

TO ALL KNOWN CREDITORS

5 March 2026

Ref: KA/LJ/LM/D08.12

Lucy McWalters
Email: apigroup@uk.ey.com

Dear Sir / Madam

API Group Limited (In Creditors' Voluntary Liquidation) ('the Company')

As you are aware, on 11 December 2020, Robert Hunter Kelly and Colin Peter Dempster were appointed as Joint Liquidators of the Company, following their previous appointment as Joint Administrators on 31 January 2020.

Following their retirements from EY, and in accordance with Court Orders dated 27 June 2022 and 19 June 2023 ('the Orders'), Robert Hunter Kelly and Colin Peter Dempster, respectively, were replaced as Joint Liquidators of the Company by Timothy Graham Vance and Kristopher Stewart Aspin, Insolvency Practitioners licenced by The Institute of Chartered Accountants of Scotland. As licensed Insolvency Practitioners, they are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Liquidation.

Joint Liquidators' annual progress report

As creditors may be aware, the Joint Liquidators' most recent progress report for the period from 11 December 2024 to 10 December 2025 ('the Progress Report') has been uploaded and is available for viewing at the following website https://www.ey.com/en_uk/administrations/ey-api-group-administrations.

If you wish to receive a hard copy of the Progress Report, please email Lucy McWalters at apigroup@uk.ey.com, or write to us using the contact details at the top of this letter, and a copy will be sent to you.

Invitation to submit a non-preferential, unsecured claim

We understand you may be a creditor of the Company in relation to amounts owed by the Company prior to 31 January 2020, which rank as a non-preferential, unsecured claim in the Liquidation.

As noted in the Progress Report, the Joint Liquidators intend to declare and pay a first and final dividend to the non-preferential, unsecured creditors of the Company in the coming months.

Accordingly, if you wish to submit a claim in the Liquidation for amounts owed prior to 31 January 2020, and have not yet done so, please complete the enclosed proof of debt form, attach supporting invoices and statements, and email them to apigroup@uk.ey.com.

Liquidation fees and expenses estimate (incurred and likely to be incurred)

The former Joint Administrators' remuneration was fixed on a time cost basis by a resolution of creditors on 10 April 2020. In accordance with Rule 18.20(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"), the basis of remuneration fixed under Rule 18.18 of the Rules for the Joint Administrators is treated as also having been fixed for the Joint Liquidators.

The Joint Liquidators' initial fees estimate, dated 8 February 2022 and totalling £36,135 plus VAT, was approved by creditors on 12 March 2022, and fees up to that limit were drawn in full in April 2023.

Since that time, significant additional work has been required to pursue and realise the Company's assets, most notably the Company's intercompany claim against API Netherlands B.V. ("API Netherlands"), which entered bankruptcy in December 2020 and is being administered by a Dutch court-appointed Curator. The Dutch Curator had reported that several hundred thousand Euros could be available for distribution to unsecured creditors, of which the Company is the majority creditor.

Additional work was also required exploring a potential Terminal Loss Relief claim assigned to the Company from API Foils Limited, extended liaison with HM Revenue & Customs in relation to VAT matters and group deregistration issues, and to comply with statutory requirements arising from the extended duration of the Liquidation.

Over the course of the insolvency, the Joint Liquidators, together with their Dutch legal advisers, HVG Law, have had sustained engagement with the Dutch Curator to progress and ultimately verify the Company's claim in the API Netherlands bankruptcy. This involved extensive dialogue, the provision of supporting documentation and specialist legal input, with the objective of maximising recoveries for the Company's creditors.

As noted in the Progress Report, the Dutch bankruptcy process is now coming to an end, with the Dutch Curator having obtained court approval of his final assessment of claims and being in a position to make a distribution. A negotiated settlement with the Dutch Curator will see the Company receive 85% of all amounts available for distribution to the unsecured creditors of API Netherlands.

The Dutch Curator's latest update indicates that c. €155k will be available for distribution.

This amount is lower than figures communicated by the Dutch Curator earlier in the insolvency and primarily reflects increases in claims ranking ahead of unsecured creditors, in particular, claims submitted by the UWV (the Dutch employee insurance agency), which were much higher than originally anticipated. In addition, following a recent Dutch Supreme Court ruling, the UWV is now permitted to add interest to its estate claim, which the Dutch Curator has confirmed amounts to c. €22k which is also payable in priority to unsecured creditors

The realisations from API Netherlands nonetheless represent a material increase in the Company's realised assets and enhances the funds available for distribution to unsecured creditors. Now that the Dutch bankruptcy has reached a point where a distribution can be made, and the Joint Liquidators can therefore proceed to make a distribution to the Company's unsecured creditors and bring the Liquidation to a close, the Joint Liquidators are seeking creditor approval, by correspondence, for a revised fees estimate. The proposed increase in remuneration is limited to £75,000 plus VAT notwithstanding that

time costs incurred above the original fee estimate are significantly in excess of that amount. On this basis, maximum Liquidation fees will be £111,135 plus VAT.

Further detail in support of this request, including a breakdown of the additional work undertaken and an updated estimate of total remuneration, is set out in the enclosed Appendix 1 entitled "Revised estimate of remuneration to be charged (Revised Fees Estimate – 5 March 2026)".

We also enclose formal notice of the decision to be sought by correspondence on this matter and should be grateful if you would read the enclosed documents carefully and return the completed voting and notice of claim forms to the email address specified by 23 March 2026.

Liquidation Committee

If the Joint Liquidators seek a decision from creditors at any time when a Liquidation Committee has not been formed, they are required to deliver to creditors an invitation to form a Liquidation Committee. A formal invitation is enclosed. Please read the instructions contained in the document carefully and, if appropriate, return a completed nomination form with consent(s) to act. If a Liquidation Committee is formed, the remuneration decisions will be taken by that committee.

Other matters

Should you have any queries with any of the matters outlined above or any other aspect of the liquidation, please send an email to apigroup@uk.ey.com.

Yours faithfully
for the Company



K S Aspin
Joint Liquidator

Encs: Revised Fees Estimate – 5 March 2026
Notice of decision procedure with voting form
Liquidation Notice of claim for voting purposes form
Notice to creditors – invitation to form a Liquidation Committee and nominations form
Proof of debt form

K S Aspin and T G Vance are both licensed in the United Kingdom to act as Insolvency Practitioners by The Institute of Chartered Accountants of Scotland. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The Joint Liquidators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

API Group Limited (in Creditors' Voluntary Liquidation) ('the Company')

Revised estimate of remuneration to be charged (Revised Fees Estimate – 5 March 2026)

Basis of remuneration

Prior to the Company being placed into Liquidation, the previous Joint Administrators' remuneration was fixed on a time cost basis by a resolution of creditors on 10 April 2020. In accordance with Rule 18.20(4) of the Insolvency (England and Wales) Rules 2016 ('the Rules'), the basis of remuneration fixed under Rule 18.18 of the Rules for the Joint Administrators, is treated as having been fixed for the Joint Liquidators.

Following commencement of the Liquidation, the Joint Liquidators sought and obtained creditor approval (on 12 March 2022) to draw fees and expenses in the Liquidation in accordance with an initial fees estimate prepared specifically for the Liquidation of £36,135 plus VAT. These fees were drawn in full in April 2023. The initial Liquidation fees estimate was prepared on the assumption that the Liquidation would conclude within a relatively short period.

Revised fees estimate requested

The Joint Liquidators are now seeking approval for an increase in their remuneration from £36,135 plus VAT per the initial Liquidation fees estimate, to £111,135 plus VAT ('the Revised Fees Estimate'). This represents an increase of £75,000 plus VAT.

As you will note in the most recent progress report, the Joint Liquidators' time costs incurred to 10 December 2025 exceeded the initial Liquidation fees estimate by £299,024, and a further £43,552 is forecast to be incurred in order to close the Liquidation.

The Joint Liquidators have limited their fee request in comparison to the time actually incurred and forecast.

Summary reasons for the Revised Fees Estimate

The Revised Fees Estimate reflects the substantial time and effort to pursue and realise all available assets of the Company.

The initial Liquidation fees estimate did not anticipate the scale, duration or complexity of the work required, particularly in relation to:

- The position taken by the Dutch Curator in respect of the Company's claim against API Netherlands B.V. ('API Netherlands'), requiring significant engagement, provision of additional evidence in support of the claim, and the need to engage specialist Dutch legal advisors to assist us;
- The duration of the Dutch bankruptcy process, required the Liquidation to remain open longer than anticipated to allow us to receive funds, resulting in additional statutory reporting obligations; and
- Additional taxation and VAT group obligations, required by statute, which arose when the Company became representative member of the API Group of Companies VAT group.

Timing of the request

The Liquidation has remained open for an extended period because the timing of any recovery from the bankruptcy of API Netherlands was dependent on the progression of the Dutch Curator's statutory and court-led processes, which are outside the Joint Liquidators' control. As a result, the Joint Liquidators were required to await the Dutch Curator's determination of claims and preparation for distribution before the impact on the Company's asset realisations could be finalised.

As reported in the most recent progress report, the Dutch Curator has now obtained court approval of his final assessment of claims and is in a position to make a distribution. This represents a material increase in the Company's realised assets and enhances the funds available for distribution to unsecured creditors.

With the Dutch bankruptcy process now substantially concluded and the Liquidation moving towards closure, the Joint Liquidators now consider it appropriate to provide final fees estimate and request approval of final remuneration. The proposed increase in remuneration of £75,000 plus is materially below the level of time costs incurred to date and expected to be incurred in total.

In accordance with Rule 18.30(3) of the Rules, the Joint Liquidators have set out their estimate of time costs to be incurred to the closure of the Liquidation on the last page of this Appendix, together with an explanation of the additional work undertaken and proposed to be undertaken below.

Explanation of additional work undertaken and proposed to be undertaken

The principal reasons why the Joint Liquidators have exceeded the initial Liquidation fees estimate, details of the additional work undertaken, and the remaining work anticipated prior to completion of the Liquidation are set out below. This should be read in conjunction with the reasons set out in our most recent progress report.

Accounting & Administration and Statutory Duties

- Additional accounting and administrative time has been required including, liaising with and arranging payments to the Company's storage provider, ensuring commercially beneficial treatment of estate funds through interest-bearing accounts, performing bank reconciliations and processing receipts and payments vouchers.
- Further time will be required to complete ongoing statutory and administrative matters, including preparation of the final progress report, final case review, completion of accounting records, and statutory filings required to bring the Liquidation to a conclusion.

Creditors

- Following the recent settlement with the Dutch Curator, and subject to receipt of funds in respect of the agreed distribution, the Joint Liquidators intend to declare and pay a dividend to the non-preferential, unsecured creditors of the Company in the coming months.
- Time is therefore required to review and adjudicate outstanding creditor claims, liaise with creditors where necessary, issue statutory notices of distribution, confirm creditor banking details, and arrange payments for the dividend.

Debtors

- A substantial amount of time has been incurred in pursuing the Company's claim in the bankruptcy of API Netherlands. This work extended well beyond what was anticipated at the outset of the Liquidation, however, it has directly resulted in a material increase in total realised assets of the Company, and an improved recovery for creditors.
- The Joint Liquidators have spent considerable time liaising with the Dutch Curator regarding the status of the bankruptcy and the prospects of recovery, addressing delays in the claims agreement process, and providing the documentation needed to evidence the debt owed to the Company. This included searching the Company's historical records for original documentation to substantiate the claim.
- Given the cross-border nature of the matter and the value at stake, the Joint Liquidators appointed specialist Dutch legal advisers, HVG Law, to assist their pursuit of the claim. Numerous calls, emails and negotiation discussions were undertaken between the Joint Liquidators, HVG Law, and the Dutch Curator. Detailed analysis of the amounts due was prepared to support a settlement that was both fair and reasonable to the estate.
- This Level of work – much of which could not have been foreseen at the outset – has directly enabled the successful settlement with the Dutch Curator, resulting in an estimated recovery of c. €131k for the Company.
- The Joint Liquidators will now continue to liaise with the Dutch Curator until the agreed distribution is formally declared, and the Company's entitlement is received.

Other Assets

- Time has been incurred liaising with the Company's subsidiary, API Hong Kong, in relation to potential realisable assets of that company. This work confirmed that the remaining funds were applied towards settling outstanding tax liabilities and that no assets were available for distribution to the Company as shareholder.

VAT & Taxation

- Following the closure of the Administrations of other group companies, various potential assets of those companies were assigned to the Company, including a Terminal Loss Relief claim from APIL Realisations Limited. Time was incurred exploring the recoverability of this claim, including liaising with HM Revenue and Customs and providing detailed historical tax information.
- Following the dissolution of other API Group companies, the Company became the representative member of the VAT group. Work was required to prepare and submit monthly VAT returns and arrange for deregistration and disbandment of the VAT group.
- The Company is required to prepare and file annual corporation tax returns, which has incurred – and will continue to incur – some additional time.

API Group Limited (in Creditors' Voluntary Liquidation) ('the Company')

	Initial Fee Estimate			Time costs to 10 December 2025			Forecasted costs to complete			Total forecasted costs at completion		
	Hours	Fees (£)	Average hourly rate (£)	Hours	Fees (£)	Average hourly rate (£)	Hours	Fees (£)	Average hourly rate (£)	Hours	Fees (£)	Average hourly rate (£)
Accounting & Administration	23.6	6,754	286	136.7	66,866	489	12.5	7,850	628	149.2	74,716	501
Bank & Statutory Reporting	4.9	2,419	494	29.9	14,576	487	-	-	-	29.9	14,576	487
Creditors	16.3	7,513	461	34.2	16,467	481	20.5	14,503	707	54.7	30,970	566
Debtors	6.2	2,855	461	90.1	73,123	812	5.5	5,118	930	95.6	78,241	818
Employee Matters	5.2	1,598	307	5.3	1,611	304	-	-	-	5.3	1,611	304
Investigation & CDDA	1.6	898	561	1.6	859	537	-	-	-	1.6	859	537
Legal Issues	0.8	424	530	0.3	67	222	-	-	-	0.3	67	222
Members	-	-	-	1.8	1,195	664	0.2	119	595	2.0	1,314	657
Other Assets	-	-	-	13.5	10,583	784	-	-	-	13.5	10,583	784
Other Matters	-	-	-	36.4	29,502	810	-	-	-	36.4	29,502	810
Out of Scope	-	-	-	3.0	1,371	457	-	-	-	3.0	1,371	457
Statutory Duties	26.4	10,396	394	184.0	93,318	507	13.5	10,588	784	197.5	103,906	526
VAT & Taxation	10.9	3,278	301	59.0	25,622	434	8.5	5,375	632	67.5	30,997	459
Total Hours / Fees (£)	95.9	36,135	377	595.8	335,159	563	60.7	43,552	717	656.5	378,711	577

Please note that the values in the table above have been rounded to whole numbers with no decimal place

Whilst the Joint Liquidators' time costs incurred to 10 December 2025 had exceeded the initial Liquidation fees estimate by £299,024 and an additional sum of £43,552 is forecast to be incurred in order to close the Liquidation, the Joint Liquidators have limited the increase in remuneration that they are seeking to £75,000 plus VAT (meaning total fees will not exceed £111,136 plus VAT). Details of the additional work completed that has driven the Joint Liquidators' request to increase their remuneration under the Revised Fees Estimate are provided on the previous pages.

Notice to creditors of decision procedure

Rules 6.19, 18.24 and 15.8 of the Insolvency (England and Wales) Rules 2016 ('the Rules')

API Group Limited (in Creditors' Voluntary Liquidation) ('the Company')

Other trading name or style of the Company: API Group Limited

Any other registered name in the 12 months prior to Liquidation: API Group Limited

Registered number: 00169249

Registered office address: c/o Ernst & Young LLP, 2 St. Peter's Square, Manchester, M2 3EY

Principal trading address (if different from above): n/a

Date of commencement of insolvency: 31 January 2020

Date of resolution for winding up: n/a

Date of appointment of Joint Liquidators: 19 June 2023 / 27 June 2022

Details of the Joint Liquidators

Kristopher Stewart Aspin	Timothy Graham Vance
Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX	Ernst & Young LLP 12 Wellington Place Leeds LS1 4AP
Office holder number: 25250	Office holder number: 26710
Telephone number:	+44 (0) 141 226 9202
Name of alternative person to contact about the Liquidation:	Lucy McWalters

NOTICE IS HEREBY GIVEN that the Joint Liquidators of the above-named Company are seeking a decision from creditors by correspondence on the following matter, in the event that a Liquidation committee is not formed:

1. The approval of an increase in the Joint Liquidators' remuneration from £36,135 plus VAT per the initial Liquidation fees estimate dated 8 February 2022 to £111,135 plus VAT.

Rule 6.19 of the Rules provides that where any decision is sought from the Company's creditors and a Liquidation committee has not already been formed, creditors must be invited to decide whether to establish a Liquidation committee if sufficient creditors are willing to members of the committee. A formal invitation and nomination form is attached.

Creditors wishing to vote on the proposed increase in remuneration, including any creditors who have opted out of receiving notices but nonetheless wish to vote, must complete and return the attached voting form and claim form, and return them to me by post to API Group Limited (In Liquidation) c/o Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY or by email to apigroup@uk.ey.com to be received no later than 11:59pm on 23 March 2025 (**the decision date**). Votes in respect of claim forms received after this time will be disregarded.

Creditors whose debts may be treated as small debts in accordance with Rule 14.31(1) of the Rules must still deliver a claim form if they wish to vote.

A creditor may apply to court to appeal a decision on eligibility to vote in the decision procedure. Any appeal must be made no later than 21 days after **the decision date**.

Creditors who meet the thresholds set out in section 246ZE of the Insolvency Act 1986 namely 10% in value of creditors, 10% in number of creditors or 10 creditors may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the matters.

Signed
Kris Aspin
Joint Liquidator



Date

5 March 2026

API Group Limited (In Creditors' Voluntary Liquidation)

Voting form

Resolution

1. The approval of an increase in the Joint Liquidators' remuneration from £36,135 plus VAT per the initial Liquidation fees estimate dated 8 February 2022, to £111,135 plus VAT.

FOR/AGAINST

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

Notes to Liquidation Notice of Claim for Voting Purposes:

1. Please attach a detailed statement of your account as at 31 January 2020.
2. If you have claimed retention of title please provide details, including the value of any payments made, or goods returned, to you in respect of your claim.
3. If your claim is preferential (e.g. for wages, holiday pay or certain pension arrears) or secured please give details and attach supporting documentation.
4. VAT bad debt relief may usually be claimed six months after the date of supply.

Extracts from the Rules:

15.31 Calculation of voting rights

- (1) Votes are calculated according to the amount of each creditor's claim— ...
- (c) in a creditors' voluntary winding up, a winding up by the court or a bankruptcy, as set out in the creditor's proof to the extent that it has been admitted;
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convenor or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- (3) ...
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) ...
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from—
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

15.32 Calculation of voting rights: special cases

- (1) ...
- (2)
- (3) Any voting rights which a creditor might otherwise exercise in respect of a claim in a creditors' voluntary winding up or a winding up by the court of an authorised deposit-taker are reduced by a sum equal to the amount of that claim in relation to which the scheme manager, by virtue of its having delivered a statement under Rule 15.29, is entitled to exercise voting rights.

Notice to creditors – invitation to form a Liquidation committee

Rule 6.19 of the Insolvency (England and Wales) Rules 2016 ('the Rules')

Registered name of the Company: API Group Limited

Other trading name or style of the Company: None

Any other registered name in the 12 months prior to Liquidation: None

Registered number: 00169249

Registered office address: c/o Ernst & Young LLP, 2 St. Peter's Square, Manchester, M2 3EY

Principal trading address (if different from above): n/a

Date on which the Company entered Liquidation: 11 December 2020

Date of appointment of Joint Liquidators: 19 June 2023 / 27 June 2022

Details of the Joint Liquidators

Kristopher Stewart Aspin	Timothy Graham Vance
Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX	Ernst & Young LLP 12 Wellington Place Leeds LS1 4AP
Office holder number:	25250 / 26710
Telephone number:	+44 (0) 141 226 9202
Name of alternative person to contact about the Liquidation:	Lucy McWalters

Invitation to form a Liquidation committee

Creditors are invited to decide whether a Liquidation committee should be formed if sufficient creditors are willing to be members of the committee. Information on the role of committees can be found at <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>.

To be validly established, a committee must have at least three and not more than five members, who must have agreed to act.

Should you wish to form a committee, please follow the instructions in the nomination form attached to this notice and return the completed nomination form, with written agreements to act where appropriate, to me via email at apigroup@uk.ey.com or by post to API Group Limited (in Liquidation), c/o Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY to arrive no later than 23 March 2026. Nominations can only be accepted if I am satisfied as to the creditor's eligibility under Rule 17.4 of the Rules.

Signed
Kris Aspin
Joint Liquidator



Date

5 March 2026

API Group Limited (In Creditors' Voluntary Liquidation) ('the Company')

Nominations for Liquidation committee

You may nominate up to five creditors of the Company. Please note that before a person can act as a member of a Liquidation committee that person must agree to do so.

In the event that more than five valid nominations are received, the five receiving the most votes will be appointed.

When you have completed this form, please return it with the creditor's written agreement to act (unless you are nominating yourself or your own organisation) via email to apigroup@uk.ey.com or by post to API Group Limited (in Liquidation), c/o Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY to arrive no later than the closing date stated on the notice of invitation to form a committee.

I nominate:

(Name of creditor) _____ of

(Address) _____

(Name of creditor) _____ of

(Address) _____

(Name of creditor) _____ of

(Address) _____

(Name of creditor) _____ of

(Address) _____

(Name of creditor) _____ of

(Address) _____

to be appointed as (a) member(s) of the Liquidation committee.

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

Notes to Administration Proof of Debt Form:

1. Please attach a detailed statement of your account as at the date on which the company entered Administration.
2. VAT bad debt relief may usually be claimed six months after the date of supply.
3. The Administrator may call for any document or other evidence to be produced if it is considered necessary for the purpose of substantiating the whole or any part of the claim made.
4. The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

