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From: [Redacted]@teneo.com>
Sent: 10 September 2021 10:22
To: [Redacted]@deloitte.co.uk>; [Redacted]@gov.scot>;
[Redacted]@gov.scot>; [Redacted]@gov.scot>; [Redacted]
[Redacted]@gov.scot>; [Redacted]gov.scot>; [Redacted]
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[Redacted]@gov.scot>

Subject: RE: Lavender - Weekly progress workshop

All

As discussed on the call, attached are the proposals filed by Ecnavlva 8 UK Limited’s administrators

Key pages are 4 and 5 of the report. There isn’t much in the way of new information, albeit it provides some background on GFG’s legal actions to defend director replacements in the businesses and refers to GFG refinancing efforts being ongoing. An extract is copied below for ease of reference.

1. Ministerial meeting and actions arising
2. Subsidy control – approach and further work required
[REDACTED]
4. GMM
5. AOB (Fol, IP, etc)

As you will be aware, there was no refinancing call with the company this week, although my summary of a conversation with [REDACTED] is attached. In essence, Lavender aware of furlough ending, wants to make an announcement in the UK (for staff and customers as much as anything) but not decided on what this message might be pending closing the Australian refinancing.

Yours
[REDACTED]

[REDACTED] | Deloitte LLP
Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2DB
[REDACTED]

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Teneo

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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 | 1 2 7 8 1 7 9 1 |
| Company name in full | Ecnavla 8 UK Ltd |
| → Filling in this form Please complete in typescript or in bold black capitals. | |

| 2 Administrator's name | |
|------------------------|---------------|
| Full forename(s) | Geoffrey Paul |
| Surname | Rowley |

| 3 Administrator's address | |
|---------------------------|-------------------|
| Building name/number | 2nd Floor |
| Street | 110 Cannon Street |
| Post town | London |
| County/Region | |
| Postcode | E C 4 N 6 E U |
| Country | |

| 4 Administrator's name ① | |
|------------------------------------------------------------------------------------------|-----------------|
| Full forename(s) | David Frederick |
| Surname | Shambrook |
| ① Other administrator Use this section to tell us about another administrator. | |

| 5 Administrator's address ② | |
|------------------------------------------------------------------------------------------|-------------------|
| Building name/number | 2nd Floor |
| Street | 110 Cannon Street |
| Post town | London |
| County/Region | |
| Postcode | E C 4 N 6 E U |
| Country | |
| ② Other administrator Use this section to tell us about another administrator. | |

AM03

Notice of Administrator's Proposals

6 Statement of proposals

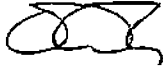


I attach a copy of the statement of proposals

7 Sign and date

Administrator's
Signature

Signature



Signature date

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2

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7

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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 | Geoffrey Paul Rowley | | | | | | |
| Company name | FRP Advisory Trading Limited | | | | | | |
| Address | 2nd Floor 110 Cannon Street | | | | | | |
| Post town | London | | | | | | |
| County/Region | | | | | | | |
| Postcode | E | C | 4 | N | 6 | E | U |
| Country | | | | | | | |
| DX | cp.london@frpadvisory.com | | | | | | |
| Telephone | 020 3005 4000 | | | | | | |

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

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

FRP

Ecnavla 8 UK Ltd (in Administration)
The Administrators' Proposals
27 August 2021

1. Introduction and circumstances giving rise to the appointment of the Administrators



| Section | Content | The following abbreviations may be used in this report: | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 1. | Introduction and circumstances giving rise to the appointment of the Administrators | The Administrators | Geoffrey Paul Rowley and David Frederick Shambrook of FRP Advisory Trading Limited |
| 2. | Conduct of the administration | Alvance Belgium | ALVANCE Aluminium Belgium BV |
| 3. | The Administrators' remuneration, disbursements and pre-administration costs | Alvance Duffel | ALVANCE Aluminium Duffel BV |
| 4. | Estimated outcome for creditors | Alvance Italy | ALVANCE Aluminium Italy SRL |
| Appendix | Content | The Subsidiaries | Alvance Belgium, Alvance Duffel and Alvance Italy together |
| A. | Statutory information about the Company and the administration | The Company | Ecnavla 8 UK Ltd (in Administration) |
| B. | Administrators' Receipts & Payments Account | CVA | Company Voluntary Arrangement |
| C. | The Administrators' remuneration, disbursements and costs information <ul style="list-style-type: none">▪ Statement of anticipated expenses▪ Schedule of work▪ Fee estimate▪ FRP charge out rates▪ FRP disbursements policy | CVL | Creditors Voluntary Liquidation |
| D. | Schedule of pre-administration costs | FRP | FRP Advisory Trading Limited |
| E. | Details of the estimated financial position of the Company | GFG Alliance | The group of companies under common control known as the Gupta Family Group Alliance |
| | | GLAS | GLAS Trust Corporation Limited |
| | | HMRC | HM Revenue & Customs |
| | | ICP | ICP Origination I LLC |
| | | The Insolvency Rules | The Insolvency (England and Wales) Rules 2016 |
| | | QFCH | Qualifying floating charge holder |
| | | SIP | Statement of insolvency practice |

1. Introduction and circumstances giving rise to the appointment of the Administrators



On 7 July 2021, the Company entered administration and Geoffrey Paul Rowley and David Frederick Shambrook were appointed as Administrators.

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Act and the Rules. The proposals are deemed delivered on 27 August 2021.

Certain statutory information about the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

The Company and its direct and indirect parents and subsidiaries form part of GFG Alliance, an international conglomerate active in the power generation, steel and aluminium sectors. Sanjeev Gupta is the ultimate beneficial owner of GFG Alliance and director of companies within the group.

The Company was incorporated on 30 July 2020 with the purpose of facilitating GFG Alliance's acquisition of Aleris Aluminium Duffel, now known as Alvanco Duffel, from Aleris Aluminium Netherlands BV. The acquisition followed a requirement from the European Commission that Aleris divest itself of its Belgian aluminium plant in Duffel on competition grounds, as part of its merger with Novelis.

GFG Alliance completed the acquisition of Alvanco Duffel in October 2020.

The Company acts as an intermediary holding company within GFG Alliance's Alvanco structure and has no employees. It is a wholly owned subsidiary of Ecnavla 7 Singapore Pte Ltd and is the sole shareholder of Alvanco Belgium, which is in turn the sole shareholder of Alvanco Duffel.

A structure chart is attached at **Appendix A**.

Alvanco Duffel owns and operates an aluminium rolling plant in Duffel, Belgium and is involved in the manufacture and sale of aluminium rolled products. It offers bespoke aluminium solutions to a range of industries. The plant employs around 1,000 people and produces approximately 200,000 tons of high-value aluminium rolled products annually. Alvanco Duffel had a turnover of more than €542m with a profit of more than €26m in the fiscal year 2019.

Ecnavla 8 UK Ltd (in Administration)
The Administrators' Proposals

The following security has been granted by the Company to GLAS in its capacity as security trustee and is registered at Companies House:

1. A composite debenture created on 30 September 2020;
2. A share pledge agreement created on 30 September 2020;
3. A second composite debenture created on 26 April 2021; and
4. A third composite debenture created on 14 May 2021.

The debenture and share pledge created on 30 September 2020 were originally granted to provide facilities for a total value of €160m to Alvanco Belgium for the primary purpose of its acquisition of the shares in Aluminium Duffel. The debentures dated 26 April 2021 and 14 May 2021 were created following deeds of amendment to the original facility agreement. The Company acted as guarantor in respect of these loans.

GLAS acts as security trustee for the lender, ICP.

No other charges have been registered against the Company.

Events leading to the appointment of the Administrators

In March 2021, Greensill Capital, which acted as the main external source of finance for GFG Alliance, was placed into administration. Greensill Capital's insolvency had a significant impact on Alvanco Duffel, which as a result required an alternative source of working capital.

In April 2021, ICP acquired Tor Capital's position as lender under the loan facilities provided to Alvanco Belgium and provided further financing to Alvanco Duffel and Alvanco Belgium to meet Alvanco Duffel's working capital requirements. The Company acted as a guarantor.

In June 2021, Alvanco Duffel, Alvanco Belgium and the Company defaulted on payments due to ICP in respect of its lending and, on 25 June 2021, a "reservation of rights" letter was issued to Alvanco Belgium by GLAS in its capacity as security trustee, specifying the events of default.

1. Introduction and circumstances giving rise to the appointment of the Administrators

Appointment of the Administrators

On 7 July 2021 GLAS issued a formal letter of demand to Alvanco Duffel and Alvanco Belgium for an aggregate amount due to ICP of €96,098,989.

On the same date, GLAS issued a demand to the Company in its capacity as guarantor for the same amount.

Immediately after the issue of the demand letters, ICP issued a comfort letter to Alvanco Duffel and Alvanco Belgium in which it indicated that it had instructed GLAS to demand payment of all outstanding amounts due to ICP. ICP indicated that it would instruct GLAS as security trustee to exercise rights under its qualifying floating charge in respect of the Company, but that it had no intention for the time being of taking recovery action against Alvanco Belgium and Alvanco Duffel and that it was willing to discuss liquidity issues in these companies.

The Administrators understand that the main purpose of ICP's comfort letter was to ensure that Alvanco Belgium, Alvanco Duffel and other group companies would not enter insolvency proceedings in their respective jurisdictions because of non-repayment of the loan. The concern being this could have caused operational disruption and/or diminution in value.

Prior to their appointment, the Administrators were required to consider any ethical and conflict issues in relation to the appointment. Provided they were satisfied that there were no matters arising that would preclude them consenting to act, they were required to provide a statutory statement and consent to act in which any prior relationship between the proposed Administrators and the Company was summarised. This statement is subsequently filed in Court. Following their appointment, the Administrators' duty of care is to all the Company's creditors as officers of the Court and agents of the Company, taking over from the board of directors the executive authority for managing the affairs, business and property of the Company.

Geoffrey Paul Rowley and David Frederick Shambrook were duly appointed as Administrators of the Company by GLAS as QFCH on 7 July 2021.

2. Conduct of the administration



The objective of the administration

Based on current information, the Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Act, being to rescue the Company as a going concern, will be achieved if external funding is available to pay or refinance the Company's indebtedness to ICP and it can be demonstrated that Alvanco Duffel has sufficient ongoing working capital to demonstrate it will be a going concern post administration. The Administrators are in discussions with GFG Alliance but have not yet received any fully funded proposals in this regard. The Administrators also think that objective (a) can be achieved if the Company's shares in Alvanco Belgium are sold for a value sufficient to pay all creditors in full.

Discussions are ongoing but if it is not possible to achieve objective (a), the Administrators do not think that objective (b), a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration) can be achieved. This is because the only realisable asset of the Company that has to date been identified by the Administrators is its shares in its subsidiary, Alvanco Belgium. The Administrators do not think that there would be a better result for creditors as a whole if those shares were sold by the Company in administration compared to the result for creditors if they were sold by the Company in liquidation (without first being in administration).

Therefore if it is not possible to achieve objective (a), and the Administrators do not think that it is reasonably practicable to achieve objective (b), then it is envisaged that objective (c) will be achieved, whereby property will be realised in order to make a distribution to ICP as secured creditor, with any surplus available to be distributed to unsecured creditors.

The Administrators' actions

Details of work already undertaken and anticipated to be undertaken in the administration are set out in the schedule of work at **Appendix C**.

Key developments since the Administrators' appointment are summarised below.

Replacement of Subsidiaries' director

Shortly after the Administrators' appointment on 7 July 2021, the Company, in its capacity as sole shareholder of Alvanco Belgium and acting by the Administrators, passed shareholders' resolutions replacing the sole director of Alvanco Belgium with an experienced independent turnaround director with over 25 years of experience serving on the boards of financially distressed companies.

Similar resolutions were subsequently passed by Alvanco Belgium and Alvanco Duffel in respect of their subsidiaries, Alvanco Duffel and Alvanco Italy.

The purpose of passing these resolutions was to ensure that there was an independent and suitably qualified director in a decision-making position at the valuable subsidiaries of the Company, who would act in the interests of those subsidiaries and their stakeholders, to ensure that the interests of the Company's creditors as a whole are protected. The independent turnaround director was selected on the basis of his experience and expertise in managing and reorganising companies undergoing financial difficulties, with a view to working closely with the local management teams to oversee the affairs of these companies and stabilise their financial positions whilst the ability to achieve a solvent exit was explored or failing that a sale.

On 14 July 2021, on an ex parte petition by Mr Gupta, the President of the Belgian Enterprise Court in Antwerp made an order temporarily suspending the effects of the shareholder resolutions of Alvanco Duffel, meaning that the independent turnaround director's appointment as a director of Alvanco Duffel, and Mr Gupta's removal as director of Alvanco Duffel, were also temporarily suspended. This left Mr Gupta in situ and able to temporarily continue to exercise control as sole director. The Administrators launched a third party opposition to that ex parte order. The case will be pleaded on 31 August 2021.

Mr Gupta has also commenced proceedings against Alvanco Duffel on the merits before the Enterprise Court of Mechlin seeking to annul the shareholder resolutions of Alvanco Duffel.

Simultaneously Mr Gupta filed an ex parte petition with the President of the Belgian Enterprise Court of Brussels on 14 July 2021 seeking an order temporarily suspending the effects of the shareholder resolutions of Alvanco Belgium. However, the President

2. Conduct of the administration

FRP

of the Belgian Enterprise Court refused to make this order. This means that the independent turnaround director currently remains the sole director of Alvanco Belgium. Because Mr Gupta failed in his ex parte application, he commenced summary proceedings against Alvanco Belgium before the President of the Brussels Enterprise Court on 16 July 2021. These are also seeking a suspension of the shareholders' resolutions of 7 July 2021 replacing the director of Alvanco Belgium.

Litigation in both the Antwerp and Brussels Enterprise Courts is ongoing, with Simmons & Simmons acting as solicitors and advocates for the Company. The result of these proceedings will be communicated to creditors in our next report.

Communications with GFG Alliance in relation to refinancing

The Administrators have been in ongoing correspondence with GFG Alliance via Mr Gupta and his representatives with regard to the potential refinancing of the Company's debt to ICP. The Administrators continue to work with GFG Alliance and their advisors to identify whether the Company can be returned to solvency, achieving objective (a) of administration, through a refinancing.

Sale of shares in Alvanco Belgium

The Administrators have not taken any steps in relation to the marketing of the Company's shares in Alvanco Belgium to date, as their priority has been working to preserve the value of these shares by stabilising the financial position of Alvanco Duffel and exploring a potential solvent rescue of the Company through a refinancing.

In the absence of a funded proposal to refinance ICP's debt and stabilise the financial position of Alvanco Duffel in a reasonable timeframe, the Administrators will need to take steps to market and sell the Company's shares in Alvanco Belgium.

Administration funding

ICP have provided a funding facility to the Administrators to fund the costs and expenses incurred by the Administrators in the fulfilment of the purposes of the administration of the Company.

Administrators' future work

Following approval of the Administrators' proposals, the Administrators will continue to manage the affairs and business of the Company and conduct the administration to achieve the highest statutory purpose possible. Key matters to be undertaken include:

- the ongoing litigation in the Belgian Courts relating to the replacement of the directors of the Company's subsidiaries.
- Continuing to monitor the financial position of Alvanco Duffel, insofar as possible, and taking any necessary actions to preserve value.
- Continuing to engage with Mr Gupta, his representatives and any relevant third parties with regard to any proposals for a potential solvent rescue of the Company through a refinancing.
- Continued liaison with ICP as secured creditor, regarding the repayment or recovery of their lending and the ongoing funding of the administration.
- If the Administrators conclude that a refinancing will not be achievable, undertaking a sale of the Company's shares in Alvanco Belgium.
- Investigating and, if appropriate, pursuing any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company.
- Seeking an extension of the administration if needed.
- Ensuring all statutory and compliance matters are attended to.
- Paying all administration expenses and bring the administration to an end when deemed appropriate by the Administrators.

Receipts and Payments Account

A copy of the Administrators' receipts and payments account to date is attached as **Appendix B**.

2. Conduct of the administration



The sole receipts to date are drawdowns totalling £1.75m from the administration funding facility with ICP.

The directors' Statement of Affairs

The directors of the Company have been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 to the Act. This has yet to be received and the Administrators understand the directors are liaising with their professional advisors with a view to preparing this document. In the meantime, Mr Gupta has recently provided the Administrators with a draft financial information pack containing a balance sheet as at 7 July 2021.

Details of the estimated financial position of the Company as at 7 July 2021, prepared from information available to the Administrators and including a list of creditors' names and addresses, are provided at **Appendix E**. As and when the directors' Statement of Affairs is received it will be filed with the Registrar of Companies.

Matters requiring investigation

The Administrators are required as part of their duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted. They are also required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business, Energy & Industrial Strategy on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate, please contact the Administrators as soon as possible.

The end of the administration

Unless terminated earlier, the administration will end automatically twelve months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application to the Court as required.

Should the Administrators form the view that objective (a) of an administration has been achieved, the Administrators will send notice to the Registrar of Companies in accordance with Paragraph 80 of Schedule B1 to the Act to formally bring the

administration to an end. Executive control of the Company will then pass back to its directors. This is the exit route currently proposed in this administration.

While it is currently expected that a solvent exit from administration will be achieved, a brief description of all the possible steps that would need to be taken in the event that creditors cannot be paid in full follows.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate, they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Act to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Act. If applicable the Administrators will take steps to place the Company into CVL.

Pursuant to Paragraph 83 of Schedule B1 to the Act, should the creditors not nominate a liquidator, the proposed liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Act and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

Should a dividend not become available to the unsecured creditors, but it is still appropriate for the Company to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Act for an order to bring the administration to an end with a consequential order for the compulsory winding up of the Company.

The liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

2. Conduct of the administration

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

Decision of creditors

Based on current information, the Administrators think that objective (a) of an administration may be achieved, either through a refinancing or the sale of the Company's shares in Alvanca Belgium at a level which would enable all creditors to be paid in full. Consequently, pursuant to Paragraph 52(1)(a) of Schedule B1 to the Act, the Administrators are not required to seek a decision from the Company's creditors under Paragraph 51 of Schedule B1 to the Act on the approval of these proposals. These proposals will therefore be deemed approved in accordance with Rule 3.38(4) of the Insolvency Rules.

The Administrators must, however, seek a decision from the creditors if requested to do so by creditors whose debts amount to at least 10% of the total debts of the Company. The request must contain the particulars prescribed by Rule 15.18 of the Insolvency Rules and be made within eight business days of the date of delivery of this report, in accordance with the Insolvency Rules.

The expenses of seeking the decision shall be paid by the creditor or creditors requesting the decision, who will be required to lodge a deposit with the Administrators security for their payment. The creditors may decide that the expenses of seeking the decision should be paid as an expense of the administration, payable from the assets of the Company.

In accordance with the Insolvency Rules, where the Administrators have not sought a decision of the creditors, the proposals will be deemed to have been approved by the creditors of the Company unless at least 10% by value of the Company's creditors requisition a decision of creditors within eight business days of the date of delivery of this report.

3. The Administrators' remuneration, disbursements and pre-appointment costs



Administrators' remuneration

A schedule of the work to be undertaken during the administration is set out at **Appendix C** together with an estimate of the professional expenses likely to be incurred by the Administrators in accordance with Rule 18.16 of the Insolvency Rules. Assumptions made in preparing the summary of work, estimated expenses and the fees estimate are set out in the schedule of work.

The Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated are set out below. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case. The Administrators' fees for dealing with the assets subject to a fixed charge will be agreed with ICP.

Should the Company subsequently be placed into liquidation and the Administrators are appointed as liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the liquidators' remuneration, in accordance with the Insolvency Rules.

Whichever fee basis is approved by creditors and utilised to calculate the level of remuneration that can be drawn by the Administrators will include all direct costs of providing professional services by the Administrators and their staff in dealing with the Company, but will exclude any expenses that may be paid to an associate or which have an element of shared costs (known as category 2 expenses), which require separate approval from creditors before they can be paid.

Remuneration charged by reference to the time incurred in attending to matters arising

The Administrators' remuneration which is proposed to be charged by reference to time incurred is set out on the fee estimate attached at **Appendix C**. Time costs incurred to date are approximately £97k. The time charged is based on computerised records capturing time charged by the Administrators and their staff in dealing with the conduct of those aspect of the case being charged on a time cost basis. Matters dealt with during the assignment are dealt with by different members of staff

Ecnavia 8 UK Ltd (in Administration)
The Administrators' Proposals

depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.

Charge out rates are reviewed at least annually and details of FRP's charge out rates are included at **Appendix C**.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Administrators

Attached at **Appendix D** is a statement of pre-administration costs charged or incurred by the Administrators, none of which had been paid when the Company entered administration.

The Administrators are seeking to obtain approval for the payment of these costs in accordance with the Insolvency Rules.

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Rules following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link: <https://creditors.frp.advisory.com/info.aspx> and selecting the guide for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

FRP

It is not appropriate at present to provide a tabular estimated outcome statement, as a valuation of the Company's shares in Alvanca Belgium has not yet been undertaken.

Based on the information available to date and the assumptions made, the Administrators set out below the anticipated outcome for creditors.

Outcome for Secured Creditor

ICP is the sole secured creditor of the Company and has issued a formal demand in the amount of €96,098,989.

In the event of a solvent rescue of the Company or a sale of the shares in Alvanca Belgium, it is anticipated that ICP will be paid in full, based on current information.

Outcome for Preferential Creditors

Preferential claims relate to unpaid wages, unpaid pension contributions, holiday pay and certain HMRC claims as calculated in accordance with legislation.

The Administrators are not aware of any preferential claims.

Outcome for Unsecured Creditors

The Company's major unsecured creditor is its parent, Ecnavia 7 Singapore Pte Ltd, which is owed €167,923,500 according to a balance sheet provided to the Administrators.

The balance sheet discloses other unsecured creditors totalling €617,300, comprising connected companies and HMRC in respect of withholding tax.

If a solvent rescue of the Company is possible, by definition all unsecured creditors will be paid in full during or soon after the administration.

If a solvent rescue of the Company is not possible but the Company's shareholding in Alvanca Belgium is sold, it is anticipated that funds will be available to unsecured creditors based on current information. This is subject to the value ultimately realised for the shares, so is materially uncertain. Any such distribution would be paid by a subsequently appointed liquidator, and the level of the distribution will be subject to the costs of the administration and liquidation and the realisable value of the shares.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Act. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

Based on current information, no floating charge realisations are anticipated, and the prescribed part is therefore not expected to be applicable.

Appendix A

Statutory information about the Company and the administration



COMPANY INFORMATION:

| | |
|--------------------------------------------------------------|------------------------------------------------------------------------------------|
| Other trading names: | N/A |
| Date of incorporation: | 30 July 2020 |
| Company number: | 12781791 |
| Registered office: | 2nd Floor, 110 Cannon Street, London EC4N 6EU |
| Previous registered office: | 40 Grosvenor Place, 2nd Floor, London SW1X 7GG |
| Business address: | 40 Grosvenor Place, 2nd Floor, London SW1X 7GG |
| Directors per Companies House at the date of administration: | Sanjeev Gupta, George Jay Hambro, Iain Mark Hunter, Deepak Sogani and Dominic Wood |
| Company secretary: | N/A |
| Sole shareholder: | Ecnavla 7 Singapore Pte Ltd |
| Ultimate beneficial owner: | Sanjeev Gupta |

ADMINISTRATION DETAILS:

| | |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Names of Administrators: | Geoffrey Paul Rowley and David Frederick Shambrook |
| Address of Administrators: | FRP Advisory Trading Limited 2nd Floor, 110 Cannon Street, London EC4N 6EU |
| Date of appointment of Administrators: | 7 July 2021 |
| Court in which administration proceedings were brought: | The High Court of Justice, Business and Property Courts of England and Wales |
| Court reference number: | CR-2021-001207 |
| Date of notice of intention to appoint Administrators presented to Court: | N/A |
| Administration appointment made by: | GLAS as QFCH |

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Act.

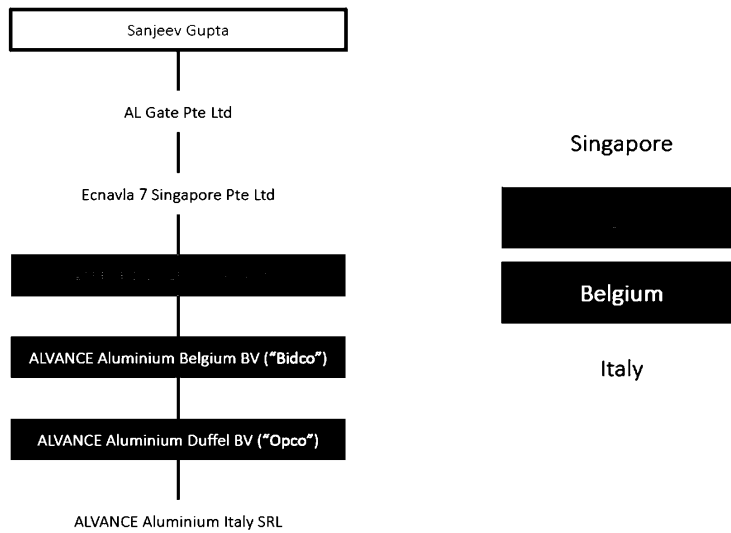
The Company's registered office and centre of main interest is in the UK and accordingly the proceedings will be COMI proceedings as defined in the Insolvency Rules.

The Company has yet to file any statutory accounts.

Appendix A

Statutory information about the Company and the administration

Structure chart



Note: all shareholdings are 100%

Source: Draft financial information pack supplied by Mr Gupta

Ecnavla 8 UK Ltd (in Administration)
The Administrators' Proposals

Appendix B

Administrators' Receipts & Payments Account



**Ecnavla 8 UK Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

| | From 07/07/2021 To 27/08/2021 £ | From 07/07/2021 To 27/08/2021 £ |
|-----------------------------------|---------------------------------------|---------------------------------------|
| SECURED ASSETS | | |
| Investment in Subsidiary | NIL | NIL |
| Administration Funding | <u>1,750,000.00</u> | <u>1,750,000.00</u> |
| | 1,750,000.00 | 1,750,000.00 |
| SECURED CREDITORS | | |
| ICP Origination I LLC | <u>NIL</u> | <u>NIL</u> |
| | NIL | NIL |
| ASSET REALISATIONS | | |
| Loan to Subsidiary | NIL | NIL |
| Other Receivables | <u>NIL</u> | <u>NIL</u> |
| | NIL | NIL |
| COST OF REALISATIONS | | |
| Re-Direction of Mail | <u>259.20</u> | <u>259.20</u> |
| | (259.20) | (259.20) |
| UNSECURED CREDITORS | | |
| Other Payables | NIL | NIL |
| Related Party Creditors | NIL | NIL |
| Shareholder loans and liabilities | <u>NIL</u> | <u>NIL</u> |
| | NIL | NIL |
| DISTRIBUTIONS | | |
| Ordinary Shareholders | <u>NIL</u> | <u>NIL</u> |
| | NIL | NIL |
| | <u>1,749,740.80</u> | <u>1,749,740.80</u> |
| REPRESENTED BY | | |
| Current Floating Int Bearing | | <u>1,749,740.80</u> |
| | | <u>1,749,740.80</u> |

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

Administrators' anticipated post-appointment expenses

| Ecnavla 8 UK Ltd (in Administration) Statement of Anticipated Post-Appointment Expenses | |
|--------------------------------------------------------------------------------------------|---------------------------|
| All costs are shown net of VAT, which is understood to be irrecoverable. | |
| Expense | Anticipated Cost (£'000s) |
| Administrators' remuneration (time costs) | 502 |
| Administrators' disbursements | 5 |
| Solicitors' fees (Simmons & Simmons) | 1,028 |
| Directors' fees (subsidiaries) | 410 |
| Directors' insurance (subsidiaries) | 548 |
| Other advisory fees | Uncertain |
| Total | 2,493 |

Administrators' remuneration and disbursements

Further details of the basis proposed for the Administrators' remuneration and disbursements are set out below.

Solicitors' fees (Simmons & Simmons)

Simmons & Simmons have been engaged to act as the Administrators' solicitors. Simmons & Simmons are a leading international firm of solicitors with a specialist restructuring team and local expertise in both UK and Belgian law and were selected on this basis.

Material legal fees have been incurred in relation to the litigation instigated by Mr Gupta in the Belgian Courts regarding the replacement of directors in the Subsidiaries and further fees are expected to be incurred in this regard. These costs are considered necessary to preserve the value of the Company's shareholding in Alvanca Belgium and assess the viability of any proposed solvent rescue or orchestrate an orderly sale if that is not possible.

Ecnavla 8 UK Ltd (in Administration)
The Administrators' Proposals

Legal fees have been estimated on the assumption that a sale process will be required in respect of the Company's shares in Alvanca Belgium, though no sales process has been commenced and may not ultimately be required.

Directors' fees (subsidiaries)

As discussed in the main body of this report, a turnaround specialist has been appointed to act as director of the Subsidiaries in order to preserve the value of the Company's shareholding in Alvanca Belgium. His appointment as a director of Alvanca Duffel is currently suspended pending a Court hearing in Belgium.

Directors' fees may be payable by one or more of the Subsidiaries but will otherwise be paid as an expense of the administration.

Directors' insurance (subsidiaries)

This relates to the estimated cost of D&O insurance in respect of the Subsidiaries' director.

These costs may be payable by one or more of the Subsidiaries but will otherwise be paid as an expense of the administration.

Other advisory fees

The Administrators have yet to instruct any valuation agents or corporate finance advisors in respect of a sale of the Company's shares in Alvanca Belgium. The basis and quantum of any other advisory fees has therefore yet to be determined and is dependent on whether a sale ultimately proves necessary.

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

The table below sets out a detailed summary of the work undertaken by the Administrators to date, together with an outline of work still to complete.

Where work undertaken results in the realisation of funds (from the sale of assets, or recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifying third parties of the appointment, regular reporting on case progress, notifying statutory bodies where required in relation to the conduct of the directors, and complying with relevant legislation and regulatory matters. This work may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensure they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK

- The records received are complete and up to date
- Extensive investigatory work is not required
- No financial irregularities are identified
- A committee of creditors is not appointed
- There are no exceptional queries from stakeholders
- Full co-operation of the directors and other relevant parties is received as required by legislation
- The prescribed part will not be applicable and therefore no work to be undertaken adjudicating creditor claims
- The work that may be undertaken by any subsequently appointed liquidator has been excluded
- Ongoing litigation is concluded in the next six weeks and there is no additional litigation to be dealt with
- Should the Administrators undertake a sale process for the shares of Alvance Belgium, full co-operation is provided by the directors and the Subsidiaries
- The administration will be finalised within twelve months of the Administrators' appointment

Appendix C

The Administrators' remuneration, disbursements and costs information



| Note | Category | |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | ADMINISTRATION AND PLANNING Work undertaken to date | ADMINISTRATION AND PLANNING Future work to be undertaken |
| | Regulatory Requirements | Regulatory Requirements |
| | Finalisation of money laundering risk assessment procedures and Know your Client checks in accordance with the Money Laundering Regulations. Finalisation of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act and Data Protection Act. | Regularly reviewing the conduct of the cases and the case strategy and updating the same as required by the Administrators' regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing in order to demonstrate effective case management. Ongoing adherence to Money Laundering Regulations. |
| | Ethical Requirements | Ethical Requirements |
| | Prior to the Administrators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the administration to date. | Continuing to monitor whether any ethical threats have arisen and documenting and taking appropriate safeguarding steps where necessary. |
| | Case Management Requirements | Case Management Requirements |
| | Determining and documenting the Administrators' strategy for the administration. Preparation of post-appointment case documentation and completion of internal procedures. Drafting information requests and circulating the same to the Company's directors. Correspondence with Mr Gupta and his representatives in this regard. Regular case strategy and update calls with FRP staff, Simmons & Simmons and the turnaround director. | Continued documentation of case strategy and its implementation. Continued correspondence with the Company's directors and their representatives to request further information to assist in general enquiries and ongoing investigations, as required. Identifying and securing all relevant records (including statutory books and records) required for the purposes of the administration. Using specialist IT staff to capture and store backups of key data where appropriate. Maintaining and updating the case file to aid the administration of the appointment. |

Appendix C

The Administrators' remuneration, disbursements and costs information



| | | |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Obtaining legal advice on the validity of the appointment, including ensuring all required documentation has been properly filed and submitted and a review of security documentation to confirm the validity of charges.</p> <p>Notifying specialist insurance brokers of the appointment and obtaining open insurance cover.</p> <p>Agreeing a media strategy and dealing with press enquiries.</p> <p>Setting up a case file to be updated and maintained for the duration of the appointment. Opening and updating the Administrators' case management system with Company and other relevant information. Filing all relevant correspondence and other documentation and maintaining a diary system to ensure all matters are discharged in accordance with legislation and regulatory requirements.</p> <p>Setting up and administering insolvent estate bank accounts for the purpose of the administration. Ensuring accounts are regularly reconciled to produce accurate and timely reports to all creditors when required. Processing and recording of all receipts and payments throughout the appointment on the Insolvency Practitioners System ("IPS").</p> <p>Notifying HMRC of the administration and correspondence with relevant departments to ascertain the Company's tax position.</p> <p>Necessary sundry administrative work.</p> | <p>Continued regular strategy calls with FRP staff, Simmons & Simons, representatives of the Subsidiaries and other advisors to the Administrators as appropriate.</p> <p>Case accounting work to process all receipts and payments including associated adjustments to ensure bank reconciliations and production of reports can be achieved at all times. Continued updating and maintenance of records on IPS.</p> <p>Further necessary sundry administrative work.</p> |
| <p>2</p> | <p>ASSET REALISATION</p> <p>Work undertaken to date</p> | <p>ASSET REALISATION</p> <p>Future work to be undertaken</p> |
| | <p>Calls and email correspondence with Mr Gupta and his representatives, Alvanco Duffel's management and the turnaround director with regard to the operation and working capital requirements of Alvanco Duffel. Review of cashflow and other documentation.</p> | <p>Continued correspondence with the directors and management of the Subsidiaries with regard to the continuing operations of Alvanco Duffel.</p> |

Appendix C

The Administrators' remuneration, disbursements and costs information



| | | |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Calls and email correspondence with GFG Alliance and its representatives with regard to potential proposals for rescuing the Company as a going concern.</p> <p>Calls and email correspondence with parties expressing an interest in the acquisition of the Company's assets.</p> <p>Calls and email correspondence with Smith & Williamson LLP acting in their capacity as Monitoring Trustee for the European Commission with regard to case updates and the potential disposal of the Company's shares in Alvanca Belgium.</p> <p>Dealing with all necessary documentation in respect of the replacement of Mr Gupta as director of the Subsidiaries.</p> | <p>Continued correspondence with GFG Alliance and its representatives with regard to potential proposals for rescuing the Company as a going concern.</p> <p>Further correspondence with any parties expressing an interest in the acquisition of the Company's assets.</p> <p>If appropriate, instructing specialist advisors and liaising with Simmons & Simmons in respect of a potential valuation, marketing and sale of the Company's shares in Alvanca Belgium. In view of the likely value of the shares and the complexity of any sale process, material Administrators' and legal costs are expected to be incurred if a sale process is undertaken.</p> |
| 3 | <p>STATUTORY COMPLIANCE AND REPORTING</p> <p>Work undertaken to date</p> | <p>STATUTORY COMPLIANCE AND REPORTING</p> <p>Future work to be undertaken</p> |
| | <p>Dealing with all appointment formalities including notifications to relevant parties, filings with the Court and the Registrar of Companies and statutory advertising.</p> <p>Notifying creditors of their right to set up a creditors' committee.</p> <p>Requesting a statement of affairs from the directors and correspondence with the directors in this regard. Reviewing the draft financial information pack provided by Mr Gupta.</p> <p>Carrying out pension searches in respect of the Company.</p> <p>Compiling a forecast of the work that has been or is anticipated to be undertaken throughout the duration of the appointment.</p> <p>Preparing the Administrators' proposals for the conduct of the administration.</p> | <p>Making the Administrators' proposals available to creditors and filing a copy with the Registrar of Companies.</p> <p>Making the notice of the proposals' approval available to creditors and filing the notice with the Court and Registrar of Companies</p> <p>Providing statutory reports to stakeholders at regular intervals and managing any queries arising therefrom. Arranging filing at Court and with the Registrar of Companies.</p> <p>Obtaining the consent of the relevant approving creditors as to the basis of the Administrations' remuneration.</p> <p>Calculating and protecting the value of assets that are not subject to a charge by obtaining a bond to the correct level.</p> <p>Placing legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims.</p> <p>Dealing with post-appointment corporation tax returns and any other tax matters arising as required.</p> |

Appendix C

The Administrators' remuneration, disbursements and costs information



| | | |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | <p>Continuing to maintain a record and forecast of the work that has been or is anticipated to be undertaken throughout the duration of the appointments.</p> <p>Filing all documents as required with the Registrar of Companies.</p> <p>Dealing with the statutory requirements to close the case and for the Administrators to obtain their release from office. This includes preparing final report for stakeholders and filing the relevant documentation with the Court and Registrar of Companies.</p> |
| 4 | <p>INVESTIGATIONS</p> <p>Work undertaken to date</p> | <p>INVESTIGATIONS</p> <p>Future work to be undertaken</p> |
| | <p>The Administrators have a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the insolvency estates.</p> <p>Furthermore, there may be other antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency estate.</p> <p>Requesting the completion of a questionnaire by the Company's directors to assist in preparing the statutory return to the Department of Business, Energy & Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act ("CDDA").</p> <p>Conducting initial enquires into the conduct of the Company, its officers and associated parties.</p> | <p>Reviewing available Company books and records.</p> <p>Considering information provided by stakeholders that might identify further assets or lines or enquiry for the office holder to explore if benefit to the estate is possible.</p> <p>Preparing and submitting a statutory return to DBEIS in respect of the Company. Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.</p> <p>Review of any antecedent transactions and consideration of any amounts recoverable for the Company, if appropriate.</p> <p>Consideration of whether any matters have come to light which require notification to the Secretary of State or National Crime Agency.</p> |

Appendix C

The Administrators' remuneration, disbursements and costs information



| 5 | CREDITORS Work undertaken to date | CREDITORS Future work to be undertaken |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Writing to all known creditors of the Company in order to advise them of the Administrators' appointment and to provide proof of debt forms to enable claims and other relevant information to be submitted in the proceedings.</p> <p>Updating the Company's secured creditor regarding progress in the administration.</p> <p>Correspondence with ICP and solicitors regarding the administration funding agreement and utilisation requests. Drafting and updating a costs budget in respect of anticipated administration expenses.</p> <p>Correspondence with the GFG Alliance regarding the potential solvent rescue of the Company.</p> | <p>Responding to all creditor queries received by telephone, email and post.</p> <p>Continued liaison with and regular reporting to ICP and other creditors as appropriate.</p> <p>Liaison with HMRC to establish their claim and seeking tax advice to minimise liabilities and maximise returns to creditors where appropriate.</p> <p>Distributing funds to ICP as appropriate.</p> <p>Reviewing and recording claims received from the Company's creditors.</p> |
| 6 | LEGAL AND LITIGATION Work undertaken to date | LEGAL AND LITIGATION Future work to be undertaken |
| | <p>It has been necessary to undertake material work in relation to the legal proceedings brought in the Belgian Courts by Mr Gupta in respect of the replacement of directors in the Subsidiaries.</p> <p>Calls and email correspondence with Simmons & Simmons' UK and Belgium teams and the replacement director in relation to the above. Consideration and input into various submission to the Belgian Courts and reviewing legal documentation.</p> <p>Material time costs and legal fees have been incurred in the Belgian litigation. The Administrators consider the appointment of an independent director vital to ensure the financial stability of Alvanca Duffel and thereby preserve the value of the Company's shareholding in Alvanca Belgium and this work is therefore considered necessary to protect the interests of the Company's creditors.</p> | <p>Continued liaison with Simmons & Simmons and the replacement director with regard to the Belgian legal proceedings. Reviewing documents and contributing to Court submissions as required.</p> <p>Dealing with any other legal or litigation matters arising in the administration.</p> |

Appendix C

The Administrators' remuneration, disbursements and costs information



Ecnavla UK Limited (In Administration)
Joint Administrators' fee estimate as at 27 August 2021

| Activity | Hours | Total Cost (£) | Average hourly rate £ |
|------------------------------------|--------------|-------------------|-----------------------------|
| ADMINISTRATION | 75.0 | 40,125 | 535 |
| ASSET REALISATION | 450.0 | 254,750 | 566 |
| STATUTORY COMPLIANCE AND REPORTING | 66.0 | 31,770 | 481 |
| TRADING | - | - | - |
| INVESTIGATION | 43.0 | 21,185 | 493 |
| CREDITORS | 160.0 | 88,700 | 554 |
| LEGAL AND LITIGATION | 115.0 | 65,925 | 573 |
| TOTAL | 909.0 | 502,455 | |

| Hourly Charge out rates: | £ |
|-----------------------------|---------|
| Appt taker/partner | 595-695 |
| Managers/directors | 445-595 |
| Other professional | 275-395 |
| Junior Professional/support | 175-245 |

The above fee estimate is based on the assumptions contained in the accompanying schedule of work.

The office holder anticipates that it will not be necessary to seek further approval.

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory's charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frp.advisory.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

DISBURSEMENT POLICY

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses:

These are payments to persons providing the service to which the expense related who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.

These include but are not limited to such items as case advertising, storage, bonding, searches, insurance, licence fees.

Category 2 expenses:

These are payment to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Appendix D

Schedule of pre-administration costs

FRP

| | Note | Fees Charged (£) | Expenses Incurred (£) |
|--------------------------------------------------------------------|-------------|-----------------------------|----------------------------------|
| Pre-administration costs | | | |
| FRP | 1 | 16,149 (27.7 hours) | Nil |
| Amounts paid | | Nil | Nil |
| Unpaid pre-administration costs for which approval is being sought | 2 | 16,149 | Nil |

Notes

- The pre-appointment work carried out by the Administrators (total hours and time costs incurred noted above) is summarised below.
 - Calls and emails with ICP and their solicitors, Jones Day, in relation to the Administrators' appointment and the preparation and filing of the necessary documents;
 - Reviewing various documentation in relation to the Company and the Subsidiaries and devising and documenting the case strategy;
 - Identifying a potential independent director for the Subsidiaries to preserve the value of the Company's shareholding in Alvance Belgium and liaising with solicitors to prepare the necessary documentation for the replacement of the subsidiaries' existing directors;
 - Liaising with PR agents with regard to media strategy;
 - Completing internal pre-appointment procedures, including ethical and other reviews, AML procedures and internal case setup.
- These costs represent a fair and reasonable reflection of the work undertaken prior to the appointment of Administrators. The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Act and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Act.

Appendix E

Details of the estimated financial position of the Company

FRP

A - Summary of Assets

| Assets | Book Value € | Estimated to Realise € |
|--------------------------------------------------------------------|-----------------|------------------------------|
| Assets subject to fixed charge: | | |
| Investment in Subsidiary (1) | 25,000.00 | Uncertain |
| ICP Origination I LLC (2) | | <u>(96,098,989.20)</u> |
| Deficiency c/d | | <u>(96,098,989.20)</u> |
| Assets subject to floating charge: | | |
| Other Receivables (3) | 6,810,800.00 | Uncertain |
| Loan to Subsidiary (4) | 161,237,400.00 | Uncertain |
| Uncharged assets: | | |
| Estimated total assets available for preferential creditors | | <u>NIL</u> |

Appendix E

Details of the estimated financial position of the Company

FRP

| A1 - Summary of Liabilities | Estimated to Realise € |
|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Estimated total assets available for preferential creditors (Carried from Page A) | NIL |
| Liabilities | |
| Preferential Creditors:- | NIL |
| Estimated deficiency/surplus as regards preferential creditors | NIL |
| 2nd Preferential Creditors:- | NIL |
| Estimated deficiency/surplus as regards 2nd preferential creditors | NIL |
| Debts secured by floating charges pre 15 September 2003 | |
| Other Pre 15 September 2003 Floating Charge Creditors | NIL |
| Estimated prescribed part of net property where applicable (to carry forward) | NIL |
| Estimated total assets available for floating charge holders | NIL |
| Debts secured by floating charges post 14 September 2003 | |
| Deficiency b/d | 96,098,989.20 |
| Estimated deficiency/surplus of assets after floating charges | <u>96,098,989.20</u> |
| Estimated prescribed part of net property where applicable (brought down) | NIL |
| Total assets available to unsecured creditors | NIL |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | |
| Shareholder loans and liabilities(5) | 167,923,500.00 |
| Other Payables(6) | 592,100.00 |
| Related Party Creditors(7) | 25,200.00 |
| Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003) | <u>168,540,800.00</u> |
| Shortfall in respect of F.C's post 14 September 2003 (brought down) | 96,098,989.20 |
| Estimated deficiency/surplus as regards creditors | <u>(264,639,789.20)</u> |
| Issued and called up capital | |
| Ordinary Shareholders | 1.00 |
| Estimated total deficiency/surplus as regards members | <u>1.00</u> <u>(264,639,790.20)</u> |

Appendix E

Details of the estimated financial position of the Company

FRP

B - Company Creditors

| Key | Name | Address | € |
|----------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------|
| CA00 | ALVANCE Aluminium Duffel BV | A. Stocletlaan 87, 2570 Duffel, Belgium | 200.00 |
| CE00 | Ecnavla 7 Singapore Pte Ltd | 8 Marina View, #40-06 Asia Square Tower 1, Singapore (018960) | 167,923,500.00 |
| CH01 | H M Revenue & Customs | Debt Management & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE | 592,100.00 |
| CI00 | ICP Origination I LLC | 450 Lexington Avenue, 40th Floor, New York, NY 10017, USA | 96,098,989.20 |
| CL00 | Liberty Finance Management Limited | 40 Grosvenor Place, 2nd Floor, London, SW1X 7GG | 25,000.00 |
| 5 Entries Totalling | | | 264,639,789.20 |

C - Shareholders

| Key | Name | Address | Type | Nominal Value | No. Of Shares | Called Up per share | Total Amt. Called Up |
|-------------------------------------|-------------------------------|---------------------------------------------------------------|----------|---------------|---------------|---------------------|----------------------|
| HE00 | Ecnavla 7 Singapore PTE. Ltd. | 8 Marina View, #40-06 Asia Square Tower 1, Singapore (018960) | Ordinary | 1.00 | 1 | 1.00 | 1.00 |
| 1 Ordinary Entries Totalling | | | | | 1 | | |

Appendix E

Details of the estimated financial position of the Company

FRP

Notes to the estimated financial position of the Company

1. In respect of the Company's shareholding in Alvance Belgium. The shares are listed at their book value.
2. The balance sheet provided noted that it did not include any liability associated with ICP's guarantor claim against the Company. ICP's debt has been included in the estimated financial position included with these proposals at the level of their demand in order to more fully reflect the Company's financial position.
3. Comprising accrued interest in respect of the shareholder loan to Alvance Belgium (see Note 4).
4. Comprising amounts owed by Alvance Belgium in respect of a shareholder loan provided by the Company. The loan has a principal balance of €160m, with €1.2m of fees. The loan was provided on 30 September 2020 with a four-year term. Non-cash interest accrues at 5.4% per annum.
5. Comprising the Company's total borrowing from Ecnavla 7 Singapore Pte Ltd of €161.27m with accumulated interest payable of €6.7m. All interest in respect of the shareholder loan is non-cash.
6. Relating to accruals in respect of Withholding Tax, which is payable on the interest charges to Alvance Belgium.
7. Comprising €25k owed to Liberty Finance Management Limited (which funded the initial investment in the shares of Alvance Belgium), and €200 owed to Alvance Duffel (which funded general and administrative expenses on the Company's behalf).