

Petroleum Pipe Company Limited
In Administration (the "Company")

Final Progress Report

In accordance with Rule 18.3 of The Insolvency (England and
Wales) Rules 2016

25 August 2025

Ernst & Young LLP



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Abbreviations

The following abbreviations are used in this report:

Act	the Insolvency Act 1986
BoS	Bank of Scotland plc
date of appointment	29 August 2018
EY	Ernst & Young LLP
PGL	Petrostem Group Limited – in Liquidation
PIL	Petrostem International Limited – in Liquidation
PPC Cayman	PPC Limited – in Official Liquidation
PPG	Petroleum Pipe Group Limited – in Liquidation
PRL	Petrostem Rentals Limited – in Liquidation
PSB	Pipeline Supplies Bahrain WLL Limited – in Liquidation
Joint Administrators	To 18 June 2023: C P Dempster and G D Yuill From 19 June 2023: K S Aspin and G D Yuill
the Company	Petroleum Pipe Company Limited - in Administration
the Petrostem Group	Petrostem Group Limited (In Liquidation) and its subsidiary undertakings
the PPG Group	The Petroleum Pipe Group of companies, a structure chart for which is provided at Appendix B
the Proposals	Joint Administrators' Statement of Proposals, dated 19 October 2018
the Rules	the Insolvency (England and Wales) Rules 2016
The Banking Group	Together, the PPG Group, the Petrostem Group and the Maxtube Group
The Representation	Representation of Gardner and Others [2025] Jersey Royal Court 144
The Maxtube Group	Maxtube Holdings Limited and its subsidiary undertakings

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1. Introduction

1.1 Introduction

I write, in accordance with Rule 18.3 of the Rules, to provide creditors with our final progress report in the Administration, which includes details of the outcome. This report covers the period from 29 February 2025 to 25 August 2025 ("the Period") and should be read in conjunction with the Proposals dated 19 October 2018 and the previous progress reports covering each six month period from 29 August 2018 to 28 February 2025.

On 29 August 2018 the Company entered Administration and C P Dempster and G D Yuill were appointed to act as Joint Administrators.

The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

As previously advised, due to C P Dempster's retirement from EY, K S Aspin of EY was appointed as Joint Administrator on 19 June 2023.

K S Aspin and G D Yuill are UK licenced insolvency practitioners and, consequently, 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 given at Appendix A.

1.2 Extensions to the initial period of appointment

In accordance with paragraph 76 of Schedule B1 to the Insolvency Act 1986, the Administration of the Company was initially due to end automatically on 28 August 2019.

As previously reported, the Administration was extended to 28 August 2020 by the consent of the Company's creditors, and subsequently to 28 August 2021, to 28 August 2023 and to 28 August 2025 by the Court.

No further extensions to the period of administration were required.

2. Summary of the Administrators' Proposals

2.1 Background

The Proposals were issued to the Company's creditors on 19 October 2018. The Proposals summarised the background to the Company and the circumstances giving rise to the appointment of the Joint Administrators.

There have been no major amendments to, or deviations from, the Proposals.

At the time of issuing the Proposals, the Joint Administrators were of the opinion that the Company had insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the Prescribed Part (which was estimated to be \$Nil as the Prescribed Part provisions do not apply to the administration of the Company – see section 4.4 below) and consequently, in accordance with the provisions of paragraph 52(1) of Schedule B1 to the Act, a decision of the creditors on the approval of the Proposals was not sought. The Proposals were deemed approved on 2 November 2018.

The purpose of an administration is to achieve one of three objectives:

- a. To rescue a company as a going concern;
- b. To achieve a better result for a company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
- c. To realise property in order to make a distribution to one or more secured or preferential creditors.

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for the Company's creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole.

At the time of issuing the Proposals, the Joint Administrators were of the opinion that objective (b) could be pursued, failing which they would seek to pursue objective (c).

The Joint Administrators' strategy for achieving this objective is set out at paragraph 3.1 below.

2.2 End of the Administration

The Proposals stated that if at the end of the Administration the Company had no property which might permit a distribution to their creditors, the Joint Administrators would send a notice (the "Notice") to that effect to the Registrar of Companies. On registration of the Notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986, the Company will be dissolved three months after the registration of the Notice.

3. Summary of steps taken during the Administration (including progress since the last report)

3.1 Purpose of the Administration

As detailed in the Proposals, the Joint Administrators strategy in respect of the insolvency of the Company was to:

- ▶ Cease to trade the business to which the Joint Administrators have been appointed (with the exception of one customer order where it was deemed to be in the best interests of creditors that the order be completed);
- ▶ Collect in the trade debtor balances due to the Company; and
- ▶ Market for sale the individual assets, primarily the Company's production tubing and casing stocks.

3.2 Asset realisations

The outcomes of asset realisations in the period to 28 February 2025 have been reported in the Proposals and previous progress reports and are not repeated in full here. However, in summary, in the period to 28 February 2025, the Joint Administrators:

- (i) Completed one order with Sea Dragon Energy Nile B.V. generating a net recovery of \$158k;
- (ii) Collected trade debtor balances of \$1,709k;
- (iii) Recovered deposits paid to suppliers of \$352k;
- (iv) Marketed and sold the Company's production tubing / casing stocks (\$72k) and IT equipment (\$43k);
- (v) Received distributions from the Liquidations of Petrostem Rentals Limited (\$264k) and Pipeline Supplies Bahrain W.L.L. Limited (\$8k);
- (vi) Recovered \$192k from the cancellation of an "in the money" foreign exchange swap; and
- (vii) Recovered \$911k from the settlement of potential litigation (without any admission of liability) in respect of certain transactions that took place across both the PPG Group and the Petrostem Group in the period prior to our appointment.

Detailed below are the final asset realisations completed during the Period.

3.2.1 Trade debtors

As detailed in our previous progress report, the Joint Administrators were pursuing two debtor balances in Nigeria due from Lahor Limited and LBD International Limited. No recoveries from these debtors were made during the Period. As the benefit of any recoveries from these debtors is due to PPC Cayman in full (based on the Joint Administrators' detailed modelling work on the outcomes for creditors – see section 4 below), during the Period the Joint Administrators assigned these debtors to PPC Cayman for consideration of £1.

3.2.2 Intergroup balances

At as the date of appointment, the Company was due \$20.2m from related parties in the PPG Group and Petrostem Group.

As detailed in previous progress reports a complex subrogation modelling exercise was undertaken to determine the final amounts due to/from each of the companies in the PPG Group and Petrostem Groups.

A summary of the claims against each of the companies and recoveries against each balance the Period is set out below:

\$000	Claim amount	Recoveries in the Period	Total recoveries
Petrostem Rentals Limited	10,193	204	468
PPC Limited	9,504	1,612	1,612
Pipeline Suppliers Bahrain W.L.L. Limited	329	37	45
Petrostem International Limited	194	10	10
Petroleum Pipe Group Limited*	1,791	539	539

*Note: The Company has a secured subrogated claim in the Liquidation of Petroleum Pipe Group Limited of \$1,791k which arose from the above-noted subrogation modelling exercise.

3.2.3 Bank interest

During the Period, bank interest of \$5k was received.

3.3 Expenditure

During the period of the Administration, expenses of \$1,185k (net of VAT) were incurred, excluding distributions to secured and preferential creditors, irrecoverable VAT, and the Joint Administrators' fees and expenses.

Expenses of \$32k were incurred in the period from 29 February 2025 to 25 August 2025.

A breakdown of expenses incurred is provided at Appendices C and D to this report.

As at 25 August 2025, the Company was yet to receive payment of outstanding claims for recovery of input VAT totalling approximately £108k from HMRC. To allow the administration of the Company to be brought to an end, this outstanding input VAT recovery was assigned to Ernst & Young LLP. Any repayment received from HMRC in respect of this claim will be applied by Ernst & Young LLP to settle the VAT element of invoices which are undrawn at the date of this report.

3.4 Other PPG Group insolvencies

The other insolvent entities within the PPG Group are not registered in England and Wales and are therefore subject to the insolvency proceedings of other jurisdictions. They are not within the remit of this report. Notwithstanding this, the Joint Administrators recognise the inter-linked nature of the PPG Group and therefore detailed discussion of the insolvency proceedings for these entities is provided within the separate reports to the creditors of these companies which are available from the following website:

https://www.ey.com/en_uk/administrations/ey-ppg-and-petrostem-insolvencies

3.5 Steps taken to bring the Administration to a conclusion

During the Period, the Joint Administrators have taken steps to bring the Administration to an end. These steps included, but were not limited to:

- ▶ assignation of Nigerian debtor balances to PPC Cayman;
- ▶ finalisation of the Company's VAT matters and seeking the necessary VAT clearances from HMRC;
- ▶ ensuring all corporation tax returns have been completed and any tax due from the Administration has been paid, whilst seeking the necessary tax clearances from HMRC;
- ▶ ensuring the Joint Administrators' final remuneration has been billed and paid in line with the fee approval in place;
- ▶ finalising the outcome for creditors and payment of subrogated creditor distributions;
- ▶ ensuring all bank accounts are reconciled;
- ▶ taking steps to obtain the Joint Administrators' discharge from liability under paragraph 98, schedule B1 to the Act;
- ▶ dealing with administrative processes; and
- ▶ preparing this final progress report in accordance Rule 18.3 of the Insolvency (England and Wales) Rules 2016.

4. Outcome for creditors

We set out below the final outcome for creditors.

4.1 Secured creditors

BoS

As previously advised, in November 2023, a final distribution of c.\$1.7m was paid to BoS from PPG, in full and final settlement of its secured claim against the Company of \$27.3m. Of the total distributions made to BoS, \$1.9m was distributed by the Company.

PPC Cayman

As advised in the Joint Administrators' letter to creditors dated 9 June 2025, following full and final settlement of BoS's claim against the Company, there were surplus funds held across the related insolvent entities in the PPG Group and Petrostem Group which fell to be distributed to creditors.

The Joint Administrators undertook detailed modelling work (the "Model") to determine to which of the companies within the PPG and Petrostem Groups these funds properly belonged and, therefore, the potential outcomes for creditors of the Company and of the related insolvent entities in the PPG and Petrostem Groups.

Following completion of this modelling work, the Joint Liquidators of the Jersey-registered entities in the PPG and Petrostem Groups ("Jersey Companies") made a Representation to the Royal Court of Jersey seeking the Court's sanction to make distributions to unsecured creditors of the Jersey Companies on the basis of, and applying the methodology, set out in the Proposed Model. The Royal Court of Jersey sanctioned and ratified this decision in May 2025.

The Royal Court of Jersey's sanctioning and ratification of the Joint Liquidators' decision was not binding on the Company. However, the Joint Administrators have received legal advice that the Model is consistent with the law of England & Wales. Further, no funds were available to distribute to unsecured non-preferential creditors of the Company on the basis of the Model. Accordingly, the Joint Administrators of the Company implemented the Model in respect of the insolvency of the Company without seeking the sanction of the UK courts.

Based on the Model, PPC Cayman had a secured subrogated claim against the Company in the amount of \$5.2m. As a result, the remaining funds held by the Company of \$2.3m were paid to PPC Cayman as secured distributions in the Period.

4.2 Preferential creditors

Preferential creditor claims of \$36k in respect of claims for employees' holiday pay have been paid in full.

4.3 Unsecured non-preferential creditors

The total level of unsecured non-preferential creditors was \$26.6m before adjudication.

After applying the methodology as set out in the Model, and after paying the secured subrogated distributions to PPC Cayman, there were no funds available to unsecured, non-preferential creditors of the Company.

In accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016 (and as previously advised in the Joint Administrators' letter to creditors dated 9 June 2025) the Joint Administrators are unable to declare any further dividend to preferential or non-preferential creditors because the funds realised have already been distributed or used or allocated for paying the expenses of the Administration.

4.4 The 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.

As the debenture granted in favour of BoS was created on 19 June 2000, the Prescribed Part provisions do not apply to the administration of the Company. Accordingly, there was no Prescribed Part available for distribution to the unsecured non-preferential creditors of the Company.

5. Joint Administrators' receipts and payments

A summary of the Joint Administrators' receipts and payments for the period from 29 August 2018 to 25 August 2025 is attached at Appendix C.

6. Joint Administrators' remuneration, expenses and payments to other professionals

6.1 Remuneration

The statutory provisions relating to remuneration are set out in Chapter 4, 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 website 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 the Joint Administrators.

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.

The Joint Administrators' remuneration was fixed on the basis of time properly given by the Joint Administrators and their staff in dealing with matters arising in the Administration at the hourly rates set out below (and in accordance with the fee estimate dated 19 October 2018) by a resolution of the preferential creditors and secured creditor on 21 December 2018.

In addition, the Joint Administrators were permitted to draw, as an interim claim, their remuneration for the period from the date of their appointment to Friday 5 October 2018 and thereafter to draw their remuneration four weekly in arrears subject to the provision in advance of a statement of such costs.

Grade	Hourly rate (\$)	Equivalent hourly rate (£)
Partner	855	658
Executive Director / Director	700	538
Senior Manager	590	454
Manager	490	377
Senior (Level 3)	450	346
Senior (Level 1 / 2)	355	273
Analyst	210	162
Intern	185	142

On 4 March 2024 we wrote to the secured and preferential creditors to seek approval for an increase in our fee estimate to \$1,312,914 plus VAT. On 22 April 2024 this approval was received.

On 27 June 2025 we wrote to all creditors advising that we estimated total time costs for the full period of the Administration to be \$1,277,467 plus VAT and that we would draw our time costs incurred to the completion of the Administration (capped at this level) without further notice to creditors. We provided creditors until 15 July 2025 to raise any objections to our time costs or the settlement of them. No objections were received.

During the Period, the Joint Administrators incurred time costs of \$74,865. Total time costs for the full period of the Administration (from 29 August 2018 to 25 August 2025)

are \$1,271,308. Of this sum, \$1,244,270 has been paid. The Joint Administrators have agreed not to recover the balance of \$27,038.

Attached at Appendices E to H are detailed analyses of time spent and charge out rates for each grade of staff for the various areas of work carried out to 25 August 2025 as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No. 9.

6.2 Joint Administrators' statement of expenses incurred

During the period covered by this report, the Joint Administrators incurred expenses of \$32k (excluding distributions to secured creditors, irrecoverable VAT, and the Joint Administrators' fees and expenses). Expenses in the period from our appointment to 25 August 2025 total \$1,185k (excluding distributions to secured and preferential creditors, irrecoverable VAT, and the Joint Administrators' fees and expenses). A breakdown of these expenses is provided at Appendix D.

Total expenses have exceeded the original estimate provided with the Proposals. Final expenses were \$579k higher than our original estimate, which, as previously reported principally related to expenses in relation to potential litigation and Nigerian legal actions.

6.3 Disbursements

Appendix D also includes a breakdown of the Joint Administrators' Category 1 and 2 disbursements.

On 21 December 2018, the Joint Administrators received the approval of the secured creditor and preferential creditors to charge and draw disbursements in accordance with the charging policy set out in Appendix H and the estimate provided with the Proposals.

On 27 June 2025 we wrote to all creditors advising that we estimated disbursements for the full period of the Administration to be \$5,501 plus VAT and that we would draw our disbursements incurred to the completion of the Administration (capped at this level) without further notice to creditors. In line with the approach in relation to time costs, we provided creditors until 15 July 2025 to raise any objections to our disbursements or the settlement of them. No objections were received.

During the period covered by this report, the Joint Administrators incurred Category 1 disbursements of \$158. Total Category 1 disbursements for the full period of the Administration (from 29 August 2018 to 25 August 2025) are \$5,262. Of this sum, \$5,262 has been paid.

No Category 2 disbursements were incurred.

6.4 Payments to other professionals

The Joint Administrators engaged the services of the following during the course of the Administration:

Name of firm	Nature of service	How contracted to be paid
Pinsent Masons	Legal advisors – UK and UAE	Time costs
CMS Cameron McKenna	Legal advisors – UK	Time costs
Advocaat Law (formerly AOA Legal)	Legal advisors – Nigeria	Time costs
Carey Olsen	Legal advisors – Jersey and Cayman Islands	Time costs
ANM Group	Asset safeguarding and realisation strategy	Time costs
Calash Limited	Energy sector strategy consultants	Time costs
Wallbrook Advisory Limited	Diligence	Time costs
Wynterhill LLP	Legal advice – UK	Time costs

7. Other matters

7.1 Replacement of Administrator

Due to C P Dempster's retirement from EY, K S Aspin of EY was appointed as Joint Administrator on 19 June 2023 by the Court.

7.2 The outcome of the Administration

In accordance with the terms of the Proposals, as there are no further assets to be realised or distributions to be made, the Company will move from Administration to dissolution. The Administration will come to an end on the date on which the Notice is registered by Companies House and the Company will be deemed to be dissolved three months later.

This report will be made available on the following website:

https://www.ey.com/en_uk/administrations/ey-ppg-and-petrostem-insolvencies

7.3 Discharge

It is now appropriate for us to seek a decision from creditors on our discharge from liability as Joint Administrators, in accordance with the provisions of paragraph 98 of Schedule B1 to the Insolvency Act 1986.

The Joint Administrators intend to seek their discharge from liability by resolution of the secured and preferential creditors. Discharge will take effect only after the Administration has ended.

Should you have any remaining questions about the Administration, please contact Alastair Casey by email (acasey1@parthenon.ey.com) or by telephone (+44 (0) 141 226 9320).

Yours faithfully
for the Company



Gavin Yuill
Joint Administrator

K S Aspin and G D Yuill are licensed in the United Kingdom to act as Insolvency Practitioners by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Company are being managed by the Joint Administrators, K S Aspin and G D Yuill, who act as agents of the Company only and without personal liability. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointments.

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 Administrators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix A Statutory information

Company Information

Company Name:	Petroleum Pipe Company Limited – in Administration
Registered Office Address:	c/o Ernst & Young LLP 12 Wellington Place Leeds LS1 4AP
Registered Number:	03022675
Date of incorporation:	16 February 1995
Trading Name(s):	n/a
Trading Address(es):	9-11 Grosvenor Gardens, London, SW1W 0BD Morgan Properties, 7 Queens Garden, Aberdeen

Details of the Joint Administrators and of their appointment

Administrators:	Gavin David Yuill
IP number:	14218
Date of Appointment:	29 August 2018
By Whom Appointed:	The appointment was made by the Company's Directors
Court Reference:	High Court of Justice, Business and Property Courts of England and Wales: CR-2018-007196

Administrators:	Kristopher Stewart Aspin
IP number:	25250
Date of Appointment:	19 June 2023
By Whom Appointed:	The appointment was made by the Court
Court Reference:	High Court of Justice, Business and Property Courts of England and Wales: CR-2023-003179

Any of the functions to be performed or powers exercisable by the Administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting jointly.

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

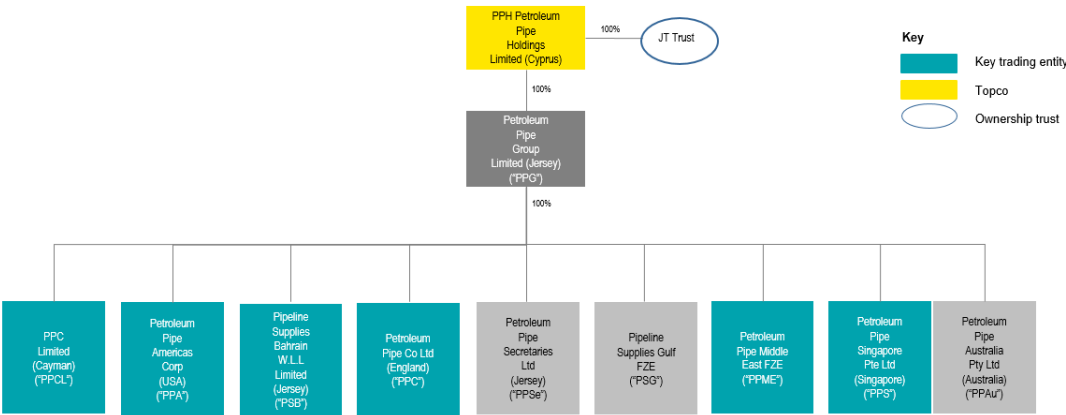
Share capital

Class	Authorised		Issued and fully paid	
	Number	\$000	Number	\$000
Ordinary (£1 translated to USD)	10,000,000	15,253	1,500,000	2,288

Directors and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Richard Mark Farnfield	Director	20 September 2004	-	-
Richard Gordon Morrice	Director	18 April 2007	-	-
Andrew John Martin	Director	15 August 2003	15 September 2003	-
Petroleum Pipe Secretaries Limited	Company secretary	9 October 2008	-	-

Appendix B The PPG Group structure



Appendix C Joint Administrators' receipts and payments account for the period from 29 August 2018 to 25 August 2025

Estimated to realise as per Directors' Statement of Affairs US\$	US\$			GB£ equivalent		
	Period 29 August 2018 to 28 February 2025	Period 1 March 2025 to 25 August 2025	Total period 29 August 2018 to 25 August 2025	Period 29 August 2018 to 28 February 2025	Period 1 March 2025 to 25 August 2025	Total period 29 August 2018 to 25 August 2025
Receipts						
Cash at date of appointment	1,140		1,140	843		843
Pre-appointment debtors	1,708,536	1	1,708,537	1,263,056	1	1,263,057
Stock	71,964		71,964	53,200		53,200
VAT receivable	36,530		36,530	27,005		27,005
Pre-appointment deposits	351,628		351,628	259,945		259,945
Cancellation of exchange rate swap	191,991		191,991	141,932		141,932
Recovery of IT costs	35,361		35,361	26,141		26,141
Recovery of stock realisation costs	29,171		29,171	21,565		21,565
Sale of IT equipment	43,497		43,497	32,156		32,156
Bank interest	29,129	4,999	34,128	21,534	3,696	25,230
Balance on Administrators' trading account (see separate account)	157,772		157,772	116,635		116,635
Distribution from Liquidation of Petrostem Rentals Ltd	264,448	203,808	468,256	195,496	150,668	346,164
Distribution from Liquidation of Pipeline Supplies Bahrain WLL Ltd	8,471	36,652	45,123	6,262	27,095	33,357
Distribution from Liquidation of Petrostem International Ltd	-	9,827	9,827	-	7,265	7,265
Distribution from Liquidation of PPC Ltd	-	1,611,897	1,611,897	-	1,191,614	1,191,614
Distribution from Liquidation of Petroleum Pipe Group Limited	-	538,882	538,882	-	398,375	398,375
Litigation settlement proceeds	910,695		910,695	673,243		673,243
Total receipts	3,840,334	2,406,066	6,246,400	2,839,014	1,778,714	4,617,727
Payments						
Preferential creditors	35,645		35,645	26,351		26,351
Administrators' fees and expenses	452,610	796,921	1,249,531	334,597	589,134	923,731
Legal fees and expenses	386,054	30,975	417,030	285,395	22,899	308,294
Stock agent's fees & commission	2,955		2,955	2,185		2,185
Statutory advertising	110		110	81		81
Storage costs	1,409		1,409	1,042		1,042
Consultant's fees and expenses	56,640		56,640	41,872		41,872
Litigation settlement costs	276,723		276,723	204,571		204,571
Corporation tax	152		152	112		112
Irrecoverable VAT - Nigeria	6,338	2,194	8,532	4,685	1,622	6,307
Bank charges	28	81	109	21	60	81
Exchange rate (gain) / loss	1,836	809	2,645	1,357	598	1,956
Distribution to secured creditor - Bank of Scotland plc	1,900,000		1,900,000	1,404,598		1,404,598
Distribution to secured subrogated creditor - PPC Limited	-	2,294,918	2,294,918	-	1,696,546	1,696,546
Total payments	3,120,501	3,125,899	6,246,400	2,306,868	2,310,859	4,617,727
Net receipts / (payments) for the period	719,833	(719,833)	-	532,145	(532,145)	-
Represented by:						
Bank balances						
Royal Bank of Scotland			-			-
Summary of Joint Administrators' trading account for the period from 29 August 2018 to 25 August 2025						
	Period 29 August 2018 to 28 February 2025	Period 1 March 2025 to 25 August 2025	Total period 29 August 2018 to 25 August 2025	Period 29 August 2018 to 28 February 2025	Period 1 March 2025 to 25 August 2025	Total period 29 August 2018 to 25 August 2025
Receipts						
Trading sales	584,730	-	584,730	432,269	-	432,269
Total receipts	584,730	-	584,730	432,269	-	432,269
Payments						
Shipping / Freight charges	267,924	-	267,924	198,066	-	198,066
Wages / Salaries	64,522	-	64,522	47,699	-	47,699
Software licence	51,353	-	51,353	37,963	-	37,963
Insurance	43,285	-	43,285	31,999	-	31,999
Property costs - Office rent and rates	4,825	-	4,825	3,567	-	3,567
Sundry expenses	234	-	234	173	-	173
Bank charges / exchange rate (gain)/loss	(5,185)	-	(5,185)	(3,833)	-	(3,833)
Total payments	426,958	-	426,958	315,634	-	315,634
Balance on Administrators' trading account	157,772	-	157,772	116,635	-	116,635

Notes

1. The Company's functional currency was US Dollars and the majority of the Company's funds were held in US Dollars. Accordingly, the receipts and payments account above is presented in US Dollars, with the GB£ equivalent presented for information purposes only.
2. The following exchange rates have been applied to non-US\$ denominations in the US Dollar receipts and payments account: GB£:US\$, 1.3; and US\$:AED, 3.673.
3. The GB£ equivalent amounts shown in the GB£ equivalent receipts and payments account above are translated from the US Dollar receipts and payments account at the FX rate of GB£:US\$, 1.3527 and are provided for information purposes only.
4. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
5. During the Administration, the Company had bank accounts in GB£, US\$ and AED. Funds were held in non-GB£ denominations to discharge non-GB£ payments to minimise any FX losses.

Appendix D Summary of Joint Administrators' expenses incurred for the period from 29 August 2018 to 25 August 2025

Payments made from the estate which are not disbursements (see notes at the end of this table)

\$	Estimate dated 19 October 2018	Paid to 25 August 2025	Outstanding	Total ¹
Shipping / freight charges	275,000	267,924	Nil	267,924
Employee costs	62,500	64,522	Nil	64,522
Motor & travel	2,500	234	Nil	234
Software license	21,000	51,353	Nil	51,353
Rent	150,000	4,825	Nil	4,825
Utility charges	4,000	Nil	Nil	Nil
Agents' fees	10,000	59,595	Nil	59,595
Legal fees	45,000	417,030	Nil	417,030
Litigation settlement costs	0	276,723	Nil	276,723
Storage	5,000	1,409	Nil	1,409
Insurance	25,000	43,285	Nil	43,285
Statutory costs	3,000	110	Nil	110
Bank charges	800	(2,430)	Nil	(2,430)
Corporation tax	1,500	152	Nil	152
Total	605,300	1,184,731	Nil	1,184,731

Notes

1. Bank charges include foreign exchange (gains) / losses

Category 1 disbursements

\$	Estimate dated 19 October 2018	Paid to 25 August 2025	Outstanding	Total
Accommodation and subsistence costs	5,000	1,263	Nil	1,263
Travel costs (excluding mileage)	2,000	1,159	Nil	1,159
Specific Bond	150	754	Nil	754
Postage and printing	500	388	Nil	388
Legal fees	-	1,667	Nil	1,667
Total	7,650	5,262	Nil	5,262

Category 2 disbursements

\$	Estimate dated 19 October 2018	Paid to 25 August 2025	Outstanding	Total
Mileage	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

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.

Exceeding estimates of remuneration, disbursements and expenses

As required by the Rules, the Proposals included the Joint Administrators' estimate of remuneration, disbursements and expenses.

These estimates may be exceeded, in which case an explanation will be provided in the appropriate progress report. The Joint Administrators will only draw remuneration in excess of the estimate with the prior agreement of the approving body, in accordance with Rule 18.30 of the Insolvency (England and Wales) Rules 2016.

Appendix E Joint Administrators' time costs for the period from 1 March 2025 to 25 August 2025 and cumulative from 29 August 2018 to 25 August 2025

Joint Administrators' time costs for the period from 1 March 2025 to 25 August 2025

	Staff Grade							Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting and Administration	-	0.1	1.9	15.7	-	27.8	1.9	47.4	20,931.00	441.6
Bank & Statutory Reporting	-	-	3.2	16.1	-	10.6	-	29.9	15,502.00	518.5
Creditors	-	-	2.7	9.3	-	1.4	0.5	13.9	7,979.00	574.0
Debtors	-	-	3.1	4.9	-	-	-	8.0	5,061.00	632.6
Job Acceptance & Strategy	-	-	0.2	-	-	-	-	0.2	140.00	700.0
Legal Issues	-	-	-	0.8	-	-	-	0.8	472.00	590.0
Statutory Duties	-	-	-	0.1	-	1.6	-	1.7	627.00	368.8
VAT & Taxation	1.8	-	3.3	15.0	-	22.8	16.0	58.9	24,153.00	410.1
Total hours	1.8	0.1	14.4	61.9	-	64.2	18.4	160.8		
Time costs (\$)	1,539.00	70.00	10,080.00	36,521.00	-	22,791.00	3,864.00		74,865.00	
Average hourly rate (\$)	855.0	700.0	700.0	590.0	-	355.0	210.0		465.6	
Category 1 disbursements (\$)	158.32									
Category 2 disbursements (\$)	158.32									
Note: Time is charged in 6 minute intervals										

Joint Administrators' cumulative time costs for the period from 29 August 2018 to 25 August 2025

	Staff Grade							Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting and Administration	4.5	0.4	9.9	108.5	0.5	279.5	112.6	515.9	198,186.00	384.2
Bank & Statutory Reporting	60.1	-	48.6	386.4	-	48.0	26.0	569.1	335,881.50	590.2
Creditors	10.8	0.3	28.4	40.4	-	37.6	6.2	123.7	67,810.00	548.2
Debtors	9.0	-	36.6	121.5	-	2.5	1.0	170.6	106,097.50	621.9
Director Litigation	2.6	-	70.2	32.5	-	26.2	-	131.5	99,783.15	758.8
Employee Matters	-	-	3.3	13.3	6.5	14.0	0.3	37.4	18,375.00	491.3
Immediate Tasks	0.5	-	9.7	1.1	22.5	-	1.0	34.8	19,101.50	548.9
Investigation/CDDA	20.0	-	113.4	42.8	-	19.0	1.1	196.3	128,708.00	655.7
Job Acceptance & Strategy	-	-	11.0	0.1	-	-	-	11.1	7,759.00	699.0
Legal Issues	2.5	-	-	0.8	-	-	-	3.3	2,609.50	790.8
Other Assets	-	-	3.9	24.0	-	-	-	27.9	16,890.00	605.4
Other Matters	-	-	13.0	15.6	14.6	2.6	-	45.8	26,381.00	576.0
Property	-	-	-	11.3	-	3.0	0.8	15.1	7,900.00	523.2
Statutory Duties	4.0	-	4.2	39.6	12.9	69.3	8.1	138.1	62,347.50	451.5
Stock and Fixed Assets	-	-	2.2	7.9	29.9	9.0	0.9	49.9	24,236.00	485.7
Trading	-	-	2.7	57.6	0.4	-	6.4	67.1	37,414.00	557.6
VAT & Taxation	1.8	-	3.7	114.4	7.6	69.1	56.9	253.5	111,828.50	441.1
Total hours	115.8	0.7	360.8	1,017.8	94.9	579.8	221.3	2,391.1		
Time costs (\$)	99,549.15	490.00	264,845.00	605,295.75	46,501.00	208,154.25	46,473.00		1,271,308.15	
Average hourly rate (\$)	859.7	700.0	734.0	594.7	490.0	359.0	210.0		531.7	
Category 1 disbursements (\$)	5,261.50									
Category 2 disbursements (\$)	5,261.50									
Note: Time is charged in 6 minute intervals										

Appendix F Joint Administrators' time costs for the period from 1 March 2025 to 25 August 2025 and a comparison with the fee estimate

	Per Fee Estimate			Actuals in this period			Total Actuals to date		
	Total Hours	Total Cost (\$)	Average Rate	Total Hours	Total Cost (\$)	Average Rate	Total Hours	Total Cost (\$)	Average Rate
Accounting and Administration	509.4	198,862.00	390.4	47.4	20,931.00	441.6	515.9	198,186.00	384.2
Bank & Statutory Reporting	605.6	348,827.00	576.0	29.9	15,502.00	518.5	569.1	335,881.50	590.2
Creditors	190.0	99,569.50	524.1	13.9	7,979.00	574.0	123.7	67,810.00	548.2
Debtors	201.6	127,786.50	633.9	8.0	5,061.00	632.6	170.6	106,097.50	621.9
Director Litigation	131.5	99,783.15	758.8				131.5	99,783.15	758.8
Employee Matters	37.4	18,375.00	491.3				37.4	18,375.00	491.3
Immediate Tasks	34.8	19,101.50	548.9				34.8	19,101.50	548.9
Investigation/CDDA	196.3	128,708.00	655.7				196.3	128,708.00	655.7
Job Acceptance & Strategy	10.9	7,619.00	699.0	0.2	140.00	700.0	11.1	7,759.00	699.0
Legal Issues	2.5	2,137.50	855.0	0.8	472.00	590.0	3.3	2,609.50	790.8
Other Assets	27.9	16,890.00	605.4				27.9	16,890.00	605.4
Other Matters	45.7	26,322.00	576.0				45.8	26,381.00	576.0
Property	15.1	7,900.00	523.2				15.1	7,900.00	523.2
Statutory Duties	150.8	69,530.00	461.1	1.7	627.00	368.8	138.1	62,347.50	451.5
Stock and Fixed Assets	49.9	24,236.00	485.7				49.9	24,236.00	485.7
Trading	67.1	37,414.00	557.6				67.1	37,414.00	557.6
VAT & Taxation	183.5	79,853.00	435.2	58.9	24,153.00	410.1	253.5	111,828.50	441.1
Total	2,460.0	1,312,914.15	533.7	160.8	74,865.00	465.6	2,391.1	1,271,308.15	531.7

Appendix G Joint Administrators' time costs – explanation of the work done

Basis of work	Category of work	Description of work done
Statutory	Accounting & Administration	<ul style="list-style-type: none"> ▶ Overall management of the case, treasury and accounting functions.
Statutory	Bank and Statutory Reporting	<ul style="list-style-type: none"> ▶ Regular reporting to the Company's secured creditor. ▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.
Statutory	Creditors	<ul style="list-style-type: none"> ▶ Receipt and recording of creditor claims. ▶ Correspondence with creditors. ▶ Adjudication of creditor claims. ▶ Modelling of subrogated creditor claims. ▶ Processing distributions to creditors.
Asset realisation	Debtors	<ul style="list-style-type: none"> ▶ Reviewing the Company's debtor's ledger, collating information on the outstanding balances and realising the book debts. ▶ Reviewing the amounts due by related parties, investigating how best to realise value from these balances and negotiating recoveries where possible ▶ Assignment of LBD International and Lahor debts to PPC Cayman.
Statutory	Employee Matters	<ul style="list-style-type: none"> ▶ Dealing with any employee enquiries. ▶ Processing employee claims.
Statutory	Immediate Tasks	<ul style="list-style-type: none"> ▶ Completion of work streams requiring immediate attention following the appointments, in order to execute the strategy outlined in the Proposals.
Statutory	Investigations	<ul style="list-style-type: none"> ▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". ▶ The Joint Administrators' reports on the conduct of the directors under the Company Directors Disqualification Act 1986.
Asset Realisation	Director Litigation	<ul style="list-style-type: none"> ▶ Challenging certain transactions that took place across both the PPG Group and Petrostem Group in the period prior to our appointment.
Statutory	Legal Issues	<ul style="list-style-type: none"> ▶ Dealing with any ad hoc legal issues.
Asset Realisation	Other Assets	<ul style="list-style-type: none"> ▶ Realising value from the Company's other assets (excluding debtors, property, stock and fixed assets). ▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment.

Asset Realisation	Property	<ul style="list-style-type: none"> ▶ Liaising with the landlords of the Company's offices and yards and exiting the properties when appropriate.
Statutory	Statutory Duties	<ul style="list-style-type: none"> ▶ Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, reporting to creditors on a 6-monthly basis and at the conclusion of the Administration together with appropriate filing at Companies House.
Asset Realisation	Stock and Fixed Assets	<ul style="list-style-type: none"> ▶ Marketing for sale the production tubing and casing stocks together with the negotiation and completion of sales thereafter.
Asset Realisation	Trading	<ul style="list-style-type: none"> ▶ Reviewing outstanding customer orders and liaising with suppliers and customers thereto with a view to completing these orders where acceptable terms can be agreed and completion of the orders would support the strategy set out in the Proposals. ▶ Reviewing the pre-payments made to suppliers in connection with customer orders and negotiating recovery of these balances where possible. ▶ Managing staff to support the Joint Administrators in completion of their various duties.
Statutory	VAT & Taxation	<ul style="list-style-type: none"> ▶ Preparing corporation tax and VAT returns. ▶ Assessment of the VAT and tax treatment of transactions and agreements entered into during the Administration.

Appendix H Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9

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. The average hourly rate for each category of staff over the period is shown below:

Grade	Hourly rate (\$)	Equivalent hourly rate (£)
Partner	855	658
Executive Director / Director	700	538
Senior Manager	590	454
Manager	490	377
Senior (Level 3)	450	346
Senior (Level 1 / 2)	355	273
Analyst	210	162
Intern	185	142

Note: Equivalent hourly rate is based on exchange rate of £1 / \$1.30

Administrators' charging policy for disbursements

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.

It is our policy to disclose Category 1 disbursements 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 disbursements drawn. It is our policy, to seek approval for Category 2 disbursements before they are drawn.

Details of Category 1 or Category 2 Expenses incurred are included at Appendix D.

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Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

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