

AM03

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	0	9	2	7	8	1	0	4
Company name in full	PRZ REALISATIONS (2) LIMITED							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	MATTHEW BOYD
Surname	CALLAGHAN

3 Administrator's address

Building name/number	200 ALDERSGATE
Street	ALDERSGATE STREET
Post town	LONDON
County/Region	GREATER LONDON
Postcode	E C 1 A 4 H D
Country	UNITED KINGDOM

4 Administrator's name ①

Full forename(s)	ANDREW
Surname	JOHNSON

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	200 ALDERSGATE
Street	ALDERSGATE STREET
Post town	LONDON
County/Region	GREATER LONDON
Postcode	E C 1 A 4 H D
Country	UNITED KINGDOM

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals

☒ I attach a copy of the statement of proposals**7**

Qualifying report and administrator's statement ^①

☐ I attach a copy of the qualifying report☐ I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature

X



X

Signature date

d

2

d

9

m

0

m

7

y

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y

0

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y

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AM03

Notice of Administrator's Proposals



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	TOM HATFULL									
Company name	FTI CONSULTING									
Address	200 ALDERSGATE									
ALDERSGATE STREET										
Post town	LONDON									
County/Region	GREATER LONDON									
Postcode	E	C	I	A		4	H	D		
Country	UNITED KINGDOM									
DX										
Telephone										



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

ALI

Surname

KHAKI

3 Insolvency practitioner's address

Building name/number 200 ALDERSGATE

Street ALDERSGATE STREET

Post town LONDON

County/Region GREATER LONDON

Postcode E C 1 A 4 H D

Country UNITED KINGDOM

The Joint Administrators have become aware of an omission from the Appendices to the Joint Administrators' Proposals with Appendix II to the SIP 16 report having not been included in the initial submission to Companies House dated 25 February 2021. The following version has therefore been filed to ensure a full version is available to the Company's creditors through Companies House.

JOINT ADMINISTRATORS' PROPOSALS

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Glossary

Abbreviation / Term	Meaning / Definition
Act / IA86	Insolvency Act 1986 (as amended)
Administration	The Administration of Prezzo Holdings Limited and Prezzo Limited (together "the Group" or "the Companies")
ASA	Asset Sale Agreement
Appointment date	10 February 2021
BEIS	Department for Business, Energy and Industrial Strategy
Joint Administrators / Administrators / we / our / us	Matthew Callaghan, Andrew Johnson and Ali Khaki
c	Approximately
CDDA	Company Directors Disqualification Act 1986
CI	Cain International LP
CT	Corporation Tax
EBITDA	Earnings Before Interest, Taxes, Depreciation, Amortization
FTI / FTI UK	FTI Consulting LLP
HMRC	HM Revenue & Customs
LTO	Licence to occupy leasehold premises, granted to the Purchaser for a period of between 1 and 6 months whilst new leases or lease assignments are negotiated
Lucid	Lucid Agency and Trustee Services Limited, the security agent for the Secured Creditor
PAYE	Pay-as-you-earn tax
Preferential Creditors	First ranking: Principally employee claims for unpaid wages (maximum £800 per employee), holiday pay and certain unpaid pension contributions Second ranking: HMRC in respect of certain specified debts, including unpaid VAT and PAYE / NIC
Prescribed Part	Amount set aside for Unsecured Creditors from floating charge net realisations in accordance with Section 176A of the Act
PHL	Prezzo Holdings Limited
PL	Prezzo Limited

Abbreviation / Term	Meaning / Definition
Proposals	The Joint Administrators' proposals, dated 25 February 2021
Purchaser	Prezzo Trading Limited
RPS	Redundancy Payments Service, part of the Insolvency Service (an executive agency of BEIS)
Rules / IR16	Insolvency (England and Wales) Rules 2016 (as amended)
Secured Creditors	A creditor with security in respect of its debt in accordance with Section 248 of the Act. The secured creditors of the Companies are CI and Warwick.
Secured Debt	Three facilities totalling c£57m with the majority of the debt provided by CI and c£1.0m provided by Warwick Capital Partners LLP.
Sch B1	Schedule B1 to the Act
SIP	Statement 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.
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Remuneration of insolvency office holders
SIP 16	Pre-packaged sales in administration
Transaction	Pre-packaged sale of the Group's assets to the Purchaser, which is ultimately owned by the Secured Creditor, on 10 February 2021
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured Creditors	All creditors without security or preferential status. Typically this includes trade creditors, suppliers, customers, contractors and some employee claims.
Warwick	Warwick Capital Partners LLP in its capacity as a minority holder of Group secured debt totalling £1m.

1 Executive Summary

Summary of Key Matters

Key Topic	Commentary
Nature of Business	Licensed restaurants (PL) and holding company (PHL).
Principal Realisable Assets	- The principal assets of the business included goodwill, trading names, plant (including kitchen equipment), fixtures and fittings and cash. - As set out within the Joint Administrators' SIP 16 report, the majority of the business and assets of the Group were sold to the Purchaser on appointment. The Purchaser (Prezzo Trading Limited) is an entity ultimately owned by CI.
Estimated Recovery: Secured Creditors	- The Group's Secured Debt comprised of three facilities totalling c£57m. - The form of consideration paid by the Purchaser for the Transaction was a credit bid of £2.40m of the existing Secured Debt and cash consideration of £2.64m. - Of the £54.6m Secured Debt outstanding following the credit bid, it is expected that this balance will remain, with no further distributions expected to the Group's Secured Creditors.
Estimated Recovery: First-ranking Preferential Creditors	213 employees in PL were made redundant following the appointment of the Joint Administrators. The quantum of the likely distribution to Preferential Creditors is estimated to be £250k, representing payment in full.
Estimated Recovery: Second-ranking Preferential Creditors	Following the reintroduction of UK crown preference, we anticipate a preferential dividend being paid to HMRC given its status as a second-ranking preferential creditor. The quantum of this dividend is difficult to estimate and subject to change. However, on current information we anticipate a dividend of c£1.2m.
Estimated Recovery: Unsecured Creditors	Based on current information, we do not expect a return for Unsecured Creditors from the Administrations.
Estimated Recovery: Shareholders	Given that we do not expect a return to Unsecured Creditors, we also do not anticipate a return for the Companies' shareholders.
Decision Procedure to approve these Proposals	Pursuant to Paragraph 52(1)(b) Sch B1, no decision procedure is required for either of the Companies as there is expected to be no return to Unsecured Creditors. As such, the Proposals will be deemed approved unless a request for a decision is received (in line with Rule 15.18 IR16) from creditors with at least 10% of the total debts of the company and within eight business days of these Proposals being delivered. Please note that deemed approval does not extend to the Administrators' remuneration, for which separate approval is required.
Date Proposals Deemed Delivered:	- These Proposals were issued (and deemed delivered) to all known creditors on 25 February 2021. - All known creditors had been informed that future documentation relating to the Administrations would be online at www.fticonsulting-emea.com/cip/prezzo-restaurants without further notice to creditors.

Stakeholder Messages

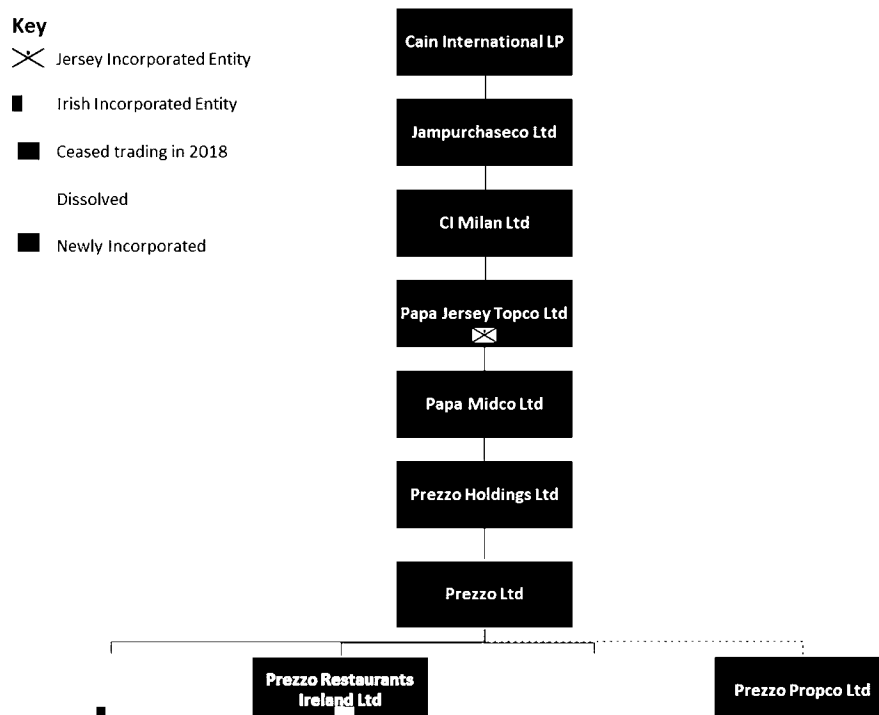
1.1 We summarise below the key messages for the Group's stakeholders:

- Secured Creditors:
 - The Group had three facilities totaling £57m, with £56m provided by CI and £1m provided by Warwick. The Secured Creditor has the benefit of fixed and floating charge security over the assets of the Group.
 - The estimated return to the Secured Creditors from the Administration is the £2.4m that was credit bid by CI as the consideration for the purchase of the business and assets of PL. The total debt due to the Secured Creditors was c£57m, leaving a shortfall of c£54.6m. There is not expected to be any further realisations for the benefit of the fixed charge creditors through the Administrations and as consequence, returns from secured asset realisations will remain at this level.
- Preferential Creditors:
 - Preferential Creditors consist of those with first-ranking preferential status (predominately employee-related claims) and second-ranking preferential status (HMRC in relation to certain liabilities).
 - At the date of the Administration, PL employed 2,766 staff, all in the UK. Some 213 of these employees were made redundant on the date of Administration and were working at sites that were not taken under licence by the Purchaser. PHL had no employees at the date of the Administration.
 - First-ranking preferential employee claims are expected to total c£250k based on the Group's records. These preferential claims are anticipated to be paid in full in due course.
 - All employees who were made redundant have been provided with information to make a claim with the RPS. If employees need assistance to complete their claim, they should contact ERA Solutions at claims@era-solutions.co.uk.
 - In respect of HMRC's second-ranking preferential claim, we understand relevant claims total c£7.92m, consisting predominately of arrears of VAT and PAYE. As both PL and PHL were members of a VAT group they are jointly liable for VAT arrears. However, as PHL does not have any known realisable assets, any preferential distribution will be paid from PL.
 - We anticipate realisations to be sufficient to enable a distribution to the second-ranking Preferential Creditor. The quantum of this dividend is difficult to estimate and is subject to change. However, on current information we expect a dividend of c£1.2m.
- Unsecured Creditors:
 - Unsecured Creditors of PL consist of a combination of trade creditors, landlords and utility providers. Our understanding based on current information is that there are no Unsecured Creditors in PHL. We do not expect a return for Unsecured Creditors in PL or (should there be any) in PHL.
 - However, please be aware although non-preferential unsecured creditors are not expected to receive a distribution from the Administration estate, we understand that the Purchaser will require continued support from a number of the Group's existing suppliers and will therefore be looking to discuss ongoing arrangements with a number of them.

2 Introduction and Background

Introduction

- 2.1 In our SIP 16 report dated 11 February 2021 and issued to all known creditors, we provided the background to the Administration and details of the pre-pack sale to the Purchaser. Some of that information is repeated below where beneficial or necessary for the purpose of these Proposals. A copy of our SIP 16 report is also included at Appendix G.
- 2.2 On 10 February 2021, the Directors appointed the Joint Administrators over the Companies.
- 2.3 This report is required by legislation and is intended to provide creditors with an overview of why the Companies entered Administration, the purpose of the Administrations, how we propose to achieve this and the progress to date.
- 2.4 A simplified group structure chart is shown below:



- 2.5 The principal operations and assets of the Companies are summarised below:

- PL:** The group's main trading entity. PL held all of the group's fixed assets, IT systems, intellectual property, cash and inventory and was party to all of the property lease agreements and employee contracts. PL also holds the equity in Prezzo Restaurants Ireland Limited and Prezzo Propco Limited, both of which are understood to be effectively dormant and hold no value to PL as their equity holder.
- PHL:** A holding company which fully owns the shares in PL. Based on financial information provided to the Joint Administrators', PHL held no assets with realisable value at the date of Administration. The company was insolvent by virtue of the Secured Debt and VAT group liability and we believed it was expedient to place the company into Administration at the same time as PL. This would also allow any issues arising from the pre-pack sale that were found to affect PHL, to be addressed quickly.

- As there were no known assets and in order to facilitate completion of the pre-pack sale in the time available, an option for the Purchaser to acquire any assets held by PHL (subject to certain exceptions) for aggregate consideration of £1 was included within the ASA.
- As PHL was a holding company with no known assets, the majority of information provided in these Proposals relates specifically to PL, unless otherwise stated.
- The Directors are required to provide us with a statement of the Companies' affairs (as at the date of Administration). We are also required to investigate what assets there are (including potential claims against third parties) and what recoveries can be made.

Background

- 2.6 Founded in 2000, Prezzo is a well-known restaurant group in the Italian Casual Dining market and operated 178 leasehold restaurants throughout the UK.
- 2.7 After a period of expansion and market under-performance, the Group underwent a CVA in 2018 to rationalise the estate leaving a core of profitable sites, as well as a restructuring of its balance sheet. Following this restructuring, new leadership was put in place to lead a turnaround and rehaul its strategy, focusing on people, food and drink, environment, customer and brand and operations.
- 2.8 Prior to the COVID-19 pandemic, the Group had made progress against its turnaround plan. However, in line with the rest of the hospitality industry, the Group has faced unprecedented disruption as a consequence of the COVID-19 pandemic.
- 2.9 At the outset of the COVID-19 crisis, the Group was put into hibernation, furloughing the majority of its staff, limiting outgoing payments to a minimum and engaging in discussions with key stakeholders (including HMRC and landlords). Between March and July 2020, home delivery capacity was doubled to expand the Group's 'Dine at Home' channel. Notwithstanding the actions taken by management, the ongoing headwinds resulted in a £14m forecast funding requirement and as a result, an independent advisor was engaged to run a sales process in June 2020.
- 2.10 The sale process saw 58 parties contacted with 21 parties subsequently signing non-disclosure agreements and accessing additional information made available to them. Four parties entered discussions with management and the process ended with two offers. Both offers were similarly structured and ultimately an offer from CI was accepted and transacted. CI agreed to purchase the Group on 2 December 2020 and completed the transaction on 16 December 2020. The consideration included a material discount for the Group debt facilities which totalled £57m and a nominal amount being paid for the Group equity ("the December transaction"). As a result of the December transaction, CI became both the ultimate owner and secured creditor of PL and PHL. However, following this transaction, the extent and likely prolonged duration of the third national lockdown became apparent. Despite a number of landlords actively engaging in discussions to address arrears and ongoing rent liabilities, it became clear these discussions would not be concluded at a sufficient level and in a suitable timeframe to overcome the additional challenges the third lockdown had presented.
- 2.11 In the face of ongoing uncertainty, CI concluded that they were no longer able to support the business on a solvent basis. However, they also informed the Directors that they were in the process of preparing an offer to acquire the business and assets of the Group by way of a pre-pack sale.
- 2.12 Whilst negotiations over terms of the sale continued, the Directors managed the cash and net creditor position to maximise value in the business for the benefit of the Group's creditors ahead of the proposed transaction. Since the December transaction, CI have provided c£2.4m of funding in order to provide liquidity that enabled the Group to make business critical payments and ensure the overall position of creditors was not materially worsened ahead of the Transaction. They were not, however, willing to fund another accelerated sale process.
- 2.13 In any event, and as previously noted, the sale process several weeks earlier did not give rise to an offer that redeemed the Secured Debt in full. Since the December transaction, the position of the Group and the market deteriorated further. CI confirmed they would not countenance an offer unless it provided a material return over and above their initial investment.

- 2.14 The Group also instructed Gordon Brothers International LLC ("GB") in late January 2021 to carry out an independent valuation of the furniture and equipment held at the Group's sites (the valuation was conducted by a suitably qualified chartered surveyor). The purpose of the valuation was to ensure that the Transaction provided a better return to the Group's creditors than would have been the case in a winding up. The ex-situ value provided by GB was £1.2m prior to the costs of realisation, which were expected to be significant given the assets were spread across the Group's 178 restaurants (at an average asset value of c£7k per site).

3 Conduct of the Administration

Purpose of the Administration

- 3.1 The purpose of an administration must be to achieve one of the statutory objectives, as follows:
- a. rescuing the company as a going concern; or
 - b. achieving 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. realising property in order to make a distribution to one or more secured or preferential creditors.
- 3.2 For the reasons set out below, in particular the quantum of the Group's Secured Debt and its funding requirements, we concluded that it was not possible to rescue either of the Companies as a going concern and, as non-preferential-unsecured creditors would not receive a better return than they would have in a winding up, it was decided that statutory objective (c) should be pursued.
- 3.3 The transaction enables objective (c) to be achieved as the realisations enable both a distribution to be made to the Secured Creditors and, on the basis of current information, enable a distribution to both the first-ranking (employees) and second-ranking (HMRC) preferential creditors in PL. The Transaction provided the best outcome for creditors of the Group and was to the advantage of all classes of creditors other than non-preferential-unsecured creditors who were not disadvantaged as a consequence of the transaction.

Sales Process

- 3.4 Immediately following their appointment as joint administrators on 10 February 2021, substantially all of the business and assets of the Group were sold by the Joint Administrators to the Purchaser.
- 3.5 Our SIP 16 report sets out full details of the Transaction and should be read in conjunction with these Proposals (see Appendix G). Please note that our SIP 16 report was issued to all known creditors on 11 February 2021.
- 3.6 As set out previously in this report, the consideration from the Purchaser in respect of the Transaction was £5.04m. For further information in relation to the consideration apportionment, please refer to Appendix II of the SIP 16 report. The full consideration amount relates to assets held by PL.
- 3.7 In respect of PHL and under the terms of the ASA, the Purchaser has acquired an option to buy any assets held by PHL (subject to certain exceptions) for aggregate consideration of £1. For the avoidance of doubt and based on information that has been made available to the Joint Administrators', PHL holds no assets with realisable value.
- 3.8 Some 156 of the 178 Prezzo restaurants are anticipated to continue trading following the cessation of the third national lockdown, with the Joint Administrators' having granted an LTO for these premises whilst new arrangements are negotiated between the Purchaser and the respective landlords.

- 3.9 All landlords have been notified of the LTO other than in relation to the 22 sites which have been vacated. The LTO fee payable by the Purchaser to PL will be equal to the total amount of rent and other associated costs payable by PL to landlords on a monthly basis. We again invite landlords to submit invoices to us (as set out in our direct correspondence to them) in order to avoid any unnecessary delays in paying the amounts falling due as an expense of the Administration.
- 3.10 A total of 2,553 employee contracts were transferred to the Purchaser under TUPE as part of the Transaction.

Investigation / Regulatory

- 3.11 We will shortly commence our review of relevant information in respect of the Companies and their Directors in accordance with SIP 2. We are also required to investigate the affairs of the Companies in general, in order to consider whether any civil proceedings should be taken on their behalf.
- 3.12 The data gathered from our initial investigations will assist with our statutory duties pursuant to the CDDA. We are obliged to review the conduct of all Directors in respect of the Companies in the three-year period prior to the date of the Administration.
- 3.13 Should any creditors have any further relevant information in relation to the Directors' conduct, they should provide details in writing to the Joint Administrators. This request forms part of our normal investigations into Directors' conduct and does not imply any criticism of the Directors in this particular case. The content of our reports in relation to this are confidential and must be submitted to BEIS within three months of our appointment as joint administrators.
- 3.14 If creditors wish to bring to our attention any specific matters that merit investigation, they should contact the Joint Administrators using the following details; by post to Prezzo Group, C/O FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD or alternately by email to prezzo@fticonsulting.com.

Taxation

- 3.15 We have notified HMRC of our appointment, including providing CT and PAYE references.
- 3.16 As LTOs were granted for leases that cannot transfer prior to receiving landlord's consent, an option to tax all property interests for VAT purposes has been made. This will ensure that input VAT paid on property-related costs is fully recoverable. There was no requirement to make VAT adjustments under the Capital Goods Scheme for historic capex or fit-out works to properties.
- 3.17 As is typical in an administration of this size and complexity, we will be instructing the FTI Tax team to complete the necessary CT and VAT returns and, when required, to file the relevant forms to complete VAT deregistration.

British Gas Deposit

- 3.18 PL had lodged an £800k deposit with British Gas in relation to its electricity supply and the deposit was considered likely to be partially available upon an insolvency.
- 3.19 However, British Gas has a contractual right to set-off the deposit against unpaid balances and termination fees, estimated to be in the region of £626k and £46k respectively. This would leave a potential net recovery of £125k having applied a small amount of both legal and office holder costs in respect of realising the asset.
- 3.20 On the basis of the above, the Purchaser has agreed to pay £125k for the benefit of the deposit on condition that it is successfully novated. Following discussions with British Gas we understand that issues are unlikely to arise in relation to the novation and this is expected to complete in relatively short order.

Insurance Prepayments

- 3.21 Insurance policies were taken by PL in relation to property and business interruption, car insurance and employers and public liability, with each of these policies due to expire on 30 June 2021. As is common with insurance, each of these amounts has been pre-paid and c£157k of future cover had been paid for.
- 3.22 On the basis that the policies can be successfully novated, the Purchaser has paid 100p in the £ for the benefit of ongoing cover. In circumstances where the policies are unable to be novated, the current expectation is that only c£76k of the prepayment would be fully recoverable in the Administration with the position in respect of the balance having greater uncertainty.

Media

- 3.23 The Administration of the Group has generated moderate levels of media coverage and inbound media enquiries.
- 3.24 On appointment, the Group issued a statement notifying the press about the Administration and the Transaction and FTI's Strategic Communications team has been dealing with proactive and reactive press statements and inbound media enquiries.
- 3.25 This engagement has included issuing proactive press statements to national media outlets and trade publications and has been helpful in communicating the circumstances and impact of the Administration to creditors, employees and wider stakeholders.

GDPR

- 3.26 As part of the ASA, the Purchaser has committed to comply in all respects with the Data Protection laws in connection with the processing of the personal data relating to the business and assets they have purchased.
- 3.27 We will register the Group in Administration with the Information Commissioner to ensure compliance with Data Protection regulations, given the Companies held both employee and customer data.

Administrators' Receipts and Payments

- 3.28 A copy of the receipts and payments accounts for each of the two Administration estates is set out at Appendix E. The only receipts of note to date are the cash consideration from the sale of the business and assets, the cash received in relation to the British Gas deposit and insurance prepayments. For the avoidance of doubt, we are expecting to receive further amounts totaling £346k from cash held in the Companies' pre-Administration bank accounts.

Administrators' Remuneration

- 3.29 Full details relating to the Administrators' proposed post-appointment remuneration are set out at Appendix D. For information relating to the Joint Administrators' pre-Administration costs, please refer to Appendix C.
- 3.30 It should be noted that the Joint Administrators' fees are proposed to be drawn on two bases:
1. A set fee of £900k that has been agreed with the Secured Creditors and would be paid from fixed charge assets; and
 2. Fees based on time properly spent by the Joint Administrators and members of their staff at their standard charge out rates and payable from floating charge assets. As confirmed in Appendix D, our fees estimate in this respect is £415k.

- 3.31 The proposed basis of fees and allocation between the fixed and floating charge assets, is broadly in line with the split of sale consideration. The significantly higher amount to be paid from the Secured Creditors' fixed charge realisations, also reflects the greater amount of work being performed for the benefit of the Secured Creditors, such as the considerable amount of work expected to be required in administering the LTO and property portfolio. The allocation also maximises the amount available for HMRC as the second-ranking Preferential Creditor.
- 3.32 Depending on the progress made by the Purchaser in reaching agreements with the landlords, it may be necessary to extend the LTO in order to provide more time to complete the process. Should this be the case, we would seek to charge the Purchaser for the direct and indirect costs falling on the Companies as a result, which are most likely to include our time in continuing to administer the property portfolio, additional statutory work and other costs arising from the prolonged period of the Administration.
- 3.33 It is proposed that our remuneration in respect of this additional work, will be calculated as 100% of the amount received from the Purchaser (excluding VAT) in respect of these incremental costs incurred. See Appendix D for further information.
- 3.34 Costs related to our work prior to the date of the Administration were incurred under a separate letter of engagement in relation to advisory services provided to PL. See Appendix C for more details.

Remaining Steps

- 3.35 Whilst only a summary of the key issues, the remaining steps that need to be taken ahead of concluding the Administration include:
- Co-ordinate lease assignments, surrenders and new leases for properties under the LTO and ensure the costs of ongoing lease liabilities are met.
 - Realise any residual assets not transferred as part of the ASA, including a regular cash sweep of residual cash balances held in pre-appointment accounts.
 - Distribute realisations to creditors in accordance with any relevant statutory or contractual provisions, including Preferential Creditor distributions.
 - Recovery of amounts due in relation to PL's outstanding business interruption insurance claim for the initial lockdown period.
 - Report on the Directors' conduct as required under the CDDA.
 - Correspond with redundant employees and creditors as and when necessary.
 - Complete statutory and compliance work including notifications, bonding, reporting, collection of books and records and internal reviews.
 - Resolve any taxation / VAT issues including the submission of appropriate post-appointment returns.
 - Report to any Committee (should one be formed) and comply with statutory reporting requirements.
 - Take the required steps to bring the Administrations to a conclusion.
- 3.36 We will provide an update on the above matters in our first report on the progress of the Administrations in just over six months' time.

4 Directors' Statement of Affairs

- 4.2 The Directors are required to provide a statement of affairs for each of the Companies. The purpose of the statement of affairs is to set out the financial position of the Companies as at the date they entered administration.
- 4.3 Due to the nature of the pre-packaged sale and its timing, the Directors' have yet to submit the statements of affairs, however, we are expecting these to be completed shortly and within the timeframes provided by the Joint Administrators. In the meantime, we have provided an estimated statement of the Companies' financial position as at 10 February 2021 at Appendix F.
- 4.4 No detailed audit or verification work has been carried out by the Joint Administrators in respect of the estimated statement of financial positions. In completing the statements, we have relied on the most recent available financial information provided by Group's management, together with details obtained from the Transaction. In line with the standard format for a statement of affairs, the tables below do not include costs of the Administrations referred to in this report, which reduce the amount showing as available to creditors.

5 Estimated Outcomes

Secured Creditor

- 5.1 Pursuant to a Senior Facilities Agreement dated 24 December 2014 (as amended from time to time), the secured lenders made available to PHL (as borrower) certain loan facilities.
- 5.2 Pursuant to a Deed of Debenture dated 24 December 2014 and a supplemental debenture dated 20 August 2018, each of PL and PHL have granted fixed and floating charge security over their assets to the security agents on behalf of the secured lenders.
- 5.3 As of 10 February 2021 (the date of the Administrators' appointment), the Group was indebted to the Secured Creditors pursuant to the Senior Facilities Agreement, in the amount of £57m. Given the structure of the Transaction as a partial credit bid, the release of £2.40m of debt reduces the Secured Creditors' claim in the Administration to £54.6m. This outstanding balance is still owed by the Companies but is not expected to reduce any further as a result of any funds held by the Administrators or from any additional recoveries they may achieve.
- 5.4 There is not anticipated to be a return to the Secured Creditors from PHL as it has no known assets.
- 5.5 We engaged Addleshaw Goddard LLP, an independent law firm experienced in insolvency matters, to undertake a review of all security and comment on its validity. They have confirmed the validity of the security.

Preferential Creditors

- 5.6 Preferential Creditors are split into two categories: (1) first-ranking preferential creditors mainly consisting of amounts due in relation to employee debts, including holiday pay and arrears of wages and (2) second-ranking preferential creditors consisting of specified amounts owed to HMRC. In the case of PL this includes VAT, PAYE, student loan repayments and NICs.
- 5.7 Dividends to Preferential Creditors are paid from floating charge realisations, after deducting the costs and expenses of the Administration.
- 5.8 First ranking Preferential Creditors in the estate of PL are expected to be paid in full in due course. This is likely to happen once the RPS has finished paying statutory amounts claimed directly by employees and has provided such details to us.

- 5.9 For second-ranking Preferential Creditors, we estimate a dividend of c£1.2m will be paid to HMRC by PL. This estimate is based on certain cost assumptions that may alter depending on issues arising during the Administration. Should this be the case, the quantum of the second-ranking preferential dividend may materially change.
- 5.10 There are not expected to be any first-ranking Preferential Creditors in PHL, as this entity did not have any employees. PHL is expected to have no assets with which to make a distribution to HMRC (as second-ranking Preferential Creditor) in respect of the Group VAT liability.

Unsecured Creditors / Prescribed Part

- 5.11 Unsecured Creditors rank behind both Secured and Preferential Creditors. There will not be sufficient funds to repay the Secured or Preferential Creditors in full in the Administrations and therefore a distribution to the Unsecured Creditors will not be available.
- 5.12 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 company (achieved from floating charge asset realisations) must be made available for the benefit of the company's Unsecured Creditors. This is known as the Prescribed Part.
- 5.13 As a consequence of the shortfall to the Preferential Creditors, there will not be a payment by way of a Prescribed Part to the Unsecured Creditors of either of the Companies.
- 5.14 We are awaiting a finalised statement of affairs from the Directors, however a creditor listing as at 31 January 2021 has been provided. This list of Unsecured Creditors is included at Appendix J.

Shareholders

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

6 Proposed Exit

- 6.1 In accordance with the provisions of the Act, the Administration will automatically expire one year after the commencement of the Administration, unless an extension is granted by the court or with the consent of creditors.
- 6.2 The most likely exit route for the Administration of the Companies is by filing a notice of dissolution with the Registrar of Companies. The Companies will then automatically be dissolved by the Registrar of Companies three months after the notice is registered, if no alternative action is taken.
- 6.3 The only material asset which potentially remains to be recovered is cash held in the Companies' pre-Administration bank accounts and the potential realisations from the business interruption insurance claim. However, these recoveries are not anticipated to lead to a dividend for the Unsecured Creditors.
- 6.4 There are no further recovery actions expected at this stage. Should any successful recovery action be identified and pursued such that there would be realisations sufficient to distribute to Unsecured Creditors above the value of the Prescribed Part, the Joint Administrators would seek to place the Companies into CVL, with the Joint Administrators being appointed as Joint Liquidators, with any of them being able to undertake any act required or authorised under any enactment individually. As noted above, this is not anticipated based on current information.
- 6.5 In the event that creditors wish to nominate an alternate liquidator(s) they may do so in accordance with Paragraph 83(7)(a) Sch B1 and Rule 3.60(6)(b) IR16 and before these Proposals are approved.
- 6.6 The Administrations may end at different times and in different ways, depending on when the objective of each Administration has been achieved, our work is complete and what the outcomes for creditors are.

Discharge of Administrators' Liability

- 6.7 Pursuant to Paragraph 98 Sch B1, the Administrators' discharge of liability in respect of their actions as joint administrators of each of the Companies, takes effect at the specific time appointed by either the court, the creditors (either via the creditors' committee or by decision of the creditors) or, in specific circumstances, by the secured and (if appropriate) preferential creditors. This discharge will be sought under separate cover in due course.

7 Approval of Joint Administrators' Proposals

- 7.1 The whole of this document and its appendices form our statement of proposals for achieving the statutory purpose of the Administrations.
- 7.2 Pursuant to Paragraph 52(1)(b) Sch B1, no decision procedure is required for either of the Companies as there is expected to be no return to Unsecured Creditors. As such, the Proposals will be deemed approved unless a request for a decision is received (in line with Rule 15.18 IR16) from creditors with at least 10% of the total debts of the company and within eight business days of these Proposals being delivered. Please note that deemed approval does not extend to the Administrators' remuneration, for which separate approval is required.
- 7.3 Any request for a decision to be sought in respect of these Proposals, must include:
- a) a statement of the requesting creditor's claim;
 - b) a list of the creditors concurring with the request, showing the amounts of their respective debts in the Administration;
 - c) written confirmation of their concurrence from each concurring creditor; and
 - d) a statement of the purpose of the proposed decision.

8 Next Report and Further Information

- 8.1 In order to facilitate communication, all statutory reports, documents and notices will be posted on to a website which has been set up specifically for the Group. The web address is www.fticonsulting-emea.com/cip/prezzo-restaurants.
- 8.2 All documents will be retained on the website and will be available until two months after the conclusion of the proceedings. If you require hard copy documents, please contact us at "The Prezzo Administrators, c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD" and you will be provided, free of charge, with a hard copy of documents available, either now or in the future, on the website.
- 8.3 Please note, as set out in our initial letter to creditors, other than any notice of intended dividend, no notice will be given to you when documents are uploaded to the website. It is therefore important that you review the website regularly to check for updates, such as notices of decision procedures and updates on the progress of the Administrations.
- 8.4 We are required to provide a statutory progress report to all creditors within one month of the end of the first six months of the Administration, or when the Administration comes to an end, whichever is sooner.

- 8.5 If you have any specific queries in relation to this report or the Administration in general, please contact the Administrators at prezzo@fticonsulting.com or on 020 3727 1079. Creditors can also use these contact details to request a hard copy of this report.

For and on behalf of the Companies



Matthew Boyd Callaghan
Joint Administrator

The affairs, business and property of the Companies are being managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and without personal liability.

Matthew Boyd Callaghan, Andrew Johnson and Ali Khaki are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) of the Insolvency Act 1986.

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

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix A: Statutory Information

Company Name:	Prezzo Limited		
Previous Name	Prezzo Plc		
Court Reference	CR-2021-000236		
Registered Number	03919682		
Date of Incorporation	4 February 2000		
Shareholdings held by directors / secretary	Director Name	Status	Shareholding
	Karen Elisabeth Dind Jones	Current director	Nil
	Dean Challenger	Current director	Nil
	CI Milan Limited	Current director	Nil
Trading Names	Prezzo		
Registered Office	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	Johnston House, 8 Johnston Road, Woodford Green, Essex, IG8 0XA		
Court Name / Address	High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)		
Administrators' Names and Insolvency Practitioner Numbers	Matthew Boyd Callaghan (14630), Andrew Johnson (17670) and Ali Khaki (25690)		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Functions of Administrators	Pursuant to Paragraph 100 Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	10 February 2021		
Appointer / Applicant	The Directors of the company		
Appointment Type	By the directors of the company pursuant to Paragraph 22 Sch B1. Pursuant to Paragraph 26(1) Sch B1, the appointor gave written notice of their intention to appoint administrators.		
Objective being pursued	Objective (c): Realising property in order to make a distribution to one or more secured or preferential creditors.		
Security	Fixed and floating charges over all of its assets in favour of Lucid, the security agent for the Secured Creditors		
Current Administration End Date	9 February 2022		

The affairs, business and property of PL are being managed by the Joint Administrators. The Joint Administrators act as agents of PL and without personal liability. FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>

Company Name:	Prezzo Holdings Limited		
Previous Name	Papa Bidco Limited		
Court Reference	CR-2021-000237		
Registered Number	09278104		
Date of Incorporation	23 October 2014		
Shareholdings held by directors / secretary	Director Name	Status	Shareholding
	Karen Elisabeth Dind Jones	Current director	Nil
	Dean Challenger	Current director	Nil
	CI Milan Limited	Current director	Nil
Trading Names	N/A		
Registered Office	c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Former Registered Office	Johnston House 6 Johnston Road, Woodford Green, London, IG8 0XA		
Court Name / Address	High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD)		
Administrators' Names and Insolvency Practitioner Numbers	Matthew Boyd Callaghan (14630), Andrew Johnson (17670) and Ali Khaki (25690)		
Administrators' Address	FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD		
Administrators' Regulator	ICAEW		
Functions of Administrators	Pursuant to Paragraph 100 Sch B1, the Administrators may exercise any of the powers conferred on them by the Act jointly or individually		
Appointment Date	10 February 2021		
Appointer / Applicant	The Directors of the company		
Appointment Type	By the directors of the company pursuant to Paragraph 22 Sch B1. Pursuant with Paragraph 26(1) Sch B1, the appointor gave written notice of their intention to appoint administrators.		
Objective being pursued	Objective (c): Realising property in order to make a distribution to one or more secured or preferential creditors.		
Security	Fixed and floating charges over all of its assets in favour of Lucid, the security agent for the Secured Creditors		
Current Administration End Date	9 February 2022		

The affairs, business and property of PHL are being managed by the Joint Administrators. The Joint Administrators act as agents of PHL and without personal liability. FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix B: Ethics / Pre-Appointment Role

Ethics

- The Joint Administrators are licenced in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.
- As licensed insolvency practitioners, the Administrators are bound by the Code of Ethics when carrying out all professional work.
- A copy of the Insolvency Code of Ethics can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.
- Further information on insolvency processes in general, including a step-by-step guide can be found at: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/>

Pre-Appointment Role

- FTI were introduced to the Group following an introduction by a landlord who leased a number of sites to the Group. Prior to this introduction, neither FTI nor the Joint Administrators' had a prior relationship with Group.
- FTI were retained by the Group on 22 December 2020 to undertake a review of both the solvent and insolvent options available to the Group. On 6 January 2021, a supplemental engagement letter was entered into to cover both a contingency planning workstream where, on the basis that a solvent solution could not be found, the Group would need to prepare for an insolvency, and an ongoing monitoring role of the Group's short term cash flow forecast. The engagements were led by Matthew Callaghan, who was ultimately appointed as one of the Joint Administrators.
- As required by the Insolvency Code of Ethics, the Joint Administrators considered the relevant guide to our professional conduct and ethics issued by our regulatory body and are satisfied that the existence of this prior relationship does not create any conflict of interest or threat to independence, and therefore considered themselves able to act as administrators of the Companies.
- We consider that the following safeguards and disclosure are applicable in the circumstances (certain of these safeguards and disclosures would be applicable regardless of the pre-appointment role):
 - Ensuring full disclosure to creditors and company directors of FTI UK's pre-appointment role and related fees incurred and paid;
 - Obtaining legal advice on the validity of the appointment and security over the Companies assets;
 - Ensuring thorough file notes of all key decisions;
 - Consultation with third parties such as any creditors committee, professional body, or other insolvency practitioners, where required;
 - Obtaining legal advice from a solicitor or barrister with appropriate experience and expertise; and
 - Regular review of the application of safeguards.

Appendix C: Statement of Pre-Administration Costs

Set out below is information required to be provided in relation to pre-Administration costs in accordance with Rule 3.35(10), Rule 3.36 and Rule 3.52 IR16. Payment of any unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52, and not part of the proposals subject to approval under Paragraph 53 Sch B1.

Pre-administration fees and expenses incurred by the Administrators

Date of applicable engagement letter	22 December 2020 and 6 January 2021,
Parties to the engagement letter	FTI Consulting LLP and Prezzo Limited
Scope of work	- A review to consider the options available to the Group - Monitoring and supporting the Directors on the Short Term Cash Flow Forecast ("STCFF") - Assisting the Group in preparing a contingency plan in conjunction with legal advisors as appropriate - Drafting the SIP 16 report and other initial letters in anticipation of the pre-packaged sale and the Administrations - Planning a communications strategy for the Administrations - Reviewing the tax consequences of the Transaction on the Companies, with a view to maximising realisations for the Companies' creditors
Why the work was carried out before the Administration	- We undertook regular reviews of the PL short term cash flow forecast to ensure there was sufficient liquidity whilst the Transaction was negotiated and agreed - A significant amount of pre-appointment planning and work was necessarily required to be able to execute the Transaction on day 1 of the Administrations - We believe this strategy was in the best interests of the creditors as a whole and has enabled the statutory purpose of the Administrations to be achieved. See further comments below. - Given the pre-packaged Transaction and the reporting requirements to creditors, the SIP 16 report was drafted and a number of the immediate letters and notices were also prepared in anticipation of the Administrations
How the work was intended to further the achievement of the Administration	- The pre-appointment work enabled the Joint Administrators to gain a more enhanced understanding of the Companies and their business and assets than they would have been able to achieve without completing the work. This meant the Joint Administrators were able to make decisions on the date of appointment to maximise value for creditors including effecting the sale of the majority of the Group's assets - The SIP 16 report sets out the reasons why the Administration strategy was anticipated to provide a better return to the Companies' creditors than if the Companies were wound up
Identity of party which made the payments	Prezzo Limited
Fees incurred	We incurred time costs of £464,351 plus VAT whilst conducting pre-appointment work, for which we have already been paid in full. The work was undertaken on a time cost basis and covered the pre-appointment work for both Companies. Whilst PL required more work than PHL, the

Joint Administrators are required to carry out their duties in line with statutory and regulatory guidelines. FTI was both engaged and paid by PL in respect of the pre-appointment work undertaken, the main operating entity and holding the majority of the Group's cash.

Expenses incurred

Addleshaw Goddard ("AG") undertook the necessary legal formalities to both put the Companies into Administration and to advise the Joint Administrators on the transaction documentation. They were formally engaged by Prezzo Limited on 22 January 2021.

AG's total pre appointment time costs were £199,417.50 of which £58,000 plus VAT was paid by PL in advance of the Administration. This left an unpaid pre-administration balance in relation to AG's pre appointment time costs of £141,417.50.

The following workstreams were undertaken by AG ahead of the Administration:

- Drafting and finalising the ASA with effect from the end of January 2021, including liaising with legal representatives of the Purchasers.
- Providing advice in respect of the sale in relation to property and employment matters;
- Advice to the Company including attending board meetings and preparing board minutes in relation to these.
- Advice regarding miscellaneous administration matters; and
- Preparing the appointment documents for placing the Companies into Administration.

These work streams were necessary to enable both the Companies to be placed into Administration and for the transaction to proceed to completion and ultimately enables the purpose of the Administration to be achieved.

The approval of unpaid pre-administration costs is an expense of the Administration and is subject to approval under Rule 3.52 IR16. Where subject to no creditors committee being appointed it will be for the secured and preferential creditors to approve these expenses. Approval for pre-administration expenses will be sought in due course.

The Administrators are not aware of any fees charged to, or expenses incurred by, the Group in respect of any other person qualified to act as an insolvency practitioner in relation to the Group.

Appendix D: Post-Appointment Time Costs and Expenses

In this appendix we have provided the following information:

- A description of the work we have already done, work that is ongoing and that we propose to undertake;
- Details of the expenses we consider will be, or are likely to be, incurred; and
- A fees estimate for the part of our remuneration that we are proposing will be determined by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration.

The above information must be provided to creditors before we seek approval to the basis of our remuneration from the relevant classes of creditors. In this case and because no dividends are expected for the Unsecured Creditors, these matters will be determined by the Secured Creditors and Preferential Creditors. We are not expecting to draw fees for dealing with the Administration of PHL, as it has no assets to pay for such costs.

Summary of our work in the Administrations

The main body of our report includes narrative on the main areas of our post-appointment work on the Administrations. The table below summarises the main areas of work undertaken by category, with an indication as to whether this work is ongoing (O), completed (C) or intended future work (F) and sets out the workstreams that are anticipated to be undertaken. We have also indicated in the table below the rationale for undertaking the work e.g. whether required by statute or compliance of the SIPs, or whether a potential direct benefit for creditors.

Category	Description	Rationale/ Benefit to Creditors
Administration & Planning	• Case planning devising appropriate strategies for the Companies and dealing with the case and giving instructions to the staff to undertake the work on the cases (O). • Issuing the statutory notifications to creditors and others required on appointments as office holder, including posting a notice in the Gazette of the office holders' appointments (C). • Routine administrative tasks, such as setting up case files and dealing with routine correspondence (O). • Obtaining specific penalty bonds (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate) (O). Review of this bond on a quarterly basis (F). • Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court. (F) • Cashiering – including opening, maintaining and managing the office holders' estate bank accounts, processing of receipts and payments and bank reconciliations (O). • Undertaking periodic reviews of the progress of the cases, including 6-month progress reports to creditors (F). • If appropriate, seeking consent for extensions to the period of the Administrations and filing the relevant notices with the Registrar of Companies (F).	Statutory / compliance requirement and to ensure efficient project management

Investigations	- Where required, recovering, listing and reviewing the electronic books and records for the cases (O). - Submitting online returns on the conduct of the directors for both entities as required by the Company Directors Disqualification Act (F). - Conducting initial investigations with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc. (O). - Liaising with the Companies' Directors in relation to the completion of the Statement of Affairs (O). - Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors (O).	Statutory requirement and to assess whether potential claims
Realisation of Assets	- Arranging suitable insurance over assets including the leasehold properties where LTOs have been granted (C). - Regularly monitoring the suitability and appropriateness of the insurance cover in place (O). - Completing a sale process of substantially all the assets in the Group (C). - Liaising with the Companies' bankers regarding pre-appointment accounts and arranging for periodic transfers of funds, including pre-appointment debtors, and closure of the accounts (O).	Identify, assess and seek to realise potential value
Landlords	- Administration of lease surrenders and correspondence with non-retained landlords (O). Administration of LTO's for retained sites, including invoicing and payment of rent during the LTO period (O). - Handling the surrender of non-retained landlords and dealing with the claims these landlords have in the relevant Administrations (O).	Required under the terms of the ASA, which provided significant benefit to the Companies' creditors
Creditors	- Obtaining information from the case records about employee claims (O). - Completing documentation for submission to the Redundancy Payments Office (C). - Corresponding with employees regarding their claims (O). - Liaising with third party providers instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done (O). - Dealing with creditor correspondence, emails and telephone conversations regarding their claims (O). - Maintaining up to date creditor information on the case management system (O). - Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend (F). - Calculating and paying dividends to Preferential Creditors and issuing the notice of declaration of dividend (F). - Paying tax deducted from the dividends paid to employees (F).	Statutory requirements, required for orderly case management and facilitates return of funds to Preferential Creditors
Tax	- Preparing and filing VAT returns (F). - Preparing and filing Corporation Tax returns (F). - Seeking closure clearance from HMRC and other relevant parties (F).	Statutory requirements

Reporting	• Preparing, reviewing and issuing proposals to the creditors and members (C). • Filing the proposals at Companies House (F). • Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court (F). • Reporting to the Secured Creditors on the progress of the Administration (O). • Preparing, reviewing and issuing 6-monthly progress reports to creditors and members (F). • Filing progress reports at Companies House (F). • Preparing, reviewing and issuing final reports to creditors and members (F). • Filing final reports at Companies House (F).	Required by statute and to inform creditors
Technology	• Register with the Information Commissioners Office to ensure GDPR compliance.	Compliance / legal requirement

The work set out in the table above includes both PL and PHL. However, the aspects of work expected to relate to PHL are those in relation to statutory and regulatory matters, as well as general progression and oversight of the Administration.

Proposed Basis of Remuneration

As noted in this report and illustrated in the following appendices, the majority of value recovered from the Companies' assets is subject to fixed charge security. Similarly, a large proportion of our post-appointment work will be performed for the benefit of the Secured Creditors. Therefore, it is important that our remuneration is allocated between the fixed and floating charges in a manner that reflects the value obtained for creditors and the amount of work we need to do. We are proposing different bases for our remuneration as set out below.

Remuneration as a Set Amount

We have agreed with the Secured Creditor that the majority of our remuneration will be paid from assets subject to its fixed charge security and have agreed a set fee of £900k for this work. In broad terms, the work covered by this set fee includes the significant amount of work expected to be required in dealing with the large property portfolio, specifically:

- Accounting for and invoicing the Purchaser for amounts due under the LTO's;
- Monthly payment runs to cover amounts invoiced by landlords;
- Co-ordinating assignments between the Purchaser, PL and the relevant landlords;
- Assisting Landlords in relation to issues and queries they have in relation to the Administration process; and
- Alongside legal advisors reviewing assignments to ensure they cover the necessary protections for the Purchaser.

A proportion of the statutory duties and compliance tasks undertaken by the Joint Administrators will be applied to amounts attributable to the fixed charge, given these workstreams are required for all stakeholders in an Administration.

The Joint Administrators hold the view that £900k is a reasonable and fair reflection of the work expected to be required in order to complete the workstreams detail above. Fixing the fees as a set amount was a result of discussions with the Secured Creditors and in order to provide some certainty on the outcome of the Transaction.

CI is the principal beneficiary of realisations from fixed charge realisations and the party with the main financial interest in the level of our remuneration paid from these proceeds. As explained above, CI and Lucid have confirmed their agreement to this.

Remuneration on a Time Cost Basis

We are proposing that our remuneration for all other work (payable from assets subject to floating charge security) will be determined by reference to time properly spent by the Joint Administrators and their members of staff at their standard charge-out rates for work of this nature. The Administrators believe this is the most appropriate mechanism in the circumstances as it ensures that creditors are only charged for work that is performed in the Administration.

A schedule of FTI's charge-out rates (exclusive of VAT) for this assignment is shown below. All time incurred by the Joint Administrators and their staff is recorded in six-minute increments. In common with many professional firms, these rates may rise to cover annual inflationary cost increases.

Grade	Restructuring £ per Hour	Tax £ per Hour
Senior Managing Director	925	865
Managing Director	795	730
Senior Director	740	675
Director	660	640
Senior Consultant	585	390
Consultant	500	325
Associate	235	220
Intern	180	-
Administrative	180	160

When administrators seek approval for fees to be charged on a time cost basis, a fee estimate must be provided to creditors. That estimate acts as a cap on time costs, whereby fees cannot be drawn over that amount without further approval from those who approved the fees.

A breakdown of our fee estimate is provided below. The fee estimate represents the time costs that we anticipate will be incurred in undertaking our duties specifically attributable to the floating charge in respect PL during the Administration and (where applicable) should the Joint Administrators become liquidators, their duties in the liquidation. In this case, a liquidation is not expected to follow the Administration.

Task	Total Time Estimate (Hours)	Total Cost Estimate (£)	Average Cost Estimate (£/hour)
Administration & Planning	190	85,000	447
Investigations	100	50,000	500
Realisation of Assets	125	60,000	480
Creditors & Shareholders	230	92,500	402
Tax	130	55,000	423
Reporting	160	65,000	406
Media	25	7,500	300
Fees Estimate	960	415,000	432

On the basis of current information, we do not expect it will be necessary to seek further approval to exceed this fees estimate in due course.

Remuneration as a Percentage of Realisations

Depending on the progress made by the Purchaser in reaching agreements with the landlords, it may be necessary to extend the LTO in order to provide more time to complete the process. Should this be the case, we would seek to charge the Purchaser for the direct and indirect costs falling on the Companies as a result, which are most likely to include our time in continuing to administer the property portfolio, additional statutory work and other costs arising from the prolonged period of the Administration.

It is proposed that our remuneration in respect of this additional work will be calculated as 100% of the amount received from the Purchaser (excluding VAT) in respect of these incremental costs incurred.

We believe this is an appropriate basis for the following reasons:

- a) It is a simple mechanism that matches our fees for the work done solely for the Purchaser, directly to the amount received from the Purchaser; thereby avoiding any adverse impact on the outcome for the Secured or Preferential Creditors;
- b) At the time of determining the proposed bases of our remuneration, the duration of any future assistance to the Purchaser is indeterminate and therefore it would be difficult to estimate the total time and cost required if using the alternative bases available; and
- c) It avoids the statutory costs of additional reporting to creditors (if a time cost basis was used) and seeking further approvals from Secured and Preferential Creditors, if costs exceed the initial fees estimate for that work.

Approval of Fee Basis and Estimates

Fee approval will be required in relation to all of the bases set out above, including the level of the set amount, the fees estimate and recovery of costs incurred for the Purchaser. Such approval is required from the Secured Creditors and Preferential Creditors (by way of decision procedure) prior to any remuneration being drawn.

Whilst time costs will be incurred in properly dealing with the affairs of PHL, the Joint Administrators have taken the view that they will not seek to recover fees from the PHL estate.

Cost Estimates

Provided below are breakdowns of our estimated external costs (exclusive of any applicable VAT). Please note that the paid to date column represents actual costs paid and is therefore not prepared on an accruals basis.

Payee	Type of Cost	Paid to date (£)	Estimated Future (£)	Estimated Total (£)
Aon UK Limited	Bonding	-	388	388
EPE Reynell	Gazetting	-	184	184
ERA Solutions	Employee Claims	-	8,890	8,890
Aon UK Limited	Insurance	-	15,221	15,221
Addleshaw Goddard LLP	Legal Support	-	291,000	291,000
Walker Morris	Legal Support (Where AG have a conflict)	-	9,000	9,000
Total		-	324,683	324,683

Extending the Administrations

If necessary, to achieve the statutory objective of the Administrations, we may seek an extension to the period of the Administrations (beyond the statutory period of one year). This requires the consent of court or the appropriate classes of creditor.

Professional Advisors and Subcontracted Work

The table below provides details of professional advisors and subcontractors that we have engaged on this project. The use of subcontractors is in relation to work that we could have done, but that we have outsourced.

Name of Professional advisor/ Subcontractor	Service Provided	Basis of fee arrangement
ERA Solutions	Employee Claims	Fixed fee based on the number of employees
Addleshaw Goddard	Legal Advice	Time Costs
Walker Morris	Legal Advice	Time Costs
EPE Reynell	Gazette Notices	Fixed Cost

Our choice of ERA Solutions to assist with employee claims, Addleshaw Goddard and Walker Morris to provide legal support, EPE Reynell to provide Gazette services was based on our knowledge 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, the work could have been undertaken by our teams, but we have outsourced it, as we consider it to be more cost effective and the providers have relevant specialist experience.

We have also utilised the services of other teams within FTI Consulting LLP to assist with the processes of the Administrations. The fees of our tax and strategic communications have been included within the fee bases set out above. We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administrations work streams has been possible.

Disbursements

To date no Category 1 disbursements have been incurred. The table below provides an estimate for future Category 1 disbursements that are anticipated to be incurred in the Administrations of the Companies.

Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the case. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, invoiced travel, external printing, room hire, and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. Approval from creditors is not required for these disbursements to be drawn.

An estimate of our anticipated Category 1 disbursements is set out in the table below:

Type of Costs	Estimated to be incurred (£)
Postage	5,000
Stationary	5,000
Total	10,000

Category 2 disbursements are costs that are directly referable to the case but not a payment to an independent third party; these may include shared or allocated costs. We do require approval before drawing Category 2 disbursements. The body of creditors who approve our fees also have responsibility for approving of Category 2 disbursements.

Other Fee Disclosures

A copy of the Creditors' Guide to Administrators' Fees provides further information on administrators' fees and your rights, and is available at: https://www.fticonsulting-emea.com/~/_media/Files/emea-files/creditors-portal/cip-emea-forms-info/guide-to-administrators-fees-6-april-2017-england-wales.pdf

Further information about creditors' rights can also be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>

There are no business or personal relationships with parties responsible for approving remuneration or who provide services where the relationship could give rise to a conflict of interest.

Appendix E: Receipts and Payments

Joint Administrators' Account of Receipts and Payments for the period 10 February 2021 to 19 February 2021				
GBP	Note	Prezzo Limited	Prezzo Holdings Limited	Prezzo Group
Fixed Charge Receipts				
Business Name		290,000		290,000
Domain Names		50,000		50,000
Goodwill		3,200,000		3,200,000
Transferred Intellectual Property		100,000		100,000
Properties		1		1
License to Occupy Fees		756,709		756,709
Floating Charge VAT Payable		151,342		151,342
Subtotal		4,548,052	-	4,548,052
Fixed Charge Payments				
Distribution to security agent		40,000		40,000
Distribution to charge holder		2,400,001		2,400,001
Subtotal		2,440,001	-	2,440,001
Floating Charge Receipts				
Customer Contracts		1		1
Supply Contracts		1		1
Plant and Machinery and Chattels		1,200,000		1,200,000
Stock		200,000		200,000
Systems		1		1
Transferred Records		1		1
British Gas deposit	2	125,000		125,000
Insurance prepayment	2	156,411		156,411
Newco repayment for car lease		3,750		3,750
Cash and cash equivalents	3	-		-
Subtotal		1,685,165	-	1,685,165
Floating Charge Payments				
Distribution to charge holder				
Subtotal		-	-	-
Balance	4	3,793,216	-	3,793,216

Return to fixed charge holder (p in the £)

4

Notes

- 1 All receipts and payments are shown net of VAT with VAT accounted for separately (see Fixed Charge VAT receivable & Floating Charge VAT Payable)
- 2 Both the British Gas deposit and Insurance prepayments reflect monies paid by the Purchaser for these assets on the assumption that the relevant contract and policies can be successfully novated. If this is not the case both amounts are payable back to the Purchaser.
- 3 We are shortly expecting receipt of cash held in PL's pre-administration bank accounts. This is anticipated to total c£350k.
- 4 The balance is being held in two locations:
 - Administration fixed and floating Company bank accounts (non-interest bearing); and
 - £174,286 is being held to the order of the Joint Administrators in an Addleshaw Goddard client account.

Appendix F: Estimated Statements of Financial Position

As detailed in section 4, in the absence of a completed statement of affairs, we have instead provided an estimated statement of financial position for each of the Companies as at 10 February 2021. These estimated statements of financial position are based on the financial records of the Group, and no detailed audit or verification work has been carried out by the Joint Administrators in respect of the estimated statements of financial position. In line with the standard format for a statement of affairs, the tables below do not include costs of the Administrations referred to in this report, which reduce the amount showing as available to creditors.

Estimated Statements of Financial Position					
GBP	Note	Prezzo Limited Book Value	Estimated to Realise	Prezzo Holdings Limited Book Value	Estimated to Realise
Assets subject to Fixed Charge					
Intangible assets		27,054,000	3,640,000		
Plant property and equipment	1	32,248,656	1		
Total Fixed Assets		59,302,656	3,640,001	-	-
Secured Chargeholder Liability			(57,000,000)		(57,000,000)
Shortfall to Secured Chargeholder			(53,359,999)		(57,000,000)
Assets subject to Floating Charge					
Plant property and equipment	1		1,200,001		
Systems			1		
Inventories		1,266,759	200,000		
Debtor position		2,381,849	2	6,934	-
British Gas Deposit	2	800,000	125,000		
Insurance Premium Recoveries	2		156,411		
Cash and cash equivalents	3	156,835	346,275		
Total assets subject to floating charge		4,605,444	2,027,690	6,934	-
Estimated total assets available for Preferential Creditors		63,908,100	2,027,690	6,934	-
Liabilities					
First-ranking Preferential Creditors					
Employees			(234,563)		
Estimated total assets available for Second-ranking Preferential Creditors			1,793,127		-
Second-ranking Preferential Creditors					
HMRC			(7,636,174)		(2,422,313)
Estimated total assets available for Unsecured Creditors			-		-
Shortfall to HMRC			(5,843,047)		(2,422,313)
Shortfall to Secured Chargeholder			(53,359,999)		(57,000,000)
Estimated (deficiency) / surplus as regards secured and preferential creditors			(59,203,046)	-	(59,422,313)
Unsecured Creditors					
Employees			(222,028)		
Trade & other payables			(4,067,843)		
Gift Card Liabilities			(428,197)		
Intercompany liability			-		(8,768,894)
Landlords	4		(12,282,354)		
Estimated (deficiency) / surplus as regards creditors			(76,203,468)	-	(68,191,207)
Issued and called up capital			(39,349,176)		(187,966,925)
Estimated total deficiency/surplus as regards members			(115,552,644)	-	(256,158,132)

Notes

1. The Plant Property and Equipment book value has all been attributed to fixed charge, due to no breakdown being provided in Company records. For realised amounts, all property has been attributed to the fixed charge and all plant and equipment to the floating charge.
2. Both the British Gas deposit and Insurance prepayments reflect monies paid by the Purchaser for these assets on the assumption that the relevant contract and policies can be successfully novated. If this is not the case both amounts are payable back to the Purchaser.
3. We are shortly expecting receipt of cash held in PL's pre-administration bank accounts. This is anticipated to total c£350k.
4. The Landlord liability number is rental and service charge arrears only. We have not estimated contingent Landlord Liabilities for the purpose of this statement (e.g. loss of future rental income).

Appendix G: List of Creditors

Supplier / Account Name	Balance (GBP)	Address 1	Address 2	Address 3	Address 4	Address 5
Lucid Agency and Trustee Services Limited (Acting as agent)	57,000,000.0	6 th Floor, No 1 Building	1-5 London Wall Buildings	London	EC2M 5PG	
HMRC	7,636,173.6	123 St Vincent Street	Glasgow City	Glasgow	G2 5EA	
Cloud Integrated Services	890,566.3	Cloudfm House	Charter Court	Newcomen Way	Colchester	CO4 9YA
Employees (totalling 213)	456,590.9	c/o FTI Consulting LLP	200 Aldersgate St	Barbican	London	EC1A 4HD
Classic House Investments - OLD STREET	392,963.8	7 Cadbury Close	Whetstone	London	N20 9BD	
Metrus Prop - LA 3324	358,385.5	30 Floral Parkway	Suite 200	Ontario	L4K 4R1	Canada
Robson Prop - LA 3350	272,438.2	1 High Street	Pinner	HA5 5PJ		
Colliers - LA 3369	241,276.3	35 King Street	London	EC2V 8EH		
Savills - LA 3323	234,037.0	Head Office London	33 Margaret Street	London	W1G 0JD	
UK Waste Solutions Ltd	202,877.4	Alexander House	Cafferata Way	Newark	Nottinghamshire	NG24 2TN
Water Plus	188,590.9	Two Smithfield	Leonard Coates Way	Stoke-On-Trent	ST1 4FD	
Broadgate - LA 3603	185,249.3	York House	45 Seymour Street	London	W1H 7LX	
ECH Prop - LL 3355	167,842.1	1a Downshire Hill	London	NW3 1NR		
Barclays Merchant Svc	162,385.3	1 Churchill Place	London	E14 5HP		
Broadgate - LA 3632	160,414.1	York House	45 Seymour Street	London	W1H 7LX	
Savills - LA 3680	159,628.5	Head Office London	33 Margaret Street	London	W1G 0JD	
Savills Rent - LA 3685	158,592.0	Head Office London	33 Margaret Street	London	W1G 0JD	
Savills - LA 3295	157,177.7	Head Office London	33 Margaret Street	London	W1G 0JD	
Comtrex Systems Corp - Cap & Maint	156,368.5	2 Gatwick Metro Centre	Balcombe Road	Horely	Surrey	RH6 9GA
Land Sec - LA 3391	150,886.6	100 Victoria Street	London	SW1E 5JL		
Workman - LA 3210	146,368.6	Alliance House	12 Caxton Street	London	SW1H 0QS	
Land Sec SVC - LA 3615	137,684.4	100 Victoria Street	London	SW1E 5JL		
CBRE - LA 3686	135,187.5	CBRE Limited	Henrietta House	Henrietta Place	London	W1G 0NB
Zoom Ent - LL 3392	126,345.7	Unit 14E	iPark Industrial Estate	Hull	East Yorkshire	HU5 1SG
DELOITTE	125,640.0	2 New Street Square	London	EC4A 3BZ		
Savills - LA 3607	121,353.5	Head Office London	33 Margaret Street	London	W1G 0JD	
Broadgate - LA 3602	120,810.1	York House	45 Seymour Street	London	W1H 7LX	
HNG - LA 3294	120,666.4	7-10 Chandos Street	Cavendish Square	London	W1G 9DQ	

Joint Administrators' Proposals

Realm Rent- LA 3610	118,635.0	Realm Estates	519 Old York Road	London	SW18 1TF	
Peel Rent - LL3380	118,041.0	MediaCityUK	Salford	M50 2NT		
Warrant Est - LL 3249	115,029.1	One Wellstones	Watford	Hertfordshire	WD17 2AE	
Mercure - LL 3228	113,713.2	The George Hotel	116 High St	Colchester	CO1 1TD	
Savills - LA 3300	113,186.4	Head Office London	33 Margaret Street	London	W1G 0JD	
We The Curious - LL 3393	110,156.8	One Millenium Square	Anchor Road	Bristol	BS1 5DB	
Booker Ltd	109,435.6	Booker Ltd	Irthlinborough Road	Wellingborough	Northants	NN8 1LT
Wellhurst - LL 3242	109,326.9	Windover House	St. Ann Street	Salisbury	England	SP1 2DR
Colliers - LA 3234	108,000.0	35 King Street	London	EC2V 8EH		
Grosvenor - LL 3298	102,697.3	70 Grosvenor Street	London	W1K 3JP		
Savills - LA 3681	100,221.4	Head Office London	33 Margaret Street	London	W1G 0JD	
Zenith Hygiene Systems Ltd	98,275.8	Zenith House	Dixons Hill Road	Welham Green	Hertfordshire	AL9 7JE
Euroreach - LL 3243	96,897.6	Suite 210	120 Bunns Lane	London	NW7 2AS	
Moorgarth Rent - LA 3662	96,553.2	Moorgarth Group	Central House	47 St. Paul's Street	Leeds	LS1 2TE
Workman - LA 3650	96,088.9	Alliance House	12 Caxton Street	London	SW1H 0QS	
Vertex - LA 3233	96,000.0	Terra Property Management LTD	Suite 1, 3 Lyons Crescent	Tonbridge	TN9 1FB	
Key Prop - LL 3647	95,289.3	2 Ashbourne Road	Derby	DE22 3AA		
Platinum - LA 3613 Rent	94,200.0	Platinum House Bailey Road off	Ashburton Rd W	Trafford Park	Manchester	M17 1SA
Realm Rent - LA 3683	93,777.9	Realm Estates	519 Old York Road	London	SW18 1TF	
Land Sec - LA 3347	93,750.0	100 Victoria Street	London	SW1E 5JL		
BNP Paribas - LA 3688	93,506.5	3 Harewood Avenue	London	NW1 6JL		
Kempton - LA 3383	90,620.3	84 Brook Street	Mayfair	London	W1K 5EH	
Fisher HP - LA 3328	90,600.9	Suite 2 Banters House	Great Leighs	Chelmsford	CM3 1QX	
Broadgate - LA 3620 Rent	90,000.0	York House	45 Seymour Street	London	W1H 7LX	
Workman - LA 3667	88,822.8	Alliance House	12 Caxton Street	London	SW1H 0QS	
Kounnis Group Ltd - LL 3376	88,740.0	Sturling House	Fulbourne Road	London	E17 4EE	
Broadgate Estates - LA 3313 Rent	85,860.0	York House	45 Seymour Street	London	W1H 7LX	
3346 LA - JLL	85,211.0	40 Bank Street	Canary Wharf	London	E14 4HE	
PMM Prop - LL 3342	85,000.0	48 Railway Crescent	Shipston-on-Stour	CV36 4GE		
Pita - LL 3261	84,753.0	Mountview Court	1148 High Road	Whetstone	London	N20 0RA

Joint Administrators' Proposals

Hurst Warne - LA 3331	84,182.6	Atlantic House	g6a Clarence Road	Fleet	Hampshire	GU51 3XU
Lutondale - LL 3213	82,800.0	1 Prince of Wales Terrace	Kensington	London	W8 5PG	
Kropifko - LL 3353	82,395.4	1a Downshire Hill	London	NW3 1NR		
Jones LL - LA 3653	81,363.9	40 Bank Street	London	E14 5EG		
Primeco Ltd - LL 3663	80,400.0	19 The Terrace	Torquay	TQ1 1BN		
Savills Rent - LA 4495	79,279.2	Head Office London	33 Margaret Street	London	W1G 0JD	
Network R Util - LL 3386	78,927.7	1 Eversholt Street	London	NW1 2DN		
Warrant Est - LL 3315	78,429.8	One Wellstones	Watford	Hertfordshire	WD17 2AE	
Warrant Est - LL 3223	78,343.0	One Wellstones	Watford	Hertfordshire	WD17 2AE	
J L Stevens - LL 3292	78,223.3	Warrant House	157 Regent Rd	Kirkdale	Liverpool	L5 9TF
Regis 2000 - LL 3345	78,126.2	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
Branksome - LL 3254	78,000.0	4 Yarmouth Road	Branksome	Poole	BH12 1JN	
Prism - LL 3232	77,225.1	107 Longmead Road	Emerald Park East	Emersons Green	Bristol	BS16 7FG
Warrant Est - LL 3237	77,093.9	One Wellstones	Watford	Hertfordshire	WD17 2AE	
Workman - LA 3351	77,000.0	Alliance House	12 Caxton Street	London	SW1H 0QS	
Eagle Eye Solutions Ltd	75,379.6	31 Chertsey Street	Guildford	Surrey	GU1 4HD	
Savills - LA 3675	75,265.9	Head Office London	33 Margaret Street	London	W1G 0JD	
Levy Asset - LA 3218	74,749.1	Nuffield House	41-46 Picadilly	London	W1J 0DS	
Greendale - LL 3322	74,400.9	Greendale Business Park	Woodbury Salterton	Exeter	EX5 1EW	
Robert Irving - LA 3600	74,400.0	Robert Irving Burns	23-24 Margaret Street	London	W1W 8LF	
Realm Svc - LA 3610	73,443.8	20-22 Wenlock Rd	Hoxton	London	N1 7GU	
Moorgarth Property Ltd - LA 3630 Rent	72,630.1	Moorgarth Group	Central House	47 St. Paul's Street	Leeds	LS1 2TE
Rapleys - LA 3623	72,000.0	Second Floor	126 Colmore Row	Birmingham B3 3AP		
J L Stevens - LL 3244	70,679.0	Warrant House	157 Regent Rd	Kirkdale	Liverpool	L5 9TF
Cherwell DC - LL 3617	70,436.7	Cherwell District Council	Bodicote House	Banbury	OX15 4AA	
Savills - LA 3296	70,047.0	Head Office London	33 Margaret Street	London	W1G 0JD	
Dawnelia - LL 3253	70,000.0	13 Goodwin Street	London	N4 3HQ		
Land Sec - LA 3260	69,556.0	100 Victoria Street	London	SW1E 5JL		
Regis 2000 - LL 3310	69,542.7	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
Art Prop - LA 3375	69,075.0	20-22 Wenlock Road	London	N1 7GU		

Joint Administrators' Proposals

Benja Prop - LL 3270	68,391.9	28 Watersfield Way	Middlesex	HA8 6RZ		
Workman - LA 3211	67,697.3	Alliance House	12 Caxton Street	London	SW1H 0QS	
Intu - LL 3646	66,904.2	40 Broadway	London	SW1H 0BT		
Mason Owen - LA 3303	66,206.7	Mason Owen and Partners Limited	7th Floor	20 Chapel Street	Liverpool	L3 9AG
Kropifko - LL 3204	65,443.9	1a Downshire Hill	London	NW3 1NR		
Savills Rent - LA 3629	65,155.8	Head Office London	33 Margaret Street	London	W1G 0JD	
McMullen & Sons Ltd - LL 3225	64,636.8	The Hertford Brewery	26 Old Cross	Hertfordshire	SG14 1RD	
Aprirose - LA 3389	63,000.0	22 Baker Street	London	W1U 3BW		
NFU - LL 3335	63,000.0	Tiddington Road	Stratford upon Avon	Warwickshire	CV37 7BJ	
Jones LL - LA 3612	62,810.5	40 Bank Street	London	E14 5EG		
ZONAL	62,343.1	1 Tanfield	Edinburgh	Scotland	EH3 5DA	
Price Waterhouse Coopers LLP	61,632.8	1 Embankment Pl	Charing Cross	London	WC2N 6RH	
Huntingdonshire DC - LL 3625	61,503.9	Pathfinder House	St Mary's Street	Huntingdon	PE29 3TN	
St Edmunds - LL 3336	61,220.4	West Suffolk House	Western Way	Bury St Edmunds	Suffolk	IP33 3YU
Noodle Prop - LL 3368	60,101.8	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
Land Sec Rent - LA 3616	60,000.0	100 Victoria Street	London	SW1E 5JL		
Lockhart Catering Equipment	59,732.0	Bunzi UK Ltd	York House	45 Seymour Street	London	W1H 7JT
Primeco - LL 3379	59,677.2	San Diego County Suite 242/243 Temple Chambers	220 Ocean Blvd	CA 92054		
Amberstar - LL 3316	59,551.1		3-7 Temple Avenue	London	EC4Y 0HP	
Cheffins A & B - LA 3363	59,438.9	Clifton House	1&2 Clifton Road	Cambridge	CB1 7BA	
3633 LA - Carter Jonas	59,382.9	One Chapel Place	London	W1G 0BG		
Velani - LL 3247	59,212.1	109 Elmsleigh Avenue	Harrow	United Kingdom	HA3 8HY	
Morewoods - LL 3246	59,125.0	16 Osborn Gardens	London	NW7 1DY		
GK Prop - LL 3245	59,039.8	18 Leighton Avenue	Pinner	HA5 3BW		
Regis - LL 3614	58,217.1	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
Sheffords - LA 3385	58,000.0	London House	77 High Street	Sevenoaks	Kent	TN13 1LD
Realm Svc - LA 3683	57,732.7	Realm Estates Unit 8 Reynolds Industrial Park	519 Old York Road	London	SW18 1TF	
Pearce - LA 3276	57,500.0		Peterborough	Cambridgeshire	PE1 5EL	
KBW - LA 3229	56,400.0	150 Cheapside 4th floor	London	EC2V 6ET		
Thatched - LL 3257	56,364.3	236 High St	Epping	CM16 4AP		

Joint Administrators' Proposals

Noodle Prop - LL 3288	56,260.1	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
Timico Limited	55,799.6	Brettenham House	Lancaster Place	WC2E 7EN		
Specialist Waste Recycling Ltd	55,165.6	Buckham House	Lenten Street	Alton	Hants	GU34 1HG
Domenico Savarese - LL 3669	54,000.0	Domenico Savarase	55 York House	80 Newman Street	London	W1T 3ES
BMK Prop - LA 3235	52,599.9	2633 East 28th Street	#620 Signal Hill	CA 90755		
Culshaw - LA 3307	52,079.2	School Farm Back Lane	East Mawdesley	Ormskirk	L40 3TA	
CLEMENTS	51,168.0	19 Queensway	Ponders End	Enfield	EN3 4SD	
Islington C - RA 8899 OLDST	50,601.0	222 Upper Street	N1 1XR			
Abbeyross - LA 3339	48,000.0	Albion House	Victoria Promenade	Northampton	NN1 1HH	
Pelham Associates - LA 3264	47,719.1	19 Pelham Square	Brighton	BN1 4ET		
Invitation Digital / Voucher Cloud	47,671.6	1st floor	Merchants House North Wapping Road	Bristol	BS1 4RW	
Collinson - LA 3285	47,371.6	Cutlers Exchange	123 Houndsditch	London	EC3A 7BU	
Workman Svc - LA 3351	47,305.2	Alliance House	12 Caxton Street	London	SW1H 0QS	
Marylebone Asset - LA 3239	47,301.4	55a Welbeck Street	London	W1G 9XQ		
British Gas - Electric HH	47,103.6	PO Box 227	Rotherham S98 1PD			
GVA Grimley - LA 3372	46,642.1	22 Ganton Street	London	W1F 7FD		
Sedgemoor - LL 3274	46,281.6	Bridgwater House	King Square	Somerset	TA6 3AR	
Retail Me Not UK Ltd / VoucherCodes	45,514.4	6th floor	200 Grays Inn Road	London	WC1X 8XZ	
Workman - LA 3394	45,345.3	Alliance House	12 Caxton Street	London	SW1H 0QS	
Land Sec - LA 3616	45,017.7	100 Victoria Street	London	SW1E 5JL		
Brenard Pen - LL 3396	45,000.0	24-26 Aylesbury End	Beaconsfield	HP9 1LW		
LP&M - LA 3643	45,000.0	168 High Street	Watford	WD17 2EG		
Tulchan Communications LLP	45,000.0	2nd floor	85 Fleet Street	London	EC4Y 1AE	
Abear Prop - LL 3256	44,538.2	Suite 242/243 Temple Chambers	3-7 Temple Avenue	London	EC4Y 0HP	
Network Rail - LL 3386	44,113.6	1 Elversholt Street	London	NW1 2DN		
BNP Paribas - LA 3209	43,875.2	3 Harewood Avenue	London	NW1 6JL		
Telelink - LL 3661	43,750.4	PO Box 23218	Randburg West	2,167.0		
Amberstar - LL 3255	43,335.7	Suite 242/243 Temple Chambers	3-7 Temple Avenue	London	EC4Y 0HP	
Caxtons - LA 3248	43,000.0	James Pilcher House	50 Windmill Street	Kent	DA12 1BG	
Carlson Wagonlit	42,617.4	Maple House	High Street	Potters Bar	EN6 5RF	

Joint Administrators' Proposals

Amberstar - LL 3377	41,531.9	Suite 242/243 Temple Chambers	3-7 Temple Avenue	London	EC4Y 0HP	
REPUTATION.COM	41,364.4	Liverpool Innovation Park	Edge Lane	L7 NJ		
Regis 2000 - LL 3308	41,359.4	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	
McComb Prop - LL 3388	40,800.0	9 Moorgate	Ormskirk	L39 4RT		
Staples UK Ltd	40,065.8	Hampden Court	High Wycombe	HP11 1JU		
Savills - LA 3687	40,032.0	Head Office London	33 Margaret Street	London	W1G 0JD	
Workman - LA 3341	39,665.4	Alliance House	12 Caxton Street	London	SW1H 0QS	
Fourth Limited	39,473.3	90 Long Acre	Covent Garden	London	WC2E 9RA	
Maunder - LA 3304	39,235.6	1320 High Rd	Whetstone	London	N20 9HP	
CN Projects	38,927.3	50 Ceramic Curve	Unit 8	Richards Bay		
Land Sec SVC - LA 3347	37,723.4	100 Victoria Street	London	SW1E 5JL		
50NEXTCOLO - LL 3677	37,245.5	St. Helens House	156, St. Helens Rd	Swansea	West Glamorgan	SA1 4DG
Intu - LA 3370	37,167.6	156, St. Helens Rd	London	SW1H 0BT		
Banks - LA 3644	37,000.0	26 Westgate	Lincoln	LN1 3BD		
SMG	35,832.0	Abbey View 38-40 The Maltings		Hertfordshire	AL1 3HL	
Hash Builders Limited	35,436.0	1 Landseer Close Sentinel House	Edgware	Middlesex	HA8 5SB	
Stark Software International Ltd	34,687.7	10-12 Massetts Road	Horley	RH6 7DE		
Aqua Group - LL 3671	34,200.0	23 Pier Road	Channel Islands	JE2 4XW		
Criterion - LA 3360	34,082.1	Criterion Asset Management	Millbank Tower 3rd Floor	21-24 Millbank	SW1P 4QP	
Stannah - LL 3390	33,783.1	Watt Close Barabara Strozilan 101	Andover Hampshire	SP10 3SD		
Concur Holdings (Netherlands) B.V.	33,775.4	1083 HN Amsterdam	Amsterdam	The Netherlands		
Hipkiss - LL 3654	33,000.0	Park House Prezzo Ltd	Clapgate Lane	Woodgate Birmingham	B32 3BL	
		2nd Floor, Classic House				
General Supplier Creation	32,975.2	174- 180 Old Street	London	London	EC1V 9BP	
The Fourth Angel	32,471.5	151 Wardour Street	London	W1F 8WE		
Amberstar - LL 3216	32,261.9	Suite 242/243 Temple Chambers	3-7 Temple Avenue	London	EC4Y 0HP	
Cushman - LA 3670	32,002.2	Rivergate House	70 Redcliff Street	UK		
Bookatable Ltd	31,746.6	7 Soho Square	Soho	London	W1D 3QB	
Regis 2000 - LL 3605	30,871.6	28 Watersfield Way	Edgware	Middlesex	HA8 6RZ	

Joint Administrators' Proposals

Amberstar - LL 3212	30,811.3	Suite 242/243 Temple Chambers	3-7 Temple Avenue	London	EC4Y 0HP	
Anaplan Ltd	29,937.6	Kings Place	90 York Way	London	N1 9AG	
3343 Harson - LA	29,488.9	291A Northborough Rd	London	SW16 4TR		
British Gas - Electric NHH	29,407.1	PO Box 227	Rotherham S98 1PD			
Broadgate - LA 3313 Svc	28,762.0	York House	45 Seymour Street	London	W1H 7LX	
Capital & Regional - LA 3651	28,439.4	22 Chapter Street	London	SW1P 4NP		
Kettering - LL 3395	28,000.0	Kettering Borough Council	Municipal Offices	Bowling Green Road	Kettering	NN15 7QX
Hillingdon - LL 3658	27,425.0	2W08 Civic Centre High Street	Uxbridge	Middlesex	UB8 1UW	
McMullen - LL 3280	27,300.0	The Hertford Brewery 8 Exchange Court	26 Old Cross	Hertfordshire	SG14 1RD	
A G & G Limited	27,000.0	Covent Garden	London	WC2R 0JU		
PPR Consultants Limited	26,550.0	21 Aldersmead Road	Beckenham	BR3 1NA		
AH Gray - LL 3609	25,800.0	7 St Andrew's St N	Bury Saint Edmunds	IP33 1TZ		
Smith and Love Planning Consultants	25,596.7	Rational House	32 Winckley Square	Preston	PR1 3JJ	
360 SIGNS	25,333.5	The Bakery	Greenwood Street	Salford	M6 6PD	
Platinum - LA 3613 Svc	25,128.0	Platinum House Bailey Road off	Ashburton Rd W	Trafford Park	Manchester	M17 1SA
Cheffins Shop - LA 3363	25,127.3	Clifton House	1&2 Clifton Road	Cambridge	CB1 7BA	
Surereed - LL 3241	25,000.0	10 Bridge Street	Christchurch	Dorset	BH23 1EF	
Google Ireland Ltd	24,562.4	Google building Gordon House		Barrow Street	Dublin 4	Ireland
Amak - LL 3252	24,000.0	C/O Fox Sharer 5 Broadbent Close	Highgate	London	N6 5JW	
Scanmarket.com Ltd	24,000.0	823 Salisbury House, 29 Finsbury Circus		London	EC2M 5QQ	
Centrality	23,006.3	Arran Park	Chapel Road	Meppershall	Bedfordshire	SG17 5NQ
RVL - LL 3297	22,500.0	Building 21 Ashway Centre	Anson Road	Derby	DE74 2SA	
PrintStore 88Ltd	21,273.6	Elm Crescent : :	Kingston upon Thames	KT2 6HH		
Nella Cutlery	20,085.3	Murray House	Murray Road	Orpington	BR5 3QY	
CB R Ellis A1 - LA 3338	18,989.3	St Martin's Court Gardener House	0 Paternoster Row	London	EC4M 7HP	
LinkedIn Ireland Unlimited Company	18,840.0	Wilton Place	Dublin 2			
Glovers Solicitors L L P	18,750.0	5th Floor Berkshire House, 168/173 High Holborn	London	WC1V 7AA		
Gill Property Wiltshire Ltd - LL 3674	18,666.7	1st floor	The Syms Building Bumpers Way	Bumpers Farm	SN14 6LH	

Joint Administrators' Proposals

Moorgarth Svc - LA 3662	18,146.7	Moorgarth Group	Central House	47 St. Paul's Street	Leeds	LS1 2TE
Celestra	18,142.8	1-5 James Way	Bletchley	Milton Keynes	MK1 1SU	
Randall Prop - LA 3240	18,074.3	The Old Print House	173 Northcote Road	London SW11 6QE		
Savills Svc - LA 3685	18,026.1	Head Office London	33 Margaret Street	London	W1G 0JD	
Gould Baskin - LL 3263	17,250.0	377 Uxbridge Rd Aspen Farm	Hatch End	Pinner	HA5 4JN	
CREATIVE CLARITY	17,148.0	Sheep Lane	Woburn	Bedfordshire	MK17 9HD	
Lincoln C C - RA 4457	17,010.0	Lincolnshire County Council	County Offices	Newland	Lincoln	LN1 1YL
Lambert S H - LA 3364	16,756.2	UK House Braid House	180 Oxford Street	London	W1D 1NN	
Kennedys Scotland	16,469.4	4 Lower Gilmore Bank 1 Derwent Business Centre ,	Edinburgh	Scotland	EH3 9QP	
Videos Ltd	15,934.5	Clarke Street,	Derby	DE1 2BU		
Johnson Fellows - LA 3633	15,647.9	37 Queen Anne Street Flat 5	London	W1G 9JB		
Claire Blakey - LL 3251	15,625.0	15 Surbiton Place	Surbiton	Surrey	KT5 8RX	
Elaine Hayward - LL 3251	15,625.0	28 Sanders Way	London	N19 3JA		
Adaire Properties - LL 3678	15,000.0	32 Garvaghy Road	Banbridge	Co Down	BT32 3SZ	
P&J Fisher 56HS - LL 3648	15,000.0	Beulah Cottage	Sheepdyke Lane	Hunmanby		
PENDRAGON VEHICLE MANAGEMENT LIMITED	14,818.4	Pendragon House	Sir Frank Whittle Road	Derby	DE21 4AZ	
PLANTERIA	14,646.0	Mill Pond Nurseries	Mill Road	Henham	CM22 6AA	
Innervision	14,520.0	Innervision Management Limited	36-38 Botolph Lane	London	EC3R 8DE	
Cooke & Arkwright - LA 3677	12,920.0	7-8 Windsor Place	Cardiff	CF10 3SX		
Golden Eagle - LA 3287 Rent	12,214.2	10 Portman St	Marylebone	London	W1H 6DZ	
Martin - LA 3335	12,055.0	50 Nutts Corner	Crumlin	Northern Ireland	BT29 4SQ	
STORE MAINTENANCE	11,683.8	Unit 16 Park Hall	The Capricorn Centre	Cranes Farm Road	Essex	SS14 3JJ
Evastore Limited	11,192.2	Whittington Road	Oswestry	Shropshire	SY11 4AD	
C-Burn Systems	11,130.7	8 Eagle Court	London	EC1M 5QD		
GVAG - LA 3389	11,032.0	Park House	Wilmington Street	Leeds	LS7 2BP	
HOLDEN AND LEE	10,800.0	9/10 Metropolitan Drive	Blackpool	Lancashire	FY3 9LT	
Savills SVC - LA 4495	10,578.1	Head Office London	33 Margaret Street	London	W1G 0JD	
Mina Bros - LL 3289	10,000.0	157 Wardour St	Soho	London	W1F 8WQ	

Joint Administrators' Proposals

Savills - LA 3661	9,718.5	Head Office London	33 Margaret Street	London	W1G 0JD	
Savills SVC - LA 3629	9,253.3	Head Office London	33 Margaret Street	London	W1G 0JD	
Apam Rent - LA 3618	9,250.0	3 Barrett Street	St. Christopher's Place	London	W1U 1AY	
JRC Holdings - LL 3229	9,250.0	Waterside Head Office Zenith House	Haslingden Road	Blackburn	BB1 2FA	
		A1 (M) Business Centre				
Zenith Hygiene Systems	9,187.0	Dixons Hill Road	Welham Green	Herts	AL9 7JE	
Aquila Furniture Ltd	9,101.8	Stanifield La	Farington	Leyland	PR25 4QA	
NLA media access limited	9,077.6	First floor	16-18 New Bridge Street	London	EC4V 6AG	
Optimum Signs Limited	9,058.4	Unit A122 Tustin Way	Preston	PR2 5LX		
Let's Sanitise Ltd	8,946.0	Unit 4	41-43 Roebuck Road	IG6 3TU		
Moody - LL 3611	8,800.0	West Carr Road	Retford	Nottinghamshire	DN22 7SN	
Savills - LA 3680 Svc & Ins	8,766.1	Head Office London	33 Margaret Street	London	W1G 0JD	
JLL RENT - LA 3638	8,400.0	40 Bank Street	Canary Wharf	London	E14 4HE	
Buckingham - LL 3221	8,250.0	Silverstone Road	MK18 5LJ			
Cushman & Wakefield - LA 3667	7,808.8	620A Richmond Street	2nd Floor London	ON N6A 5J9	Canada	
Poppleston Allen	7,541.2	The Stanley Building LEEP HOLDINGS (UTILITIES) LTD	7 Pancras Square	London	N1C 4AG	
Leep U Elec - LA 3380	7,514.8		THE GREENHOUSE	MEDIACITYUK	M50 2EQ	
Broadgate Estates - LA 3620 SVC	7,394.9	York House	45 Seymour Street	London	W1H 7LX	
PJ Wood - LL 3365	7,250.0	Little Nutage	Curridge Rd	Thatcham	RG18 9NA	
Mulberry - LL 3642	7,195.5	The Rookery Unit 9 Berkshire Business Centre	Chilcompton	Somerset	BA3 4EH	
TECHNICAL SERVICES	7,041.2		Thatcham 4 Bedwell Hall, Bedwell Park	RG19 4EW		
L&D Allen - LL 3275	6,993.3	L & D Allen		Cucumber Lane North Lincolnshire	Essendon DN16 1AL	AL9 6GJ
TSC Foods	6,934.6	Arkwright Way	Scunthorpe			
Assure Consulting	6,516.0	Princeton Court Endeavour House	The Pilgrim Centre	Bedford	MK31 7PZ	
Extracair Installations Ltd	6,465.6	59-61 Sturte Avenue	Poole	Dorset	BH15 2AJ	
Centrick Ltd	6,371.2	The Exchange	19 Newhall Street	Birmingham	B3 3PJ	
Apam Svc - LA 3618	6,114.7	3 Barrett St	St Christopher's Pl	Marylebone	London	W1U 1AY
Declaim - LL 3378	6,083.3	Declaim Ltd	60 Mostyn Road	Merton Park	London	SW19 3LN
J & C SERVICES	5,880.0	Geneva Way	Hull	HU7 0DG		
Gourmet - LL 3319	5,855.1	Argall Avenue	London	Unit A03	Leyton Industrial Village	E10 7PQ

Joint Administrators' Proposals

Facebook	5,826.7	1 Hacker Way	Menlo Park	CA 94025		
Kingswood - LL 3262	5,742.0	12-18 Kings Street	Blackpool	Lancashire	FY1 3EJ	
Currie Motors - LL 3640	5,625.0	161 Chertsey Road	Twickenham	Middlesex	TW1 1ER	
Personal Group	5,604.4	John Ormand House	899 Silbury BLVD	Milton Keynes	MK9 3XL	
Wildings Limited - LL 3684	5,536.5	864 Washwood Heat Rd	Ward End	Birmingham	B8 2NG	
Premier 33A - LA 3211	5,447.6	Premier Marinas Ltd	Swanwick Marina	Southampton	SO31 1ZL	
Park Place Consulting - LL 3333	5,200.0	815 Oakwood Rd	Suite F	Lake Zurich	IL 60047-1515	
R West Financial Services	5,040.0	9c Hatherley Rd	Sidcup	DA14 4BH		
Gerald Eve LLP	4,933.5	72 Welbeck Street	London	W1G 0AY		
Hanover - LL 3207	4,900.0	5 Sedgedunum Business Centre 33 Hazelhurst Road	Wallsend	NE28 6HQ		
Roberts Franklin & Co Limited	4,680.0	Castle Bromwich 189 Stonhouse Street	Solihull	West Midlands	B36 0BH	
Case Furniture Ltd	4,577.1	Clapham Common	London	SW18 2HZ		
Weightmans	4,506.5	The Hallmark Building	105 Fenchurch Street	London	EC3M 5JG	
Bostockwhite Prop Serv - LA 3664	4,500.0	Cabourn House	Station Street	Nottingham	NG13 8AQ	
Hogg Rent - LL 3325	4,500.0	Charles Rippin And Turner	Middlesex House	130 College Road Bishops Stortford	Harrow	HA1 1BQ
M Stock 54HS - LL 3648	4,414.0	Mary Valda Stock Unit 19, Westmoreland Road	2 Westfield Road	Hertfordshire		
Beat Concepts LTD	4,320.1		London	NW9 9BW		
Total Jobs Group	4,270.0	110 Southwark Street	London	SE1 0TA		
Jones LL - LA 3638	4,233.0	City Point	29 King Street	Leeds	LS1 2HL	
Orbit Prop - LA 3210	4,102.9	Garden Court	Harry Weston Road	Binley	Coventry	CV3 2SU
Anglian - WA 3301	4,005.6	Liberator Road	Norwich	Norfolk	NR6 6EU	
AZTEC UMBRELLAS	3,808.4	The barn Factory P O Box 231	Stoken Farm	Steventon	RG25 3BD	
Western Power Distribution	3,753.0	Elliott Road	Plymouth	PL4 0YU		
Business - WA 3216	3,733.4	Prezzo Limited	Johnston House	8 Johnston Road	Woodford Green	Essex
L&P Pension - LL 3358	3,718.9	Unit 5	Birchall Street	Liverpool	L20 8PD	
Simon Parsons Executive Recruitment Ltd	3,600.0	116 Earlswood Road, Dorridge	Solihull	West Midlands	B93 8RW	
Jones LL SVC - LA 3323	3,597.9	City Point	29 King Street	Leeds	LS1 2HL	
Anglian - WA 3381	3,503.4	Liberator Road	Norwich	Norfolk	NR6 6EU	
Budworth - LA 3642	3,373.2	1 Swan Court	Cygnat Park	Hampton	Peterborough	PE7 8GX

Joint Administrators' Proposals

		GVFM Ltd				
		Dransfield House				
GVFM - LA 3317	3,175.0	2 Fox Valley Way P O Box 12	Sheffield	South Yorkshire	S36 2AB	
		Priestley Road				
BOC Gases	3,144.1	Worsley	Manchester	M28 2UT		
Moorgarth Property Ltd - LA 3630 SVC	3,140.8	Moorgarth Group	Central House	47 St. Paul's Street	Leeds	LS1 2TE
Dun & Bradstreet Limited	3,000.0	The Point	37 North Wharf Road	London	W2 1AF	
iCom	2,880.0	Blacksole House Waterloo House	Herne Bay	Kent	CT6 6GZ	
		Unit 27 M11 Business Link				
Wastepack Limited	2,824.9	Parsonage Lane Waterloo House	Stansted	Essex	CM24 8GF	
		Unit 27 M11 Business Link				
Fenwall Investments Ltd - LL 3655	2,750.0	Parsonage Lane	Stansted	Essex	CM24 8GF	
TASTY TECH	2,635.2	Avenue Adele	1	1310 La Hulpe		
BIG YELLOW	2,602.2	1 The Deans	Bridge Road	Surrey	GU19 5AT	
NWG - WA 3307	2,539.8	Northumbria House	Abbey Road	Durham	DH1 5FJ	
Business - WA 3242	2,478.2	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
Indeed UK	2,400.0	20 Farringdon Road	3rd Floor	London	EC1M 3HE	
Marchesi Bros - LL 3268	2,333.3	The Balance	2 Pinfold Street	Sheffield	S1 2GU	
Abbeyross SVC - LA 3339	2,129.6	Albion House	Victoria Promenade	Northampton	NN1 1HH	
Business - WA 3253	2,123.9	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
Business - WA 3248	2,116.1	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
Carbon Statement Ltd	2,100.0	1-5 Market Place Mews	Henley on Thames	RG9 2AH		
MLM - LA 3301	1,948.1	Finisklin Road	Sligo	Ireland		
Peel Svc - LL3380	1,862.4	1st Floor	83 Buttermarket Street	Cheshire	WA1 2NN	
DWD2	1,698.2	509 Linen Hall	162-168 Regent Street	London	W1B 5TF	
Anglian - WA 3648	1,615.5	Liberator Road	Norwich	Norfolk	NR6 6EU	
Clever Energy - LA 3662	1,495.4	47 Maple Avenue	Kidlington	Oxfordshire	OX5 1HN	
Zendesk Inc	1,480.6	1019 Market Street	San Francisco	CA 94103		
Pulse Cashflow	1,463.1	Level 1 Network House	Basingstoke	Hampshire	RG21 4HG	
Wave - WA 4472	1,413.7	Wave Utilities	PO Box 4998	Lancing	BN11 9AY	

Joint Administrators' Proposals

Interactive Pro Limited	1,300.5	Buchanan House	30 Holborn	London	EC1N 2LX	
Business - WA 3268	1,247.8	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
Planning Inc Ltd	1,200.0	2nd Floor, 90 Union Street		London	SE1 0NW	
Royal Mail	1,093.3	100 Victoria	Embankment	London	EC4Y 0HQ	
NWG - WA 3301	1,035.6	Northumbria House	Abbey Road	Durham	DH1 5FJ	
Salus Building Control	972.0	Primea House	Marina Court	Maple Drive	Hinckley, Leicestershire	LE10 3BF
Business - WA 3207	961.3	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
Nandos	956.9	93-99 Upper Richmond Road	Putney	SW15 2TG		
Castle - WA 3378	943.2	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Covington & Burling	900.0	265 Strand	London	WC2R 1BH		
Gamma Network Solutions Limited	892.4	9 High Street	Cobham	Surrey	KT11 3DJ	
Workman - LA 3624	855.1	Alliance House	12 Caxton Street	London	SW1H 0QS	
Waterplus	840.0	Two Smithfield	Leonard Coates Way	Stoke On Trent	ST1 4FD	
Castle - WA 3375	792.4	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Anglian - WA 3629	787.6	Liberator Road	Norwich	Norfolk	NR6 6EU	
Sutton & ES - WA 3365	776.2	1407 Broadway	6th Floor	NY 10018 USA		
Savills Svc - LA 3675	770.2	Head Office London	33 Margaret Street	London	W1G 0JD	
Castle - WA 3298	745.8	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
		Templeton House				
		Templeton on the Green				
ABM Facility Services Scotland Ltd	710.3	Suite 22, 62 Templeton Street	Glasgow	Scotland	G40 1DA	
RJ & EJ Bishops - LL 3361	646.7	7 Lynwood Court	Lymington	Hampshire	SO41 9GA	
Shropshire C - CT 3333 F2	615.0	The Shire Hall	Abbey Foregate	Shrewsbury	SY2 6ND	
NSF - Safety & Quality UK Ltd	600.0	Hanborough Business Park	Long Hanborough	OX29 8SJ		
Cambridge C C - BD 3363	546.0	PO Box 700	Cambridge	CB1 0JH		
DRAPER LANG	507.0	67 Grosvenor Street	London	W1K 3JN		
Halfords	500.0	Icknield Street Drive	Redditch	Worcestershire	B98 0DE	
AQUAID	490.8	10 Kings Court	Willie Snaith Road	Newmarket	CB8 7SG	
Affinity - WA 3223	470.5	The Software Centre	Wilford Industrial Estate	Nottingham	NG11 7EP	
Castle - WA 3331	461.8	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH

Joint Administrators' Proposals

Calan	450.0	22 Windsor Place	Cardiff	CF10 3BY		
WATER 2 - WA 3241	442.6	21E Somerset Square	Nailsea	Bristol	BS48 1RQ	
Future Technology Services	439.2	Technology House	10 Barrow Close	Blackpool	Lancashire	FY4 5PS
Affinity - WA 3610	438.9	The Software Centre	Wilford Industrial Estate	Nottingham	NG11 7EP	
KULLAR - LL 3636	434.9	57-59 Bexley High Street	Bexley	Kent	DA5 1AB	
The Terrace - LA 3263	432.0	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA
POSITANO LTD	432.0	Dunlop House	23a Spencer Road	Hampshire	BH25 6BZ	
Firebird Rent - LL 3648	416.7	Bentfield Place	Bentfield Rd	Stansted	CM24 8HL	
CMS Cameron McKenna Nabarro Olswang LLP	386.4	78 Cannon Street	London	EC4N 6AF		
Leathams Plc	384.1	227-255 Ilderton Road	London	SE15 1NS		
Castle - WA 3376	374.9	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Ryden - LA 3355	363.0	4th floor	Langham House	302-308 Regent Street	W1B 3AT	
Universal Office Products	331.2	The Brewhouse	The Nostell Estate	Doncaster Road	Wakefield	WF4 1AB
Anglian - WA 3225	327.2	Liberator Road	Norwich	Norfolk	NR6 6EU	
CASTLE W - WA 3370	318.6	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Uttlesford D C - PL 3247	295.0	Council Offices	London Road	Saffron Walden	CB11 4ER	
Anglian - WA 3644	267.2	Liberator Road	Norwich	Norfolk	NR6 6EU	
Anglian - WA 3233	256.7	Liberator Road	Norwich	Norfolk	NR6 6EU	
Mason - LA 3344	225.3	Corn Exchange Bldg Unit 6	19 Brunswick St	Liverpool	L2 0PJ	
E2 Energy Management	195.5	Ball Mill Top Business Park	Hallow	Worcester	WR2 6LS	
Keoghs	190.0	Keoghs Bolton (Headquarters)	2 The Parklands	Bolton	BL6 4SE	
Sutton & ES - WA 3262	178.4	1407 Broadway	6th Floor	NY 10018 USA		
Buckingham St Management - LA 3221	163.6	39a Buckingham Street	Buckinghamshire	HP20 2NQ		
Savills SVC - LA 3607	162.1	Head Office London	33 Margaret Street	London	W1G 0JD	
Castle - WA 3678	134.8	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Kingston Communications	126.3	Kingston House	Salveson Way	Hull	HU3 4XQ	
Demys Limited	123.7	33 Melville Street	Edinburgh	EH3 7JF		
The Salary Exchange Ltd	120.0	The Quadrangle, Crewe Hall, Weston Road,	Crewe	Cheshire	CW1 6UY	
Dock10 Ltd	91.0	PO Box 556	Salford	M5 0EN		

Joint Administrators' Proposals

Castle - WA 3223	88.1	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
BUPA UK	85.5	1 Angel Court	London	EC2R 7HJ		
Virgin Media Business	84.3	Griffin House	161 Hammersmith House	W6 8BS		
Connect 2 Care	78.0	24a Cecil Pashley Way	Shoreham Airport	Shoreham by Sea	West Sussex	BN43 5FF
Castle Water Ltd	73.5	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Anglian - WA 3255	56.9	Liberator Road	Norwich	Norfolk	NR6 6EU	
Castle - WA 3390	53.5	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Castle - WA 3215	26.7	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Affinity - WA 3361	13.2	The Software Centre	Wilford Industrial Estate	Nottingham	NG11 7EP	
Savills SVC - LA 3300	11.5	Head Office London	33 Margaret Street	London	W1G 0JD	
Castle - WA 3285	11.4	1 Boat	Brae	Ratray	Blarrgowrie	PH10 7BH
Business - WA 3251	8.8	Prezzo Limited	Johnston House, 8 Johnston Road	Woodford Green	Essex	IG8 0XA

Appendix H: SIP 16 report as issued to Creditors



TO ALL KNOWN CREDITORS

Dear Sir/Madam,

Prezzo Limited and Prezzo Holdings Limited – Both in Administration, Together (the “Group”)

Andrew Johnson, Ali Khaki and I of FTI Consulting LLP (“FTI”) were appointed as Joint Administrators (the “Joint Administrators”) over the Group on 10 February 2021. Please note that we are authorised by the Institute of Chartered Accountants in England and Wales to act as Insolvency Practitioners.

Purpose of this letter

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 the administrators, and the administrators effect the sale immediately on, or shortly after, appointment.

The purpose of this letter is to inform creditors of the Group, in accordance with Statement of Insolvency Practice 16 (“SIP16”), of the background in relation to a pre-packaged sale and to demonstrate to creditors that such a pre-packaged sale has been undertaken with due regard to the interests of creditors.

Purpose of the Administration

The purpose of an administration is to achieve one of the following statutory objectives (in order):

- (a) rescuing the company as a going concern; or
- (b) achieving 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) realising property in order to make a distribution to one or more secured or preferential creditors.

Given the situation set out further below, in particular the quantum of the Group’s debt and its funding requirements, we concluded that it was not possible to rescue the Group as a going concern and, as non-preferential-unsecured creditors would not receive a better return than they would have in a winding up, it was decided that statutory objective (c) should be pursued.

The transaction enables objective (c) to be achieved as the realisations enable both a distribution to be made to the secured creditor and, on the basis of current information, enable a distribution to both the first-ranking (employees) and second-ranking (HM Revenue & Customs (“HMRC”)) preferential creditors. The transaction provided the best outcome for creditors of the Group, and was to the advantage of all classes of creditors other than non-preferential-unsecured creditors who were not disadvantaged as a consequence of the transaction.

On 10 February 2021, immediately following our appointment, we sold substantially all of the business and assets of the Group (the "Transaction") to Prezzo Trading Limited (the "Purchaser"). Prezzo Trading Limited is an entity ultimately owned by Cain International LP ("CI"). Further details on the Transaction, are described below and in Appendix I.

Background to the Administration

Founded in 2000, Prezzo is a well-known restaurant group in the Italian Casual Dining market, currently operating 178 leasehold restaurants throughout the UK.

After a period of expansion and market under performance, the Group underwent a CVA in 2018 to rationalise the estate leaving a core of profitable sites, as well as a restructuring of its balance sheet. Following this restructuring, new leadership was put in place to lead a turnaround and rehaul its strategy, focusing on people, food & drink, environment, customer & brand and operations.

Prior to the COVID-19 pandemic, the Group had made progress against its turnaround plan. However, in line with the rest of the hospitality industry, the Group has faced unprecedented disruption as a consequence of the COVID-19 pandemic.

At the outset of the COVID-19 crisis, the Group was put into hibernation, furloughing the majority of its staff, limiting outgoing payments to a minimum and engaging in discussions with key stakeholders (e.g. HMRC and landlords). Between March and July 2020 home delivery capacity was doubled to expand the Group's 'Dine at Home' channel. Notwithstanding the actions taken by management, the ongoing headwinds resulted in a £14m forecast funding requirement and as a result an independent M&A advisor was engaged to run a sales process in June 2020.

The M&A process saw 58 parties contacted with 21 parties signing NDA's and accessing additional information made available to them. Four parties entered discussions with management with the process ending with two offers. Both offers were similarly structured and ultimately the CI offer was accepted and transacted.

CI agreed to purchase the Group on 2 December 2020 and completed the transaction on 16 December 2020. The consideration included a material discount for the Group debt facilities which totalled £57m and a nominal amount being paid for the Group equity ("the December transaction").

Following the December transaction, the extent and likely prolonged duration of the third national lockdown became apparent. Despite a number of landlords actively engaging in discussions to address arrears and ongoing rent liabilities it became clear these discussions would not be concluded at a sufficient level and in a suitable timeframe to overcome the additional headwinds the third lockdown had presented.

In the face of ongoing uncertainty, CI concluded that they were no longer able to support the business on a solvent basis. However, they also informed the Directors that they were in the process of preparing an offer to acquire the business and assets of the Group by way of a pre-pack sale.

Whilst negotiations over terms of the sale continued, the Directors managed the cash and net creditor position to maximise value in the business for the benefit of the Group's creditors ahead of the proposed transaction.

Since the December transaction, CI have provided c£2.4m of funding in order to provide liquidity that enabled the Group to make business critical payments and ensure the overall position of creditors was not materially worsened ahead of the Transaction. They were not, however, willing to fund another accelerated M&A process.

In any event, and as previously noted, the M&A process in 2020 did not give rise to an offer that redeemed the secured lenders in full. Since the December transaction, the position of the Group and the market has further deteriorated. CI have confirmed they would not countenance an offer unless it provided a material return over and above their initial investment.

The Group also instructed Gordon Brothers International LLC ("GB") to carry out a valuation of the furniture and equipment held at the Group's sites. The purpose of the valuation was to ensure that the Transaction provided a better return to the Group's creditors than would have been the case in a winding up. The ex-situ value provided by GB was £1.2m prior to the costs of realisation, which were expected to be significant given the assets were spread across the Group's 178 restaurants (at an average asset value of c£7k per site).

Transaction

Immediately following our appointment as Joint Administrators on 10 February 2021, substantially all of the business and assets of the Group were sold to the Purchaser for consideration totalling £5.04m (cash of £2.64m & debt of £2.40m).

We concluded that the Transaction was in the best interests of the Group's creditors and maximised value in the circumstances, as:

- It ensured that 156 of the Group's 178 restaurants would remain trading (subject to ongoing discussions with Landlords), minimising business disruption, ensuring continuity for the business and its suppliers, protecting the vast majority of the Group's employees, preserving 2,550 jobs including the payment of any arrears of wages, holiday pay and benefits for those retained staff.
- The Transaction, both in protecting the jobs detailed above and through ensuring that sufficient value was obtained for all floating charge assets (in excess of what would have been realised on a break-up basis), is expected to result in a full return to the creditors with first-ranking preferential status (employees), as well as a return to HMRC given its status as a secondary-ranking preferential creditor.
- The transaction was supported by the material secured creditors who held c£56m of secured debt.

Further details of the Transaction, its rational and safeguards, are included in Appendix I.

The acquisition of the Group's share capital in the December transaction means that CI should be considered a connected party for the purposes of SIP 16.

CI were informed of their ability to approach the pre-pack pool, an independent group of suitably qualified and experienced individuals, in order to obtain their opinion on the pre-pack transaction. However, the Purchaser chose not to approach the pre-pack pool, as per their entitlement.

Proposals

In accordance with paragraph 49(5) of Schedule B1 to the Act, we are currently formulating our proposals which will be sent to creditors imminently and in any event within 14 days of the Joint Administrators' appointment. A copy of these proposals will be made available at <http://www.fticonsulting-emea.com/cip/prezzo-restaurants>

The Joint Administrators considered sending both the SIP 16 statement and the proposals concurrently, however decided sending the SIP 16 as soon as practicable following the appointment (whilst the proposals were being finalised) offered the greatest transparency to creditors with the proposals to follow in short order.

Ethics

As insolvency practitioners we are bound by the Insolvency Code of Ethics and guided by Statement of Insolvency Practice 1 (SIP 1). Prior to our appointment we considered potential ethical threats in undertaking the Administration in accordance with the Code, and we did not consider that there were any matters preventing us taking this appointment.

Should you have any queries in respect of the above please contact this office using the details provided.

Yours faithfully

For and on behalf of the Group – In Administration,



Matthew Boyd Callaghan
Joint Administrator

The affairs, business and property of the Group are being managed by the Joint Administrators. The Joint Administrators act as agents of the Group and without personal liability.

Matthew Boyd Callaghan, Andrew Johnson and Ali Khaki are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under section 390A(2)(a) of the Insolvency Act 1986.

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

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix I

Information regarding the sale of the business and operating assets of Prezzo Limited and Prezzo Holdings Limited ("the Group") on 10 February 2021; as required by the Statement of Insolvency Practice 16 ("SIP16")

Prezzo Limited and Prezzo Holdings Limited (Both in Administration) (together "the Group")

This appendix sets out the matters as required by SIP16

Initial introductions and pre-appointment matters

1. The source of the Joint Administrators' initial introduction	FTI were initially introduced to the Group by a landlord with whom one of the Joint Administrators had dealt with previously and who leased sites to the Group. The initial introduction to the Group was made on 18 December 2020. For the avoidance of doubt neither FTI or the Joint Administrators had had a previous relationship with the Group ahead of the options workstream in December 2020 (detailed below).
2. The extent of the Joint Administrators' involvement prior to the appointment	FTI was engaged to complete both an options paper, looking at solvent and insolvent options, and to conduct contingency planning and short-term cash flow work for the Group. The initial engagement commenced on 22 December 2020. The Contingency Planning ("CP") workstream was required for circumstances where a solvent refinancing could not be achieved. In circumstances where a solvent solution was not possible it was likely that an administration would be required and that the CP advisors would take the appointment given their knowledge of both the Group's financial position and structure. 2. FTI did not act in a managerial capacity for the Group and all decisions of the Group in relation to the relevant transactions were independently undertaken by the Group's Directors. The above workstreams were led by Matthew Callaghan who has been appointed as one of the Joint Administrators.
3. Alternative course(s) of action considered by the Joint Administrators and the possible financial outcome(s) of the alternative course(s) of action	Alternative options compared with the potential outcome from the Transaction were: Consensual restructuring (bi-lateral negotiations) Following the December transaction, the extent and duration of the third national lockdown became clear. Nonetheless, the Group has made numerous efforts to complete a consensual restructuring with an attempt to negotiate agreeable terms with its landlords. However, as a result of the increasing funding requirement (c£14m) and the ongoing uncertainty, CI were no longer able to support this strategy and continue to fund the business on a solvent basis. <i>A pre-packaged sale following a valuation exercise and marketing carried out prior to the Group's administration;</i>

	There was insufficient liquidity in the Group to provide the necessary time or funding to run an additional accelerated M&A process following the conclusion of the previous one in December 2020. No process is expected to have provided a better return to the Group's creditors than the Transaction, for the reasons set out below: - CI had expressed their willingness to purchase the Group, via a credit bid as the secured lender, and were have confirmed they would not countenance an offer unless it provided a material return over and above their initial investment; and - The market has deteriorated since the independent M&A process in 2020 (which concluded less than two months ago). Therefore even in circumstances where there was liquidity to run an additional accelerated M&A process, a return acceptable to CI is unlikely to have been achieved. We also considered whether a short marketing process post the appointment of the Joint Administrators could be run in which interested parties from the previous M&A process were approached. In our view this was not a viable option for the following reasons. - Any post appointment marketing process would have caused increased uncertainty and a likely further detrimental impact to Group value. - As above the Group has an immediate funding requirement and would likely have insufficient available funds to meet post administration expenses (e.g. rental liabilities and employee costs). - The Group's secured lender would not have been supportive of such a process, and there would have been a risk that they withdrew their existing offer. This would lead to an increased likelihood of liquidation. Break Up/ Liquidation comparable; An estimated outcome comparison has been completed to compare the return from the transaction to the return in a break-up scenario, which clearly demonstrates the following: - The overall realisations for the Group's creditors from the Transaction are expected to significantly exceed the comparable amount in a break up/liquidation, both as a consequence of additional consideration and the additional costs associated with realising the Group's assets in a break up/liquidation. - The sale of the business will save 2,550 jobs, significantly reducing the first-ranking preferential claims and this should ensure all first-ranking preferential creditors are paid in full. In a liquidation and as a result of the volume of associated redundancies, we have estimated the preferential employee claims to be c£3m. This would have resulted in a significant shortfall to the first-ranking preferential creditors. - As a consequence of the reduced first-ranking preferential claims we expect a significant dividend to be payable to the second-ranking preferential creditors. In a liquidation no return would be expected to the 2nd ranking preferential creditors. - Landlord claims have been mitigated by preserving the immediate ongoing trade of 156 sites.
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	- Whilst non-preferential unsecured creditors are not expected to receive a distribution in either a break up scenario or the Transaction, we understand that continued support from a number of suppliers to the Purchaser will be required and that the Purchaser will be looking to discuss ongoing arrangements with a number of the Group's existing suppliers as a consequence. - A better outcome is expected for all other classes of creditor compared to a shut down as a result of the Transaction.
4. Whether efforts were made to consult with major creditors 3.	The Group's creditors include: - The secured lenders, who have three facilities totalling c£57m covered by full fixed and floating charge security. CI hold substantially all of the secured debt; - Unsecured creditors in relation to the Group's lease liabilities e.g. rent-free periods and landlord contributions; - Unsecured trade creditors; - HMRC (both unsecured and second-ranking preferential following the reintroduction of UK crown preference); - Employee arrears (wages, holiday and benefits); and - Intercompany payables. We consulted extensively with CI alongside their legal and financial advisors and they have confirmed that they are supportive of the transaction, in their capacity as the majority secured lender. Given the sensitivity around the transaction and the potential impact to value had the transaction become public knowledge, a decision was made not to consult with any creditor other than CI in relation to the transaction.
5. Details of requests made to potential funders to fund working capital requirements	As mentioned above, access to further liquidity was needed for the Group to continue to trade as a going concern. Pre-appointment discussions were held between the Group and CI in an attempt to satisfy the liquidity requirement, however CI withdrew its support for a consensual solution in late January 2021, given the developments outlined above. In conclusion and as detailed above, based on recent comparable transaction multiples, the Joint Administrators did not consider that the working capital funding requirement was available to the Group absent the Transaction. Therefore, it was in the best interests of the creditors of the Group to enter into the Transaction.
6. Charges registered against the Group, including the date these were created	1. Fixed and Floating debenture made on 20 August 2018 2. Security Succession Deed dated 25 February 2015
7. Details of any transactions involving the acquisition of the business or business assets from an insolvency process within	N/A

the previous 24 months and whether the Joint Administrators were involved	
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Marketing and valuation of the business and assets

8. Marketing activities conducted; and 9. Valuations obtained of the business or the underlying assets	A full M&A process was conducted by independent advisors between July and December 2020. This process reached a wide audience with 58 parties contacted and 21 parties signing NDA's and accessing additional information made available to them. Four parties entered discussions with management with the process ending with two offers, both of which offered a nominal amount for the equity and a purchase of the £57m debt at a significant discount. Since last year's M&A process, there has been a worsening of conditions for the hospitality industry as a consequence of the third national lockdown. Therefore, the outcome of any additional M&A process would not be expected to result in a better outcome than that achieved in December 2020. The Group did not have any liquidity, to the extent CI were already funding business critical payments, and CI were unwilling to fund any additional costs to run a further accelerated M&A process. In addition to the above and as detailed previously, CI confirmed that they were interested in acquiring substantially all the business and assets of the Group via a pre-pack administration. Comparable, mid 2020 transactions in the sector traded at c4x pre COVID-19 EBITDA, which would equate to c£10.4m for the Group based on c£2.6m FY19 EBITDA, which is materially lower than the level of the secured debt. GB have also undertaken a valuation of the Group's furniture and equipment. This has provided comfort to the Joint Administrators that they have achieved materially better value in selling these assets through this transaction than would have been achieved in a break up/ liquidation scenario. GB have full Professional Indemnity Insurance.
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Transaction

10. The date of the transaction	The Transaction completed on 10 February 2021
11. The identity of the purchaser	Prezzo Trading Limited (Company No: 13150050)
12. Any connection between the purchaser and the Directors, shareholders or secured creditors of the Company	The Purchaser is a company owned by CI. As a consequence of the relationship between the Purchaser and the Group's ultimate shareholder this is considered a connected party transaction in respect of SIP 16.
13. The names of any Directors or former Directors of the Company who are involved in the management, financing or ownership of the purchaser, or of any other entity into which any of the assets were / will be transferred	Karen Jones and Dean Challenger are expected to be appointed as Directors of the Purchaser and will continue to be involved in the day-to-day management of the business. In addition to the above CI Milan is a Corporate Director of both Prezzo Limited and Prezzo Holdings Limited. The Directors of this entity are Jonathan Goldstein and Joseph Stelzer who either directly, or through a corporate directorship, are on the board of the Purchaser. Where applicable the Directors have confirmed that the relevant Section 216 notices under the Insolvency Act 1986 will be circulated.

14. Whether any Directors of the Company had given guarantees for amounts due from the Company to a prior financier and whether that financier is financing the new business	We are not aware of any guarantees provided by the Directors of the Group to the Group's lenders.
15. Details of the assets involved and the nature of the transaction(s)	The Transaction comprised the sale of substantially all the assets in the Group. Full details are provided below.
16. The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration	The total consideration was £5.04m and the allocation of the consideration by asset and entity is set out in Appendix II.
17. The consideration disclosed under broad asset valuation categories and split between fixed and floating charge realisations (where applicable) and the methods by which this allocation of consideration was applied	As detailed in Appendix II, consideration was allocated by CI based on the Group's latest Balance Sheet and CI's view on the value of goodwill in the Group. The consideration was reviewed for reasonableness by the Joint Administrators and their legal advisors.
18. Any options, buy-back arrangements or similar conditions attached to the contract of sale	N/A
19. Details of any security taken by the Joint Administrators in respect of any deferred consideration.	N/A
20. If the sale is part of a wider transaction, a description of the other aspects of the transaction	N/A

Appendix II

The consideration disclosed under broad asset valuation categories and split between fixed and floating charge realisations (where applicable):

Prezzo Limited Consideration	
Asset category	Total (£)
Fixed	
Goodwill	3,200,000
Domain Name	50,000
Business Name	290,000
Property	1
Transferred IP	100,000
Total fixed	3,640,001
Floating	
Plant & Machinery & Chattels	1,200,000
Wet and Dry Stock	200,000
Customer contracts	1
Supply contracts	1
Systems	1
Transferred records	1
Total floating	1,400,004
Total fixed and floating	5,040,005