fees charged by Fried Frank, who provided legal advice to the administrators-in-waiting:
  - Fried Frank have charged \$575,462.93 plus VAT to LDx Group and \$315,726.19 plus VAT to LDx International under and engagement letter dated 13 November 2023 engagement with the proposed administrators, for advice given to the then prospective administrators in relation to the Transaction and negotiating the SPA, the Joint Administrators' funding agreements, the Secured Creditors security, and other matters relating to their appointment.

Pre-Administration costs			
USD (\$)	Paid	Unpaid	Paid by
<b>LDx Group</b>			
Our fees as administrators-in-waiting	408,897.78	0.00	LDx Group
	31,750	0.00	LDx UK
Fees charged by Fried Frank, who provided legal advice to the administrators-in-waiting	562,762.93	0.00	LDx Group
	12,700	0.00	LDx UK
<b>Total</b>	<b>1,016,110.71</b>	<b>0.00</b>	
<b>LDx International</b>			
Our fees as administrators-in-waiting	296,903.06	0.00	LDx Group
	31,750	0.00	LDx UK
Fees charged by Fried Frank, who provided legal advice to the administrators-in-waiting	303,026.19	0.00	LDx Group
	12,700	0.00	LDx UK
<b>Total</b>	<b>644,379.25</b>	<b>0.00</b>	

#### Notes:

*We are not aware of any fees or expenses incurred by other Insolvency Practitioners as administrators-in-waiting.*

- Fees charged by Fried Frank, who provided legal advice to the administrators-in-waiting:
  - It was necessary for this work to take place prior to our appointment in order to agree to the Transaction immediately after our appointment, in order to maximise realisations for the Companies' creditors.
- Unpaid pre-Administration costs are approved by the same class(es) of creditors that determine our remuneration as administrators, or the Court. We set out earlier how remuneration would be approved in the circumstances of this case.

**Note:** pre-admin costs were charged and paid in GBP, but have been converted to USD at the 29 December 2023 rate of 1.27 GBP:USD for comparability.

## Appendix C: 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 Companies and include the insolvency practitioner's 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.
- In this case, the basis of our fees and expenses must be fixed by the Secured Creditors, unless a committee is appointed. Fee approval will be sought in due course.

### Information Provided in this Remuneration Report

- We have set out the proposed basis for our remuneration along with the following information which you should find helpful:
  - Our fees estimate;
  - An explanation of the work we expect to do, much of which has been summarised earlier in this report;
  - Details of the expenses that we consider will be (or are likely to be) incurred.
- Our current estimate of the outcome for creditors and our receipts and payments to date, have been provided earlier in these Proposals where possible.
- We will furnish creditors free of charge with such information concerning the Companies' affairs as they may reasonably require.

## Appendix C: Our Fees and How They Are Determined

**We are proposing that our remuneration for acting as joint administrators is to be calculated on a time cost basis.**

### 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 fee 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 it will be necessary to seek further approval to exceed the fees estimate. The office-holders cannot draw remuneration in excess of the total amount set out in the fees estimate without approval.

### Proposed Basis of Remuneration

- In this case, we are proposing that our remuneration be determined on a time cost basis, split between fixed and floating charge realisations as appropriate.
- A time cost basis is the most accurate reflection of costs for the work anticipated to be required. It is often appropriate where there is material ongoing uncertainty on the amount of work that will be necessary to realise the Companies' assets and complete the necessary work in the case.
- In the remainder of this section, we have set out details of our fees estimate and time charging policy.
- In the following sections, we have included an overview of our work in the Administrations and an estimate of our expenses; in order for the fee approving body to make an informed judgement about the reasonableness of our request in due course.
- If you have any questions in relation to the content of this report or the case generally, please contact us using the details provided earlier.

## Appendix C: Fees Estimate – LDx Group

**Our fees estimate is \$2,441,273.00 based on our assessment of future work required.**

### Fees Estimate

- The table opposite shows the time expected to be required in each area of the Administration and the estimated cost based on the charge-out rates given later in this section. Our total fees estimate is \$2,441,273.00, representing an estimated 3,001.0 hours at an average rate of \$813.49 per hour.
- In the next section, we provide further explanation of the work required in each of these areas. The enclosed overview of the case highlights our progress to date and key areas of future work.
- The fees estimate therefore includes an approximation of the cost of our future work based on information currently available to us, our experience in these matters and certain assumptions regarding the time likely to be required.
- This fees estimate assumes the Administration appointment lasts for 12 months, and that the Transaction is completed within six months of our appointment without significant challenge or unforeseen difficulties.
- As discussed earlier in these Proposals, our fees are subject to approval by the Secured Creditors. We are not seeking approval for our fees as part of these Proposals.

### Further Approval

- We may seek further approval should circumstances change and incurring additional time be necessary, most likely as a result of one or more of the following:
  - any material issues or complexities arise that are not currently expected;
  - the realisation of assets requires or leads to arbitration or legal proceedings;
  - our appointment goes beyond its first anniversary;
  - the agreement of claims is more complex or takes longer than expected.

### Fees Estimate Breakdown

LDx Group			
Area of Work	Estimated Hours	Estimated Cost (\$)	Average Rate/Hour (\$)
Controlling our appointment	374.0	359,306.00	960.71
Asset Realisations	294.0	282,096.00	959.51
Fulfilling our statutory duties	559.0	373,820.00	668.73
Group cash & funding request monitoring & approvals	976.0	806,852.00	826.69
Managing the Company's affairs	350.0	275,411.00	786.89
Dealing with creditors	448.0	343,788.00	767.38
<b>Totals</b>	<b>3,001.0</b>	<b>2,441,273.00</b>	<b>813.49</b>

## Appendix C: Fees Estimate – LDx International

**Our fees estimate is \$1,217,685.00 based on our assessment of future work required.**

### Fees Estimate

- The table opposite shows the time expected to be required in each area of the Administration and the estimated cost based on the charge-out rates given later in this section. Our total fees estimate is \$1,217,685.00, representing an estimated 1,524.0 hours at an average rate of \$799.01 per hour.
- In the next section, we provide further explanation of the work required in each of these areas. The enclosed overview of the case highlights our progress to date and key areas of future work.
- The fees estimate therefore includes an approximation of the cost of our future work based on information currently available to us, our experience in these matters and certain assumptions regarding the time likely to be required.
- This fee estimate assumes the administration appointment lasts for 12 months, that the Transaction is completed within six months of our appointment without significant challenge, and that LDx Colombia and LDx Brazil are sold within the first 12 months of the appointment.
- As discussed earlier in these Proposals, our fees are subject to approval by the Secured Creditors. We are not seeking approval for our fees as part of these Proposals.

### Further Approval

- We may seek further approval should circumstances change and incurring additional time be necessary, most likely as a result of one or more of the following:
  - any material issues or complexities arise that are not currently expected;
  - the realisation of assets requires or leads to arbitration or legal proceedings;
  - our appointment goes beyond its first anniversary;
  - the agreement of claims is more complex or takes longer than expected.

### Fees Estimate Breakdown

LDx International			
Area of Work	Estimated Hours	Estimated Cost (\$)	Average Rate/Hour (\$)
Controlling our appointment	146.0	141,714.00	970.64
Asset Realisations	423.0	320,981.00	758.82
Fulfilling our statutory duties	396.0	284,450.00	718.31
Group cash & funding request monitoring & approvals	186.0	165,081.00	887.53
Managing the Company's affairs	176.0	141,346.00	803.10
Dealing with creditors	197.0	164,113.00	833.06
<b>Totals</b>	<b>1,524.0</b>	<b>1,217,685.00</b>	<b>799.01</b>

## Appendix C: Time Charging Policy and Hourly Rates

**As we are proposing a time cost basis for our remuneration, the manner in which we allocate staff, charge our time and the hourly rates we use, are all important factors.**

### Staff Allocation and Time Charging Policy

- Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team at any point in time will usually consist of one or more of the grades shown in the table 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.
- All of our staff who work on the case charge time directly to it and are included in any analysis of time charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard. Time is charged in six-minute units. We don't charge general overhead costs.
- During the administration of the insolvency, will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to VAT and tax matters and the costs of which are included within our fees estimate. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and efficient approach to the relevant workstreams is possible.

### Hourly Charge-Out Rates

- In the table below, we set out the hourly charge-out rates for the various grades of staff who may work on the case. In common with many professional firms, these rates may be subject to change periodically, for example to cover annual inflationary cost increases.

Grade of Staff	Rate (\$/hour)
Senior Managing Director	1,049.00
Managing Director	976.00
Senior Director	919.00
Director	815.00
Senior Consultant	780.00
Consultant	549.00
Associate (experienced)	403.00

## Appendix C: Work Expected to be Undertaken

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

Area of Work	Description of Work	Reason and Benefit for Creditors
Controlling our Appointment	<ul style="list-style-type: none"> <li>■ <b>Strategy and planning:</b> including devising and maintaining appropriate strategies for achieving the purpose of the Administrations, engagement team meetings and documenting key decisions.</li> <li>■ <b>Case reviews:</b> periodic reviews of the Administrations, typically every six-months.</li> <li>■ <b>Financial Management:</b> preparing and maintaining cost budgets, estimated outcome statements etc, as appropriate for the case.</li> <li>■ <b>Remuneration:</b> giving information to creditors, seeking fee approval in accordance with insolvency legislation requirements, maintaining budgets and drawing fees when approved.</li> <li>■ <b>Closure matters:</b> planning and preparation for ending the Administrations and ultimate dissolution of the Companies.</li> </ul>	<ul style="list-style-type: none"> <li>■ We have a duty to perform our functions as quickly and efficiently as reasonably practicable, in the best interests of the creditors as a whole.</li> <li>■ Whilst not necessarily generating a direct financial benefit for creditors, these areas of our work ensure that our strategies to maximise realisations and minimise costs (and liabilities where possible), are kept under review and amended as appropriate.</li> </ul>
Asset Realisations	<ul style="list-style-type: none"> <li>■ <b>Sale of assets:</b> Following the immediate sale of the assets, we will fulfil any post-sale obligations and undertake the reasonable work required to support the transfer of assets to the Purchaser, such as the novation of contracts or leases, communications as necessary with counter-parties, completion of transfer documentation etc.</li> <li>■ <b>Insurance:</b> arrange 'open cover' insurance immediately on appointment, work with our insurance brokers to agree the scope of any ongoing insurance requirements and manage the policies as required; including cancellation and payment of premiums.</li> <li>■ <b>Bonding:</b> arrange specific penalty bonding for each of the Joint Administrators following their appointment, paying premiums and cancelling the bonds once the appointment comes to an end.</li> <li>■ <b>Realisation of excluded assets:</b> take steps to realise value for assets excluded from the Transaction, most notably LDx Internatioal's shareholdings in LDx Brazil Holdings and LDx Colombia Holdings.</li> </ul>	<ul style="list-style-type: none"> <li>■ The Transaction and associated subsequent work represent a direct financial benefit for the Companies creditors.</li> <li>■ Insurance cover is a necessary financial loss protection for the Companies, their creditors and the Administrators in respect of assets held (and any insurable risks arising) during the course of the Administrations.</li> <li>■ Similar to insurance, bonding provides financial protection for preferential and unsecured creditors in respect of the actions of the insolvency practitioners and up to the value of the Companies assets estimated to be available for those classes of creditors. Bonding is a statutory requirement for all insolvency practitioners.</li> </ul>

## Appendix C: Work Expected to be Undertaken

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

Area of Work	Description of Work	Reason and Benefit for Creditors
Dealing with Creditors	<ul style="list-style-type: none"> <li>■ <b>Secured Creditors:</b> liaising with / periodic reporting to the Secured Creditors; and making distributions from asset realisations under security entitlements.</li> <li>■ <b>Unsecured claims agreement:</b> reviewing and adjudicating on claims where an unsecured dividend is expected; including liaising with the creditors regarding the provision of supporting information and responding to queries.</li> <li>■ <b>Unsecured dividends:</b> preparing calculations and issuing statutory notices in advance of declaring dividends (paid out of the Prescribed Part); followed by the payment of dividends and resolution of subsequent queries. As required, liaising with the Insolvency Service in respect of any unbanked dividend cheques.</li> <li>■ Where required, maintain our systems to record and maintain creditor details, claims received, the determination thereon and the payment of dividends.</li> <li>■ <b>Creditor queries:</b> for all classes of creditors, shareholders and other third parties: responding to inbound queries received to the extent possible and necessary.</li> </ul>	<ul style="list-style-type: none"> <li>■ Where available, distributions and dividends represent a repayment to creditors in respect of the amounts owed to them by the Companies and therefore is a tangible financial benefit from the insolvency proceedings.</li> <li>■ During the course of claims agreement, we perform a proportionate level of work with an appropriate degree of scrutiny taking into account the quantum of the dividend available, to avoid incurring unnecessary costs and to avoid adversely impacting the recovery for creditors.</li> <li>■ The objective of our adjudication work is to ensure that only genuine and accurate claims are admitted for dividend purposes and where necessary we apply our expertise and commercial judgement to mitigate liabilities where possible; for the benefit of the wider body of creditors.</li> <li>■ Responding to general inbound queries can take considerable time and does not have a direct financial benefit for creditors, except for example (for individual creditors) where it is to provide debt confirmations for the purpose of credit insurance claims. To the extent possible, we encourage creditors to review information already available on our website.</li> </ul>

## Appendix C: Work Expected to be Undertaken

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

Area of Work	Description of Work	Reason and Benefit for Creditors
Fulfilling Our Statutory Duties	<ul style="list-style-type: none"> <li>■ <b>Initial letters and notices:</b> issuing all necessary correspondence following our appointment to: creditors, directors, Companies House, HMRC and others. Where a pre-pack transaction occurs, issuing our SIP 16 Statement to creditors and our regulatory body.</li> <li>■ <b>Statement of affairs:</b> requesting statements from the directors, responding to queries from the directors and filing signed statements with Companies House.</li> <li>■ <b>Proposals:</b> preparing and issuing our statement of proposals (for achieving the purpose of the Administrations) to creditors, members and filing with Companies House. Obtaining and giving notice of the approval of the Proposals to the above parties and the Court.</li> <li>■ <b>Progress reports:</b> preparing and issuing six-monthly (and final) progress reports to creditors, including receipts and payments accounts.</li> <li>■ <b>Extensions to the Administrations:</b> (if required in order to achieve the objective of the Administrations and complete our work) requesting the necessary extension(s) from the relevant class(es) of creditors, or the court.</li> <li>■ <b>CDDA and SIP2 Assessment:</b> gathering information from the directors and other sources, conducting an initial assessment of the Companies' affairs and the conduct of their current and former directors; and submitting information to the Insolvency Service (acting for the Secretary of State). Undertaking any necessary further investigations in respect of any potential asset recovery actions or dealing queries from the Insolvency Service.</li> </ul>	<ul style="list-style-type: none"> <li>■ Due to the impact of insolvency on a company's creditors and members, there are statutory requirements to give notice of the appointment of administrators to affected parties. There is no financial benefit to creditors.</li> <li>■ The various other workstreams arise from statutory requirements due to the Companies being in an insolvency process and similarly do not have any financial benefit for creditors. Many requirements are for the purpose of keeping creditors informed about the Administration and to protect their interests generally.</li> </ul>

## Appendix C: Work Expected to be Undertaken

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

Area of Work	Description of Work	Reason and Benefit for Creditors
Managing the Companies' Affairs	<ul style="list-style-type: none"> <li>■ <b>Corporation Tax:</b> prepare and submit the necessary and periodic tax returns falling due during the Administrations.</li> <li>■ <b>VAT:</b> notify HMRC of the appointments, and request that the Companies are removed from Group's VAT group.</li> <li>■ To facilitate the above work, an initial review will be performed by our internal Tax and VAT specialists; and all the information likely to be required will be obtained from the Companies' records and HMRC.</li> <li>■ <b>Books and records:</b> agree the strategy for the safeguarding and destruction (when required) of the Companies' records. This is expected to include a data capture of certain of the Companies electronic records, taking possession of the statutory books and other records likely to be required for the purpose of the Administrations; including in respect of our duties to review the conduct of the directors.</li> <li>■ <b>Bank account management:</b> opening bank accounts (under our control) for the purpose of depositing sale proceeds and other receipts, paying expenses and making distributions to creditors. Accounts are closed when no longer required and before we cease to act; and are reconciled on a monthly basis.</li> <li>■ <b>Receipts, payments and accounting journals:</b> maintaining adequate accounting records for the period of the Administrations, including the payment of costs and expenses.</li> </ul>	<ul style="list-style-type: none"> <li>■ We have a statutory responsibility to complete and submit post-insolvency tax and VAT returns and account for any tax due.</li> <li>■ As circumstances can often be complex, the involvement of our VAT and tax specialists ensures that the Companies pay the correct amount of tax, to avoid adversely impacting any amounts available for creditors.</li> <li>■ Dealing with the Companies books and records does not necessarily give a financial benefit to creditors, although they are essential when any defending actions against the Companies from third parties and when adjudicating creditor claims and can lead to additional recoveries for creditors.</li> <li>■ Opening bank accounts for the Administrations avoids the costs and logistics of taking control of the Companies existing accounts (which are usually closed shortly after appointment). Regular reconciliations of the new accounts assist in maintaining accurate records for the Administration.</li> </ul>
Group cash & funding request monitoring & approvals	<ul style="list-style-type: none"> <li>■ <b>Group cash &amp; funding request monitoring &amp; approvals:</b> reviewing funding requests received from subsidiaries, making payments are required for them to continue to trade as a going concern, and making funding requests to the Secured Creditor in order to fund these payments.</li> </ul>	<ul style="list-style-type: none"> <li>■ This is necessary to complete the Transaction for the benefit of each Companies creditors.</li> </ul>

## Appendix C: Expenses of the Administration

**Costs are necessarily incurred by the Companies and its administrators during the course of the Administration. Certain categories of these costs must be approved in the same manner as remuneration prior to payment.**

### Definition of Expenses

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

### Professional Advisors and Subcontractors

- The following professional advisors and subcontractors have been engaged:

Firm	Services	Fee Arrangement	Reason Selected
EPE Reynell	Gazette Notices	Fixed cost per advert	Specialist and cost-effective provider of advertising services to insolvency practitioners
Aon UK Limited	Insurance Risk Services	Insurance premiums	Experienced provider of insurance broking services to insolvency practitioners, with an approved facility in place for appointments taken by insolvency practitioners at FTI
Fried Frank	Legal Advice	Legal advice	Experienced legal advisers in insolvency, including cross border. Familiarity with the Companies (as incumbent legal advisors) and the transaction from pre-appointment involvement.

- Our choice of professional advisors and subcontractors was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. We also considered that the basis on which they will charge their fees is appropriate in the circumstances. Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced it as we consider it to be more cost effective and the providers have relevant specialist experience.

## Appendix C: Estimate of Expenses

**We estimate that expenses totalling c.\$324,445.00 plus VAT will be incurred in LDx Group and c.\$175,855.00 plus VAT in LDx International, principally in relation to legal fees.**

### Expenses Estimate

- The table opposite shows our estimate 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 be seeking approval to the basis upon which these may be charged to the estate. If this changes, we will write to the fee approving body at the appropriate time to seek the necessary approval.
- As the table shows, expenses totalling c.\$324,445.00 are estimated to arise in the proceedings of LDx Group and c.\$175,855.00 in the proceedings of LDx International (plus VAT where applicable), the majority of which relates to Fried Frank's legal fees.
- We are satisfied that the amounts expected to be incurred are reasonable in the circumstances of the case.
- There is no requirement for us to seek approval to any Category 1 expenses and the overall estimate provided does 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 this estimate.

Firm	Services	LDx Group Estimated Cost (\$)	LDx International Estimated Cost (\$)
Fried Frank	Legal advice	321,945.00	173,355.00
EPE Reynell	Gazette Notices	500.00	500.00
Aon UK Limited	Insurance	1,000.00	1,000.00
Aon UK Limited	Bonding	1,000.00	1,000.00
<b>Total Estimate</b>		<b>324,445.00</b>	<b>175,855.00</b>

**Note:** Fried Frank's costs were estimated in GBP, but have been converted to USD at the 29 December 2023 rate of 1.27 GBP:USD for comparability.

## Appendix D: Statement of Affairs

### **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.**

- A copy of the directors' statement of affairs is provided in this Appendix. Our comments on the statement are as follows:
  - As is normal in a statement of affairs, there is no provision for the costs of realising the Companies' assets or the costs of the Administration.
  - We have not audited the information.
  - The directors of LDx International have excluded potential future realisation for shares held in LDx Colombia Holdings and LDx Brazil Holdings, which were excluded from the Transaction.
  - These assets are not fungible and the administrators will make efforts to realise value following their appointment. We are currently exploring this through an active and ongoing sales process. Realisations made through any future sale will increase the recovery for creditors within the LDx International estate.

# Statement of affairs

<b>Name of Company</b> LumiraDx International Ltd	<b>Company number</b> 09124383
<b>Court</b> In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)	<b>Court case number</b> CR-2023-007308

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

statement as to the affairs of LumiraDx International Ltd, formerly known as Lumira Diagnostics Limited, Aegle Technology Limited and Aegle Care Limited ("the Company")  
on the (b) 29 December 2023, 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) 29 December 2023, 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 **Veronique Yvonne Ameye**

Signed



Date

December 29, 2023

**A - Summary of Assets**

Assets	Book Value \$	Estimated to Realise \$
<b>Assets subject to fixed charge:</b>	0.00	0.00
<b>Total assets subject to fixed charge</b>	0.00	0.00
<b>Less: Amount(s) due to fixed charge holder(s)</b>	(378,614,847.10)	(378,614,847.10)
<b>Shortfall / surplus to fixed charge holder(s) c/d</b>	(378,614,847.10)	(378,614,847.10)
<b>Assets subject to floating charge:</b>		
Cash & Cash Equivalents	12,629.14	12,629.14
Intellectual Property	0.00	499,998.00
Investment in Subsidiaries	22,364,072.99	145,666.00
Interco Accounts Receivable	6,517,676.51	0.00
<b>Total assets subject to floating charge</b>	28,894,378.64	658,293.14
<b>Uncharged assets:</b>		
No uncharged assets	0.00	0.00
<b>Total uncharged assets</b>	0.00	0.00
<b>Estimated total assets available for preferential creditors</b>	28,894,378.64	658,293.14

Signature 

Date December 29, 2023

**A1 - Summary of Liabilities**

	Book Value \$	Estimated to Realise \$
Estimated total assets available for preferential creditors (carried from page A)	28,894,378.64	658,293.14
<b>Liabilities</b>		
Ordinary preferential creditors:		
Employees (no employees)		0.00
<b>Estimated deficiency / surplus as regards ordinary preferential creditors</b>		<b>658,293.14</b>
Secondary preferential creditors:		
HMRC		0.00
<b>Estimated deficiency / surplus as regards secondary preferential creditors</b>		<b>658,293.14</b>
Less uncharged assets		0.00
<b>Net property</b>		<b>658,293.14</b>
Estimated prescribed part of net property where applicable (to carry forward)		(134,658.63)
<b>Estimated total assets available for floating charge holders</b>		<b>523,634.51</b>
Debts secured by floating charges		(378,614,847.10)
<b>Estimated deficiency / surplus of assets after floating charges</b>		<b>(378,091,212.59)</b>
Estimated prescribed part of net property where applicable (brought down)		134,658.63
Uncharged assets		0.00
<b>Total assets available to unsecured creditors</b>		<b>134,658.63</b>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		(30,889,189.29)
Consumer creditors for pre-paid goods or services (no consumer creditors)		0.00
Employees (no employees)		0.00
Shortfall to floating charge holders (brought down)		(378,091,212.59)
<b>Estimated deficiency / surplus as regards creditors</b>		<b>(408,845,743.25)</b>
Issued and called up capital		(3.81)
<b>Estimated total deficiency / surplus as regards members</b>		<b>(408,845,747.06)</b>

Signature



Date

December 29, 2013









## Statement of affairs

<b>Name of Company</b> LumiraDx Group Limited	<b>Company number</b> 09198288
<b>Court</b> In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)	<b>Court case number</b> CR-2023- 007307

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

statement as to the affairs of LumiraDx Group Limited, formerly known at as Lumira Holdings Limited and Aegle Care (Holdings) Limited ("the Company")

on the (b) 29 December 2023, 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) 29 December 2023, 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      **Veronique Yvonne Ameye**

Signed



Date

December 29, 2023

**A - Summary of Assets**

Assets	Book Value \$	Estimated to Realise \$
<b>Assets subject to fixed charge:</b>		
Investment in Subsidiaries	27,551,722.92	25,445,657.00
<b>Total assets subject to fixed charge</b>	<b>27,551,722.92</b>	<b>25,445,657.00</b>
<b>Less: Amount(s) due to fixed charge holder(s)</b>	<b>(378,614,847.10)</b>	<b>(378,614,847.10)</b>
<b>Shortfall / surplus to fixed charge holder(s) c/d</b>	<b>(351,063,124.18)</b>	<b>(353,169,190.10)</b>
<b>Assets subject to floating charge:</b>		
Cash & Cash Equivalents	8,105.27	8,105.27
Investment in Subsidiaries	1,142,174,493.82	268,908,677.00
Intellectual Property	0.00	1.00
Interco Accounts Receivable	38,439,706.26	134,659.03
Accounts receivable	12,394.79	0.00
VAT Receivable	1,158,090.22	1,158,090.22
Prepaid Expenses	6,409,654.98	0.00
<b>Total assets subject to floating charge</b>	<b>1,188,202,445.33</b>	<b>270,209,532.52</b>
<b>Uncharged assets:</b>		
No uncharged assets	0.00	0.00
<b>Total uncharged assets</b>	<b>0.00</b>	<b>0.00</b>
<b>Estimated total assets available for preferential creditors</b>	<b>1,188,202,445.33</b>	<b>270,209,532.52</b>

Signature  Date October 29, 2023

**A1 - Summary of Liabilities**

	Book Value \$	Estimated to Realize \$
Estimated total assets available for preferential creditors (carried from page A)	1,188,202,445.33	270,209,532.52
<b>Liabilities</b>		
Ordinary preferential creditors:		
Employees (no employees)	0.00	0.00
<b>Estimated deficiency / surplus as regards ordinary preferential creditors</b>		<b>270,209,532.52</b>
Secondary preferential creditors:		
HIMRC	0.00	0.00
<b>Estimated deficiency / surplus as regards secondary preferential creditors</b>		<b>270,209,532.52</b>
Less uncharged assets		0.00
<b>Net property</b>		<b>270,209,532.52</b>
Estimated prescribed part of net property where applicable (to carry forward)		(800,000.00)
<b>Estimated total assets available for floating charge holders</b>		<b>269,409,532.52</b>
Debts secured by floating charges		(353,169,190.10)
<b>Estimated deficiency / surplus of assets after floating charges</b>		<b>(83,759,657.58)</b>
Estimated prescribed part of net property where applicable (brought down)		800,000.00
Uncharged assets		0.00
<b>Total assets available to unsecured creditors</b>		<b>800,000.00</b>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		(378,614,847.10)
Consumer creditors for pre-paid goods or services (no consumer creditors)		0.00
Employees (no employees)		0.00
Shortfall to floating charge holders (brought down)		(83,759,657.58)
<b>Estimated deficiency / surplus as regards creditors</b>		<b>(461,574,504.68)</b>
Issued and called up capital		(326.74)
<b>Estimated total deficiency / surplus as regards members</b>		<b>(461,574,831.42)</b>

Signature  Date 29.10.23









Rule 3.31

Insolvency (England and Wales) Rules 2016

**Statement of concurrence**

<b>Name of Company</b> LumiraDx International Ltd	<b>Company number</b> 09124383
<b>Court</b> In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)	<b>Court case number</b> CR-2023-007308

(a) Insert full name and address of registered office of company to which statement of affairs relates

With regards the Statement as to the Affairs of LumiraDx International Ltd, formerly known at as Lumira Diagnostics Limited, Aegle Technology Limited and Aegle Care Limited (“the Company”)

(b) Insert date statement of truth on the statement of affairs was made

made on (b) 29 December 2023

(c) Insert full name of person who made the statement of truth on the statement of affairs being concurred with

by (c) Veronique Yvonne Ameye

**Statement of Truth**

(d) Insert full name and address of person making statement

I (d) Dorian LeBlanc

C/o LumiraDx, 221 Crescent Street, 5th Floor, Waltham, Massachusetts, 02453, USA

\*Delete as applicable

\* concur with the Statement of Affairs of the above Companies and I believe that the facts stated in the Statement of Affairs are a full, true and complete statement of the affairs of the Companies on the date that they 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.

OR

(e) Please list matters in the statement of affairs which you are not in agreement with, or which you consider to be erroneous or misleading, or matters to which you have no direct knowledge and indicate reason for listing them

~~\*concur with the Statement of Affairs of the above company, subject to the following qualifications (e)~~

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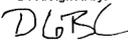
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~~and believe that, subject to these qualifications, the facts stated in the statement of affairs are a full, true and complete statement of the affairs of the Companies on the date that they entered administration. I understand that proceedings for 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

**Dorian Leblanc**

Signed

DocuSigned by:  
  
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Dated

**29 December 2023**

Rule 3.31

Insolvency (England and Wales) Rules 2016

**Statement of concurrence**

<b>Name of Company</b> LumiraDx Group Limited	<b>Company number</b> 09198288
<b>Court</b> In the High Courts of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)	<b>Court case number</b> CR-2023-007307

(a) Insert full name and address of registered office of company to which statement of affairs relates

With regards the Statement as to the Affairs of LumiraDx Group Limited, formerly known at as Lumira Holdings Limited and Aegle Care (Holdings) Limited ("the Company")

(b) Insert date statement of truth on the statement of affairs was made

made on (b) 29 December 2023

(c) Insert full name of person who made the statement of truth on the statement of affairs being concurred with

by (c) Veronique Yvonne Ameye

**Statement of Truth**

(d) Insert full name and address of person making statement

I (d) Dorian LeBlanc

C/o LumiraDx, 221 Crescent Street, 5th Floor, Waltham, Massachusetts, 02453, USA

\*Delete as applicable

\* concur with the Statement of Affairs of the above Companies and I believe that the facts stated in the Statement of Affairs are a full, true and complete statement of the affairs of the Companies on the date that they 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.

**OR**

(e) Please list matters in the statement of affairs which you are not in agreement with, or which you consider to be erroneous or misleading, or matters to which you have no direct knowledge and indicate reason for listing them

~~\*concur with the Statement of Affairs of the above company, subject to the following qualifications (e)~~

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~~and believe that, subject to these qualifications, the facts stated in the statement of affairs are a full, true and complete statement of the affairs of the Companies on the date that they 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

**Dorian Leblanc**

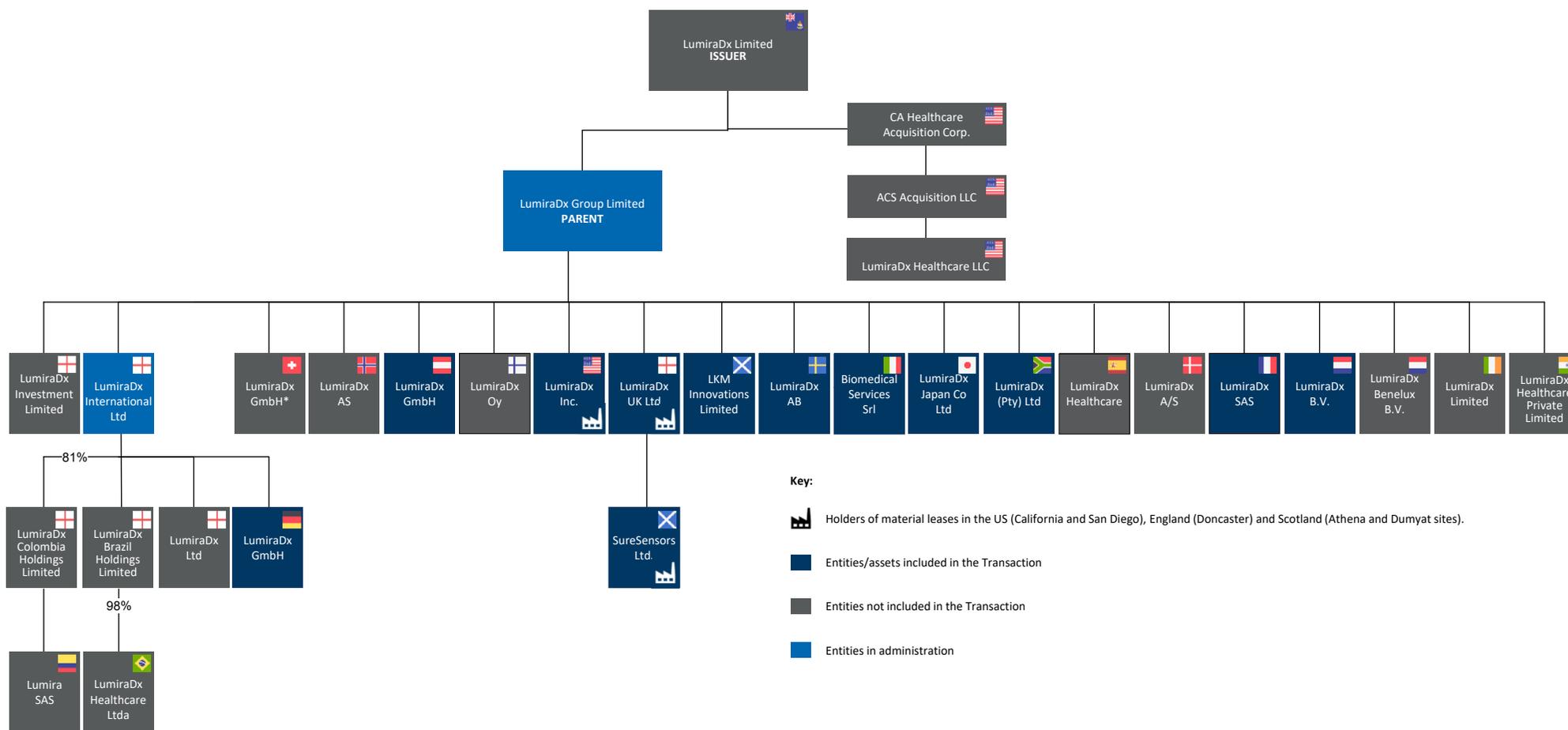
Signed

DocuSigned by:  
*DGL*  
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Dated

**29 December 2023**

# Appendix E: Simplified Group Structure



Notes: (a) Unless otherwise specified, shareholdings in subsidiaries are 100% beneficially owned. (b) LumiraDx GmbH (Switzerland) is in the process of being wound down – not yet complete.

## Appendix F: Glossary

Term	Meaning
<b>Act / IA86</b>	Insolvency Act 1986 (as amended)
<b>Administration(s)</b>	The Administration of the Companies
<b>Administrators / Joint Administrators / we / our / us</b>	Andrew James Johnson, Lisa Jane Rickelton and Lindsay Hallam
<b>Appointment date</b>	29 December 2023
<b>Board</b>	The boards of the Companies
<b>c.</b>	Approximately
<b>CDDA</b>	Company Directors Disqualification Act 1986
<b>Covington</b>	Covington Associates, LLC
<b>Directors</b>	The directors of the Companies
<b>Fried Frank</b>	Fried, Frank, Harris, Shriver & Jacobson (London) LLP
<b>FTI</b>	FTI Consulting and FTI FS
<b>FTI Consulting</b>	FTI Consulting LLP
<b>FTI FS</b>	FTI Financial Services Limited
<b>GS / Goldman Sachs</b>	Goldman Sachs & Co. LLC
<b>HMRC</b>	HM Revenue and Customs
<b>ICAEW</b>	Institute of Chartered Accountants in England & Wales
<b>IP</b>	Insolvency Practitioner
<b>IR16 / the Rules</b>	Insolvency (England and Wales) Rules 2016 (as amended)
<b>LDx Austria</b>	LumiraDx GmbH (Austria)
<b>LDx Brazil Holdings</b>	LumiraDx Brazil Holdings Limited (UK)
<b>LDx Cayman</b>	LumiraDx Limited (Cayman)

Term	Meaning
<b>LDx Colombia</b>	Lumira SAS (Colombia)
<b>LDx Colombia Holdings</b>	LumiraDx Colombia Holdings Limited (UK)
<b>LDx Denmark</b>	LumiraDx A/S (Denmark)
<b>LDx Germany</b>	LumiraDx GmbH (Germany)
<b>LDx Group</b>	LumiraDx Group Limited (England & Wales)
<b>LDx Inc</b>	LumiraDx Inc. (Delaware, USA)
<b>LDx India</b>	LumiraDx Healthcare Pvt. Limited (India)
<b>LDx International</b>	LumiraDx International Ltd (England & Wales)
<b>LDx Investment</b>	LumiraDx Investment Limited (England & Wales)
<b>LDx Italy</b>	Biomedical Services Srl (Italy)
<b>LDx Japan</b>	LumiraDx Japan Co Ltd
<b>LDx Netherlands</b>	LumiraDx BV (Netherlands)
<b>LDx Sweden</b>	LumiraDx AB (Sweden)
<b>LDx Switzerland</b>	LumiraDx GmbH (Switzerland)
<b>LDx UK / Opco</b>	LumiraDx UK Limited
<b>LKM</b>	LKM Innovations Limited (Scotland) (Previously known as LumiraDx Technology Limited)
<b>Management</b>	The management of the Group
<b>NASDAQ</b>	The Nasdaq Stock Market
<b>NDA</b>	Non-Disclosure Agreement
<b>Official Receiver</b>	An officer of the Court belonging to The Insolvency Service in the UK
<b>PAYE / NIC</b>	Pay-as-you-earn tax / National Insurance Contributions

## Appendix F: Glossary

Term	Meaning
<b>Preferential creditors</b>	First-ranking: Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions Second-ranking: HMRC in relation to certain specified debts
<b>Pre-packaged sale</b>	A sale agreed pre-administration which is completed immediately after a company is placed into administration
<b>Prescribed Part</b>	Amount set aside for unsecured creditors from floating charge net realisations in accordance with Section 176A IA86
<b>Proposals</b>	This Statement of Proposals and all its appendices
<b>Purchaser</b>	Roche Diagnostics Limited
<b>QFCH</b>	Qualifying Floating Charge Holder(s)
<b>RPS</b>	Redundancy Payments Service
<b>Schedule B1</b>	Schedule B1 IA86
<b>Secured Creditors</b>	Creditors with security in respect of their debt in accordance with Section 148 IA86. In this case, the Secured Creditors are Biopharma Credit Plc, in its capacity as qualifying floating charge holder in respect of the Companies, acting as security trustee for itself, BPCR Limited Partnership and BioPharma Credit Investments V (Master) LP
<b>Secured Debt</b>	The Group has borrowed c.\$378m from the Secured Creditors. LDx Group and LDx International are obligors of this borrowing.
<b>SIP</b>	Statement of Insolvency Practice
<b>SIP 16</b>	Pre-packaged sales in administrations
<b>SIP 2</b>	Investigations by office holders in administration and insolvent liquidations
<b>SPA</b>	Share Purchase Agreement
<b>Suresensors</b>	Suresensors Limited (Scotland)

Term	Meaning
<b>The Companies</b>	LumiraDx Group Limited (in administration) and LumiraDx International Ltd (in administration)
<b>The Group</b>	LDx Cayman and its direct and indirect subsidiaries
<b>Transaction</b>	The pre-packaged sale certain of the Companies' assets to the Purchaser, as described in these Proposals and SIP16 Statement
<b>Transaction Conditions</b>	The conditions for the Transaction to complete.
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential. Principally trade creditors, landlords, intercompany debts and utility providers. HMRC and employee-related claims that do not rank preferentially are also included here.
<b>VAT</b>	Value Added Tax