

Petrostem Group Limited
Petrostem Rentals Limited
Petrostem International Limited
all in Liquidation (together “the Companies”)
Six Monthly Progress Report

27 February 2025

Ernst & Young LLP



Building a better
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Abbreviations

The following abbreviations are used in this report:

BoS	Bank of Scotland plc
Court	The Royal Court of Jersey
Creditors' Report	Creditors' Meeting Report dated 3 October 2018
date of appointment	28 August 2018
EY	Ernst & Young LLP
Joint Liquidators	To 8 June 2023: C P Dempster, G D Yuill and S A Gardner From 9 June 2023: K S Aspin, G D Yuill and S A Gardner
PGL	Petrostem Group Limited – in Liquidation
PIL	Petrostem International Limited – in Liquidation
Pioneer Group	Pioneer Group Ventures Limited and its subsidiary undertakings
PPC Cayman	PPC Limited – in Official Liquidation
PPC UK	Petroleum Pipe Co Limited – in Administration
PPG	Petroleum Pipe Group Limited – in Liquidation
PQL	Petrostem Qatar Limited
PRL	Petrostem Rentals Limited – in Liquidation
PSB	Pipeline Supplies Bahrain WLL Limited – in Liquidation
the Companies	Petrostem Group Limited – in Liquidation Petrostem Rentals Limited – in Liquidation Petrostem International Limited – in Liquidation
the Innospection Group	Innospection Group Limited and its subsidiary undertakings
the Law	Companies (Jersey) Law 1991
the PPG Group	Petroleum Pipe Group Limited (In Liquidation) and its subsidiary undertakings
the Petrostem Group	The Petrostem Group of Companies, a structure chart for which is provided at Appendix B

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1. Introduction

1.1 Introduction

On 28 August 2018, the Royal Court of Jersey ('the Court') ordered that, pursuant to Article 155 of the Companies (Jersey) Law 1991 ('the Law'), Petrostem Group Limited ('PGL'), Petrostem International Limited ('PIL') and Petrostem Rentals Limited ('PRL') (together, 'the Companies') be placed into Just and Equitable Winding Up and that C P Dempster, S A Gardner and G D Yuill be appointed Joint Liquidators for the purposes of such winding up. Due to C P Dempster's retirement from EY, K S Aspin of EY was appointed as replacement Joint Liquidator on 9 June 2023 by the Court.

I write, in accordance with paragraph 11 of the Act of the Court under which the Joint Liquidators were appointed, to provide creditors with a report on the progress of the Liquidations. This report covers the period from 28 August 2024 to 27 February 2025 and should be read in conjunction with the Creditors' Meeting Report dated 3 October 2018 and our previous progress reports covering each six month period from 28 August 2018 to 27 August 2024.

Certain statutory information relating to the Companies and the appointment of the Joint Liquidators is provided at Appendix A.

S A Gardner, 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 liquidations.

1.2 Creditors' Meeting and Liquidation Committee

As previously reported, a meeting of creditors was held on 4 October 2018 and no liquidation committee was elected for PGL, PIL or PRL. However, a Creditors' Steering Committee was elected in respect of the liquidations of the Companies and also of two related companies in the PPG Group.

On 15 September 2023, a notice of resignation was received from one of the three members of the Creditors' Steering Committee and, as a Committee must have at least three members, it has consequently been disbanded.

2. Conduct of the liquidations since 28 August 2024

2.1 Purpose of the liquidation

As detailed in the Creditors' Report, the Joint Liquidators strategy in respect of the insolvency of the Petrostem Group, including PGL, PRL and PIL, is to:

- ▶ Cease to trade the business of each of the entities to which the Joint Liquidators have been appointed (subject to the point noted below in our previous progress reports in relation to trade debtors);
- ▶ Collect in the trade debtor balances due to the Companies. In order to protect the collection of these trade debtor balances, the Joint Liquidators determined that it was appropriate to allow existing customers to continue to use existing equipment on hire whilst a managed handover of their rental contracts to a new supplier over an agreed period is arranged. No new rentals will, however, be commenced.
- ▶ Market for sale the individual assets, primarily the Petrostem Group's rental assets (drilling pipe).

2.2 Asset realisations

2.2.1 Inter and intragroup receivable balances (PIL and PRL)

Intra and intergroup receivable balances due to PIL and PRL are summarised below:

- ▶ In respect of PIL, \$7.6m receivable from PGL; and
- ▶ In respect of PRL, \$17.0m and \$1.9m receivable from PGL and Petroleum Pipe Middle East FZE respectively.

As detailed further below, a complex subrogation modelling exercise has been undertaken to determine the final amounts due to/from each of the companies in the PPG and Petrostem Groups following BoS being repaid in full. The quantum of any further realisations from the receivables balances due by PGL to PIL and PRL has not yet been finalised – see section 3.3 below. No realisations in respect of the balance due by Petroleum Pipe Middle East FZE are anticipated.

2.2.2 Bank interest (PGL, PIL and PRL)

During the period covered by this report, bank interest of \$56,998, \$7,116 and \$3,079 was received in each of PGL, PIL and PRL, respectively.

3. Outcome for creditors

We provide below an indication of the current position with regard to creditors' claims and the process for determining the outcome for creditors.

3.1 Secured creditors

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 claims against PGL and PIL (comprising unsecured claims of \$26.1m in PGL and PIL). BoS held no security in relation to PRL and did not submit a claim against this company.

3.2 Priority creditors

Neither PGL nor PRL employed any employees. Accordingly, the balance due to priority creditors for both PGL and PRL is \$Nil in respect of claims for employees' salaries and holiday pay. We are not aware of any other priority creditors under the Law.

Whilst PIL paid 35 employees, their contracts of employment were held with and visas were issued by various entities, including some entities out with the Petrostem Group.

Priority claims in respect of unpaid holiday pay for four employees totalling \$4k have been paid in full. The receipts and payments account for PIL at Appendix D shows a payment in respect of these claims of \$3k. The balance has been paid to an employee by their new employer in Iraq and PIL will shortly reimburse that company therefor.

We are not aware of any other priority creditors under the Law.

3.3 Unsecured non-priority creditors

On 9 December 2019, we wrote to all known creditors of the Companies and advised them that any claims in the insolvency of the Companies required to be notified to the Joint Liquidators by 24 January 2020.

We have adjudicated on all creditor claims received and anticipate that the total level of unsecured non-priority creditors in PGL, PIL and PRL will be \$69.6m, \$12.2m and \$54.1m, respectively.

An interim distribution of \$800k was paid to unsecured non-priority creditors of PGL in February 2020. No distributions have been made to the unsecured non-priority creditors of PIL. An interim distribution of \$1.8m was paid to unsecured non-priority creditors of PRL in February 2020.

As previously reported, following full settlement of the debt due to BoS by the PPG and Petrostem Groups there are now surplus funds held across the Groups which fall to be distributed to unsecured creditors. The Joint Liquidators have undertaken detailed modelling work (the "Proposed Model") to determine to which of the companies within the PPG and Petrostem Groups these funds properly belong and, therefore, the potential outcomes for unsecured non-priority creditors of the Companies and of the related insolvent entities in the PPG Group (PPG, PPC Cayman, PPC UK and PSB).

As advised in our previous progress report, the Joint Liquidators made a Representation to the Royal Court of Jersey seeking the Court's sanction to make distributions to unsecured non-priority creditors.

A hearing in respect of that Representation was held before the Royal Court of Jersey on 6 December 2024. We currently await the outcome of the Representation.

For the avoidance of doubt, the Royal Court of Jersey is only being asked to provide sanction in respect of the Companies, together with PPG and PSB (together, the "Jersey Companies"). Whilst the modelling of outcomes for creditors also impacts the insolvencies of PPC UK and PPC Cayman (which are incorporated under the laws of England and Wales, and the Cayman Islands, respectively), at this time, it is not the intention of the Joint Official Liquidators of PPC Cayman or the Joint Administrators of PPC UK to seek the sanction of the Cayman or English Courts, respectively. The Joint Official Liquidators of PPC Cayman and the Joint Administrators of PPC UK intend that, if sanction of the Royal Court of Jersey is received in respect of the Jersey Companies, they will proceed to make distributions to creditors of PPC Cayman and PPC UK in the manner, and applying the methodology, set out in the Proposed Model.

We will write to all unsecured non-priority creditors of the Companies in due course to update them on (i) the outcome of the Representation; (ii) the quantum of any distributions; and (iii) the estimated timing of those distributions.

We currently estimate that further dividends of c.6%, c.5% and c.2% may be declared to third-party unsecured non-priority creditors of PGL, PIL and PRL, respectively (excluding intragroup and intergroup creditors). This is, however, subject to the sanction of the Court and finalisation of costs.

3.4 Creditor claims

If you have not yet submitted a formal claim in the liquidations and you wish to participate in any future distributions, please complete and return a proof of debt form along with any supporting documentation (invoices, statements, contracts, etc.) to Alastair Casey at this office or by email to petrostemgroup@uk.ey.com. The proof of debt form can be downloaded from the following web site:

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

Certain debts due from the Companies may have priority in accordance with Article 166 of the Law. If you consider that you have a claim in this category, please advise me immediately. If you hold any security for your claim or consider that you have title to any assets in any of the Companies' possession, please forward details to me as soon as possible.

Any sums due to any of the companies arising after our appointment must be paid in full and without set-off against any debts incurred by the relevant company prior to our appointment.

4. Liquidators' receipts and payments

A summary of the Liquidators' receipts and payments for the period from 28 August 2024 to 27 February 2025 is attached at Appendix C for PGL, Appendix D for PIL, and Appendix E for PRL.

5. Costs of the liquidation, the Joint Liquidators' remuneration, disbursements and payments to other professionals

5.1 Cost of the liquidation

In accordance with Article 165 of the Law, all costs, charges and expenses properly incurred in a winding up, including the remuneration of the liquidator, are payable out of the Companies' assets in priority to all other claims.

5.2 Remuneration and disbursements

By order of the Act of Court, the Joint Liquidators are permitted to charge their remuneration and any reasonable costs, charges and expenses of the Liquidation in accordance with Article 165 of the Law.

The above, in accordance with Article 163 of the Law, is subject to agreement between the Joint Liquidators and the Liquidation Committee or, if there is no Liquidation Committee, between the Joint Liquidators and the creditors or, failing such an agreement, as is fixed by the Court.

As no liquidation committee was formed, the Joint Liquidators wrote to the general body of creditors on 11 October 2018 seeking approval for:

- ▶ Their remuneration to be fixed on the basis of time properly given at the hourly rates set out below;
- ▶ Approval to draw their disbursements;
- ▶ For the Joint Liquidators to draw, as an interim claim, their remuneration for the period from the date of their appointment to Friday 21 September 2018; and
- ▶ That the Joint Liquidators may draw their remuneration four weekly in arrears subject to the provision in advance of a statement of such costs.

These resolutions were passed by the general body of creditors on 26 October 2018.

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

Time costs incurred

During the period covered by this report, the Joint Liquidators have incurred time costs of \$12,352, \$23,248 and \$12,319 in relation to PGL, PIL and PRL respectively. Total time costs to 27 February 2025 are \$1,264,321, \$1,048,455 and \$901,844 in relation to PGL, PIL and PRL respectively. Attached at Appendices F, G and H are detailed analyses of these time costs.

The time has principally been spent in relation to the following activities:

- ▶ Fulfilling the statutory obligations required of the Joint Liquidators including preparation of this and the previous progress reports, preparation of the Creditors' Meeting Report, and notifying the Joint Liquidators' appointment to all known creditors;
- ▶ Investigating the conduct of the Directors' and the circumstances leading up to our appointments as Joint Liquidators and challenging certain transactions that took place across both the PPG Group and Petrostem Group in the period prior to our appointment;
- ▶ Liaising with employees of the Companies, instructing payment to them of their employment costs and addressing queries received from them;
- ▶ Liaising with customers of the Companies and facilitating a handover of existing rentals to a new supplier, addressing ongoing requirements in relation to ongoing rentals and collecting amounts due to the Companies from these customers;
- ▶ Liaising with landlords of yards at which the Companies' rental assets are held and of offices occupied by the Companies;
- ▶ Closing PIL's JAFZA-registered branch and obtaining the necessary clearances from authorities;
- ▶ Marketing for sale the rental assets of the Companies, including preparing, in conjunction with our appointed agents, of an appropriate sales and marketing strategy, appropriate asset lists and marketing documents, and reviewing offers received from interested parties;
- ▶ Finalising the novation of the RASGAS contract and Petrostem trade name to PQL and monitoring trading to recover the agreed profit share;
- ▶ Realising the intragroup and intergroup debts due to the Companies by PSA, PSM, Pioneer Group and Innospection Group;
- ▶ Creditor adjudication and addressing correspondence and queries received from creditors;
- ▶ Determining the outcome for unsecured, non-priority creditors, including modelling and calculating subrogated claims across the Petrostem and PPG Groups;
- ▶ Preparing papers for presentation to the Royal Court of Jersey seeking its sanction to the Proposed Model and attending the related court hearing in Jersey; and
- ▶ Calculating and making interim distributions to ordinary non-priority creditors of PGL and PRL.

Basis of drawing fees

In October 2021, we agreed with the Creditors' Steering Committee that we would restrict the drawing of our fees as follows:

1. Statutory and reporting - we will restrict our fees in respect of statutory and reporting work to \$40,000 per annum for each of PGL, PIL and PRL from 28 August 2021 onwards.
2. Potential litigation - our fees in respect of the potential litigation (for PGL and PIL only) (as explained in previous progress reports) will be charged based on agreed hourly rates that are 25% higher than the rates set out above. Of these fees, 60% would be drawn when incurred subject to these funds being settled by the provider of litigation funding, with the balance of 40% of the fees incurred drawn from the proceeds from the potential litigation (if any).
3. All other aspects - we will restrict our fees in respect of all other aspects of our work to \$600,000 in respect of PGL, \$700,000 in respect of PIL and \$700,000 in respect of PRL unless the net realisations from their insolvency processes improves from that estimated at 28 October 2021. In that event, we will be entitled to draw 50% of the increased net realisations as further fees (subject to the Joint Liquidators' total fees being capped at the level of the time costs approved by the Creditors' Steering Committee).

Fees will only be billed where funds are available to enable payment to be made.

Fees drawn to date

No fees were drawn in the period covered by this report.

To 27 February 2025, Joint Liquidators' fees of \$769,458 have been paid in respect of PGL, \$777,998 in respect of PIL and \$760,000 have been paid in respect of PRL. We detail the apportionment of the fees drawn between each of the three categories detailed above in the table below:

Category	PGL	PIL	PRL
1. Statutory and reporting from 28 Aug 21	60,000	Nil	60,000
2. Potential litigation	109,458	77,998	n.a.
3. All other aspects*	600,000	700,000	700,000
Total	769,458	777,998	760,000

*Note: Includes fees in respect of all time costs to 28 Aug 2021, and time costs from 28 Aug 2021 for all matters except those separately disclosed at (1) and (2) above.

Disbursements

Appendices F, G and H include a breakdown of the Joint Liquidators' disbursements and a statement detailing the Joint Liquidators' policy for charging disbursements.

To 27 February 2025, the Joint Liquidators have incurred Category 1 disbursements of \$4,808, \$9,547 and \$10,281 in relation to PGL, PIL and PRL respectively.

To date, \$4,761 has been paid in respect of PGL; \$9,547 has been paid in respect of PIL; and \$10,223 has been paid in respect of PRL.

5.3 Statement of Liquidators' charging policy for remuneration

The Joint Liquidators have engaged managers and other staff to work on the Liquidations. 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 Companies' bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Liquidators.

All time spent by staff working directly on case-related matters is charged to a time code established for each entity. 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 at Appendices F, G and H. The current hourly rates are shown in section 5.2 above.

5.4 Payments to other professionals

By order of the Act of Court the Joint Liquidators are permitted to engage other such professional advisors as the Joint Liquidators may deem appropriate or necessary and providing for their fees and expenses (whether incurred before or after the date on which the Companies were placed into liquidation in accordance with Article 155 of the Law) to be settled in accordance with Article 165 of the Law.

The Joint Liquidators have engaged the services of the following during the course of the liquidations:

Name of firm	Nature of service	How contracted to be paid
Pinsent Masons LLP	Legal advisors – UK and UAE	Time costs
CMS Cameron McKenna Nabarro Olswang LLP	Legal advisors – UK	Time costs
Carey Olsen	Legal advisors – Jersey and Cayman Islands	Time costs
ANM Group	Asset safeguarding and realisation strategy	Time costs
Dean Foster (former director of the Petrostem Group)	Asset marketing and realisation	Combination of day rate and commission
Calash Limited	Energy sector strategy consultants	Time costs
Wallbrook Advisory Limited	Diligence	Time costs
Wynterhill LLP	Legal advisors – UK	Time costs
MGB Law	Legal advisors – Azerbaijan	Time costs

6. Other matters

6.1 Replacement of liquidator

Due to C P Dempster's retirement from EY, K S Aspin of EY was appointed as Joint Liquidator on 9 June 2023 by the Royal Court of Jersey.

6.2 Future conduct of the liquidations

The Joint Liquidators will continue to manage the affairs, business and property of the Companies to achieve the purpose of the liquidations. This will include, inter alia:

- ▶ Realising the intergroup and intragroup debts due to the Companies;
- ▶ Dealing with corporation tax matters, which includes filing returns;
- ▶ Dealing with creditor enquiries;
- ▶ Finalising the outcome for unsecured non-preferential creditors following the Representation to the Royal Court of Jersey;
- ▶ Making distributions to unsecured creditors;
- ▶ Ensuring all statutory reporting and compliance obligations are met; and
- ▶ Finalising the liquidations of the Companies, including payment of all liquidation liabilities.

6.3 The end of the liquidations

At the end of the liquidations the Joint Liquidators shall apply to the Court to close the liquidations and will send a notice to that effect to the Jersey Registrar of Companies. The Companies will be dissolved shortly after registration of the notice.

6.4 Matters to be brought to the attention of the Joint Liquidators

In accordance with Article 184 of the Law, the Joint Liquidators are required to report possible misconduct to the Attorney General.

If there are any matters concerning the Companies' affairs which you consider may require investigation and consequently should be brought to our attention, please forward the details to me in writing as soon as possible.

6.5 Reporting

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

The report will be made available on the following website:

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

Should you wish to discuss any aspect of this report, please contact Alastair Casey by email (acasey1@parthenon.ey.com) or by telephone (+44 (0) 141 226 9320).

Yours faithfully
for the Companies



Gavin Yuill
Joint Liquidator

K S Aspin and G D Yuill are licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland. S A Gardner is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointments.

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 Companies 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 A Statutory information

Company Information

Company Name:	Petrostem Group Limited – in Liquidation Petrostem Rentals Limited – in Liquidation Petrostem International Limited – in Liquidation
Registered Office Address:	c/o Ernst & Young LLP Liberation House Castle Street St Helier Jersey, JE1 1EY
Registered Number:	PGL - 102227 PRL - 101632 PIL - 99939
Trading Name(s):	Petrostem

Details of the Liquidators and of their appointment

Liquidators:	G D Yuill and S A Gardner
Date of Appointment:	28 August 2018
By Whom Appointed:	The appointment was made by an Act of the Royal Court of Jersey
Court Reference:	220 of 2018.

Liquidators:	K S Aspin
Date of Appointment:	9 June 2023
By Whom Appointed:	The appointment was made by an Act of the Royal Court of Jersey
Court Reference:	098 of 2023.

All powers and obligations granted or imposed upon the Joint Liquidators by Acts of the Royal Court of Jersey, the Law or otherwise may be exercised by the Joint Liquidators on a joint and several basis such that both act together or one may act without the other (and by so doing will bind the other) in the exercise of their said powers and obligations.

Share capital

Petrostem Group Limited (in Liquidation) is wholly owned by Petrostem Holdings Limited, a company registered in Cyprus.

Both Petrostem Rentals Limited (in Liquidation) and Petrostem International Limited (in Liquidation) are wholly owned by Petrostem Group Limited (In Liquidation).

Directors and their shareholdings

Petrostem Group Limited

Name	Date appointed	Date resigned	Current shareholding
Richard Gordon Morrice	2 December 2008	n/a	-
Julian Charles Tyacke	2 December 2008	n/a	-
Samuel Dennis Allan Taylor	12 June 2013	n/a	-
Dean Foster	5 September 2017	n/a	-
Peter Duthie	2 December 2008	1 December 2017	-

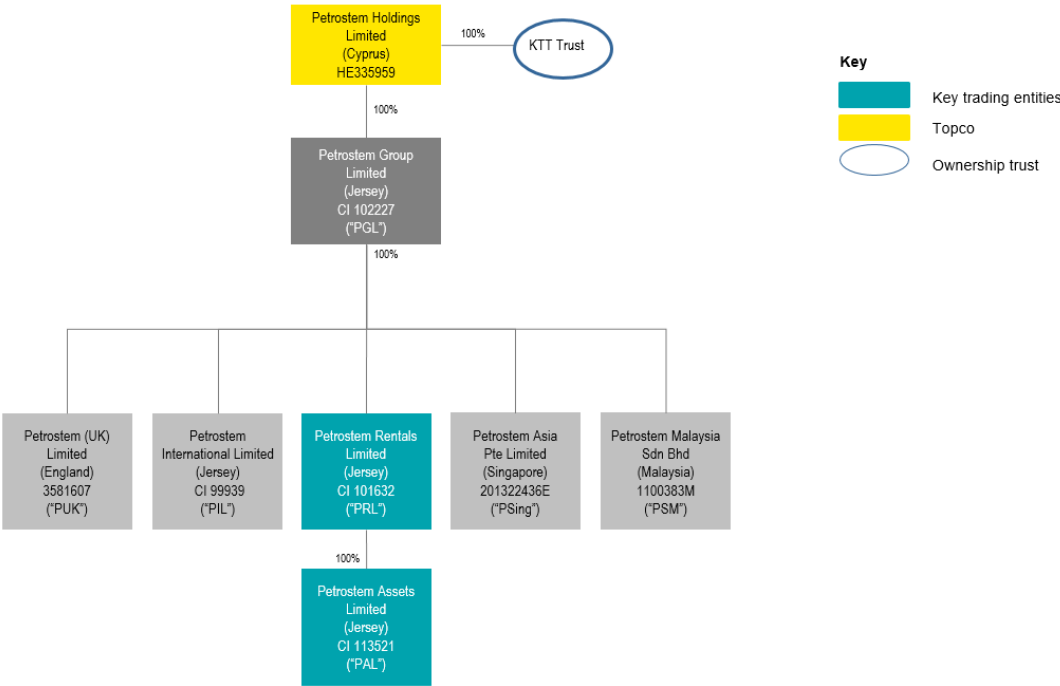
Petrostem Rentals Limited

Name	Date appointed	Date resigned	Current shareholding
Richard Gordon Morrice	28 August 2008	n/a	-
Julian Charles Tyacke	28 August 2008	n/a	-
Dean Foster	5 September 2017	n/a	-
Peter Duthie	28 August 2008	1 December 2017	-

Petrostem International Limited

Name	Date appointed	Date resigned	Current shareholding
Richard Gordon Morrice	8 February 2008	n/a	-
Julian Charles Tyacke	8 February 2008	n/a	-
Dean Foster	1 May 2016	n/a	-
Peter Duthie	8 February 2008	1 December 2017	-

Appendix B Group structure



Appendix C Receipts and Payments – PGL

	Period 28 August 2018 to 27 August 2024	Period 28 August 2024 to 27 February 2025	Total period 28 August 2018 to 27 February 2025
Receipts			
Sale of trading names	20,000		20,000
Pioneer sale deposit	45,000		45,000
Pioneer sale proceeds	1,754,000		1,754,000
Distributions from Petrostem (UK) Limited	84,169		84,169
Distributions from Petrostem Asia Pte Ltd	1,133,827		1,133,827
Distributions from Petrostem Malaysia Sdn Bhd	797,081		797,081
Bank interest	119,805	56,998	176,803
Litigation settlement proceeds	2,808,556		2,808,556
Total receipts	6,762,438	56,998	6,819,437
Payments			
Agents' fees	122,132		122,132
Legal fees	303,461	(16,161)	287,300
Liquidators' fees	769,458		769,458
Liquidators' expenses	4,761		4,761
Litigation settlement costs	491,169		491,169
Bank charges and interest	352		352
Distribution to ordinary creditors	800,000		800,000
Exchange rate loss / (gain)	(793)		(793)
Total payments	2,490,541	(16,161)	2,474,379
Net Receipts / (Payments) for the period	4,271,898	73,160	4,345,057
Represented by:			
Bank balances at at end of each period			
Royal Bank of Scotland			4,328,896
Intragroup - PIL			1,578
Intergroup - PPG			(770)
Intergroup - PPC UK			5,895
Intergroup - PPC Cayman			9,459
			4,345,057

Notes

1. Certain payments have been apportioned between the entities within the Petrostem Group and PPG Group which are subject to insolvency proceedings (e.g. where multiple entities utilise staff, yard space, etc. but are paid for by one entity). Further apportionment may, however, be required once final costs are known.
2. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
3. These accounts do not reflect estimated future realisations or associated costs.
4. The following exchange rates have been applied to the above: GB£:US\$, 1.3; and US\$:AED, 3.673.
5. The difference between interaccount receipts and payments represents (i) bank transfer fees and/or (ii) exchange differences.

Appendix D Receipts and Payments – PIL

	Period 28 August 2018 to 27 August 2024	Period 28 August 2024 to 27 February 2025	Total period 28 August 2018 to 27 February 2025
Receipts			
Cash on appointment	186,605	880	187,485
Sale of IT equipment	7,000		7,000
Motor vehicles	8,671		8,671
Plant and equipment	8,341		8,341
Pre-appointment debtor collections	427,926		427,926
Accrued income	327,748		327,748
Deposits	52,920		52,920
VAT refund	10,579		10,579
HMRC refund	5,705		5,705
Reimbursement of IT staff costs	10,484		10,484
Contribution to legal and liquidators' fees	1,822		1,822
Interaccount transfers	1,050,568	3,604	1,054,172
Trading surplus / (deficit) (see separate account)	71,234		71,234
Distribution from Petrostem Group	63,457		63,457
Bank interest	19,824	7,116	26,940
Litigation settlement proceeds	757,754		757,754
	3,010,639	11,600	3,022,238
Payments			
Interaccount transfers	1,051,909	3,830	1,055,739
Sundry payments	3,413		3,413
Wages and salaries	102,236		102,236
Employee benefits	46,765		46,765
Employee expenses	8,431		8,431
Liquidators' fees	777,998		777,998
Liquidators' expenses	9,547		9,547
Agents' fees and expenses	24,212		24,212
Legal fees	78,410	13,560	91,970
Litigation settlement costs	155,475		155,475
Office and yard rental	72,728		72,728
Rental of equipment	3,780		3,780
Office costs	20,305		20,305
Storage	-	1,464	1,464
Insurance	11,551		11,551
Telephone and IT	19,468		19,468
Public notices	107		107
Priority creditor dividend	3,244		3,244
Bank charges and interest	5,619	(0)	5,618
Exchange Rate Loss / (Gain)	2,151		2,151
	2,397,349	18,854	2,416,203
Net receipts / (payments) for the period	613,290	(7,254)	606,036
Represented by:			
Bank balances as at end of each period			
Royal Bank of Scotland			621,063
Intragroup - PGL			(1,578)
Intragroup - PRL			1,230
Intergroup - PPG			(12,784)
Intergroup - PPC UK			(1,411)
Intergroup - PSB			(484)
			606,036

Summary of the Joint Liquidators' trading account for the period from 28 August 2018 to 27 February 2025

	Period 28 August 2018 to 27 August 2024	Period 28 August 2024 to 27 February 2025	Total period 28 August 2018 to 27 February 2025
Trading receipts			
Post-appt trading income	167,847		167,847
	167,847	-	167,847
Trading payments			
Rental of equipment	71,568		71,568
Trading suppliers	25,045		25,045
	96,613	-	96,613
Trading surplus / (deficit)	71,234	-	71,234

Notes

1. Certain payments have been apportioned between the entities within the Petrostem Group and PPG Group which are subject to insolvency proceedings (e.g. where multiple entities utilise staff, yard space, etc. but are paid for by one entity). Further apportionment may, however, be required once final costs are known.
2. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
3. These accounts do not reflect estimated future realisations or associated costs.
4. The following exchange rates have been applied to the above: GB£:US\$, 1.3; and US\$:AED, 3.673.
5. The difference between interaccount receipts and payments represents (i) bank transfer fees and/or (ii) exchange differences.
6. In the previous progress report, petty cash banked was incorrectly translated to US Dollars. As such, a further receipt of \$880 is shown in the receipts and payments account above.

Appendix E Receipts and Payments – PRL

	Period 28 August 2018 to 27 August 2024	Period 28 August 2024 to 27 February 2025	Total period 28 August 2018 to 27 February 2025
Receipts			
Cash on appointment	11,622		11,622
Pre-appointment debtor collections	1,227,227		1,227,227
Accrued income	878,032		878,032
Other income	468		468
Stock and rental equipment	975,467		975,467
Plant and machinery	106,413		106,413
RASGAS assignment consideration	237,590		237,590
VAT refund	18,567		18,567
PSM/PSA - funding for insurance	7,541		7,541
Pioneer - funding for insurances and expenses	23,448		23,448
Contribution to legal and liquidators' fees	4,490		4,490
Interaccount transfers	2,054,661		2,054,661
Bank interest received	8,707	3,079	11,787
Trading surplus / (deficit) (see separate account)	147,562		147,562
Distributions from Group Companies	158,341		158,341
	5,860,136	3,079	5,863,215
Payments			
Interaccount transfers	2,054,944		2,054,944
Wages	416,525		416,525
Security costs	2,100		2,100
Office and yard costs	284,350		284,350
Repairs and maintenance	10,785		10,785
Sundry expenses	7,881		7,881
Petrostern Qatar Limited	427		427
Telephone and IT expenses	14,388		14,388
Joint Liquidators' fees	760,000		760,000
Joint Liquidators' disbursements	10,223		10,223
Agents' fees and expenses	121,123		121,123
Legal fees and expenses	31,676	1,177	32,853
Insurance	74,539		74,539
Employee expenses and benefits	20,478		20,478
Utilities	8,600		8,600
Storage	-	1,464	1,464
Public notices	107		107
Bank charges and interest	6,062		6,062
Exchange Rate Loss / (Gain)	(5,097)		(5,097)
Distributions to Ordinary Creditors	1,800,000		1,800,000
	5,619,111	2,641	5,621,752
Net receipts / (payments) for the period	241,025	438	241,463
Represented by:			
Bank balances as at end of each period			
Royal Bank of Scotland			244,104
Intragroup - PIL			(1,230)
Intergroup - PPC UK			(1,411)
			241,463

Summary of the Joint Liquidators' trading account for the period from 28 August 2018 to 27 February 2025

	Period 28 August 2018 to 27 August 2024	Period 28 August 2024 to 27 February 2025	Total period 28 August 2018 to 27 February 2025
Trading receipts			
Post-appt trading income	315,017		315,017
	315,017	-	315,017
Trading payments			
Equipment rental	166,337		166,337
Trading suppliers	1,117		1,117
	167,455	-	167,455
Trading surplus / (deficit)	147,562	-	147,562

Notes

1. Certain payments have been apportioned between the entities within the Petrostem Group and PPG Group which are subject to insolvency proceedings (e.g. where multiple entities utilise staff, yard space, etc. but are paid for by one entity). Further apportionment may, however, be required once final costs are known.
2. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
3. These accounts do not reflect estimated future realisations or associated costs.
4. The following exchange rates have been applied to the above: GB£:US\$, 1.3; and US\$:AED, 3.673.
5. The difference between interaccount receipts and payments represents (i) bank transfer fees and/or (ii) exchange differences.

Appendix F Time properly given analysis – PGL

Summary of Joint Liquidators' time costs and disbursements for the period from 28 August 2018 to 27 February 2025

	Staff Grade						Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive			
Accounting and Administration	3.5	0.5	9.7	99.3	17.0	150.6	120.1	400.7	155,733.50
Bank & Statutory Reporting	38.2	-	53.7	217.3	-	34.1	11.0	354.3	212,873.50
Creditors	2.8	9.8	36.8	28.4	-	51.4	15.7	144.9	73,314.00
Debtors	11.5	-	80.5	86.0	-	4.0	-	182.0	118,342.50
Director Litigation	5.9	0.2	81.0	51.6	10.0	68.4	0.6	217.7	152,010.23
Immediate Tasks	0.5	-	2.8	-	1.3	-	-	4.6	3,024.50
Investigation/CDDA	22.5	-	166.6	455.5	2.0	24.5	7.4	678.5	415,834.00
Job Acceptance & Strategy	-	-	11.5	0.1	-	-	-	11.6	8,109.00
Legal Issues	14.0	0.6	0.4	5.0	-	-	-	20.0	15,620.00
Other Assets	4.5	0.5	67.0	14.5	-	10.5	-	97.0	63,380.00
Other Matters	-	-	12.0	6.3	-	6.5	-	24.8	14,424.50
Statutory Duties	2.0	-	4.8	5.0	0.8	31.1	6.0	49.7	20,712.50
Stock and Fixed Assets	-	-	-	-	8.8	2.0	-	10.8	5,022.00
Trading	-	-	0.2	-	-	-	-	0.2	140.00
VAT & Taxation	-	0.8	0.1	2.7	1.2	7.3	1.8	13.9	5,780.50
Total hours	105.4	12.4	527.1	971.7	41.1	390.4	162.6	2,210.7	
Time costs (\$)	91,342.73	8,715.00	383,145.00	580,914.00	21,364.00	144,662.50	34,177.50	1,264,320.73	
Average hourly rate (\$)	866.6	702.8	726.9	597.8	519.8	370.5	210.2	571.9	
Category 1 disbursements (\$)	4,808.20								
Category 2 disbursements (\$)	-								
	4,808.20								

Note: Time is charged in 6 minute intervals

Joint Liquidators' 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.

Appendix G Time properly given analysis – PIL

Summary of Joint Liquidators' time costs and disbursements for the period from 28 August 2018 to 27 February 2025

	Staff Grade							Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting and Administration	3.5	-	8.7	141.1	44.6	185.7	109.6	493.2	203,125.00	411.9
Bank & Statutory Reporting	42.2	-	55.7	243.7	10.0	27.5	32.0	411.1	240,236.50	584.4
Creditors	2.4	9.8	34.0	44.6	12.3	67.9	9.9	180.9	91,236.50	504.3
Debtors	7.0	-	0.7	12.5	92.0	19.0	0.3	131.5	65,738.00	499.9
Director Litigation	6.0	0.2	60.9	50.2	-	24.8	3.4	145.5	108,795.00	747.7
Employee Matters	-	-	9.2	29.8	4.0	-	1.9	44.9	26,381.00	587.6
Immediate Tasks	0.5	-	2.8	6.1	2.5	-	-	11.9	7,211.50	606.0
Investigation/CDDA	26.5	-	119.1	6.9	-	59.0	1.9	213.4	131,442.50	615.9
Job Acceptance & Strategy	-	-	10.9	0.1	-	-	-	11.0	7,689.00	699.0
Legal Issues	7.0	0.6	0.7	5.1	-	-	-	13.4	9,904.00	739.1
Other Assets	5.5	-	4.5	1.1	-	-	-	11.1	8,501.50	765.9
Other Matters	-	-	13.1	20.5	12.9	-	-	46.5	27,586.00	593.2
Property	-	-	-	0.5	-	-	-	0.5	295.00	590.0
Retention of Title	0.5	-	-	-	-	-	-	0.5	427.50	855.0
Statutory Duties	2.0	-	7.7	4.2	1.8	56.4	10.9	83.0	32,771.00	394.8
Stock and Fixed Assets	1.5	-	1.9	2.8	15.7	23.5	-	45.4	20,300.00	447.1
Trading	-	-	8.2	63.3	17.0	17.0	2.7	108.2	58,019.00	536.2
VAT & Taxation	-	0.6	0.1	9.5	0.4	5.4	2.8	18.8	8,796.00	467.9
Total hours	104.6	11.2	338.2	642.0	213.2	486.2	175.4	1,970.8		
Time costs (\$)	90,715.50	7,875.00	247,397.50	386,184.50	104,468.00	174,802.00	37,012.50		1,048,455.00	
Average hourly rate (\$)	867.3	703.1	731.5	601.5	490.0	359.5	211.0		532.0	
Category 1 disbursements (\$)	9,547.00									
Category 2 disbursements (\$)	-									
	9,547.00									

Note: Time is charged in 6 minute intervals

Joint Liquidators' 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.

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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.

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Appendix H Time properly given analysis – PRL

Summary of Joint Liquidators' time costs and disbursements for the period from 28 August 2018 to 27 February 2025

	Staff Grade							Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting and Administration	3.0	-	8.7	109.9	57.0	184.8	80.2	443.6	183,872.00	414.5
Bank & Statutory Reporting	31.7	-	58.0	210.0	9.5	36.2	21.6	367.0	213,645.50	582.1
Creditors	6.3	0.7	22.8	42.4	21.0	40.2	10.6	144.0	73,639.50	511.4
Debtors	2.5	-	3.7	72.9	126.0	31.0	3.5	239.6	121,218.50	505.9
Employee Matters	-	-	0.3	2.0	5.0	-	-	7.3	3,840.00	526.0
Immediate Tasks	0.5	-	2.8	6.1	2.5	-	-	11.9	7,211.50	606.0
Investigation/CDDA	17.5	-	15.7	4.2	6.4	21.6	1.2	66.6	39,486.50	592.9
Job Acceptance & Strategy	-	-	15.7	0.6	-	-	-	16.3	11,344.00	696.0
Legal Issues	12.0	-	0.4	-	-	-	-	12.4	10,540.00	850.0
Other Assets	-	-	14.7	11.1	-	2.0	-	27.8	17,549.00	631.3
Other Matters	-	-	13.5	17.1	15.1	-	-	45.7	26,938.00	589.5
Property	-	-	-	1.2	-	-	-	1.2	708.00	590.0
Statutory Duties	1.0	-	5.5	4.5	5.4	49.9	8.9	75.2	29,589.50	393.5
Stock and Fixed Assets	1.5	-	18.3	16.4	69.9	39.4	-	145.5	72,006.50	494.9
Trading	-	-	18.5	88.3	22.5	5.5	2.4	137.2	78,528.50	572.4
VAT & Taxation	-	0.6	0.3	8.3	6.2	6.6	3.9	25.9	11,727.00	452.8
Total hours	76.0	1.3	198.9	595.0	346.5	417.2	132.3	1,767.2		
Time costs (\$)	64,980.00	910.00	139,230.00	351,050.00	169,785.00	148,106.00	27,783.00		901,844.00	
Average hourly rate (\$)	855.0	700.0	700.0	590.0	490.0	355.0	210.0		510.3	
Category 1 disbursements (\$)	10,280.51									
Category 2 disbursements (\$)	-									
	10,280.51									

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Joint Liquidators' charging policy for disbursements

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