

Lehman Brothers Holdings Plc (“LBH”) Estimated Outcome Statement

Further to previous announcements, the administrators of LBH are now in a position to provide an updated estimated outcome for LBH. Please read the “Important notice” below which sets out the various assumptions on which these estimates are based and the caution with which they should be approached by stakeholders.

To date, the administrators have made distributions to LBH’s subordinated creditors totaling £361.5m:

Subordinated creditors Distributions under the Framework Agreements	£'m equivalent
Tier X	
- 24 November 2023 (to LBGP)	151.5
- 24 November 2023 (to LBGP)	20.7
- 29 December 2023 (to LBHI)	15
Tier Y	
- 9 September 2025 (to LBHI)	29.3
- 12 September 2025 (to LBGP)	71.1
- 12 September 2025 (to LBGP)	11.4
- 12 February 2026 (to LBHI)	16.4
- 12 February 2026 (to LBGP)	46.1
Total payments under the Framework Agreements	361.5

In the following table, and as with previous updates, illustrative outcomes have been prepared on assumed “Base” and “High” cases. The LBH administrators have used as a starting point the current cash at bank balances as provided to LBH by the other relevant estates and then applied certain assumptions concerning expected future realisations and costs of the relevant Lehman estates.

The LBH administrators consider that the range of outcomes is a reasonable estimate of the likely recoveries to LBH’s subordinated creditors, however, they note that actual recoveries may ultimately be lower than those outlined in the “Base” case or higher than those in the “High” case.

The “Base” case illustrates a further recovery for LBH subordinated creditors of approximately £34.0m (resulting in total recoveries for LBH’s subordinated creditors of £395.5m). The “High” case illustrates a further recovery for LBH subordinated creditors of approximately £51.4m (resulting in total recoveries for LBH’s subordinated creditors of £412.9m).

Estimated funds available for LBH subordinated creditors as at 14 March 2026 (in GBP equivalent)	Note	Base £'m	High £'m
<u>Current cash balances</u>	1		
- LBHI2		26.3	26.3
- LBL		2.7	2.7
- LBH		69.4	69.4
<u>Estimated future recoveries (net)</u>			
LBHI2's recoveries from LBIE	2	-	2.3
LBH recoveries from its equity interest in MBAM Investor Limited ("MBAM")	3	2.1	2.1
LBH assets which were formerly owned by LBIE	4	10.0	13.5
Available cash and future recoveries		110.5	116.3
Overall estimated costs, expenses and other liabilities		(76.5)	(64.9)
Estimated funds available for LBH subordinated creditors		34.0	51.4
Memo: Total recovery for LBH subordinated creditors			
Previously paid to LBH subordinated creditors		361.5	361.5
Estimated future funds available (see above)		34.0	51.4
Total estimated recovery for LBH subordinated creditors		395.5	412.9

Notes:

1. All cash balances are as at 14 March 2026 and are stated in pounds sterling, adjusting for the conversion of any remaining foreign currency balances.
2. Amounts include recoveries from LBIE after deduction for costs and expenses, and after taking account of the Wentworth joint venture structure and the associated financial sharing agreement.
3. Estimated net equity return to LBH from its investment in MBAM, after tax and costs.
4. Recoveries attributable to LBIE's remaining assets were not anticipated to have materialised by the expiry of the LBIE administration and, as all creditor claims had previously been paid in full, LBIE's administrators planned an orderly exit from administration.
 - a. As LBH is the UK group entity expected to remain in administration for the longest period, LBIE agreed to sell its remaining assets (with the exception of its remaining claim for interest from the US Internal Revenue Service) to LBH for consideration of c.£16.5m.
 - b. This transaction was entered into on 3 September 2025 and involved arrangements to take account of the indirect interest which two parties to the Wentworth joint venture also had in recoveries from LBIE's assets.
 - c. The amount included of £10.0m (Base case) and £13.5m (High case) take into account the associated costs and expenses in realising such assets, and certain payments which are required in order to replicate the financial sharing agreement with the Wentworth joint venture parties had the assets been realised by LBIE.

Important notice

The estimated financial outcome has been prepared on the basis of certain simplifying assumptions and has been presented in a summarised form. Accordingly, the administrators of LBH caution creditors against relying on this announcement as a definitive indication of potential returns from LBH or any other Lehman affiliate estates, or as an indication of a minimum or maximum potential recovery.

There are various matters which will have a bearing on what will be the final outcome for stakeholders of the UK Lehman group. These include:

- the quantum of further payments by LBIE to LBHI2, which are dependent on the recovery of its US tax refund claim filed with the Internal Revenue Service;
- the value realised by LBH in respect of the former LBIE assets (including claims into two overseas insolvencies); and
- the quantum of expense liabilities in various UK Lehman estates.

The LBH administrators will continue to consider options to simplify the estate structure and reduce costs, which would ultimately benefit its creditors. The LBH administrators caution that certain matters may take some time to resolve and will impact on the overall duration of the administrations.