

**Arrival UK Ltd  
(in Administration)  
(‘AUK’ or ‘the Company’)**

**Joint Administrators’ Progress Report for the period from 5  
August 2025 to 4 February 2026**

Pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules  
2016



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TO ALL KNOWN CREDITORS

27 February 2026

Ref: TRS/Arrival/SE/KH/EW

Email: aukadministration@uk.ey.com

Dear Sir or Madam

**Arrival UK Ltd (in Administration) ('AUK' or 'the Company')**

**The High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD), Court Case Number CR-2024-000650**

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ('the Rules'), to provide creditors with a report on the progress of the Administration. This report (the 'Fourth Progress Report') covers the period from 5 August 2025 to 4 February 2026 ('the Period') and should be read in conjunction with:

- the Joint Administrators' statement of proposals dated 28 March 2024 ('the Proposals');
- our first six-month progress report dated 29 August 2024 (the "First Progress Report") for the period 5 February 2024 to 4 August 2024;
- our second progress report dated 28 February 2025 (the "Second Progress Report") for the period 5 August 2024 to 4 February 2025; and
- our third progress report dated 22 August 2025 (the "Third Progress Report") for the period 5 February 2025 to 4 August 2025; (all together 'Updates to Creditors').

The Updates to Creditors can be viewed and downloaded at the following web address, <https://www.ips-docs.com/>, using creditor key code **Arrival UK Ltd**. To access the site, you can either use your unique ID that you have previously received or 'password'.

The Company entered Administration on 5 February 2024 and Alan Hudson, Sam Woodward and I were appointed to act as Joint Administrators (the 'Joint Administrators'). The appointment was made by the Court under the provisions of paragraph 12(1)(b) of Schedule B1 to the Insolvency Act 1986.

As licensed Insolvency Practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration. Certain statutory information about the Company, the Administration and the office holders is given at *Appendix 1*.

Yours faithfully  
for the Company



Simon Edel  
Joint Administrator

Simon Edel and Alan Hudson are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association. Sam Woodward is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The affairs, business and property of the Company are being managed by the Joint Administrators, Simon Edel, Alan Hudson and Sam Woodward who act as agents of the Company only and without personal liability.

The Joint Administrators 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 Companies may act as data processors on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointments. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

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## 1. Abbreviations

The following abbreviations are used in this report and the Updates to Creditors, which should be read in conjunction with this report:

<b>AFA</b>	Administration funding agreement between AUK and AUTO as the borrowers, the Joint Administrators and the following entities as the lenders: <ul style="list-style-type: none"> <li>• Highbridge Tactical Credit Institutional Fund Ltd.,</li> <li>• Highbridge Tactical Credit Master Fund, L.P,</li> <li>• 1992 Master Fund Co-Invest SPC Series Segregated Portfolio,</li> <li>• Corbin ERISA Opportunity Fund Ltd and</li> <li>• Antara Capital Master Fund LP</li> </ul>
<b>AFA indebtedness</b>	Outstanding indebtedness owed to the Secured Lenders under the AFA
<b>Agreed Subordination to Primary Preferential Creditors</b>	The agreement by the Secured Lenders to subordinate their claim to £156,000 to allow payment of 50p in the £ to the primary preferential creditors
<b>Antara</b>	Corbin ERISA Opportunity Fund Ltd and Antara Capital Master Fund LP
<b>Appointment</b>	The appointment of Alan Hudson, Sam Woodward and Simon Edel to act as Joint Administrators of the Company on 5 February 2024
<b>AUK</b>	Arrival UK Ltd (in Administration)
<b>AUTO</b>	Arrival Automotive UK Limited (in Creditors' Voluntary Liquidation)
<b>CVL</b>	Creditors' Voluntary Liquidation
<b>Date of Appointment</b>	5 February 2024
<b>EOS</b>	Estimated outcome statement
<b>EY</b>	Ernst & Young LLP
<b>FX</b>	Foreign exchange

<b>GBP</b>	Pounds Sterling
<b>Highbridge</b>	Highbridge Tactical Credit Institutional Fund Ltd, Highbridge Tactical Credit Master Fund, L.P and 1992 Master Fund Co-Invest SPC Series Segregated Portfolio
<b>HMRC</b>	HM Revenue and Customs
<b>IP</b>	Intellectual property
<b>IP Legal Advisors</b>	Kilburn & Strode LLP and Origin Ltd
<b>IP Sales Process</b>	The sale process for the Company's remaining digital IP assets
<b>IP Sale</b>	The executed sale of the Company's remaining digital IP assets to IPCo
<b>IT</b>	Information technology
<b>IPCo</b>	IP company, the purchaser of the Company's IP assets
<b>NIC</b>	National Insurance Contributions
<b>NOID</b>	Notice of Intended Dividend
<b>Non-core Assets</b>	Assets identified as outside the scope of potential business sale transactions
<b>PAYE</b>	Pay As You Earn
<b>Period</b>	5 August 2025 to 4 February 2026
<b>Prescribed Part</b>	A portion of a company's net floating charge assets set aside for unsecured creditors, as required under Section 176A of the Insolvency Act 1986
<b>Revised Fee Estimate</b>	Fee uplift of £300k increasing the Joint Administrators' fee estimate to £6,279,832 plus VAT, agreed by creditors by correspondence on 13 September 2025
<b>Secured Lenders</b>	Certain funds and accounts managed or advised by each of Antara and Highbridge
<b>SIP 9</b>	Statement of Insolvency Practice Number 9
<b>the Act</b>	The Insolvency Act 1986
<b>the Company</b>	Arrival UK Ltd (in Administration)

<b>the Court</b>	The High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)
<b>the Joint Administrators or the Administrators</b>	Simon Edel, Alan Hudson and Sam Woodward
<b>the Loans</b>	Pre-appointment loans made by the Company to certain employees for the acquisition of shares
<b>the Proposals</b>	the Joint Administrators' statement of proposals dated 28 March 2024
<b>the Rules</b>	The Insolvency (England & Wales) Rules 2016
<b>UK</b>	United Kingdom
<b>Updates to Creditors</b>	the Joint Administrators' statement of proposals dated 28 March 2024 and our progress reports dated 29 August 2024, 28 February 2025 and 22 August 2025.
<b>US</b>	United States of America
<b>USD</b>	United States Dollar
<b>VAT</b>	Value Added Tax
<b>£ [x]bn / \$ [x]bn / €[x]bn</b>	£ [x] billion / \$ [x] billion / €[x] billion
<b>£ [x]m / \$ [x]m / €[x]m</b>	£ [x] million / \$ [x] million / €[x] million
<b>£ [x]k / \$ [x]k / €[x]k</b>	£ [x] thousand / \$ [x] thousand / €[x] thousand

## **2. Progress of the Administration**

Set out below is an update on progress to date in the Administration during the Period.

### **2.1. Sales processes**

As reported in the Third Progress Report, the Joint Administrators were engaged in active discussions (“IP Sales Process”) to progress the sale of certain software and patent assets (“IP Sale”). The discussions were between the Joint Administrators, the Secured Lenders and an interested party. These discussions continued during the Period.

In the period following the Fourth Progress Report, on 18 February 2026, the Joint Administrators completed the IP Sale. The purchase was completed on a cashless basis, with the consideration being a release of the outstanding indebtedness owed by the Company to the Secured Lenders, who had together incorporated IPCo. The novation of outstanding indebtedness to IPCo was in the sum of £50m, resulting in a release of (i) a portion of the loan outstanding under the AFA with a principal amount of £9.5m; and (ii) a portion of the loan outstanding under the Secured Lenders’ pre-appointment debt with a principal amount equivalent to £40.5m.

As part of the IP Sales Process, it was also agreed by the Secured Lenders to subordinate their claim under the AFA by £156,000 to allow for a payment of 50p in the £ to the primary preferential creditors (the “Agreed Subordination to Primary Preferential Creditors”).

The IP Sale concluded all asset sales for the Company.

### **2.2. Trading**

#### **2.2.1. Funding (£8.1m repayment)**

No further funds have been drawn under the AFA in the Period. An amount of £8.1m of principle was repaid under the AFA in the Period, from AUK’s floating charge assets. Part of the consideration for the IP Sales Process was the cashless release of £9.5m of principle under the AFA. Accordingly, a sum of £1.7m plus all accrued interest remains outstanding under the AFA.

In accordance with the terms of the AFA, the AFA indebtedness ranks ahead of the secured debt and as an expense of the Administration until it is repaid in full. With the exception of the agreed partial subordination to Primary Preferential Creditors’ amount, there will be no funds that can be paid to the fixed or floating charge creditors, or to unsecured, non preferential creditors under the Prescribed Part.

#### **2.2.2. Contractors (£7.3k)**

In the Period, contractor costs of £7.3k were paid to the three remaining contractors who assisted the Joint Administrators in managing AUK’s software and IT.

Following the Period, and as a result of the execution of the IP Sale documentation, the three contractors' agreements were novated to IPCo. The Joint Administrators are in the process of collating final invoices and settling payments due up to the date of novation.

### **2.2.3. Suppliers (£165.2k)**

During the Period, three undertakings and three subscriptions for IT services were withdrawn.

Following the Period end and execution of the IP Sale documentation, two undertakings were novated to IPCo under the terms of the Asset Purchase Agreement and the remaining two undertakings and three subscriptions in respect of patent lawyers and IT services are being terminated.

One undertaking remains ongoing in respect of the storage of the Company's books and records pursuant to the Joint Administrators' statutory duties.

Payments totalling £165.2k were made during the Period as follows:

- IT Suppliers of £163.2k - IT services to maintain the Company's IP and software to support the IP Sales Process; and
- Other suppliers of £2.0k – reflecting payments made in respect of the ongoing storage of books and records and the preservation of the Company's payroll supplier platform to preserve records in accordance with the Joint Administrators' statutory duties.

## **2.3. Non-core Assets' realisations**

### **2.3.1. Plant & machinery / furniture & equipment / motor vehicles (£73.4k)**

In the Period the Joint Administrators sold the last remaining physical assets of the Company that were tooling assets held by pre-appointment suppliers with no or minimal realisable value.

The Joint Administrators negotiated the realisation and / or scrappage of the assets with the respective suppliers, realising a total of £73.4k.

There are no further recoveries due for physical asset realisations.

### **2.3.2. Tax**

#### ***Pre-appointment VAT***

We have reviewed the Company's records to finalise the pre-appointment VAT returns and submitted the returns showing a repayment due to the Company of £603.0k. The amounts due to the Company were settled as part of the Loans and tax claim, see *Section 2.3.3*, for which the Company received repayment from HMRC on 16 September 2025 of the net amount due.

No further repayments are expected from this source.

### ***Post-appointment VAT***

In the Period the Company received VAT refunds in the sum of £968.1k which covered the Company's quarterly returns for the periods from June 2024 to September 2025, the majority of which had been put on hold whilst the Loans and tax claim matters were being resolved with HMRC (please see *Section 2.3.3* below).

The VAT return for the quarter ending December 2025, was submitted in the Period showing an outstanding repayment due to the Company of £52.6k, which was subsequently received after the end of the Period.

The Company has now de-registered from VAT as matters of the Administration are almost concluded. A VAT 427 form will shortly be submitted to reclaim final VAT due to the Company. The Joint Administrators elected this method to reclaim final VAT being more efficient than waiting for the next quarterly return that would have been for the period ending March 2026.

### ***Corporation tax***

In the Period, the Company's corporation tax returns for the Administration period through to 31 December 2024 were submitted, showing a nil return.

On 2 January 2026, the Company's funds were moved to non-interest bearing accounts and the Company's final corporation tax returns for financial years 2025 and 2026 are now being drafted. Once submitted, the Joint Administrators will seek HMRC's clearance prior to bringing the Administration to a close, confirming no outstanding corporation tax matters.

### **2.3.3. Loans and tax claim**

As reported in the Third Progress Report, certain loans were issued by the Company to employees to purchase shares in Arrival Sàrl on which the Company was subject to tax of 32.5%. Prior to the Administration, the Company had paid an aggregate sum of £10.0m to HMRC in respect of the tax due on the Loans. HMRC had confirmed to the employees in 2023 that the Loans were rescinded.

During the course of the Administration, the Joint Administrators have pursued a refund from HMRC of the tax paid on the basis that if the Loans were rescinded then no tax liability should have arisen for the Company. HMRC confirmed this position to the Company on 11 August 2025, agreeing that £10.3m was due to the Company.

On 16 September 2025, the Company received a net refund of £8.5m including interest of £23.4k from HMRC. The refund was paid net of Crown Set Off of £1.8m, satisfying HMRC's secondary preferential and unsecured claim in full.

The refund concluded the Company's recoveries for the Loans and relevant tax claims.

### 3. Receipts and payments account

The Joint Administrators' receipts and payments account for the Period is attached at *Appendix 2*. It does not reflect estimated future realisations or costs.

Summaries of the more significant cashflows in the Period are provided in the commentary that follows, to the extent it has not been provided in *Section 2* above:

#### 3.1. Receipts

##### 3.1.1. Bank interest (£19.9k)

Bank interest of £19.9k was received in the Period.

##### 3.1.2. Rent deposit refund (£549.0k)

Rent deposit refund of £549.0k was recovered in the Period in respect of Unit 2 which the Company vacated in the previous reporting period. The rent deposit recovery was made net of rent due in the sum of £458.9k (see *Section 3.2.4*) and the VAT element of the rent was recovered in the Company's VAT return in the sum of £91.5k.

##### 3.1.3. Interest on refunds due from HMRC (£42.4k)

Interest of £23.4k was received from HMRC in respect of the Loans and tax claims, £13.0k interest received in respect of VAT refunds due from HMRC and a further £6.0k was received.

#### 3.2. Payments

##### 3.2.1. Legal fees (£305.0k)

Legal fees of £305.0k were paid in the Period in respect of:

- £66.0k - Specialist IP legal advisors required to preserve the IP assets;
- £238.0k - Ropes and Gray's legal fees for advising on the IP Sale Process and the extension and discharge applications; and
- £1.0k - Teacher Stern's final fees in relation to advising and finalising the Deed of Surrender for Upper Heyford that was executed in the prior reporting period.

##### 3.2.2. Agents' fees (£4.6k)

A final payment of £4.6k was made to the Joint Administrators' sales agents, Gordon Brothers, in respect of the final auction completed in May 2025.

### **3.2.3. Property costs (£458.9k)**

Rental payments of £458.9k were deducted from the rental deposit recovered in the Period in respect of Unit 2 (see *Section 3.1.2*).

## **4. Distributions to creditors**

### **4.1. Secured creditors**

Following the Period end, the IP Sale documentation was executed for which the consideration was the release of £50m of the Secured Lenders' debt, £40.5m being against the pre-Administration debt.

There was a deficiency to the Secured Lenders in excess of \$100m at 18 February 2026, following the release of £40.5m of indebtedness. Interest continues to accrue on this amount.

### **4.2. Primary preferential creditors – employees**

Claims from employees in respect of accrued but unpaid arrears of pay up to £800, accrued but unpaid holiday pay and certain pension benefits, rank preferentially and in priority to other preferential creditors. These claims are therefore referred to as 'primary preferential creditors'.

We estimate the amount of primary preferential creditors at the date of appointment to be £311.7k.

Under the terms of the IP Sale, the Secured Lenders agreed to subordinate their claim in the Administration by £156k to allow for a distribution to the primary preferential creditors of what is currently expected to be approximately 50p in the £ dependent on final claims submitted and adjudicated on during the final dividend process.

A pre-notice of intended dividend was issued to the primary preferential creditors on 5 December 2025 and the NOID subsequently issued on 23 February 2026. A distribution is expected to be declared and paid in March or April 2026.

A first and final dividend distribution will shortly be issued to the primary preferential creditors.

### **4.3. Secondary preferential creditors**

Claims from HMRC, in relation to VAT, PAYE and employees' NICs rank preferentially, but secondary to the employee primary preferential creditors. These claims are therefore referred to as 'secondary preferential creditors'.

HMRC's secondary preferential claim in the sum of £1.6m was settled in full in the Period via Crown Set Off against the Loans and relevant tax claim.

Secondary preferential creditors have been paid in full.

#### **4.4. Non-preferential unsecured creditors**

In the Period, HMRC's non-preferential unsecured claim in the sum of £254.6k was settled in full via Crown Set Off against the Company's Loans and tax claim, see *Section 2.3.3* for further detail.

The Joint Administrators continue to receive claims from non-preferential unsecured creditors of the Company. It is currently estimated that non-preferential unsecured creditors' claims total approximately £131.8m.

We expect that there will be insufficient funds to pay a dividend to the non-preferential unsecured creditors, including under the Prescribed Part, as they rank below both the repayment of the AFA and payments to preferential creditors in the distribution waterfall and there are insufficient funds to pay either of these in full.

### **5. Remuneration**

#### **5.1. Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Rules. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to us. The Joint Administrators policy for charging remuneration and disbursements is outlined at *Appendix 3*.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses or to apply to Court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Rules). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

During the Period, on 13 September 2025, an uplift to the Joint Administrators' remuneration was agreed by the Secured Lenders and preferential creditors, increasing the agreed fee cap by £300k to £6,279,832 plus VAT (the "Revised Fee Estimate"). Our remuneration remains fixed on a time-cost basis. The Revised Fee Estimate sought to recover an additional £300k of fees and not the total sum by which the Joint Administrators' fees had already exceeded the fee estimate dated 13 September 2024. We therefore issued to creditors an estimate of forecast costs to closure for their approval of the fee uplift. The Revised Fee Estimate shown within this Report reflects the proportionated forecasted closure costs against the £300k uplift.

Further, the Company was granted two Court orders on 13 January 2026, for the extension of the Administration and the Joint Administrators' conditional discharge. It was granted, as part of the orders, that the costs and expenses of the applications could be paid as an expense of the Administration. Accordingly, the Joint Administrators' have drawn fees of £81,210 plus VAT in respect of the two hearings being their time costs incurred in preparing and attending both applications.

During the Period, we have incurred time costs of £577,663, excluding VAT and drawn remuneration of £745,130 excluding VAT.

An analysis of the time spent in the Period is presented at *Appendix 4* and the summary narrative for the Period is attached at *Appendix 6* to this report. Whilst our time costs have already exceeded the Revised Fee Estimate we do not expect to draw any further remuneration.

The table below summarises the time spent compared with the Revised Fee Estimate:

	Fee uplift estimate		Variance to Revised Fee estimate		Actuals to date	
	Hours	Fees	Hours	Fees	Hours	Fees
Sale of business	1,492	1,059,303	(1,356)	(940,700)	2,848	2,000,002
Administration and planning	3,027	1,295,955	(1,088)	(433,474)	4,115	1,729,429
Employee matters	1,350	878,284	(329)	(158,212)	1,679	1,036,496
Trading	1,180	564,265	(288)	(134,320)	1,468	698,585
Other	4,607	2,482,026	161	(39,020)	4,447	2,521,046
<b>Total hours / fees</b>	<b>11,656</b>	<b>6,279,832</b>	<b>(2,900)</b>	<b>(1,705,726)</b>	<b>14,556</b>	<b>7,985,558</b>

The Second and Third Progress Report set out the detailed reasons for why our remuneration has exceeded the fee estimate, mainly being the IP Sales Process, which has continued to be the ongoing strategy of the Administration and the driving cause of the Joint Administrators' remuneration in the Period, as well as seeking another extension of the Administration to facilitate execution of the IP Sale which had not been forecast.

Whilst the Joint Administrators' time-costs have exceeded the fee uplift sought in the Period, the Joint Administrators did not seek an uplift to cover their time-costs in full having already exceeded the previous agreed fee by £1.4m at the point of the Revised Fee Estimate.

## 5.2. Joint Administrators' statement of expenses incurred

During the Period, the Joint Administrators have incurred and paid expenses totalling £961.5k excluding VAT. There is a breakdown of expenses incurred in the Period at *Appendix 5* of this report.

Expenses incurred by the Joint Administrators to date amount to £19.8m, exceeding the previously estimated total expenses of £7.9m outlined in their fee estimate and details of expenses document dated 28 March 2024.

The increase primarily reflects the extended IP Sales Process, as detailed in the *Section 2.1* of this report.

Accordingly, an updated estimate of total expenses, together with an analysis of the expenses incurred in the Period for the Administration is provided at *Appendix 5* to this report. These expenses represent operating expenses incurred by the Company and include, but are not limited to, legal fees, contractor costs and IT costs.

## **6. Creditors' approval**

### **6.1. Extension of the Administration**

Following the requisite creditors' consent being obtained in terms of paragraph 76(2)(b) of Schedule B1 of the Act and Rules 3.54, 15.7 and 15.8 of the Rules, the period of the Administration was extended by 12 months to 4 February 2026.

A second extension for a period of six months to 4 August 2026, was granted by the Court on 13 January 2026 pursuant to paragraph 76(2) of Schedule B1 to the Insolvency Act 1986. Notices were provided to the creditors of the intention to seek the extension on 15 October and 14 November 2025, to which no objections were received.

### **6.2. Creditors' committees**

To date, no creditors have expressed an interest in forming a creditors' committee.

### **6.3. Joint Administrators' discharge**

Together with seeking an extension of the Administration to 4 August 2026, see *Section 6.1*, the Joint Administrators also sought their discharge from liability pursuant to Paragraph 98(2) of Schedule B1 to the Insolvency Act 1986. Notice of the intention to seek discharge was provided to creditors on 4 December 2025 and 9 January 2026, to which no objections were received.

The discharge application was heard together with the extension application to reduce costs to creditors and to avoid any delays of the Court.

A conditional discharge order was granted with the condition that the IP Sales Process must be completed and the dividend to primary preferential creditors declared by 28 February 2026. The IP Sale completed on 18 February 2026, satisfying the first condition. We expect to declare the dividend to primary preferential creditors shortly and ahead of the deadline. In the unlikely event that the conditions of the discharge are not satisfied, we are required to return to Court.

The Joint Administrators' discharge will be effective from 28 days after the date on which the notice filed by the Joint Administrators pursuant to paragraph 84(1) of Schedule B1 to the Insolvency Act, in respect of the Company, has been registered by the Registrar of Companies.

## **7. Remaining work**

We will continue to deal with the Administration in line with the stated objectives outlined in the Proposals. Future tasks will include, but may not be limited to, the following:

- Monitoring the cashflow, including payment of all Administration expenses and liabilities.
- Reviewing and adjudicating preferential claims.
- Distributing amounts to the secured and preferential creditors of the Company (as applicable).

- Dealing with non-preferential unsecured creditor queries.
- Dealing with corporation tax and VAT matters, which includes filling statutory returns.
- Ensuring all statutory reporting and compliance obligations are met.
- Finalising the Administration and bringing it to a close.
- Any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the Administration.

#### **8. Next report**

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

In the meantime, if you have queries regarding the content of this report, please do not hesitate to contact us by email at [aukadministration@uk.ey.com](mailto:aukadministration@uk.ey.com).

**Appendix 1**

**Information about the proceedings, the Company and the office holders**

<b>Name of Court:</b>	The High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)
<b>Court reference:</b>	CR-2024-000650
<b>Registered name of the company:</b>	Arrival UK Ltd
<b>Registered office address of the company:</b>	c/o Ernst & Young LLP, 1 More London Place, London, SE1 2AF
<b>Registered number:</b>	09475811
<b>Country of incorporation (for a company incorporated outside the United Kingdom):</b>	N/A
<b>Date of appointment of the Joint Administrators:</b>	5 February 2024
<b>Details of any changes of Administrator:</b>	None
<b>Full names of the Joint Administrators:</b>	Simon Jamie Edel, Alan Michael Hudson and Samuel James Woodward
<b>Office holder numbers:</b>	9810, 9200 and 12030
<b>Joint Administrators' addresses:</b>	Ernst & Young LLP 1 More London Place, London, SE1 2AF  Ernst & Young LLP 2 St Peters Square, Manchester, M2 3EY
<b>Email:</b>	<a href="mailto:aukadministration@uk.ey.com">aukadministration@uk.ey.com</a>
<b>Name of alternative person to contact with enquiries about the case:</b>	Emma White

## Appendix 2

### Joint Administrators' summary of receipts and payments for the Period

	Notes	GBP (ex VAT)			EUR (ex VAT)			USD (ex VAT)			GBP Consolidated
		5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	GBP Consolidated
<b>Fixed charge receipts</b>	1, 2										
Lender Funding	3	20,119,170	-	20,119,170	-	-	-	-	-	-	20,119,170
Plant & Machinery		3,412,868	73,387	3,486,255	-	-	-	-	-	-	3,486,255
Motor Vehicles		121,650	-	121,650	-	-	-	-	-	-	121,650
Contribution to costs		115,793	-	115,793	-	-	-	-	-	-	115,793
Return of surplus payments to subsidiaries - Fixed		-	-	-	172,124	-	172,124	-	-	-	148,601
Bank Interest - Fixed		95,452	8,933	104,385	240	123	363	-	-	-	104,701
Furniture & Equipment		45,458	-	45,458	-	-	-	-	-	-	45,458
Sundry Receipts		2,955	-	2,955	-	-	-	-	-	-	2,955
Transfer from EUR account		-	55,807	55,807	-	-	-	-	-	-	55,807
<b>Total Fixed charge receipts</b>		<b>23,913,346</b>	<b>138,127</b>	<b>24,051,473</b>	<b>172,364</b>	<b>123</b>	<b>172,487</b>	-	-	-	<b>24,200,390</b>
<b>Floating charge receipts</b>											
Pre-appointment debtors		3,161,761	10,273,053	13,434,814	3,754	-	3,754	41,975	-	41,975	13,468,774
Prepayments		-	-	-	-	-	-	5,944	-	5,944	4,350
Return of surplus payments to subsidiaries - Floating		-	-	-	12,131	-	12,131	-	-	-	10,473
Cash on appointment		60,802	-	60,802	22,061	-	22,061	77,263	-	77,263	136,393
Contribution to costs		-	-	-	-	-	-	-	-	-	-
Transfer from GBP account		-	-	-	-	-	-	113,241	-	113,241	82,876
Rent deposit refunds		35,108	548,951	584,059	-	-	-	-	-	-	584,059
Materials		8,825	-	8,825	-	-	-	-	-	-	8,825
Bank Interest - Floating		111,066	10,680	121,746	806	51	857	650	233	883	123,131
Interest on refunds due from HMRC		-	42,351	42,351	-	-	-	-	-	-	42,350
<b>Total Floating charge receipts</b>		<b>3,377,562</b>	<b>10,875,035</b>	<b>14,252,597</b>	<b>38,752</b>	<b>51</b>	<b>38,803</b>	<b>239,073</b>	<b>233</b>	<b>239,306</b>	<b>14,461,231</b>
<b>Total receipts</b>		<b>27,290,908</b>	<b>11,013,162</b>	<b>38,304,070</b>	<b>211,116</b>	<b>174</b>	<b>211,290</b>	<b>239,073</b>	<b>233</b>	<b>239,306</b>	<b>38,661,621</b>

Notes	GBP (ex VAT)			EUR (ex VAT)			USD (ex VAT)			GBP Consolidated	
	5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	5 February 2024 to 4 August 2025	5 August 2025 to 4 February 2026	Cumulative to 4 February 2026	GBP Consolidated	
<b>Non-Trading Payments</b>	1, 2										
Repayment of lender funding		(800,000)	(8,115,560)	-	-	-	-	-	-	(8,915,560)	
Employee costs	4	(7,756,385)	-	(7,756,385)	-	-	-	-	-	(7,756,385)	
Payments to subsidiaries		(5,380,287)	-	(5,380,287)	(74,906)	-	(74,906)	(29,407)	(29,407)	(5,466,478)	
Administrators Fees		(5,534,702)	(745,130)	(6,279,832)	-	-	-	-	-	(6,279,832)	
Legal Fees		(1,238,462)	(304,973)	(1,543,435)	-	-	-	-	-	(1,543,435)	
IT costs		(972,523)	(163,245)	(1,135,768)	(23,701)	-	(23,701)	(5,497)	(5,497)	(1,160,253)	
Property costs		(1,195,021)	(458,929)	(1,653,950)	-	-	-	-	-	(1,653,950)	
Other Professional fees		(708,281)	-	(708,281)	-	-	-	(80,000)	(80,000)	(766,829)	
Contractor costs		(1,208,615)	(7,297)	(1,215,912)	(9,654)	-	(9,654)	(2,956)	(2,956)	(1,226,410)	
Pre-Appointment Administrators Fees		(173,423)	-	(173,423)	-	-	-	-	-	(173,423)	
Pre-Appointment Legal Fees		(102,523)	-	(102,523)	-	-	-	-	-	(102,523)	
Insurance		(15,161)	-	(15,161)	-	-	-	-	-	(15,161)	
Other Suppliers*		(111,210)	(1,952)	(113,162)	-	-	-	-	-	(113,162)	
Transfer to USD account		(89,447)	-	(89,447)	-	-	-	-	-	(89,447)	
Transfer to GBP account		-	-	-	-	(65,043)	(65,043)	-	-	(56,154)	
Agents' Fees		(29,733)	(4,615)	(34,348)	-	-	-	-	-	(34,348)	
Motor Vehicle Finance		(6,784)	-	(6,784)	-	-	-	-	-	(6,784)	
Bank charges		(11,626)	(624)	(12,250)	(266)	-	(266)	(2,431)	(2,431)	(14,259)	
Reimbursement of payments to suppliers		(2,279)	-	(2,279)	-	-	-	-	-	(2,279)	
Costs of Court Application		-	(81,210)	(81,210)	-	-	-	-	-	(81,210)	
Distribution to Secondary Preferential Creditors		-	(1,575,862)	(1,575,862)	-	-	-	-	-	(1,575,862)	
Distribution to Non-Preferential Unsecured Creditors		-	(254,621)	(254,621)	-	-	-	-	-	(254,621)	
Statutory costs		(104)	-	(104)	-	-	-	-	-	(104)	
<b>Total Non-Trading Payments</b>		<b>(25,336,566)</b>	<b>(11,714,018)</b>	<b>(37,050,584)</b>	<b>(108,527)</b>	<b>(65,043)</b>	<b>(173,570)</b>	<b>(120,291)</b>	<b>-</b>	<b>(120,291)</b>	<b>(37,288,469)</b>
<b>Balances in hand</b>		<b>1,954,342</b>	<b>(700,856)</b>	<b>1,253,486</b>	<b>102,589</b>	<b>(64,869)</b>	<b>37,720</b>	<b>118,782</b>	<b>233</b>	<b>119,015</b>	<b>1,373,152</b>
<b>Represented by:</b>											
Fixed bank accounts (includes debit card)	5	247,202	(241,103)	6,099	64,934	(64,920)	14	-	-	-	6,111
Floating bank accounts	5	572,617	252,695	825,312	32,915	51	32,966	118,782	233	119,015	940,874
Funding bank account	5	437,458	(83,053)	354,405	-	-	-	-	-	-	354,405
VAT receivable		697,065	(629,395)	67,670	4,740	-	4,740	-	-	-	71,762
		<b>1,954,342</b>	<b>(700,856)</b>	<b>1,253,486</b>	<b>102,589</b>	<b>(64,869)</b>	<b>37,720</b>	<b>118,782</b>	<b>233</b>	<b>119,015</b>	<b>1,373,152</b>
Check		-	-	-	-	-	-	-	-	-	-
GBP Equivalent		1,954,342	(700,856)	1,253,486	88,569	(56,004)	32,565	86,931	171	87,102	1,373,153

## Notes

1. Receipts and payments are stated net of VAT.
2. The receipts and payments account has been prepared on a cash basis and does not reflect future estimated receipts and payments.
3. Funding has been provided by the Secured Lenders to run the IP Sales Process and, as such, this funding has been allocated as a fixed charge receipt.
4. Employee costs include net pay, PAYE, NIC, pension and all other employee costs.
5. The GBP equivalent amounts are translated at FX rates on 4 February 2026, of 1.3664 USD / GBP and 1.1583 EUR / GBP. Funds have been held in non-GBP denominated bank accounts in order to minimise any FX losses whilst discharging non-GBP payments. There has been no financial impact on the estate in holding these amounts in non-GBP denominated bank accounts.

## Appendix 3

### **Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to SIP 9**

#### **Joint Administrators' charging policy for remuneration**

The Joint Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established specifically for this engagement. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time.

#### **Joint Administrators' charging policy for expenses**

SIP 9 divides expenses into two categories.

- Category 1 expenses are defined as specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. Such expenses can be paid from the insolvent's assets without approval from the creditors' committee or the general body of creditors. In line with SIP 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.
- Category 2 expenses are charges made by the office holder's firm that include elements of shared or overhead costs. SIP 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with SIP 9, to seek approval of Category 2 expenses at the same time as our fees and before they are drawn.

**Appendix 4**

**Joint Administrators' time costs for the Period**

	Hours							Total hours	Time costs	Average hourly rate
	Partner	Director	Assistant Director	Manager	Executive	Assistant Executive	Analyst			
Administration and Planning	19	20	6	26	100	-	40	211	86,202	408
Creditors	11	27	32	4	27	-	17	118	69,727	592
Employee Matters	-	9	-	46	20	-	-	75	38,070	509
Job Acceptance & Strategy	10	-	-	-	31	-	-	40	21,902	543
Other Assets	-	1	2	-	2	-	-	5	3,000	600
Sale of Business	25	67	-	2	67	-	3	163	106,305	651
Statutory Duties	7	59	14	34	78	1	35	228	112,795	496
Trading	-	9	-	-	20	-	-	29	15,160	525
VAT & Taxation	9	29	49	3	48	16	1	155	92,417	595
Legal Issues	22	4	1	3	16	-	-	44	32,085	729
<b>Total hours</b>	<b>102</b>	<b>225</b>	<b>103</b>	<b>116</b>	<b>409</b>	<b>17</b>	<b>96</b>	<b>1,068</b>	<b>577,663</b>	<b>541</b>
<b>Total fees</b>	<b>101,178</b>	<b>180,240</b>	<b>71,210</b>	<b>52,260</b>	<b>153,215</b>	<b>5,070</b>	<b>14,490</b>	<b>577,663</b>		

## Appendix 5

### Summary of Joint Administrators' expenses incurred

Type of expense	Per fee estimate dated 28 March 2024 (£)	Total incurred as at 4 August 2025 (£) <sup>2</sup>	Incurred in the Period (£)	Cumulative to 4 February 2026 (£)	Estimate to complete (£)	Estimated total (£)
<b>Payments made from the estate which are not disbursements</b>						
<b>Category 1</b>						
Legal Fees	670,000	1,238,462	317,091	1,543,435	67,520	1,610,955
Agents' Fees	35,000	29,733	4,615	34,348	-	34,348
Insurance	150,000	15,161	-	15,161	-	15,161
Employee Costs	2,700,000	7,756,385	-	7,756,385	-	7,756,385
Contractor Costs <sup>1</sup>	150,000	1,219,113	14,305	1,226,410	3,465	1,229,875
TSA Payments to Subsidiaries	2,200,000	5,466,478	-	5,466,478	-	5,466,478
Property Costs	850,000	1,195,021	458,929	1,653,950	-	1,653,950
Bank Charges	6,000	13,635	624	14,259	-	14,259
Statutory Costs	2,000	104	-	104	-	104
IT costs	710,000	997,008	163,955	1,160,253	5,087	1,165,340
Corp Tax	TBC	-	-	-	-	-
Transportation Costs	37,500	-	-	-	-	-
Other Professional Fees	275,000	766,829	-	766,829	-	766,829
Other Suppliers	140,000	111,210	1,952	113,162	-	113,162
Reimbursement of payments to suppliers	-	2,279	-	2,279	-	2,279
Motor Vehicle Finance	-	6,784	-	6,784	-	6,784
<b>Total Expenses</b>	<b>7,925,500</b>	<b>18,818,202</b>	<b>961,471</b>	<b>19,759,837</b>	<b>76,071</b>	<b>19,835,908</b>

#### Notes

1. Costs incurred in the Period and cumulative costs to 4 February 2026, represent costs both incurred and paid up to this date and therefore may vary to the amounts presented in the receipts and payments account which details costs paid in the Period and to date only.

2. Certain costs incurred as at 4 August 2025 have been restated from the amount reported in the Third Progress Report due to amounts incurred not being invoiced at the sum expected.

### Category 1 disbursements

Category 1 disbursement	Per fee estimate dated 28 March 2024 (£)	Total incurred as at 4 August 2025 (£)	Incurred in the Period (£)	Cumulative to 4 February 2026 (£)	Estimate to complete (£)	Estimated total (£)
Copying, printing and postage	700	822	946	1,768	500	2,268
Travel costs (excluding mileage)	2,500	13,159	-	13,159	1,000	14,159
Specific penalty bond	500	-	-	-	500	500
<b>Total category 1 disbursements</b>	<b>3,700</b>	<b>13,981</b>	<b>946</b>	<b>14,927</b>	<b>2,000</b>	<b>16,927</b>

### Category 2 expenses

We have not incurred and do not expect to incur Category 2 expenses in the Administration.

## Appendix 6

### Joint Administrators' time costs – explanation of the work done during the Period

Category of work	Description of the work done
<b>Administration and planning</b>	<p><i>Tasks providing an indirect benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Preparation and maintenance of the Administration cashflow on both an accruals and receipts and payments basis</li> <li>• Instruction, review and approval of third-party payments to ensure continuation of services and support the Administration strategy</li> <li>• Aligning strategy and key updates across the engagement team</li> <li>• Preservation of the Company's physical books and records</li> <li>• Preparation and ongoing monitoring and maintenance of the EOS and the receipts and payments account to understand returns to creditors</li> <li>• Calculating the interest position at the Secured Lenders' request for amounts drawn under the AFA on a periodical basis</li> <li>• Monitoring of trading and payments against the Administration cashflow forecast</li> <li>• Time cost monitoring and reporting</li> </ul>
<b>Creditors</b>	<p><i>Tasks providing a direct benefit to creditors and as required by statute:</i></p> <ul style="list-style-type: none"> <li>• Receipt and recording of preferential and non-preferential unsecured creditor claims</li> <li>• Correspondence with preferential and non-preferential unsecured creditors and attending to queries received through the creditors' mailbox and online portal</li> <li>• Ongoing correspondence with the Secured Lenders with regards to their estimated returns and providing an EOS to support the same</li> <li>• Lodging and managing creditors' claims received as and when received</li> <li>• Review of claims received in the Administration to date compared to claim value expected under the statement of affairs</li> </ul>
<b>Employee matters</b>	<p><i>Tasks providing a direct benefit to the creditors and as required by statute:</i></p> <ul style="list-style-type: none"> <li>• Preparing the appropriate filing of statutory documentation</li> <li>• Dealing with HMRC penalty letters received by the Company as appropriate</li> <li>• Assisting redundant employees with any claims against the Redundancy Payments Office or the Company</li> <li>• Issuing correspondence to employees re the Loans</li> </ul>

	<ul style="list-style-type: none"> <li>• Pursuing recovery of the Loans and tax claims refund due to the Company</li> <li>• Managing the extension of contracts for critical contractors</li> <li>• Dealing with ad hoc employee enquiries</li> </ul>
<b>Job acceptance and strategy</b>	<p><i>Tasks providing an indirect benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Formulating and executing the strategy adopted</li> <li>• Ongoing consideration and review of the Administrators' strategy and creditor outcomes impacted by such</li> <li>• Considering exit routes from the Administration</li> </ul>
<b>Legal issues</b>	<p><i>Tasks providing an indirect benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Dealing with any ad hoc legal issues which may arise in the Administration</li> <li>• Discussions with lawyers in regards to the requirement to extend the Administration</li> </ul>
<b>Other assets</b>	<p><i>Tasks providing a direct benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Realisation of remaining Non-core Assets owned by the Company</li> <li>• Implementation and management of the asset realisation strategy</li> <li>• Ongoing consideration of the security of the Company's assets</li> </ul>
<b>Other matters</b>	<p><i>Tasks providing an indirect benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Dealing with insurance matters and ensuring the appropriate ongoing cover for the Company</li> <li>• Seeking final insurance charges for the Administration and subsequent settlement of insurance costs</li> </ul>
<b>Sale of business</b>	<p><i>Tasks providing a direct benefit to creditors:</i></p> <ul style="list-style-type: none"> <li>• Continuing the IP Sales Process including liaising with the interested party and the Secured Lenders to agree a transaction structure and perimeter</li> <li>• Drafting and negotiation of transaction documents with the Company's lawyers Ropes and Gray and IPCo</li> <li>• Managing the renewal of certain patents to preserve value as appropriate</li> <li>• Attending to IPCo's queries in respect of the sale</li> <li>• Facilitating calls with Ropes and Gray and IPCo's legal advisors as necessary</li> <li>• Adhoc tasks with respect to progressing the IP Sales Process</li> </ul>
<b>Statutory duties</b>	<p><i>Tasks providing an indirect benefit to creditors and as required by statute:</i></p> <ul style="list-style-type: none"> <li>• Drafting, preparing and submitting the Joint Administrators' Third and Fourth Progress Report</li> </ul>

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- Preparing the witness statements as required for the Court application for the extension of the Administration and the Joint Administrators' conditional discharge
  - Seeking legal advice to formularise a strategy for the Joint Administrators' conditional discharge
  - Notices to creditors for both Court applications
  - Internal review of the Administration file to ensure the satisfactory recording and preservation of documents to fulfil the Joint Administrators' statutory duties
  - Ongoing monitoring to ensure adherence to the Joint Administrators' statutory requirements

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**Trading**

*Tasks providing a direct benefit to creditors:*

- Discussions with suppliers to resolve issues and ensure continuity of supply as appropriate
- Termination of undertakings to reduce Administration expenses as appropriate

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**VAT and taxation**

*Tasks providing a possible direct benefit to creditors and as required by statute:*

- Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists
  - Consideration of taxation on asset sales
  - Taxation matters in respect of the IP Sale
  - Calculating and assessing the Company's VAT position
  - Pursuing recovery of the Company's Loans' S455 claim
  - Evaluating and progressing tax recoveries for the Company
-