

TO ALL KNOWN CREDITORS AND MEMBERS

19 March 2026

Ref: CGJK/AMH/KH/NH
Direct line: +44 (0) 20 7951 7693
Email: nhamill@parthenon.ey.com

Dear Sir or Madam

Interserve Plc (in Compulsory Liquidation) (formerly in Administration) (“the Company”)
High Court of Justice Business and Property Courts of England and Wales
Insolvency and Companies List (ChD), Number BR-2019-000339

I write, in accordance with Rule 18.8 of the Insolvency (England and Wales) Rules 2016 (“the Rules”), to provide creditors and members of the Company with a report on the progress of the liquidation.

On 21 January 2022 (“the Date of Appointment”), a winding up order was made in respect of the Company in the High Court of Justice, Business and Property Courts of England and Wales (“the Court”) pursuant to paragraph 79 of Schedule B1 to the Insolvency Act 1986 (“the Act”) (the “Liquidation”).

Statutory information about the Company, the Liquidation and the office holders is given at Appendix 1.

This report covers the period from 21 January 2025 to 20 January 2026 (“the Reporting Period”) and should be read in conjunction with the former Joint Administrators’ Statement of Proposals dated 21 March 2019 (“the Proposals”), the former Joint Administrators’ Statement of Revised Proposals dated 1 December 2021 (“the Revised Proposals”), previous Progress Reports issued by the former Joint Administrators (dated 14 October 2019, 8 April 2020, 14 October 2020, 13 April 2021 and 14 October 2021) and the previous Progress Reports issued by the Joint Liquidators (dated 17 March 2023, 20 March 2024 and 20 March 2025).

Progress during the period of the report

AI Binaa Shares

The completion of the transfer of the Company’s legal ownership of shares in AI Binaa Contracting Company W.L.L. (“AI Binaa”) remains the principal outstanding matter in the Liquidation. As part of a sale of substantially all of the Company’s business and assets and certain liabilities (“the Sale”) to Interserve Group Limited (“IGL” or “the Purchaser”) in March 2019, the economic benefit in the AI Binaa shares transferred to the Purchaser. Subsequently, the economic interest in the AI Binaa shares was transferred to the Purchaser’s associate, Interserve Developments No. 1 Limited (“ID1”). Both IGL and ID1 are now in liquidation.

As previously communicated, an agreement was signed in 2024 to sell the AI Binaa shares to a buyer. However, legal completion of the sale and receipt of the bulk of the proceeds could not take place until various local tax matters had been resolved. In the Reporting Period, the Joint Liquidators continued to assist IGL and ID1 in dealing with local Qatari tax matters and other matters relating to the transaction.

We are pleased to report that formal tax clearance from the Qatari tax authorities has now been obtained and, together with IGL and ID1, the Joint Liquidators are in discussions with the purchaser of the Al Binaa shares to progress the completion of the transfer. The Joint Liquidators continue to be advised in this matter by Qatari tax advisers.

We are unable to provide any further details at this stage due to the confidentiality and commercial sensitivity surrounding the sale and the related discussions. Following legal completion of the sale, an update will be provided in the subsequent progress report.

Other matters

Investigations

The Joint Liquidators are not currently undertaking any investigations into the Company or former directors of the Company.

During the Reporting Period, no regulatory bodies have contacted the Joint Liquidators in respect to any ongoing investigations into the Company.

VAT

The Joint Liquidators have continued to submit the required VAT returns since the Date of Appointment.

Corporation tax

A corporation tax return, for the period from 21 January 2024 to 20 January 2025, was submitted to HMRC during the Reporting Period. To date, HMRC has not raised any enquiries, but the enquiry window remains open.

The next corporation tax return, for the period 21 January 2025 to 20 January 2026, is due for submission to HMRC by 20 January 2027.

Tax related fees are included within our time costs, set out at Appendix 3.

Receipts and payments account

A summary of the Joint Liquidators' receipts and payments for the Reporting Period is attached at Appendix 2.

This account does not reflect future estimated realisations or costs, including remuneration and disbursements.

Joint Liquidators' remuneration

During the preceding Administration, the basis of the office holders' remuneration was approved by the secured creditors on a time cost basis, which has carried forward to the Liquidation, in accordance with Rule 18.20 of the Rules.

Since commencement of the Liquidation to 20 January 2026, the Joint Liquidators have incurred time costs of £634,220 (£71,457 during the Reporting Period). Of this, £295,992 has been paid to date.

Appendix 3 of this report provides an analysis of the time spent in comparison with the fee estimate

provided to creditors on 17 February 2022 (“the Fee Estimate”) and provides details of the work completed and expected to be undertaken during the remainder of the Liquidation.

The Joint Liquidators have exceeded the Fee Estimate of £295,992.

The Joint Liquidators will only draw remuneration in excess of the estimate with the prior agreement of the secured creditors, who approved the basis of remuneration, in accordance with Rule 18.30 of the Rules. The Joint Liquidators will be engaging with the secured creditors on an updated fee estimate for the whole of the Liquidation.

Please refer to previous Progress Reports, dated 20 March 2024 and 20 March 2025, in which I set out the reasons for exceeding the Fee Estimate in previous reporting periods. During the Reporting Period, time has been incurred over and above the Fee Estimate because the Liquidation has extended two years beyond the initial two year period anticipated when the Fee Estimate was prepared. This has been due to matters, outside of the Joint Liquidators control, taking longer than expected, including negotiations with the buyer of the Al Binaa shares and tax clearance processes in Qatar. During the Reporting Period, £41,267 was incurred by the Joint Liquidators in progressing the sale of the Al Binaa shares. It is now anticipated that the Company will remain in Liquidation for at least another year, assuming no further complications or delays in legal completion and related tax matters.

Joint Liquidators’ statement of expenses incurred

During the Reporting Period, we have paid expenses and disbursements of £88 relating to bank charges. A breakdown of expenses and disbursements incurred during the Liquidation is included at Appendix 4.

Expenses and disbursements to be paid from the liquidation estate have exceeded the original estimate of £64,000 by £99,498, mainly due to complexities associated with the sale of the Al Binaa shares which resulted in higher legal fees and disbursements, as explained in previous Progress Reports dated 20 March 2024 and 20 March 2025.

An update on the expected expenses and disbursements to complete the Liquidation will be communicated to creditors, alongside the updated fee estimate noted above.

Creditors’ rights to further information about, and challenge of, remuneration and expenses

The statutory provisions relating to remuneration are set out in Chapter 4 of Part 18 of the Rules. Further information is given in the Association of Business Recovery Professionals’ publication ‘A Creditors’ Guide to Liquidators’ 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 Liquidators.

In certain circumstances, creditors are entitled to request further information about an office holder’s 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 Creditor’s Guide to Liquidators’ Fees’ referred to above.

Distributions to creditors

As previously reported, it is not anticipated that any further distributions will be made to the Company’s secured or unsecured creditors, as the proceeds of a sale of the Al Binaa shares have been paid to the Purchaser as required under the terms of the Sale, which completed shortly following the commencement of the preceding Administration of the Company.

Work which remains to be done

The Joint Liquidators will continue to deal with the Liquidation in line with statutory requirements. Future tasks include the following:

- progressing and finalising legal completion of the sale of the Al Binaa shares and concluding related tax matters;
- preparing the Joint Liquidators' updated fee estimate and engaging with the secured creditors to seek approval;
- preparing and filing corporation tax and VAT returns;
- fulfilling statutory and reporting requirements of the Liquidation;
- dealing with enquiries from creditors, members and other stakeholders, as required; and
- any other actions required by the Joint Liquidators to wind down and close the Liquidation.

Next report

The next progress report, which will include an update on the progress of the Liquidation, will be delivered in twelve months' time.

Should you have any queries regarding any of the matters outlined in this report, please contact my colleague, Natalie Hamill, on the contact details above.

Yours faithfully
for the Company



C G J King
Joint Liquidator

Charles Graham John King is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants of England & Wales and Alan Michael Hudson is licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association.

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

Appendix 1

Interserve Plc (in Compulsory Liquidation) (formerly in Administration) ("the Company")

Information about the Company and the Joint Liquidators

Registered office address of the Company:	c/o Ernst & Young LLP, 1 More London Place, London, SE1 2AF
Registered number:	00088456
Date of appointment of the Joint Liquidators:	21 January 2022
Details of any changes of Liquidator:	Charles Graham John King replaced Robert Hunter Kelly as Joint Liquidator on 27 June 2022
Full names of the Liquidators:	Charles Graham John King (from 27 June 2022) Alan Michael Hudson Robert Hunter Kelly (to 27 June 2022)
Current office holder numbers:	Charles Graham John King - 8985 Alan Michael Hudson - 9200
Liquidators' addresses:	Ernst & Young LLP, 12 Wellington Place, Leeds, LS1 4AP Ernst & Young LLP, 1 More London Place, London, SE1 2AF
Contact details:	+44 (0) 207 951 7693 nhamill@parthenon.ey.com
Name of alternative person to contact with enquiries about the case:	Natalie Hamill

Appendix 2

Interserve Plc (in Compulsory Liquidation) ("the Company")

Joint Liquidators' Summary of Receipts and Payments from 21 January 2025 to 20 January 2026

	Notes 1, 2	21 January 2022 to 20 January 2025	21 January 2025 to 20 January 2026	21 January 2022 to 20 January 2026
RECEIPTS				
Bank interest		21,187.17	3,967.58	25,154.75
Transfers from preceding Administration bank accounts		300,782.69	-	300,782.69
Liquidation funding		227,220.96	-	227,220.96
Preceding Administration VAT refund and interest		82,799.39	-	82,799.39
Pre-Administration appointment cash at bank		4,555.60	-	4,555.60
Funds for CGT tax		900,000.00	-	900,000.00
Al Binaa share proceeds		2,039,389.63	-	2,039,389.63
Total receipts		3,575,935.44	3,967.58	3,579,903.02
PAYMENTS				
Payments to the Purchaser		(2,904,389.63)	-	(2,904,389.63)
CGT tax		(35,000.00)	-	(35,000.00)
Official Receiver's general fee and administration fee		(11,000.00)	-	(11,000.00)
ISA charges		(264.00)	(88.00)	(352.00)
Ocorian Trust Account fees		(10,000.00)	-	(10,000.00)
Joint Liquidators' fees		(295,992.00)	-	(295,992.00)
Legal Fees		(139,655.75)	-	(139,655.75)
Al Binaa		(136,903.75)	-	(136,903.75)
Non-Al Binaa		(2,752.00)	-	(2,752.00)
Joint Liquidators' disbursements and expenses		(2,103.50)	-	(2,103.50)
Legal Disbursements		(292.00)	-	(292.00)
Bank charges		(62.70)	-	(62.70)
Total payments		(3,398,759.58)	(88.00)	(3,398,847.58)
Net receipts / (payments)		177,175.86	3,879.58	181,055.44
REPRESENTED BY:				
Cash at Bank	3			192,407.44
ISA Control Account				(11,352.00)
Total				181,055.44

Notes:

- 1 This receipts and payments account is shown net of VAT.
- 2 This receipts and payments account has been prepared on an cash basis and does not reflect future expected receipts and payments.
- 3 All funds are held in interest bearing accounts.

Appendix 3

Interserve Plc (in Compulsory Liquidation) ("the Company")

Joint Liquidators' time costs for the period 21 January 2025 to 20 January 2026

Actual costs in Reporting Period (21 January 2025 to 20 January 2026)										
	Staff Grade							Total Hours	Time Cost	Average Hourly Rate
	Partner	Director	Senior Manager	Manager	Executive	Assistant Executive	Analyst			
Administration & Planning	-	1.0	4.6	-	9.0	3.5	-	18.1	10,634	587.5
Al Binaa	6.9	24.8	9.4	-	0.3	1.4	0.4	43.2	41,267	955.3
Job acceptance & Strategy	-	-	-	-	-	-	-	-	-	n.a.
Members	-	-	0.1	-	-	-	-	0.1	86	861.3
Other Assets	-	-	-	-	-	-	-	-	-	n.a.
Other Matters	-	1.0	0.9	-	-	-	-	1.9	1,755	923.5
Out of Scope	-	-	-	-	-	-	-	-	-	n.a.
Public Relations	-	-	-	-	-	-	-	-	-	n.a.
Reporting & Statutory Duties	0.5	2.0	9.5	-	-	-	-	12.0	10,171	847.6
VAT & Taxation	0.9	1.8	1.4	-	2.5	5.9	-	12.5	7,543	603.4
Total Hours	8.3	30.6	25.9	-	11.8	10.8	0.4	87.8		
Time Costs (£)	8,287	31,132	21,859	0	5,522	4,533	125		71,457	
Average Hourly Rate (£)	998.4	1,017.4	844.0	n.a.	467.9	419.7	312.0		813.9	
Category 1 Disbursements (£)	-									
Category 2 Disbursements (£)	-									

Notes
- Time is charged in 6 minute intervals.
- Specialists, such as tax professionals, have been engaged to provide advice, where required. Standard charge-out rates of these specialists are higher than the equivalent grade in the Restructuring team.
- Time costs include agreed 35% discount to all standard charge out rates (incl. specialist resource).
* Expenses for legal fees and disbursements, the official receivers general and administration fees, and bank charges are not reported here.

Fee estimate sent to all known creditors		
Total hours	Time cost (£)	Average hourly rate (£)
105.6	36,336	344.1
196.0	131,654	671.7
12.0	5,171	430.9
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
174.0	65,150	374.4
101.4	57,681	568.8
589.0	295,992	502.5
Disbursements (£)*		
Category 1	2,280.00	
Category 2	720.00	
	3,000.00	

Actual costs to 20 January 2026			Remaining balance of estimate sent to creditors	
Total hours	Time cost (£)	Average hourly rate (£)	Total hours	Time cost (£)
181.1	88,389	488.1	(75.5)	(52,052)
441.7	345,103	781.3	(245.7)	(213,449)
10.3	4,525	439.3	1.7	646
1.9	1,384	728.2	(1.9)	(1,384)
1.1	858	780.0	(1.1)	(858)
31.1	22,363	719.1	(31.1)	(22,363)
6.6	4,296	650.8	(6.6)	(4,296)
0.2	129	643.5	(0.2)	(129)
146.3	88,603	605.6	27.7	(23,453)
156.4	78,571	502.4	(55.0)	(20,890)
976.7	634,220	649.3	(387.7)	(338,228)
Disbursements (£)*			Disbursements (£)*	
Category 1	1,383.50		Category 1	896.50
Category 2	751.61		Category 2	(31.61)
	2,135.11			864.89

Statement of Work Completed in the Reporting Period

Outlined in the table below is supporting narrative explaining the work undertaken during the Reporting Period. This information is detailed on a category by category basis, aligned to the reporting of time costs in the table on the prior page. This supporting information should be read in conjunction with all sections of this report.

The work undertaken can be categorised as either related to statutory work or asset realisations. Statutory work is required by the Joint Liquidators to fulfil their statutory duties pursuant to the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016. Asset realisation work is in respect of the Joint Liquidators' actions to progress the sale of the AI Binaa shares, which is reported under the "AI Binaa" category.

Category of work	Description of work undertaken in the Reporting Period
Administration and Planning	<ul style="list-style-type: none">• Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost monitoring and reporting.• Monitoring internal systems and records in line with statutory requirements.
AI Binaa	<ul style="list-style-type: none">• Obtaining required consents, clearances and transferring ownership / managing the sale of the AI Binaa shares.• Tax advice from UK EY tax specialists in respect of the sale of the AI Binaa shares.
Members	<ul style="list-style-type: none">• Corresponding and dealing with shareholder queries.
Other Matters	<ul style="list-style-type: none">• Managing general queries and correspondence on behalf of the Company.• Dealing with general compliance obligations of the Liquidation.
Reporting & Statutory Duties	<ul style="list-style-type: none">• Preparing the Joint Liquidators' progress reports.• Reporting to the Purchaser.• Complying with the statutory requirements of the Liquidation, including filing documents at Companies House.
VAT and Taxation	<ul style="list-style-type: none">• Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists.

Appendix 4

Interserve Plc (in Compulsory Liquidation) ("the Company")

Summary of Joint Liquidators' expenses incurred

Type of Expense	Per Joint Liquidators' fee estimate (£)	Total incurred from 21 January 2022 to 20 January 2025 (£)	Total incurred from 21 January 2025 to 20 January 2026 (£)	Remaining balance / (overrun) of estimate (£)
Payments made from the estate which are not disbursements^{1,2}				
Legal fees	50,000.00			(89,655.75)
Al Binaa		136,903.75	-	
Non-Al Binaa		2,752.00	-	
Legal disbursements	-	292.00	-	(292.00)
Official Receiver's general fee and administration fee	11,000.00	11,000.00	-	-
Ocorian Trust Account fees	-	10,000.00	-	(10,000.00)
ISA charges	-	264.00	88.00	(352.00)
Bank charges	-	62.70	-	(62.70)
Category 1 disbursements²				
Specific penalty bond	1,280.00	1,280.00	-	-
Advertising	1,000.00	103.50	-	896.50
Category 2 disbursements²				
Copying, printing and postage ³	720.00	751.61	-	(31.61)
Total⁴	64,000.00	163,409.56	88.00	(99,497.56)

Notes:

- Statement of Insolvency Practice 9 ("SIP 9") defines expenses as amounts properly payable from the insolvency estate which are not otherwise categorised as office holders' remuneration or distributions to creditors.
- SIP 9 defines disbursements as a type of expense which is met by and reimbursed to an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
 - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment.
 - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.
- As at 20 January 2026, £31.61 of category 2 disbursements had been incurred and not yet paid.
- At the election of the Purchaser, Interserve Group Limited and its associates have directly paid certain adviser expenses incurred by the Company in respect to the sale of the Al Binaa shares. These suppliers were selected by the Purchaser due to their prior experience dealing with transactions for the Purchaser. As these expenses were not paid by the Joint Liquidators from the liquidation estate, these costs are not included in the table above or the receipts and payments account at Appendix 2. A breakdown of these costs is provided below for informational purposes only.

Type of expense	Third party payments to 20 January 2025 (£)	Third party payments from 21 January 2025 to 20 January 2026 (£)	Total third party payments (£)
Tax adviser fees - tax advice provided by Qatar based EY Consulting LLC in relation to the sale of the Al Binaa Shares and associated local tax processes	16,276	-	16,276
Legal adviser fees and disbursements - notary services and professional advice in respect to the sale of the Al Binaa Shares	-	4,548	4,548
Total	16,276	4,548	20,824

Note: Third party payments are reported inclusive of VAT. Non-GBP invoices have been converted to Sterling based on the exchange rate at the invoice date.