



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 5 9 9 7 0 9 4

Company name in full Muji Europe Holdings Limited (in Administration)

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Simon J

Surname Edel

### 3 Administrator's address

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region

Postcode S E 1 2 A F

Country

### 4 Administrator's name ①

Full forename(s) Alexander P

Surname Williams

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region

Postcode S E 1 2 A F

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	0	d	8	m	0	m	4	y	2	y	0	y	2	y	4	
To date	d	0	d	7	m	1	m	0	y	2	y	0	y	2	y	4	

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X 

X

Signature date

d 0 | d | 4 | m | 1 | m | 1 | y | 2 | y | 0 | y | 2 | y | 4 |

**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 **Ayse Hassan**

Company name **Ernst & Young LLP**

Address **2 St Peters Square**

Post town **Manchester**

County/Region

Postcode 

M	2		3	E	Y		
---	---	--	---	---	---	--	--

Country

DX

Telephone **MEHadministration@uk.ey.com**

**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 the form.

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**TO ALL KNOWN CREDITORS AND MEMBERS**

**04 November 2024**

Ref: SJE/TP/AH/MEH001

Email: MEHadministration@uk.ey.com

Dear Sirs/Madam

## **Muji Europe Holdings Limited (in Administration) ('the Company')**

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the Administration. This report covers the period from 8 April 2024 to 7 October 2024. ("the Period") and should be read in conjunction with the Joint Administrators' Statement of Proposals ("the Proposals") delivered to creditors on 12 April 2024.

The Company entered Administration on 8 April 2024 (the "Date of Appointment"), and Alexander Paul Williams and I, Simon Jamie Edel, were appointed to act as joint administrators (the "Joint Administrators"). The appointment was made by the directors of the Company under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. As licenced Insolvency Practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration. Statutory information about the Company, the Administration and the office holders, is detailed in Appendix 1.

### **Summary of Progress in the Period**

#### **Approval of the Proposals**

The Proposals were delivered to all known creditors and members on 12 April 2024. As required by Paragraph 51 of Schedule B1 to the Insolvency Act 1986 and Rules 3.38 and 15.7 of the Insolvency Rules (England and Wales) 2016, the Joint Administrators sought approval of the Proposals from the Company's creditors by deemed consent. The Proposals were deemed approved on 29 April 2024.

#### **Sale of business and assets**

As previously reported in the Proposals, on 8 April 2024, the Joint Administrators completed a sale of the Company's business and certain assets of the Company ("the Transaction"), for a total consideration of £18,392,528. A detailed explanation of this transaction was included within the Joint Administrators' Proposals.

#### **Significant assets not included in the sale of business and assets**

##### **Cash at bank**

The Company's cash at bank and cash in transit were excluded from the sale. Cash totalling £90,984 has been transferred into the Administration bank accounts in the Period from the Company's pre-appointment

bank accounts, as indicated in the receipts and payments accounts at Appendix 2. The pre-appointment bank accounts have since been closed.

### **Franchise Agreements**

Certain receivables due at the Date of Appointment in respect of franchise agreements totalling c.£42,000 continue to be pursued.

### **Stock**

All stock held at the Date of Appointment was sold to Muji Europe Limited (“the Purchaser”) as part of the Transaction and there was no stock in transit at the Date of Appointment to realise.

### **Pre-payments**

During the Period the sum of £243,922 has been received from CEVA Logistics. This is in relation to pre-paid warehousing and logistics costs which the Company paid prior to the Administration. A further £247 has been refunded by British Telecom Plc following the closure of the Company’s account. We do not expect any further receipts in respect of pre-payments.

### **Bank interest**

During the Period bank interest accrued on the funds held in the Administration bank accounts totalling £291,093.

## **Other Matters progressed in the Period**

### **Leasehold properties**

The Company held one leasehold property at Bedford House, 21a John Street, London, WC1N 2BF from which it operated its main office in the UK. A licence to occupy (‘LTO’) was granted to the Purchaser for this lease for a period of up to six months from the date of Administration. The LTO has ended and the lease was assigned to the Purchaser on 22 August 2024.

### **Third party assets and novation agreements**

The Joint Administrators have assisted the Purchaser with the novation of certain of the Company’s IT supplier contracts during the Period. This work has concluded.

### **HMRC transfer pricing investigation**

Prior to the appointment of the Joint Administrators, HM Revenue & Customs (“HMRC”) commenced investigations into the appropriateness of the Company’s tax transfer pricing policy. HMRC opened investigations into the accounts years ended 2017 to 2023. HMRC have concluded their investigations into the 2019 and 2020 accounting years, with no adverse impact on the estate, and the Joint Administrators continue to liaise with HMRC regarding their conclusion of their investigations into the remaining open years.

## **Receipts and payments account**

Details of specific receipts and payments received and incurred during the Period are shown at Appendix 2. Please note that these accounts do not reflect future estimated realisations or costs, including the Joint Administrators' remuneration and disbursements.

## **Investigations**

We have conducted investigations into the Company's affairs, in accordance with Statement of Insolvency Practice Number 2 (Investigations by Office Holders), and the Company Directors Disqualification Act 1986, with the necessary return being made to the Insolvency Service on 3 June 2024. No third-party funding has been provided for these investigations and our investigations have concluded.

## **Joint administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. 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 me.

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 Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

In accordance with Rule 18.18, we sought a decision from the Company's creditors on the basis of our remuneration and payment of pre-administration costs and category 2 expenses. On 5 June 2024, a notice of a decision procedure by correspondence was sent to all known creditors of the Company, along with reference to our fee estimate and details of expenses which was sent to creditors on 12 April 2024. Our remuneration was fixed on a time-cost basis by a resolution of the Company's creditors on 20 June 2024.

An analysis of the time spent in the Period and a comparison with the fee estimate dated 12 April 2024 are attached as Appendix 4 to this report (further descriptions about the work undertaken during the Period and how time costs are recorded are provided in Appendix 5 and 6). Remuneration totalling £282,136 and pre-appointment costs of £140,821 have been drawn in the Period as shown in Appendix 2.

Whilst our time costs in one category (Job Acceptance & Strategy) have exceeded our fee estimate, our remuneration is not expected to exceed the amount provided for in the overall fee estimate dated 12 April 2024.

## **Joint administrators' statement of expenses incurred**

During the Period, the Joint Administrators have incurred expenses totalling £64,465 plus applicable VAT. A breakdown of these expenses is included at Appendix 3 to this report.

## **Pre-administration costs**

A breakdown of the total Pre-Administration costs incurred is attached at Appendix 3. These have been paid during the Period in line with the Joint Administrators' fee approval dated 20 June 2024.

## **Distributions to creditors**

### **Secured creditors**

Barclays Bank Plc ("Barclays") held security over the Company's assets under a fixed and floating charge dated 5 February 2007 but at the date of appointment nothing was owed to them.

Since our Proposals were issued, Barclays have confirmed that the Charge has been released and therefore the Joint Administrators, acting on behalf of the Company as Chargee, have filed the necessary statutory notice, Form MR04, at Companies House confirming that the Charge has been satisfied. As a result of this, our Receipts and Payments account has been recategorised to remove reference to fixed charge realisations.

### **Prescribed Part**

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003. On the basis that there is no valid floating charge the Joint Administrators understand that there are no funds due to the floating charge holder. In such circumstances a prescribed part is not set aside and all floating charge realisations net of costs are available to meet the claims of preferential and unsecured creditors.

### **Preferential creditors**

#### ***Primary preferential creditors***

The Joint Administrators estimate the amount of primary preferential creditors at the Date of Appointment to be £nil. This is on the basis that all employees transferred to the Purchaser as part of the Transaction set out above.

#### ***Secondary preferential creditors***

Claims from HM Revenue & Customs ("HMRC"), in relation to VAT, PAYE and employees' National Insurance Contributions rank preferentially, but secondary to the primary preferential creditors above. These claims are therefore referred to as 'secondary preferential creditors'. We estimate the amount of secondary preferential claims at the Date of Appointment to be £nil.

### **Unsecured non-preferential creditors**

The Director's Statement of Affairs dated 29 May 2024 estimated total non-preferential claims to be approximately £75m.

A total of 7 claims have been received and reviewed in the Period. These claims total £75,225,488 and have all been adjudicated as at the date of this report.

As noted above, the Company has no secured or preferential debts that remain unpaid; the only class of creditors that remain unpaid are unsecured non-preferential.

On current estimates we anticipate that there will be sufficient funds to enable a dividend to unsecured non-preferential creditors. And as such, the Joint Administrators have made an application to the High Court of England & Wales, pursuant to paragraph 65 of Schedule B1 to the Insolvency Act 1986 ("Schedule B1"), for an order allowing the Joint Administrators to pay a dividend to the Company's unsecured non-preferential creditors in the Administration, rather than incurring costs of moving the Company to Creditors Voluntary Liquidation, which would incur further costs and in turn diminish the amount available to distribute to unsecured non-preferential creditors.

The Joint Administrators consider that paying the dividend in the Administration would be in the interests of the Company's creditors as a whole; it would not adversely affect any class of creditor; and paying the dividend is consistent with the Joint Administrators' Proposals; their functions; and duties.

A court hearing is scheduled for 14 November 2024 and the Joint Administrators will provide an update creditors following the hearing.

The quantum and timing of any dividend payment is dependent on the quantum of final claims and future asset realisations.

We would like to invite creditors of the Company who have not already submitted a claim in the Administration, to do so by downloading a proof of debt form which is available at [https://www.ey.com/en\\_uk/administrations/muji-europe-holdings-limited](https://www.ey.com/en_uk/administrations/muji-europe-holdings-limited). Your proof of debt form and supporting documentation should be emailed to [MEHadministration@uk.ey.com](mailto:MEHadministration@uk.ey.com).

## **End of the Administration**

The Administration of the Company will come to an automatic end on 7 April 2025. The Administration can be extended by a period up to 12 months with consent of the creditors or longer by court if necessary.

It is anticipated that if the Court grants an order to allow the Joint Administrators to distribute funds to unsecured creditors in the Administration, once the distribution has been made, that Joint Administrators will seek to exit the administration as soon as is reasonably practicable.

If the Company has no further property to distribute, the Joint Administrators will send a notice to that effect to the Registrar of Companies, pursuant to paragraph 84 of Schedule B1 (the "Notice"). On registration of the Notice, the appointment of the Joint Administrators will end and, pursuant to paragraph 84(5) of Schedule B1, the Company will be deemed to be dissolved three months after registration of the Notice ("Exit Route 1").

If there are matters to be dealt with that require the appointment of a liquidator, the Joint Administrators propose that, at the end of the term of the Administration, the Joint Administrators will send a notice to that effect to the Registrar of Companies, pursuant to paragraph 83 of Schedule B1, resulting in the Company entering into Creditors' Voluntary Liquidation. If this route is taken, the Joint Administrators propose to be the liquidators of the Company, subject to creditors nominating a different person as the proposed liquidator, pursuant to paragraph 83(7) of Schedule B1 ("Exit Route 2").



The Joint Administrators consider that if the distribution to unsecured creditors is permitted and made in the Administration, Exit Route 1 would be the most likely exit of the administration.

### **Remaining work**

The Joint Administrators will continue to deal with the Administration of the Company in line with the objective of the Proposals, namely to achieve a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in Administration).

Further tasks will include, but may not be limited to, the following:

- Ensuring that any obligations of the Company / Joint Administrators in the Sale and Purchase Agreement with the Purchaser are satisfied;
- Realising value from assets not included in the pre-pack transaction – namely sums due from Franchisees;
- Reviewing the Company's tax affairs and dealing with corporation tax, VAT and other tax matters, including filing statutory returns;
- Adjudicating unsecured creditor claims and payment of dividends to unsecured creditors if the court permits;
- Dealing with statutory reporting and compliance obligations;
- If the Joint Administrators deem it appropriate, seeking an extension and/or further extensions to the Administration from creditors and/or the Court;
- Finalising the Administration, including the payment of all Administration expenses;
- Any other actions required to be undertaken by the Joint Administrators to fulfil the purpose of the Administration.

### **Next report**

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

Yours faithfully  
For the Company



Simon J Edel  
Joint Administrator

Appendix 1	Statutory information
Appendix 2	Joint Administrators' receipts and payments account for the Period
Appendix 3	Summary of Joint Administrators' expenses incurred in the Period
Appendix 4	Summary of the Joint Administrators' time costs incurred in the Period
Appendix 5	Joint Administrators' explanation of work in the Period
Appendix 6	Joint Administrators' charging policy for remuneration and expenses

Simon J Edel and Alexander P Williams are licensed in the United Kingdom to act as an insolvency practitioners by The Insolvency Practitioners Association 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 J Edel and Alexander P Williams, 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 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 Administrator's appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

## Appendix 1

### Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice Business and Property Courts of England & Wales, Insolvency and Companies List (ChD)
Court reference:	CR-2024-001928
Registered name of the company:	Muji Europe Holdings Limited (in Administration)
Registered office address of the company:	C/O Ernst & Young LLP, 1 More London Place, London, SE1 2AF  Bedford House, 21a John Street, London, England, WC1N 2BF
Registered number:	05997094
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administration:	8 April 2024
Details of any changes of administrator:	None
Full names of the administrators:	Simon Jamie Edel Alexander Paul Williams
Office holder number(s):	9810 / 22270
Administrators' address(es):	Ernst & Young LLP, 1 More London Place, London, SE1 2AF
Email:	<a href="mailto:MEHadministration@uk.ey.com">MEHadministration@uk.ey.com</a>
Name of alternative person to contact with enquiries about the case:	Ayse Hassan

## Appendix 2

### Muji Europe Holdings Limited (in Administration)

#### Joint Administrators' Summary of Receipts and Payments for the Period

Statement of affairs estimated to realise			08 April 2024 to 07 October 2024	Cumulative totals
N/A	Note			
(£)			(£)	(£)
<b>FLOATING CHARGE REALISATIONS</b>				
<b>Sale of Business &amp; Assets</b>				
12,684,530.00	3	Shares	12,684,530.00	12,684,530.00
4,534.00	3	Moveable Assets	4,534.00	4,534.00
	3	Fixed Assets	1.00	1.00
	3	Goodwill	1.00	1.00
	3	Owned IP	1.00	1.00
	3	Business Claims	1.00	1.00
	3	Business information	1.00	1.00
	3	Commercial Records	1.00	1.00
	3	Contracts	1.00	1.00
	3	Customer Data	1.00	1.00
	3	Employee Data	1.00	1.00
	3	Leasehold Property	1.00	1.00
12.00	3	Other	1.00	1.00
35,701.00	3	Rent deposit	35,701.00	35,701.00
	3	Social Media Accounts	1.00	1.00
5,667,750.00	3	Stock	5,667,750.00	5,667,750.00
1.00	3	Trade Debtors	1.00	1.00
		Prepayments	244,168.55	244,168.55
87,227.00		Cash at Bank	90,983.97	90,983.97
	2	Bank Interest Gross	291,092.59	291,092.59
			<b>19,018,773.11</b>	<b>19,018,773.11</b>
<b>COSTS OF REALISATIONS</b>				
		Joint Administrators' pre-appointment Fees	140,820.60	140,820.60
		Joint Administrators' Fees	282,136.40	282,136.40
		Professional Fees - Legal	32,244.00	32,244.00
		Legal Disbursements	53.18	53.18
		VAT - Irrecoverable	29,179.02	29,179.02
		Bank Charges	184.66	184.66
		Statutory Advertising	104.30	104.30
			<b>484,722.16</b>	<b>484,722.16</b>
<b>Balances in hand</b>			<b>18,534,050.95</b>	<b>18,534,050.95</b>
<b>Represented by:</b>				
		Vat Receivable	61,892.68	61,892.68
		BOS current GBP	3,743,987.14	3,743,987.14
		Lloyds current GBP	3,743,987.14	3,743,987.14
		RBS Current GBP	1,714,212.88	1,714,212.88
		NatWest Current GBP	4,425.10	4,425.10
		BARC Current GBP	3,742,762.18	3,742,762.18
		RBS 3 Month M Mkt GBP	1,806,516.51	1,806,516.51
		NatWest 3 Month M Mkt GBP	3,716,267.32	3,716,267.32
			<b>18,534,050.95</b>	<b>18,534,050.95</b>

#### Notes

1. Receipts and payments are stated net of VAT.
2. All funds are held in interest bearing accounts
3. This represents the sale consideration arising from the Transaction.

## Muji Europe Holdings Limited (in Administration)

## Summary of Joint Administrators' expenses incurred in the Period

Type of Expense	Per Fee Estimate (£)	Paid in Period (£)	Estimated Future (£)	Total (£)
<b>Payments made from the estate which are not disbursements (Note 1)</b>				
Legal fees	40,000.00	32,297.18	7,702.82	40,000.00
Insurance	5,000.00	1,280.00	3,720.00	5,000.00
Bank charges	5,000.00	184.66	4,815.34	5,000.00
Statutory costs	5,000.00	104.30	4,895.70	5,000.00
Telecoms & IT	5,000.00	-	5,000.00	5,000.00
Irrecoverable VAT	-	29,179.02	-	29,179.02
	<b>60,000.00</b>	<b>63,045.16</b>	<b>26,133.86</b>	<b>89,179.02</b>
<b>Category 1 disbursements (Note 2)</b>				
Internal bulk copying, printing and postage	3,000.00	54.84	2,945.16	3,000.00
Specific penalty bond	1,280.00	1,280.00	-	1,280.00
Sundry	5,000.00	85.12	4,914.88	5,000.00
	<b>9,280.00</b>	<b>1,419.96</b>	<b>7,860.04</b>	<b>9,280.00</b>
<b>Total expenses</b>	<b>69,280.00</b>	<b>64,465.12</b>	<b>33,993.90</b>	<b>98,459.02</b>
<b>Pre-administration costs unpaid as at date of administration</b>				
Joint Administrators' pre-administration costs	140,821.00	140,821.00	-	140,821.00
<b>Total expenses and pre-administration costs</b>	<b>210,101.00</b>	<b>205,286.12</b>	<b>33,993.90</b>	<b>239,280.02</b>

## Notes

- Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2

## Appendix 4

### Muji Europe Holdings Limited (in Administration)

#### Summary of Joint Administrators' time costs incurred in the Period

	Staff Grade						Total Hours	Total Cost £	Average Rate £
	Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting & administration	0.90	10.70	3.20	36.50	71.00	33.90	156.20	71,796.65	459.65
Bank & statutory reporting	3.00	23.40	7.00	33.00	3.00	11.00	80.40	50,639.95	629.85
Creditors	-	9.50	-	28.10	4.30	1.50	43.40	24,455.72	563.50
Debtors	-	1.70	0.30	0.80	0.50	-	3.30	2,329.95	706.05
Employee matters	-	1.70	1.30	2.40	2.60	-	8.00	4,206.36	525.80
Immediate tasks	3.50	1.90	16.00	21.50	-	5.00	47.90	29,319.90	612.11
Investigations	7.00	23.60	1.30	47.20	29.50	-	108.60	61,251.48	564.01
Job acceptance & strategy	3.80	7.50	-	20.40	-	-	31.70	22,033.04	695.05
Legal issues	4.30	-	-	4.30	-	-	8.60	7,042.20	818.86
Other matters	-	-	2.00	1.80	-	-	3.80	2,428.20	639.00
Property	-	1.20	0.30	2.40	-	1.50	5.40	3,014.46	558.23
Public relations	-	1.10	1.40	-	-	-	2.50	1,955.10	782.04
Sale of business	2.50	9.50	3.50	6.90	-	-	22.40	17,137.32	765.06
Statutory duties	10.80	0.60	4.20	86.20	1.00	34.60	137.40	66,811.53	486.26
VAT & Taxation	5.40	17.10	13.20	17.00	-	4.60	57.30	44,702.42	780.15
<b>Total Hours</b>	<b>41.20</b>	<b>109.50</b>	<b>53.70</b>	<b>308.50</b>	<b>111.90</b>	<b>92.10</b>	<b>716.90</b>		
<b>Time Costs (£)</b>	45,158.49	95,478.72	40,944.00	155,989.11	43,071.92	28,587.32		<b>409,124.26</b>	
<b>Average Hourly Rate (£)</b>	1,096.08	871.95	762.46	505.64	384.91	310.39		570.69	

## Appendix 4 (continued)

### Muji Europe Holdings Limited (in Administration)

#### Summary of Joint Administrators' time costs incurred in the Period and a comparison to the Fee Estimate dated 12 April 2024

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Accounting & administration	168.50	73,153	434	156.20	71,797	460	156.20	71,796.65	460
Bank & statutory reporting	187.50	96,146	513	80.40	50,640	630	80.40	50,639.95	630
Creditors	192.50	96,577	502	43.40	24,456	563	43.40	24,455.72	563
Debtors	14.50	6,695	462	3.30	2,330	706	3.30	2,329.95	706
Employee matters	25.00	17,955	718	8.00	4,206	526	8.00	4,206.36	526
Immediate tasks	58.00	32,120	554	47.90	29,320	612	47.90	29,319.90	612
Investigations	149.00	83,697	562	108.60	61,251	564	108.60	61,251.48	564
Job acceptance & strategy	11.00	8,496	772	31.70	22,033	695	31.70	22,033.04	695
Legal issues	32.40	22,921	707	8.60	7,042	819	8.60	7,042.20	819
Other matters	35.00	21,953	627	3.80	2,428	639	3.80	2,428.20	639
Property	31.70	18,234	575	5.40	3,014	558	5.40	3,014.46	558
Public relations	10.00	8,289	829	2.50	1,955	782	2.50	1,955.10	782
Sale of business	52.50	39,092	745	22.40	17,137	765	22.40	17,137.32	765
Statutory duties	211.00	102,153	484	137.40	66,812	486	137.40	66,811.53	486
VAT & Taxation	120.00	68,592	572	57.30	44,702	780	57.30	44,702.42	780
<b>Total</b>	<b>1,298.60</b>	<b>696,071</b>	<b>536</b>	<b>716.90</b>	<b>409,124</b>	<b>571</b>	<b>716.90</b>	<b>409,124.26</b>	<b>571</b>

## Appendix 5

### Muji Europe Holdings Limited (in Administration)

#### Statement of Work Completed in the Period

Outlined in the table below is supporting narrative explanation as to the work undertaken during the Period. This information is detailed on a category by category basis, aligned to the reporting of time costs in the table at Appendix 4.

Details of workstreams are presented below. This supporting information should be read in conjunction with all sections of this report.

Category of work	Description of work to be completed	Work done / in progress / to be performed
Accounting & Administration	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors - including:</i></p> <ul style="list-style-type: none"> <li>General administrative duties and overall management of the case, such as filing and maintaining the Joint Administrators' accounting records, statutory compliance diaries and time cost reporting</li> </ul> <p><i>Certain tasks undertaken by the Accounting and Treasury Executives have a financial benefit to the creditors, including:</i></p> <ul style="list-style-type: none"> <li>Investing of estate funds and maintaining cash controls</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>In progress</li> </ul>
Banking & Statutory Reporting	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors – including:</i></p> <ul style="list-style-type: none"> <li>Treasury and accounting functions e.g. opening bank accounts, preparing bank reconciliations, posting transactions</li> <li>Preparation and delivery of the Joint Administrators' proposals and delivery to creditors, members and Companies House</li> <li>Preparation of six-monthly progress reports and delivery to creditors, members and Companies House</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Completed</li> <li>Completed</li> <li>To be performed</li> </ul>



	<ul style="list-style-type: none"> <li>• Preparation of final progress reports, in respect to finalising and concluding the Administration, and delivery to creditors, members and Companies House</li> </ul>	
Creditors	<p><i>Tasks providing a direct benefit to creditors, to allow their claims to be submitted in the Administration for any potential future distribution of funds, including:</i></p> <ul style="list-style-type: none"> <li>• Receipt and recording creditor claims</li> <li>• Corresponding with creditors and members and answering specific creditor/member queries in relation to the Administration</li> <li>• Adjudicating creditor claims received</li> <li>• Processing distributions to preferential and unsecured creditors (as applicable)</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• In progress</li> <li>• In progress</li> <li>• To be performed</li> </ul>
Debtors	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value from the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Realising the book of debts of the Company</li> <li>• Debtor collections from Franchisee's.</li> <li>• Intercompany deed of release.</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• In progress</li> <li>• Completed</li> </ul>
Employee matters	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors as no employee claims expected in the Administration - including:</i></p> <ul style="list-style-type: none"> <li>• Addressing any residual employee issues that may arise after the transfer to the Purchaser</li> <li>• Tasks associated with the Company's pension scheme.</li> <li>• Processing P11D and P45 information.</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• In progress</li> <li>• Completed</li> </ul>
Immediate Tasks	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors – including:</i></p> <ul style="list-style-type: none"> <li>• Completion of workstreams requiring immediate attention following the appointment as required by statute, e.g. speaking with the Company's directors, issuing correspondence notifying of appointment, collating information and carrying out other initial activities to execute the strategy outlined in the Proposals.</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
Investigations	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors – including:</i></p> <ul style="list-style-type: none"> <li>• Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders"</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>

	<ul style="list-style-type: none"> <li>• Preparation of the Joint Administrators' submission on the conduct of the directors under the Company Directors Disqualification Act 1986</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
Job Acceptance & Strategy	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value in the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Matters relating to the appointment and initial planning of the administration strategy, including management of and formulating and executing the strategy adopted</li> <li>• Considering exit routes from Administration and implementing the most appropriate route</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• Completed</li> </ul>
Legal Issues	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value from the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Obtaining legal advice during the Administration on live legal matters, on appointment matters, compliance with statutory duties and in respect of aspects relating to asset recoveries (where applicable)</li> <li>• Costs associated with the application to distribute dividend to unsecured – non preferential creditors in the Administration.</li> <li>• Review Barclay's security release.</li> <li>• Dealing with any ad hoc legal issues</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• In progress</li> <li>• Completed</li> <li>• In progress</li> </ul>
Other Matters	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value from the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Recovery of the Company's physical books and records, and electronic records (including a back-up of the Company's servers and systems)</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
Public Relations	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors - including:</i></p> <ul style="list-style-type: none"> <li>• Agreeing and issuing statements to the press as required in pursuit of the strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
Property	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value from the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Liaising with the landlord of the Company's head office in respect of the licence to occupy and other matters</li> <li>• Correspondence with Landlord and Business Rating authority.</li> <li>• Lease assignment to Purchaser.</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• Completed</li> <li>• Completed</li> </ul>

Sale of Business	<p><i>Tasks providing a direct benefit to creditors by preserving and realising value from the assets, including:</i></p> <ul style="list-style-type: none"> <li>• Sale of business and assets of the Company in pursuance with the Joint Administrators' objectives</li> <li>• Liaising with the Purchaser and its advisors and relevant suppliers in relation to transitional arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• In progress</li> </ul>
Statutory Duties	<p><i>Tasks required by legislation and professional best practice – no direct financial benefit to creditors - including:</i></p> <ul style="list-style-type: none"> <li>• Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, and sending to creditors and filing at Companies House</li> <li>• Requesting and obtaining the Statement of Affairs from the Directors of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• Completed</li> </ul>
VAT & Taxation	<p><i>Tasks providing a direct benefit to creditors by establishing the tax position on appointment, including the recoverability of any pre appointment tax balances, including:</i></p> <ul style="list-style-type: none"> <li>• Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists.</li> <li>• Responding to HMRC's investigations into the Company's transfer pricing policy</li> <li>• Submitting relevant notifications to HMRC</li> <li>• Preparing claims for VAT bad debt relief (if applicable)</li> <li>• Assessment of the VAT and tax treatments of transactions and agreements entered into during the Administration</li> </ul>	<ul style="list-style-type: none"> <li>• In progress</li> <li>• In progress</li> <li>• Completed</li> <li>• To be performed</li> <li>• In progress</li> </ul>

### Muji Europe Holdings Limited (in Administration)

#### Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.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.

##### Administrators' charging policy for expenses

Statement of Insolvency Practice No. 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 Statement of Insolvency Practice No. 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. Statement of Insolvency Practice No. 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.

