



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	0 1 8 5 4 6 8 5
Company name in full	LEHMAN BROTHERS HOLDINGS PLC

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	EDWARD JOHN
Surname	MACNAMARA

3 Administrator's address

Building name/number	PWC LLP
Street	7 MORE LONDON RIVERSIDE
Post town	LONDON
County/Region	GREATER LONDON
Postcode	S E 1 2 R T
Country	UNITED KINGDOM

4 Administrator's name ①

Full forename(s)	CATHERINE RACHEL
Surname	ATKINSON

① **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	PWC LLP
Street	7 MORE LONDON RIVERSIDE
Post town	LONDON
County/Region	GREATER LONDON
Postcode	S E 1 2 R T
Country	UNITED KINGDOM

② **Other administrator**
Use this section to tell us about
another administrator.

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
 Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
 Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
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→ **Filling in this form**
 Please complete in typescript or in bold black capitals.
 All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- Administrator
- Administrative receiver
- Receiver
- Manager
- Nominee
- Supervisor
- Liquidator
- Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	DAVID ROBERT
Surname	BAXENDALE

3 Insolvency practitioner's address

Building name/number	PWC LLP
Street	7 MORE LONDON RIVERSIDE
Post town	LONDON
County/Region	GREATER LONDON
Postcode	S E 1 2 R T
Country	UNITED KINGDOM

AM10

Notice of administrator's progress report

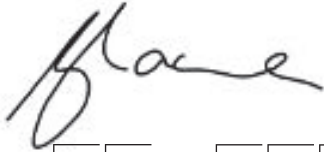
6 Period of progress report

From date	^d 1	^d 5	^m 0	^m 9	^y 2	^y 0	^y 2	^y 5	
To date	^d 1	^d 4	^m 0	^m 3	^y 2	^y 0	^y 2	^y 6	

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X  X								
Signature date	^d 1	^d 4	^m 0	^m 4	^y 2	^y 0	^y 2	^y 6	

AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name ADRIENNE RORDEN

Company name PWC LLP

Address CENTRAL SQUARE

8TH FLOOR

29 WELLINGTON STREET

Post town LEEDS

County/Region WEST YORKSHIRE

Postcode

L	S	1	4	D	L
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Country UNITED KINGDOM

DX

Telephone 01132894000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.



Important information

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



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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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Lehman Brothers Holdings PLC – in Administration

Joint Administrators' Progress report from
15 September 2025 to 14 March 2026

Date: 14 April 2026

High Court of Justice, Chancery Division, Companies Court
Case no. 7943 of 2008

Company number: 01854685



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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that are specific to this appointment and report:

Company / LBH	Lehman Brothers Holdings PLC - in Administration
Company's registered name	Lehman Brothers Holdings PLC
Trading name	Lehman Brothers Holdings PLC
Registered number	01854685
Registered address	PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
Joint Administrators / Administrators / we / us / our / Office holders	Edward John Macnamara, Catherine Rachel Atkinson and David Robert Baxendale
Joint Administrators' addresses and contact details	PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Email: uk_lehmanaffiliates@pwc.com
Date of the Administration appointment	15 September 2008
Court details for the Administration	High Court of Justice, Chancery Division, Companies Court - Court Case 7943 of 2008 and CR-2008-000026
Changes in Administrators	<p>On 15 September 2008 Anthony Victor Lomas, Steven Anthony Pearson, Dan Yoram Schwarzman and Michael John Andrew Jervis were appointed Joint Administrators</p> <p>On 30 November 2009 Derek Anthony Howell was appointed as an additional Joint Administrator</p> <p>On 22 March 2013 Gillian Eleanor Bruce and Julian Guy Parr replaced Dan Yoram Schwarzman and Michael John Andrew Jervis as Joint Administrators</p> <p>On 16 July 2018 Ian David Green, Edward John Macnamara and Russell Downs replaced Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr as Joint Administrators</p> <p>On 16 June 2021 David James Kelly replaced Ian David Green as Joint Administrator</p> <p>On 30 November 2021 Russell Downs and Derek Howell ceased to act as Joint Administrators</p> <p>On 27 February 2026 Catherine Rachel Atkinson and David Robert Baxendale replaced Gillian Eleanor Bruce and David James Kelly as Joint Administrators</p>
Extensions to the initial period of appointment	<p>The Court has granted eight successive extensions to the Administration to:</p> <p>30 November 2010; 30 November 2011; 30 November 2013; 30 November 2015; 30 November 2020; 30 November 2022; 30 November 2025; and 30 November 2027</p>
Reporting Period	15 September 2025 to 14 March 2026
Website	https://www.pwc.co.uk/lbh
AGFP	AG Financial Products Inc. A US-based affiliate of Assured Guaranty Corp. which provided credit protection to counterparties under credit default swaps
Committee	The Creditors' Committee of the Company
Court	The High Court of Justice, the Business and Property Courts of England and Wales
DB	Deutsche Bank AG (London Branch)
ECAPS	Enhanced Capital Advantaged Preferred Securities issued by Lehman Brothers UK Capital Funding LP ("LP I"), Lehman Brothers

	UK Capital Funding II LP (“LP II”) and Lehman Brothers UK Capital Funding III LP (“LP III”) to ECAPS Holders
ECAPS Guarantees	The subordinated guarantee understood to have been given by the Company in relation to the issuance of ECAPS by LP I, LP II and LP III
ECAPS Holder	An investor in any of LP I, LP II or LP III, being the partnerships managed by LBGP, by way of Enhanced Capital Advantaged Preferred Securities
ESH	Eldon Street Holdings Limited - in Creditors Voluntary Liquidation
Original Framework Agreement	The agreement entered into by, among others, LBGP, LBHI, DB and the Company and which came into effect on 8 October 2023
Amended Framework Agreement	The agreement entered into by, among others, LBGP, LBHI, DB and the Company and which came into effect on 2 October 2024
Framework Agreements	Collectively, Original Framework Agreement and Amended Framework Agreement
Group / Lehman Brothers group	The UK Lehman Brothers group of companies
LBGP	LB GP No.1 Limited - in Liquidation
LBHI	Lehman Brothers Holdings Inc.
LBHI2	LB Holdings Intermediate 2 Limited - in Administration
LBIE	Lehman Brothers International (Europe) - formerly in Administration Currently in Members’ Voluntary Liquidation
LBH	Lehman Brothers Holdings PLC - in Administration
LBL	Lehman Brothers Limited - in Administration
MBAM	MBAM Investor Limited
Partial Discharge Issue	The question concerning the correct calculation of certain of the Company’s unsubordinated creditors’ remaining entitlement to post-Administration Statutory Interest, where those creditors have received payments from LBHI as guarantor
Priority Application	An application to the High Court to determine, among other matters, the relative priority ranking of the subordinated claims
Priority Application II	The Administrators’ application to Court for directions in relation to the Priority Legal Issues, issued on 14 March 2023
Priority Legal Issue 1	The question of whether the principal amount of LBHI’s Sub-Debt claim against the Company falls to be paid in priority to statutory interest payable on LBGP’s Sub-Notes claim against the Company, or whether statutory interest payable on the LBGP’s Sub-Notes claim falls to be paid in priority to the principal amount of LBHI’s Sub-Debt claim
Priority Legal Issues	Areas of dispute that, following the conclusion of the Priority Litigation, arose on certain legal issues relevant to the priority and payment of future distributions to subordinated debt holders
Priority Litigation	An application to Court issued on 16 March 2018 to determine, among other matters, the relative priority ranking of the subordinated claims of LBGP and LBHI against the Company
Wentworth	A joint venture entered into between LBHI2, Elliott Management Corporation and King Street Capital Management to pool their holdings in LBIE of both debt and equity
Wentworth Sharing Agreement	An agreement entered into by the Wentworth parties to share the proceeds of LBIE realisations in an agreed sharing mechanism (the details of which remain confidential to the parties)
WHT	Withholding Tax deducted on distributions and payable to HMRC

The following table shows generic abbreviations and insolvency terms that may be used in this report:

Firm/PwC	PricewaterhouseCoopers LLP
HMRC	HM Revenue and Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Insolvency code of ethics	The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditor(s)	A creditor with security in respect of their debt, in accordance with section 248 IA86
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Statement of Insolvency Practice 2: Investigations by office holders in Administrations and insolvent Liquidations and the submission of conduct reports by office holders
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
SIP 13	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
Statutory Interest	Interest calculated in accordance with IR16 on the amount of admitted claims in respect of the periods during which such claims were outstanding since the date of commencement of the Administration to the date of full repayment, calculated as the greater of the rate payable in accordance with s.17 of the Judgments Act 1838 (currently 8% simple), and the rate applicable to the debt apart from the Administration
Unsecured Creditors	Creditors who are neither secured nor preferential, ranking behind secured creditors and all preferential classes of creditors

This report has been prepared by the Office holders, solely to comply with their statutory duty to report to creditors on the progress of the insolvency, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 does so at their own risk. To the fullest extent permitted by law, we do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Office holders previous reports issued to the Company's creditors, which can be found on the Company website noted above.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT. Amounts may be rounded for ease of presentation.

We are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. We are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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Section 1: Key messages

Introduction

This is the 35th progress report prepared by the Administrators of the Company.

This report provides an update on the work undertaken by the Administrators during the Reporting Period, together with the information required by law and applicable insolvency guidance.

Please note you should read this report in conjunction with our previous reports, which can be found at www.pwc.co.uk/lbh.

Objective of the Administration

The Administrators are pursuing the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), and continue to manage the Administration in accordance with the proposals approved by creditors. The Administrators continue to review the objective of the Administration on a regular basis.

Resolution of certain legal issues and outcome for creditors

As noted in earlier progress reports, the remaining issue in Priority Application II concerned whether LBHI's Sub-Debt claim should rank ahead of statutory interest due on LBGP's Sub-Notes claim. While the Court ruled in favour of LBGP, LBHI was granted permission to appeal. Prior to the appeal hearing, the Administrators and key stakeholders agreed a settlement, which was documented in the Amended Framework Agreement dated 2 October 2024.

The Amended Framework Agreement: (i) resolved Priority Legal Issue 1; (ii) introduced certain revisions to the Original Framework Agreement (which had previously addressed Priority Legal Issues 2 to 5); (iii) settled the Partial Discharge Issue (as described in earlier reports), enabling a final distribution to ESH and included agreement from relevant parties not to pursue any future claims in connection with the Partial Discharge Issue; and (iv) updated the sharing formula applicable to subordinated creditors as set out in the Original Framework Agreement.

Collectively, these steps removed a number of outstanding uncertainties, streamlined the estate and clarified the distribution framework, enabling further distributions, the most recent being a fourteenth distribution of £62.5m in February 2026.

Creditors' Committee

The Administrators periodically meet with the Committee (as well as Paul Copley, an observer appointed by the ECAPS Holders) to explain how key aspects of the Administration are being dealt with and to consult with the Committee on relevant issues.

To date, the Administrators have held 15 meetings, the last meeting being on 8 December 2025. The next Committee meeting is planned for Q2 2026.

Why we remain in office

The Administrators remain in office to progress a number of outstanding matters, including: (i) collecting outstanding debts (notably subordinated debt recoveries from LBHI2); (ii) realisation of the residual assets purchased from LBIE in the last period; (iii) settling the remaining obligation to be addressed in accordance with the resolution of the Partial Discharge Issue; (iv) liaising with the LBL Administrators to support the closure of LBL and receipt of any remaining surplus by way of equity dividend; (v) liaising with the LBIE Liquidators to support the closure of the MVL, given the interconnections between the affairs of LBIE and LBH; (vi) liaising with the LBHI2 Administrators to progress its closure and simplify the legal and operating structure (including certain overseas entities associated with the Wentworth Sharing Arrangement); (vii) making further distributions to creditors as funds permit; (viii) ensuring ongoing compliance with tax matters; (ix) fulfilling statutory obligations; and (x) bringing the Administration to a conclusion.

Further details are set out in the body of this report.

What you need to do

This report is for your information and you don't need to do anything.

This report and future updates

The Administrators' next formal progress report to creditors will be in approximately six months' time and will be posted to the case website.

If you have any questions, please contact the Administrators at uk_lehmanaffiliates@pwc.com.

Signed

A handwritten signature in black ink, appearing to read 'E Macnamara', written in a cursive style.

Edward Macnamara
Joint Administrator
Lehman Brothers Holdings PLC - in Administration

Section 2: Progress in the Reporting Period

Amended Framework Agreement

As noted in earlier reports, the outstanding issues in the Priority Applications were resolved through the Amended Framework Agreement entered into on 2 October 2024. This agreement settled Priority Legal Issue 1 (leading to dismissal of the appeal), amended the Original Framework Agreement in certain respects, addressed the Partial Discharge Issue and revised the specific sharing formula for subordinated creditors.

In the Reporting Period, the Administrators made further distributions to creditors of £62.5m to LBGP and LBHI as a Tier Y payment. Further details can be found in section 2.2.

Other progress made in the Reporting Period

Asset realisations

During the Reporting Period, the Administrators realised further amounts for the estate:

- £51.0m was received in respect of the eleventh distribution from LBHI2 in relation to its subordinated debt claim. This represents a further significant recovery from LBHI2 and continues to be a key source of realisations for the estate;
- £7.5m was received from MBAM as an equity distribution, reflecting the continued return of value from its wholly owned subsidiary;
- £4.1m was received from certain Wentworth parties following an earlier distribution under the Wentworth Sharing Agreement and where the underlying assets have not yet been realised;
- £456k was received from ESH in respect of the sale of tax losses; and
- £785.3k (in respect of SMPL/PML deferred consideration) and \$396.1k (being dividend income in respect of claims against LBHI). The underlying assets of these receipts were previously owned by LBIE and were sold to LBH in September 2025 (to help progress the closure of LBIE). As LBIE has received these amounts in respect of assets it no longer owned, it remitted the funds to LBH during the Reporting Period.

Distributions

In February 2026, a fourteenth distribution of £62.5m was made to LBGP and LBHI as subordinated creditors under the Tier Y agreed sharing formula under the Amended Framework Agreement. Further details are provided in Section 2.2.

Tax planning and compliance

The Administrators continued to progress tax compliance and planning activities across the group, including preparation for upcoming corporation tax and corporate interest restriction filings and ongoing engagement with HMRC. Work also focused on managing group tax positions, including the utilisation of losses and assessment of the tax treatment of distributions and asset recoveries. VAT compliance continued, with refunds received during the period, although certain amounts remain withheld pending resolution of HMRC queries.

Further details are set out in section 2.3.

Changes of Administrator

David Kelly and Gillian Bruce, both previous Administrators, are planning to or have retired from the firm. To make sure that outstanding issues in the Administration continue to be pursued, an application was made to the Court to remove them and appoint Catherine Atkinson and David Baxendale as Administrators. Both are licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and so Catherine Atkinson and David Baxendale replaced Gillian Bruce and David Kelly as Joint Administrators with effect from 27 February 2026.

The outgoing officeholders were released from liability on 6 April (following expiry of the 28-day period after publication of the London Gazette notice on 9 March 2026, during which time creditors could apply to vary or discharge the Court Order).

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

Our receipts and payments account

We set out at Appendix A an account of our receipts and payments for the period and cumulatively. We have detailed above, the progress in the period, whether it has resulted in any realisations or not, together with payments made.

Our expenses

We set out at Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an Administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out at Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

Creditors may also wish to refer to the previous creditors' guidance to understand the applicable regulations for appointments prior to 5 April 2010:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2007/a-creditors-guide-to-administrators-fees-1-apr-2007.ashx>

Creditors can also get copies of these guides free of charge by emailing uk_lehmanaffiliates@pwc.com

Section 2.1 Key value drivers

As outlined above, the Amended Framework Agreement resolved a number of material matters affecting the LBH estate and various other steps have been taken in the Reporting Period which impact the ultimate outcome for creditors including:

LBIE

As noted in previous reports, LBIE completed its transition from Administration to Members' Voluntary Liquidation ("MVL") in October 2025, following the settlement of all creditor claims in full and the implementation of steps to facilitate an orderly wind down.

In advance of the MVL, LBH acquired the majority of LBIE's remaining assets (with certain limited exceptions) in September 2025 for consideration of approximately £16.5m. This transaction was undertaken to support the efficient closure of LBIE and to reduce ongoing costs across the estate.

During the Reporting Period, LBH received £785.3k and \$396.1k from LBIE in relation to those residual assets.

The Administrators continue to liaise with the Joint Liquidators of LBIE to progress the realisation of the remaining residual assets which LBH acquired from LBIE and given the LBIE Liquidators' historic knowledge of those assets.

US Tax reclaim

As set out in previous reports, LBIE continues to pursue its outstanding tax refund claim with the IRS and is liaising with its US tax advisers to determine the timing and quantum of any further recoveries.

LBHI2

LBH has an outstanding subordinated claim of £1,346m against LBHI2 in respect of a total subordinated debt claim of US\$3,186m. To date £844.3m has been paid by LBHI2, of which £51.0m was received in the Reporting Period.

The outcome for LBH's creditors is, in part, dependent on the final recoveries from LBHI2. The LBHI2 Administrators are continuing to consider how best to simplify the LBHI2 estate and expedite its closure such that any remaining cash balance can, at that time, be paid to LBH. Further information is expected in LBHI2's next progress report which is due by mid-August 2026.

Lehman Brothers Limited

As noted in previous reports, LBH retains an economic interest in LBL as its parent entity and where it is expected that a final equity dividend will be paid by LBL to LBH prior to closure.

During the Reporting Period, the LBL Administrators have continued to progress the remaining matters required to conclude the estate and which have largely been related to various tax related matters.

Given that LBH is the party with the continuing economic interest in LBL, the revised estimates of LBL's costs to closure following its 12-month extension, were presented to LBH's Committee for review and approval on 8 December 2025. Approval was provided for those fees shortly thereafter. LBH's Committee also agreed that the LBL Administrators' fee for the year to 30 November 2026 mirror the LBH approval process in that:

- (i) 75% of the time costs incurred are taken periodically on account; and
- (ii) the balancing 25% is not taken until the fees have been approved by LBH's Committee.

The LBL Administration is currently due to end on or before 30 November 2026, with a final nominal equity distribution expected to be made to LBH following settlement of the remaining costs of the estate.

Section 2.2 Creditor claims and dividend prospects

As noted in previous reports and prior to the Reporting Period:

- the principal amounts of admitted, unsubordinated claims had been paid in full (totalling £1,074.8m);
- distributions of £659.2m had been paid in relation to unsubordinated creditors' entitlements to post-Administration Statutory Interest; and
- £361.5m had been paid to LBH's subordinated creditors following the Original Framework Agreement being entered into in October 2023.

Unsubordinated creditors

The sole remaining unsubordinated creditor is MBAM. The Administrators are of the view that, following the wider resolution of the Partial Discharge Issue, there will ultimately be sufficient realisations to allow unsubordinated creditors' remaining entitlements to post-Administration Statutory Interest to be paid in full. With the agreement of the directors of MBAM, no distribution against their claim was made in the Reporting Period.

Partial Discharge Issue

As noted in previous reports, the Partial Discharge Issue concerns the calculation of certain unsubordinated creditors' remaining entitlement to post-Administration Statutory Interest, where payments have been received from LBHI as guarantor.

The Administrators continue to engage with the directors of MBAM in order to resolve the remaining unsubordinated claim and remain optimistic that this will be concluded in due course.

Subordinated creditors

As detailed in previous progress reports, the Company has received claims in respect of two subordinated debts:

1. The claim from LBGP in respect of the PLC Sub-Notes has now been agreed and admitted at £187.2m, following discounting in accordance with IR16 and consistent with the outcome of the Priority Litigation, as described in previous progress reports.
2. The claim from LBHI (in respect of the PLC Sub-Debt) as at the Administration date totalled £1,059.0m. In the Priority Application, the Court of Appeal determined that this amount should be reduced, *pro tanto*, to reflect any guarantee payments which had previously been made by LBHI as guarantor of the PLC Sub-Debt.

As previously reported, a number of issues arose in relation to the appropriate approach to distributions between these two subordinated debts, including their respective priority.

In October 2024, the parties reached agreement on these matters (including those not resolved in the Original Framework Agreement), which was subsequently formalised in the Amended Framework Agreement. This included revisions to the sharing formula, as summarised below:

	Overview	Current position
Tier X	The first £187.2m of funds available for the subordinated creditors will be paid as follows: <ul style="list-style-type: none">• 92% of Tier X (being £172.2m) will be paid to LBGP; and• The remaining 8% of Tier X (being £15.0m) will be paid to LBHI.	Tier X has been paid in full. Specifically: <ul style="list-style-type: none">• £172.2m was paid to LBGP in November 2023; and• £15.0m was paid to LBHI in December 2023.
Tier Y	Subject to certain conditions being met, the next £225.0m of funds available to subordinated creditors will be paid in the following proportions: <ul style="list-style-type: none">• 73.8% (equivalent of up to £166.05m) to LBGP; and• 26.2% (equivalent of up to £58.95m) to LBHI.	A second payment of £62.5m was made under Tier Y in February 2026. The distribution comprised: <ul style="list-style-type: none">• c. £46.1m to LBGP; and• c. £16.4m to LBHI This brings the cumulative payments under Tier Y to £174.3m (with £128.6m having been paid to LBGP and £45.7m to LBHI).
Tier Z	Subject first to the distributions of Tiers X and Y, further distributions to LBH's subordinated creditors will be paid from any remaining funds available in the following proportions: <ul style="list-style-type: none">• 40% to LBGP; and• 60% to LBHI.	To date, no Tier Z payments have been made.

Estimated outcome and future distributions

The Administrators' latest assessment of potential economic outcomes for LBH's creditors can be accessed through the link below:

<https://www.pwc.co.uk/services/business-restructuring/administrations/lehman/lehman-brothers-holdings/other-notice.html>

The Administrators will continue to provide further updates through the LBH website (or by other means as appropriate).

Section 2.3 Tax and compliance

All corporation tax returns up to and including the year ended 14 September 2024 were submitted to HMRC in the prior period. The next corporation tax and corporate interest restriction returns for the year ended 14 September 2025 are due by 14 September 2026. Specific progress in the Reporting Period includes:

Corporation Tax

1. Tax compliance

- Ongoing tax compliance work following submission of prior period corporation tax returns, including responding to follow-up queries and maintaining supporting computations;
- Preparation of the corporation tax return for the year ended 14 September 2025, including the preparation of internal management accounts, reconciliation of tax computations to underlying accounting records, review and maintenance of group relief schedules and supporting documentation; and
- Preparation of the corporate interest restriction return for the year ended 14 September 2025, including computation of the group's interest allowance and allocation across group companies.

2. HMRC engagement and correspondence

Time was spent managing ongoing dialogue with HMRC, including correspondence in respect of VAT refunds, historic group VAT matters and wider tax queries across the Lehman estate.

3. Group relief and tax losses

This work supported the efficient utilisation of tax positions across the group. Activities included reviewing and allocating group relief and brought forward losses across group companies with non-coterminous accounting period ends, determining the availability and quantum of group deduction allowances, and considering the interaction of these with the wider Lehman group where LBH is the ultimate beneficiary. This resulted in a receipt into LBH from ESH of £0.5m through a sale of tax losses.

4. LBIE asset transfers and ongoing tax analysis

Following the prior period transaction, work continued in relation to the tax implications of assets acquired from LBIE. This included:

- Analysis of the tax treatment of receipts arising from acquired assets (including deferred consideration and other recoveries);
- Updating tax positions and supporting documentation to reflect post-transaction developments; and
- Liaising with the Administrators and advisers in respect of ongoing implications for the group's tax position.

5. Payments to creditors

Work was undertaken to assess the tax treatment of payments and distributions to subordinated creditors, including analysis of the characterisation of such payments for corporation tax purposes and consideration of the interaction with the agreed distribution framework.

6. Strategic oversight, stakeholder engagement and closure planning

Senior staff time was spent on oversight, strategic planning and group simplification to align tax, legal and commercial objectives across the wider Lehman group.

VAT

All VAT returns have been submitted up to, and including, the quarter ended 30 November 2025. As VAT group representative, LBH received refunds of approximately £0.7m in the Reporting Period in respect of the group (relating to periods up to November 2025), of which approximately £0.3m relates to LBH's own costs.

However, HMRC continues to withhold VAT repayments of approximately £0.6m relating to the quarters ended November 2021, May 2022 and part of August 2022, due to an open PAYE and Employers' National Insurance liability recorded on its systems in respect of LBL. The LBL Administrators have continued to engage with HMRC during the Reporting Period to resolve this matter, which they do not consider to be due. This issue continues to impact LBH in its capacity as representative member of the VAT group.

Appendix A: Receipts and payments

Sterling Account

Amount in £ millions	Notes	As at 14 Mar 2026	As at 14 Sept 2025	Movement
Receipts				
Investments in subsidiaries		768.0	756.4	11.6
Intercompany debtors		1,349.8	1,298.8	51.0
Receipt of intercompany assets		0.8	-	0.8
Sale of tax losses		11.0	10.5	0.5
Sale of LBAM		(0.8)	(0.8)	-
Third party funds (Group VAT refunds)	1	1.2	0.8	0.4
Other receipts		20.6	19.3	1.3
Total receipts		2,150.7	2,085.1	65.5
Payments				
Distributions to unsecured unsubordinated creditors	7	1,733.9	1,733.9	-
Distributions under the Framework Agreement *	7	92.8	76.4	16.4
Purchase of intercompany assets		16.5	16.5	0.0
Administrators' remuneration	2	24.9	23.8	1.0
Administrators' expenses	3	5.6	5.6	0.0
Legal and professional fees		19.0	18.7	0.3
Purchase of tax losses		13.5	13.5	-
Other payments	4	3.0	3.0	0.0
Net irrecoverable VAT	1	2.9	2.8	0.1
Net recoverable VAT	1	1.4	1.5	(0.1)
Total Payments		1,913.4	1,895.7	17.7
Inter-currency transfers				
Receipts		99.9	99.9	-
Payments		268.9	222.8	46.1
Total receipts less total payments		68.3	66.5	1.7
Cash Balances				
Bank accounts		6.9	12.0	(5.1)
Money market deposits	5	61.4	54.5	6.9
Net cash position		68.3	66.5	1.7

* Distributions have been made in both GBP and EUR. See note 7 to the receipts and payments accounts.

Note: Costs have been rounded up or down, to the nearest £0.1m which may result in rounding differences in the casting of the table above.

US Dollar Account

Amount in £ millions	Notes	As at 14 Mar 2026	As at 14 Sept 2025	Movement
Receipts				
Investments in subsidiaries		0.5	0.5	-
Intercompany debtors		57.9	57.8	0.0
Receipt of intercompany assets		0.4	-	0.4
Sale of LBAM		74.1	74.1	-
Other receipts		14.3	14.3	0.0
Total receipts		147.2	146.7	0.4
Payments				
Other payments		0.1	0.1	-
Total payments		0.1	0.1	-
Inter-currency transfers				
Payments of inter-currency transfers to £ account		146.5	146.5	-
Total receipts less total payments		0.6	0.2	0.4
Net cash position	5	0.6	0.2	(0.4)

EUR Account

Amount in £ millions	Notes	As at 14 Mar 2026	As at 14 Sept 2025	Movement
Receipts				
Other receipts		0.3	0.3	0.0
Total receipts		0.3	0.3	0.0
Payments				
Distributions under the Framework Agreement *	7	307.7	254.7	52.9
Other payments		0.0	0.0	0.0
Total payments		307.7	254.8	52.9
Inter-currency transfers				
Receipts		308.0	255.0	52.9
Payments		0.3	0.3	-
Total receipts less total payments		0.3	0.3	0.0
Net cash position	5	0.3	0.3	0.0

* Distributions have been made in both GBP and EUR. See note 7 to the receipts and payments accounts.

Notes to the receipts and payments account

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties. LBH is VAT registered and entitled to reclaim 63.09% of input VAT, therefore 36.91% of VAT is irrecoverable.
2. As explained further in Appendix C, the Administrators' fees are based on time costs. The receipts and payments account shows the amount paid in the period and total to date.
3. Included within 'Administrators' expenses' is c. £5.4m paid in total to date in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
4. Included within Other Payments is £750 paid in the period largely relating to certain employees of LBIE who provided accounting and tax services to LBH, and c. £1.8m paid in total, in relation to work the Administrators have either subcontracted or paid to associates, as explained further in Appendix C.
5. Funds are held in interest-bearing accounts or invested in short-term money market deposits. The below table shows the cash held in all bank accounts as at 14 March 2026.

Account type	GBP	EUR	USD	GBP Equiv.
Short-term deposits	61,403,565	-	-	61,403,565
Interest-bearing accounts	6,875,235	325,596	608,668	7,616,427
Total cash held	68,278,800	325,596	608,668	69,019,992

The Administrators continue to manage the estate's funds with a cautious outlook and with regard to appropriate policies (designed by treasury specialists), as amended from time to time whilst attending to other relevant considerations.

6. Funds have been held in different currencies due to certain debtor recoveries, as well as to assist in creditor payments. The GBP equivalent as at 14 March 2026 is set out in the table above.
7. A detailed breakdown of the distributions to creditors paid to date is included in the below tables.

	£m
1st dividend of 4.08p in the £, declared 3 September 2014	43.8
2nd dividend of 2.00p in the £, declared 10 February 2016	21.6
3rd dividend of 62.963p in the £, declared 6 September 2017	676.7
4th dividend of 18.587p in the £, declared 13 September 2018	199.8
5th dividend of 12.37p in the £, declared 15 March 2019	132.9
5th dividend of a share of statutory interest, declared 15 March 2019	27.1
6th dividend of a share of statutory interest, declared 16 February 2021	267.3
7th dividend of a share of statutory interest, declared 15 September 2021	59.7
8th dividend of a share of statutory interest, declared 23 November 2023	24.4
9th dividend of a share of statutory interest, declared 11 March 2024	33.0
10th dividend of a share of statutory interest, declared 11 September 2024	13.0
11th dividend of a share of statutory interest, declared 28 October 2024	4.5
Settlement of LBL statutory interest claim, agreed on 21 November 2024	174.6
12th dividend of a share of statutory interest, declared 11 March 2025	48.6
13th dividend of a share of statutory interest, declared 9 September 2025	7.0
Total distributions	1,734.0

Subordinated creditors - under the Framework Agreements	Currency	m	GBP Equiv £m
Tier X			
24 November 2023 (to LBGP)	EUR	172.9	151.5
24 November 2023 (to LBGP)	GBP	20.7	20.7
29 December 2023 (to LBHI)	GBP	15.0	15.0
Tier Y			
9 September 2025 (to LBHI)	GBP	29.3	29.3
12 September 2025 (to LBGP)	EUR	81.9	71.1
12 September 2025 (to LBGP)	GBP	11.4	11.4
12 February 2026 (to LBHI)	GBP	16.4	16.4
12 February 2026 (to LBGP)	EUR	52.9	46.1
Total payments under the Framework Agreements			361.5

8. The receipts and payments account does not show "estimated to realise" values from the directors' statement of affairs as this would not provide a meaningful comparison with actual asset recoveries.

Appendix B: Expenses

Expenses are amounts properly payable by us, as Administrator, from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an Office holder in connection with an insolvency appointment. Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the Office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the Committee) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the Reporting Period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and may be recharged to the case.

Category	Cost incurred by	Basis of cost	Costs incurred (£)
1	External Providers	Travel, hotels and food for business purposes	18,564
1	External Providers	Postage	84
2	PwC	Printing - up to 3 pence per page printed, applied to bulk printing required in connection with statutory compliance and Administration of the case.	16
Total			18,664

The expense policy set out above has been approved by the Committee.

Payments to associates

In the Reporting Period, £750 has been paid to LBIE for costs recharged on a time cost basis in relation to tax work that was undertaken by LBIE's employees. Authorisation to pay such costs was given by the Committee.

The benefit to LBH's creditors is through cost savings. This is because the Administrators consider it more efficient that this work is carried out by subcontractors and by the centralisation of services. The costs of such services are recharged to the Company on a time costs basis and are invoiced directly to the estate.

Details of subcontracted work

Certain centralised services are undertaken on behalf of the Company by employees retained by LBIE and LB SF Warehouse Limited for their prior and ongoing knowledge of the Company's affairs. Further information is provided in the 'Payments to associates' section above.

Analysis of expenses and Administrators' remuneration

In line with applicable insolvency rules, the presentation of the expenses statement below has been updated in this report to show expenses incurred in the Reporting Period. This approach provides greater clarity and transparency for creditors by presenting the costs attributable to the period, irrespective of the timing of payment.

Accordingly, the previous format, which distinguished between amounts paid and unpaid, has been simplified. Creditors should refer to the receipts and payments account in Appendix A for details of amounts paid both in the current and prior periods.

Given the reduced level of activity and associated costs, expenses are now presented in £'000 to improve readability. The receipts and payments account continues to be presented in £'m for consistency with prior reports.

R&P Category (£'000)	Incurred in the period
Legal fees and disbursements	270.0
Administrators' remuneration	778.8
Administrators' expenses	18.7
Other costs	105.8
Irrecoverable VAT	84.5
Total	1,257.7

Note: Following a reconciliation exercise undertaken during the Reporting Period, certain costs attributable to prior periods have been identified and included in "Other costs". These amounts had not previously been captured in earlier reports.

Given the advanced stage of the Administration and the inherent complexity of the remaining workstreams, including intercompany dependencies and ongoing matters across the wider Lehman group, it is not possible to provide a meaningful detailed forecast of future costs.

The Administrators have therefore provided an indicative range of total remaining costs of approximately £4m to £7m. This range reflects the current expectation of the work required to conclude the Administration, including resolving outstanding intercompany matters, making final distributions and progressing the estate towards closure.

The Administration is currently anticipated to remain open for a further c.20 months. However, this timeframe may be shortened or extended depending on how the remaining matters are resolved, and accordingly the eventual level of future costs may differ from the estimate provided above.

This estimate excludes any potential tax liabilities, which may arise as an expense of the Administration. The quantum of any such liabilities will depend on the position at the end of the relevant accounting periods.

The level and timing of future costs remain subject to uncertainty, particularly in relation to matters outside of the Administrators' direct control, and the estimate will be kept under review in future reports.

Legal and other professional firms

The Administrators have either utilised the following professionals on this case during the Reporting Period or they remain under instruction for potential future use:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	Hogan Lovells International LLP	Industry knowledge	Time costs
Legal services	Linklaters LLP	Industry knowledge	Time costs

The selection of individual legal firms is determined by the jurisdiction and nature of the advice being sought, and whether conflicts exist.

All professional firms instructed by the Administrators are required to provide a narrative explanation in support of invoices. All invoices are reviewed before being approved for payment. The Administrators are satisfied that the level of legal costs is appropriate.

Appendix C: Remuneration update

The Administrators' fees were approved by the Committee by reference to time properly given by the Administrators and their staff in attending to matters arising in the Administration. To 14 March 2026, the Administrators have drawn fees of c. £24.9m in line with the approval given, as shown on the receipts and payments account. During the Reporting Period, the Administrators drew fees of c. £1.0m on account of their time costs.

The time cost charges incurred in the Reporting Period are £778,811. An analysis of the total hours and cost incurred by grade of staff can be found later in this appendix.

We set out in Appendix B and later in this appendix details of our work to date, anticipated future work, subcontracted work and payments to associates.

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the Administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the Administration.

We call on colleagues such as those in our Tax and VAT departments where we need their expert advice. We may also utilise Technology Specialists from the wider Restructuring team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

In common with many professional firms, our scale rates may rise e.g. to cover annual inflationary cost increases.

Grade	To 30 June 2025		From 1 July 2025	
	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)
Partner	1,090	1,425	1,120	1,465
Consultant	N/A	1,425	N/A	1,465
Director	1,000	1,345	1,030	1,380
Senior Manager	800	1,090	825	1,120
Manager	640	795	660	815
Senior associate	525	585	540	600
Associate and support staff*	330	325	340	335

*inc. Offshore Professionals

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the Administration where the relationship could give rise to a conflict of interest.

Analysis of Administrators' time costs for the Reporting Period

Classification of work	Partner / Director		Consultant		Senior Manager / Manager		Senior Associate		Associate / Support Staff *		Total	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
Accounting and Treasury	9.6	10,696	-	-	46.3	32,042	165.7	89,368	54.1	18,354	275.6	150,461
Subsidiaries and Intercompany	50.9	56,144	-	-	61.6	36,030	18.4	6,413	18.7	6,358	149.6	104,945
Strategy and Planning	29.7	32,781	-	-	45.7	33,132	17.6	7,167	23.8	8,092	116.7	81,172
Creditor related matters	36.4	40,712	-	-	52.2	41,894	15.3	8,235	-	-	103.8	90,841
Litigation - AGFP, Partial Discharge and other	-	-	-	-	-	-	-	-	-	-	-	-
Committee interactions and updates	50.0	54,594	-	-	59.9	48,807	20.3	10,962	-	-	130.2	114,363
Statutory and Compliance	25.0	27,764	-	-	27.6	20,625	37.2	20,088	1.1	374	90.8	68,851
Tax and VAT	10.8	12,060	33.2	48,638	104.7	105,530	2.8	1,512	1.3	440	152.8	168,180
Total for 6 months ended 14 March 2026	212.2	234,751	33.2	48,638	397.8	318,060	277.2	143,745	99.0	33,618	1,019.3	778,811
Average hourly rate for the 6 month period to 14 March 2026											764	
Brought forward total to 14 September 2025³											24,674,328	
Cumulative total to 14 March 2026											25,453,140	

* includes offshore professionals

Classification of work	Brought Forward £	Period £	Cumulative £
Accounting and Treasury	2,562,701	150,461	2,713,162
Subsidiaries and Intercompany	257,130	104,945	362,075
Strategy and Planning	12,913,974	81,172	12,995,146
Creditor related matters	1,156,345	90,841	1,247,185
Litigation - AGFP, Partial Discharge and other	79,123	-	79,123
Committee interactions and updates	183,585	114,363	297,948
Statutory and Compliance	2,995,393	68,851	3,064,244
Tax and VAT	4,526,078	168,180	4,694,258
Total	24,674,328	778,811	25,453,140

Notes:

1. The Administrators have continued to employ a retired tax partner (referred to as "Consultant" in the above tables) for the purpose of utilising their expertise.
2. Hours and costs have been rounded up or down, to the nearest 0.1 hour or whole pound which may result in rounding differences in the casting of the tables above.
3. Time incurred during the prior period was 18.4 hours and £19,300 higher than previously reported. This reflects valid work undertaken on LBH which had not yet been recorded on the internal systems at the time of the last report. The cumulative brought forward values have been updated accordingly. All time incurred is subject to internal review prior to billing and, as such, not all recorded time is necessarily charged to the estate.

Our work in the period

Included earlier in this section is an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table more detail is provided on the key areas of work.

Category	Description of tasks
<p>Accounting and treasury</p> <p>This is an essential function for the management of funds held by the Administrators on behalf of the Company. The Administrators' treasury and cash management teams monitor and control the movement of funds, mitigate risk and seek to maximise the interest made on investments for the benefit of the Company's creditors.</p>	<ul style="list-style-type: none"> ● Collection and analysis of information for the purposes of statutory reporting; ● Due consideration of best strategy for dealing with investments; ● Analysis of interest rates available with counterparties; ● Active management of investments on the money market, and mitigating risk on such investments; ● Reviewing liquidity and investment maturities to ensure sufficient cash to meet ongoing costs and Administration expenses; ● Investment, monitoring and control of LBH's free cash resources, including ensuring cash held at best rates only in approved banks and subject to frequently reviewed limits (this work has enabled the banking interest on case funds to be maximised which has resulted in significant realisations in the Administration. In the 6 months to 14 March 2026, the investments made by the Treasury team resulted in interest of GBP: c. £1.3m being received (this is c. £0.6m above that which would have been earned using Barclays' standard products); ● Arranging of receipts and payments of funds, and coding of movements; ● Performing regular bank reconciliations for all bank accounts and monitoring flows of funds into the bank accounts; ● Updating stakeholders regarding outstanding deposits and month end bank balances; and ● Regular monitoring of funds required for immediate cash needs, to ensure that the optimal level of funds is held on deposit.
<p>Subsidiaries and Intercompany</p> <p>For efficiency purposes, LBH provides a limited accounting and treasury function to MBAM and LB SF Warehouse (both being direct subsidiaries of LBH). This includes processing receipts and payments as well as performing reconciliations. Additionally LBH has taken on the beneficial and legal ownership of assets assigned from other members of the Lehman Brothers Group.</p>	<ul style="list-style-type: none"> ● Meetings and correspondence with external directors and internal stakeholders regarding ongoing strategy and outstanding subsidiary matters; ● Discussions with stakeholders in relation to residual LBIE assets (including the IRS receivable) and broader intercompany considerations; ● Performing regular bank reconciliations for MBAM and LB SF Warehouse bank accounts and monitoring flows of funds into bank accounts; ● Updating external stakeholders regarding outstanding deposits and bank balances ● Monitoring and managing cash movements, including arranging receipts and payments and coding transactions appropriately; and ● Assisting with tax compliance and other statutory requirements across the subsidiary entities.
<p>Strategy and planning</p> <p>The inherent complexities of the Company's estate mean that the Administrators and their staff continue to invest a significant proportion of their time in the planning and delivery of their strategy for the progression of the Administration, for the ultimate benefit of creditors as a whole.</p>	<ul style="list-style-type: none"> ● Considering strategy to maximise the outcome for LBH's creditors and discussions with stakeholders with regard to this strategy; ● Continuing development and analysis of financial models to estimate and assess potential outcomes for stakeholders; ● Reviewing and maintaining financial information including updating fees incurred, the estimated outcome statement and reserves; ● Preparing time cost packs in support of billing of costs on account; ● Preparing the Administrators' internal six-monthly case reviews in accordance with professional requirements; ● Regular internal meetings to manage case progression; and ● Liaison with specialist teams.
<p>Creditor related matters</p> <p>This relates to tasks undertaken in relation to creditors, including the calculation and payment of distributions and responding to inbound creditor queries received.</p>	<ul style="list-style-type: none"> ● Issuing a notice of intended dividend to creditors; ● Preparation and payment of the 14th interim distribution to creditors and dealing with associated legal notices; ● Responding to creditor enquiries received via the Lehman Affiliates mailbox and updating creditor information on LBH's database; and ● Updates to the Company website.

Committee interactions and updates

Reporting to the Committee is essential in the insolvency process for maintaining transparency. It allows the insolvency practitioner to demonstrate how they are managing the debts and resolving the insolvency. The reporting process also holds the insolvency practitioner accountable, requiring them to explain their actions, decisions, and expenses. It enables the Committee to scrutinise the practitioner's work and provide oversight.

- Preparing detailed materials for the 15th meeting of the Committee, including drafting a comprehensive presentation covering developments across the UK Lehman estates, key value drivers and the current group structure;
- Collating and analysing financial information across multiple entities to support updated estimated outcome statements, including consideration of various recovery scenarios, sensitivities and associated uncertainties;
- Preparing detailed analysis of intercompany relationships, creditor positions and distribution mechanics to support discussions with the Committee on the anticipated returns to stakeholders;
- Developing and presenting materials in relation to the ongoing simplification of the UK Lehman structure, including the proposed sequencing of key steps and associated risks and dependencies;
- Coordinating input from multiple workstreams (including tax, treasury and legal advisers) to ensure consistency and accuracy of information presented to the Committee;
- Preparing briefing materials and supporting analysis in relation to key outstanding matters across the estates (including tax, residual asset recoveries and intercompany balances), and responding to Committee queries on these areas;
- Preparing the remuneration pack for the Committee, including detailed supporting information on time costs, workstreams and proposed fee approvals across a number of Lehman entities; and
- Attending the Committee meeting and responding to queries from members and their advisers, together with follow-up actions and clarifications arising from the meeting.

Statutory and other compliance

This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.

- Preparing and circulating the Administrators' 34th progress report and progressing the preparation of the 35th progress report;
- Dealing with statutory filings at Companies House and other regulatory requirements;
- Preparing for and obtaining Court approval to extend the Administration, including finalising application materials and implementing the extension following approval (including updating statutory records, Companies House filings and the Company's website);
- Implementing changes to the officeholders during the period, including Court application, updating statutory records and reflecting the changes across relevant systems and public-facing materials (including the Company's website);
- Producing detailed remuneration and future expenses summaries for inclusion in progress reports to creditors;
- Maintaining regulatory controls and ensuring compliance with insolvency legislation and internal policies;
- Maintaining case files, statutory records and the internal case database; and
- Dealing with other ad hoc compliance and statutory matters as they arise.

Tax and VAT

Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.

- Considering the tax implications of payments to creditors and distributions made during the period;
- Input into and attendance at the Committee meeting, including preparation of supporting tax analysis;
- Input into the 34th progress report to creditors;
- Continuing analysis of the application of loss restriction rules and corporate interest restriction rules across the group;
- Ongoing tax compliance activities, including maintaining supporting computations and responding to follow-up queries in respect of prior period filings;
- Reconciling tax computations to accounting records, including review of group relief schedules and maintenance of supporting documentation;
- Liaising with HMRC in respect of VAT matters and wider group tax issues, including historic queries and withheld repayments;
- Preparing and submitting quarterly VAT returns and arranging for group VAT repayments to be processed and allocated;
- Reviewing and managing the utilisation of group relief, brought forward losses and the group's overall tax position;

- Analysing the tax implications of asset recoveries and transactions, including those arising from assets acquired from LBIE;
- Preparing and updating tax memoranda, considering structuring options and liaising with the Administrators and legal advisers;
- Providing input into the ongoing strategy for group simplification and the closure of remaining entities; and
- Liaising with PwC tax specialists and holding regular internal update meetings.

Our future work

Examples of work remaining to be done to achieve the purpose of the Administration are shown below. This is not an exhaustive list.

Category	Description of tasks
<p>Accounting and treasury</p> <p>The ongoing management of funds held by the administrators is necessary to mitigate risks and maximise returns to creditors.</p>	<ul style="list-style-type: none"> ● Continuous maintenance and monitoring of cash reserves and investments ensuring appropriate handling of funds to maximise returns to creditors while remaining in line with the Firm's risk policies; and ● Processing of payments and receipts.
<p>Subsidiaries and Intercompany</p> <p>The Administrators continue to manage the subsidiary accounts and support statutory compliance to deliver efficiencies that reduce costs and improve returns to creditors. In addition, LBH has assumed ownership and responsibility for assets that were previously held by other Lehman Brothers entities. As a result, any receivables generated from these assets now directly benefit the creditors of LBH.</p>	<ul style="list-style-type: none"> ● Meetings with external directors and other stakeholders regarding ongoing and exit strategies; ● Supporting LBIE and other subsidiaries in the realisation of assets, with a view to maximising recoveries available for distribution to LBH; ● Working with the Administrators of LBL and LBH12 to resolve the remaining issues within those estates with a view to reducing ongoing Administration costs and moving towards the point at which the LBH12 and LBL Administrations can be concluded; ● Processing payments, receipts and bank reconciliations for MBAM and LB SF Warehouse; and ● Assisting with tax filing and other statutory requirements.
<p>Strategy and planning</p> <p>Considering the ongoing tasks and requirements and determining the appropriate course of action is necessary for the most efficient and cost effective exit of the Administration.</p>	<ul style="list-style-type: none"> ● Continuous review and reconsideration of overall strategy as the previously discussed ongoing issues are resolved and developments across the group which affect LBH occur; ● Six monthly review of case progress; ● Planning and applying for either further extensions of the Administration as required or completion of necessary tasks to exit Administration; and ● Oversight of reporting and accounting, including periodic meetings to monitor progress.
<p>Creditor related matters</p> <p>Ongoing work is undertaken to ensure creditors receive timely responses to queries and that distributions are calculated and paid accurately in accordance with the agreed framework, thereby supporting the overall outcome of the Administration.</p>	<ul style="list-style-type: none"> ● Responding to creditor queries and maintaining accurate records of creditor claims and positions; ● Calculating, preparing and making distributions to creditors as funds become available; ● Implementing and monitoring payments in accordance with the agreed distribution framework; ● Providing periodic updates to stakeholders, including ECAPS holders, in respect of the estimated outcome for subordinated creditors; and ● Managing intercompany balances and coordinating distributions across the group to facilitate payments to creditors.
<p>Committee interactions and updates</p> <p>Providing timely updates to the Committee allows for greater transparency and holds the Administrators more accountable for their strategy and actions.</p>	<ul style="list-style-type: none"> ● Preparing for and holding regular meetings with the Committee and any Observer appointed to it, including providing updated financial information as well as information concerning the Administrators' fees for the purpose of fee approval.

<p>Statutory and other compliance</p> <p>This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.</p>	<ul style="list-style-type: none"> ● Preparing and issuing of further progress reports to creditors; ● Maintaining case records and internal databases; ● Compliance with regulatory and internal controls; and ● Other statutory filings at Companies House and Court.
<p>Tax and VAT</p> <p>Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.</p>	<ul style="list-style-type: none"> ● Preparation and submission of corporation tax and corporate interest restriction returns; ● Providing input into the ongoing strategy for group simplification and the closure of remaining entities; ● Preparing and submitting quarterly VAT returns and arranging for group VAT repayments to be processed and allocated; ● Reviewing and managing the utilisation of group relief, brought forward losses and the group's overall tax position; ● Managing the tax implications of payments to creditors and disclosures to HMRC; and ● Consideration of impact on the Company of changes to UK tax legislation, including loss restriction and interest deductibility rules, and the potential impact as part of the corporation tax returns.

Whilst an estimate of future time costs is provided in Appendix B, the Administrators caution that actual future costs will be considerably impacted by a variety of factors. The estimate provided assumes that this will result in the Administration lasting for a further c. 20 months; however, that timeframe may be shortened or lengthened depending on how the above matters are ultimately resolved. Accordingly, the eventual future costs may ultimately be materially different from those provided in the estimate.