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Dolfin Financial (UK) Ltd (in special administration)

30 December 2025 to 29 June 2026

Joint Special Administrators' progress report

Court no: 1111 of 2021

28 July 2026

Contents

Appendices

1. Glossary

Abbreviation	Description
Bar Date	A deadline for Clients to submit their claims in respect of Client Assets
Britannia	Britannia Global Markets Limited – a purchaser of certain Clients' Assets of Dolfin
CASS	The FCA's "Client Assets Sourcebook" rules
CASS Reconciliation	A reconciliation of Client Assets undertaken by the JSAs following their appointment
Client	A party for whom the Company held Client Assets
Client Assets	Client Custody Assets and Client Money
Client Custody Assets / Custody Assets	Securities which the Company had undertaken to hold for Clients at 30 June 2021 (whether or not on trust and whether or not the undertaking has been complied with).
Client Money	Cash balances that the Company held at 30 June 2021 for or on behalf of a Client in the course of, or in connection with any of its businesses as referenced in CASS 7.10.1 and any money that the Company treats as Client money in accordance with the Client Money Rules contained in CASS 7.10. to 7.19
Client Money Rules	CASS 7 and 7A, the provisions for the handling, distribution and transfer of Client Money
Client Money Pool / CMP	The pool of Client Money held on trust by the Company in accordance with the Client Money Rules and which has been pooled in accordance with CASS 7A.2.4 for the purpose of returning the Client Money
Committee	The Clients and Creditors Committee, consisting of the following members: Investors Europe (Malta) Ltd ("IEML") (formerly Dolfin Asset Services Limited ("DASL")) (represented by Mr T Symes of Stewarts Law LLP) RMS Investment Funds SPC (represented by Mr P Theologites) Firestone Financial Assets Ltd ("Firestone") (represented by Mr H Farris of Withers LLP) Chua) Mr Ye Li (represented by Mr N Zang)
Company / Dolfin	Dolfin Financial (UK) Ltd (in Special Administration)
Court	High Court of Justice, Business and Property Courts of England and Wales
Creditor / unsecured creditor	A party owed an amount by the Company, including i) a Client who is not entitled to participate in the Client Money Pool nor entitled to Custody Assets held by the Company; ii) a Client with a shortfall of either Client Money or Custody Assets; iii) any other creditor, which is neither secured nor preferential, who is owed an amount from the Company.
DP / Distribution Plan	A statutory Distribution Plan, pursuant to the Regulations and the Rules, to facilitate the return of Client Custody Assets
DWF	DWF Law LLP, the JSAs' legal advisors, who were previously engaged by Company
Foot Anstey	Foot Anstey LLP, legal advisors to the JSAs since their appointment on certain matters
FCA	Financial Conduct Authority
FSCS	The Financial Services Compensation Scheme
HMRC	His Majesty's Revenue & Customs
House Assets	The Company's own assets
IA 1986	Insolvency Act 1986

Abbreviation	Description
the JSAs	The Joint Special Administrators, being Adam Stephens and Kevin Ley of S&W
Kroll	Kroll Advisory Ltd, instructed by the JSAs as fee assessor in relation to their remuneration
NRF	Norton Rose Fulbright LLP, the JSAs' legal advisors
Objectives	The three statutory objectives of a special administration set out in Regulation 10 of the Regulations, being: Objective 1 – to ensure the return of Client Assets as soon as is reasonably practicable Objective 2 - to ensure timely engagement with market infrastructure bodies, The Bank of England, The Treasury and the FCA pursuant to regulation 13 of the Regulations Objective 3 – to either rescue the Company as a going concern or, alternatively, to wind it up in the best interests of the Company's Creditors
Period	The period of this report, being 30 December 2025 to 29 June 2026
PPE	Primary pooling event
PPM / CAI	Post pooling money / Corporate Action Income comprising any other Client Money received after the PPE on 30 June 2021
Preferential creditor	Claims for unpaid wages earned in the four months before insolvency, up to £800, holiday pay of up to 6 weeks, certain unpaid pension contributions and some HMRC liabilities
Prescribed part	The sum set aside for unsecured creditors from floating charge funds, in accordance with s176a of the IA 1986 and the IA 1986 (Prescribed Part) Order 2003 as applied by Regulation 15. The Prescribed part does not apply in this Special Administration
Proposals	The JSAs' proposals for achieving the Objectives of the Special Administration issued on 17 August 2021 and approved on 2 September 2021
Regulations	The Investment Bank Special Administration Regulations 2011 as amended by The Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017
Residual Client Book / RCB	Clients and their Client Assets remaining held by Dolfin
RPS	The Redundancy Payments Service, being a government department that pays outstanding entitlements to employees in the event their employer is insolvent (subject to statutory limits)
Rules	The Investment Bank Special Administration (England and Wales) Rules 2011
SAR	The Special Administration Regime, to include the Regulations and the Rules
Secured creditors	Creditors with security in respect of their debt, in accordance with s248 IA 1986
Special Administration	The Special Administration of the Company following the Court order dated 30 June 2021
SIP	Statement of Insolvency Practice (England & Wales)
S&W	S&W Partners LLP (Formerly Evelyn Partners LLP) Includes the former Tilney Discretionary Portfolio Management Ltd's Investment Operation Team ("Tilney") which provided advice and assistance in relation to the initial CASS reconciliation of Dolfin's Client Assets

2. Introduction

This report provides an update on the progress of the Special Administration for the six-month period ended 29 June 2026.

It should be read in conjunction with all previous reports and the Proposals. To date, there has been no deviation from the strategy outlined in the approved Proposals.

The JSAs reported in the previous progress report details of the hearing which took place in October 2025 (“the Hearing”). Please refer to the previous progress report for full details of the applications made by the respective parties which were heard at the Hearing.

Judgment was handed down, by Deputy Judge Christopher Pymont KC, on 12 January 2026 (the “Judgement”) in respect of the JSAs’ directions application and Firestone’s directions application (together the “Applications”), and an Order (the “Order”), dated 13 January 2026 was subsequently agreed between the parties and approved by the Judge. A sealed copy of the Order was received on 28 January 2026, a copy of which can be found on the website **https://www.swgroup.com/services/restructuring-and-recovery-services/dolfin-financial-uk-ltd-in-special-administration**.

The key outcome from the Judgment, as reflected in the Order, is that the JSAs were directed, by 31 January 2026, to:

a. Declare an interim distribution of 90% of the Client Money held by the Company (the “Interim Distribution”); and

b. Pay the Interim Distribution to two Clients: Firestone and IEML.

The JSAs declared the Interim Distribution of 90% of Client Money on 28 January 2026 and paid the required distributions to Firestone and IEML once each had duly satisfied the JSAs’ due diligence requirements in accordance with the relevant legislation and the terms of the Order.

In line with the terms of the Order, the JSAs contacted all other Clients eligible to receive the Interim Distribution to ascertain whether they wanted to pay costs attributable to Client Custody Assets from the Client Money and / or PPM held by the Company to which they were entitled. Where Clients have confirmed that they wish to receive their Interim Distribution, the JSAs have proceeded to make payments in line with the payment instructions received. Payment of the Interim Distribution remains subject to Clients providing the JSAs with such documents and information as the JSAs are required by law to obtain to ensure compliance with the UK Anti-Money Laundering and Anti-Terrorist Financing Regime, the UK Sanctions Regime and the Proceeds of Crime Regime, and bank details to the JSAs in order to receive the funds.

A hearing was listed for 20 March 2026 (the “Consequentials Hearing”), with a time estimate of one day, to determine consequential matters arising from the Applications, as well as other applications issued by Firestone. The main outcome for present purposes is that the JSAs may not recover any costs incurred in connection with either the JSAs Application or the interim distribution aspect of Firestone’s Application from Company or Client Assets (being Client Money, Custody Assets and any Corporate Action Income). Instead, the JSAs must bear those costs themselves, including the costs awarded to Firestone and IEML pursuant a further order of the Court dated 20 March 2026 (a sealed copy of which was received on 15 July 2026) and the accompanying Judgement of Deputy Judge Christopher Pymont KC dated 24 April 2026 (the “Consequentials Judgement”). The Court has, however, awarded the JSAs certain costs in relation to the paragraph 74(2) of Schedule B1 of the IA 1986 application (the “Para 74 Application”), which formed part of Firestone’s Application. Further details are provided in section 3.1.1.3.

In addition to paying the Interim Distribution of Client Money and PPM to a number of Clients, a significant amount of time has also been spent during the Period preparing the DP, which sets out the basis on which the Client Custody Assets are to be returned to Clients. Having shared the draft DP with the FCA and FSCS in April 2026, the JSAs sent the draft DP to the Committee on 1 May 2026. Since that time the JSAs have received comments and feedback from Committee members, including following a meeting with the Committee on 12 June 2026. The process of engaging with the Committee and considering that feedback remains ongoing. The JSAs anticipate submitting the DP to court within the next reporting period. This process has taken longer than originally anticipated due to the ongoing engagement with the Committee regarding various aspects of the DP. The JSAs are keen to ensure, insofar as possible, that the DP presented to the Court takes account of the Committee’s feedback wherever it is practical and appropriate to do so.

In the Period the JSAs have undertaken work to:

- Prepare, process and pay the Interim Distribution of Client Money and PPM where payment instructions and the required due diligence has been received from Clients;

- continue to engage with lawyers and counsel in relation to the preparation of a DP to enable the return of Client Custody Assets;
- sought to engage a sub-custodian who will carry out a valuation of Client Custody Assets and work with the JSAs to liquidate/sell Client Custody Assets where required;
- investigate potential claims that impact on the return of Client Monies, working with both DWF/NRF and counsel to determine the process for moving forward;
- address all Client queries received;
- addressed the outcome of the Applications and make payments to Firestone and IEML of their costs and refunded the Dolfin estate for costs incurred in relation to the Applications that were disallowed;
- lodged an application for permission to appeal (the "PTA Application") in relation to a specific ruling in the Consequentials judgement, although the PTA Application was subsequently withdrawn following an amendment to the Consequentials Judgement by the Judge;
- provide assistance to various regulatory bodies in relation to their ongoing queries into the conduct of Dolfin and its office holders;
- pursue sales of Dolfin's few remaining assets and recover other amounts owed;
- investigate and consider whether any claims may be brought by the JSAs;
- continue to safeguard and reconcile all Client Assets; and
- fulfil all statutory and best practice requirements in relation to the Special Administration.

Further detail in respect of work undertaken to date is detailed below and in the appendices.

3. Progress of the Special Administration

This section provides Clients and Creditors with an update on how the JSAs have been pursuing the strategy of the Special Administration with a view to achieving the Objectives, focusing on progress made during the Period.

3.1 Objective 1 – Returning Client Money and Client Custody Assets as soon as reasonably practicable

3.1.1 Outcome of Hearings relating to directions applications

3.1.1.1 Judgment and Order

Following the Hearing which took place between 28-30 October 2025, the Judge issued the Judgment and an Order was agreed between the parties and approved by the Judge. A sealed copy of the Order was received on 28 January 2026 and is available on the JSAs Dolfin website.

The Judgment deals with the following applications:

1. **The JSAs' application for directions (the "JSAs' Application")**
   The JSAs sought various directions from the Court intended to help them move forward with returning Client Assets to clients; and
2. **Firestone's application for directions (the "Firestone Application")**

   Firestone, a client of Dolin, issued an application seeking the following:

   i. an order for the JSAs to make an interim payment of 90% of Client Money (the "Interim Distribution Application"); and

   ii. a declaration that the JSAs had not carried out their duties as quickly or efficiently as they reasonably should have, under paragraph 74(2) of Schedule B1 to the IA 1986 (the "Para 74 Application").

<u>The Order is legally binding and requires the JSAs to take certain actions. These actions have important implications for Dolfin and its Clients and the JSAs encourage all Clients to read the below carefully. If you have any questions, you should contact dolfin@swgroup.com.</u>

The Order directs the JSAs to declare and the Interim Distribution. The Court did not make any declaration that the JSAs had failed to carry out their duties quickly or efficiently, as sought by Firestone pursuant to the Para 74 Application, nor did the Court grant the directions sought by the JSAs pursuant to the JSAs Application. A copy of the Judgment is available upon request.

Pursuant to the Order, Clients had the option to use part of their Client Money to which they are entitled to meet costs relating to their Client Custody Assets.

3.1.1.2 Interim Distributions

In line with the Order, the JSAs declared the Interim Distribution of 90% of Client Money on 28 January 2026 and paid the distribution to Firestone and IEML once they had duly satisfied the JSAs' due diligence requirements.

On 11 March 2026 IEML issued an application seeking directions that:

i. the JSAs make an interim distribution to IEML of 90% of Client Money held by Dolfin for IEML; and

ii. the JSAs were in breach of paragraph 3(b) of the Order

(the "IEML Application"). The JSAs proceeded with the interim distribution to IEML once they were satisfied that IEML had complied with the due diligence requirements. IEML agreed to withdraw the IEML Application on the basis that its costs were paid without recourse to the estate or to Client Money or Custody Assets.

In February 2026, the JSAs wrote to all Clients who are eligible to receive an Interim Distribution requesting confirmation as to whether they wish for the JSAs to retain their Client Money/PPM balances to be put towards to their Client Custody Asset costs. Where Clients elected to receive the Interim Distribution, an Instruction Form was provided in which Clients could provide payment instructions and copies of the due diligence documentation required prior to the JSAs issuing payments.

If you have not yet submitted your Instruction Form and would like to receive an Interim Distribution of Client Money and/or PPM, please return the form as soon as possible. The JSAs are continuing to process form as they are received. If you believe you have a claim for Client Money and / or PPM but have not received a letter, please contact the JSAs by email at dolfin.transfers@swgroup.com or call +44 2046 175500.

3.1.1.3 Consequentials Hearing

A Consequentials Hearing took place on 20 March 2026 to determine consequential matters arising from the Judgement and to consider the applications issued by Firestone pursuant to Rule 202 of the Rules (the "Firestone R202 Applications"). An order was subsequently agreed between the parties and approved by the Judge. A sealed copy was received on 15 July 2026 (the "Consequentials Order").

The main outcome of the Consequentials Hearing, pursuant to the Consequentials Order and the accompanying Consequentials Judgement, is that the JSAs may not recover any costs incurred in connection with either the JSAs Application or the Firestone Application from the Company or Client Assets (being Client Money, Custody Assets and any Corporate Action Income). Instead, the JSAs must bear those costs personally, including the costs awarded to Firestone and IEML pursuant to the Consequentials Judgment. The Court has, however, awarded the JSAs certain costs in relation to the Para 74 Application.

The Para 74 Application, and Firestone R202 Applications have, further to the Consequentials Order, been stayed, though Firestone may apply to restore the applications after the Court's approval of the Distribution Plan, or after three months from the date of the Consequentials Order, whichever is sooner.

A summary of the disallowed costs in respect of the JSAs Application and the Interim Distribution Application is provided below:

	Custody Assets	Client Money	PPM	Britannia	House	Total
Legal fees	644,058	629,081	104,846	59,912	59,912	1,497,810
Counsel costs	259,414	285,882	40,588	20,294	29117	**635,294**
JSAs' fixed fee	48,763	10,907	3,850	1,925	20,852	**86,297**
Total	**952,235**	**925,870**	**149,284**	**82,131**	**109,881**	**2,219,401**

The above figures are shown inclusive of VAT

The JSAs have also settled the following costs in line with the Consequentials Order and the Consequentials Judgment:

Party	Costs paid	Comments
IEML	405,000.00	
Firestone	470,000.00	Less costs ordered against Firestone of £39,000

The above figures are shown exclusive of VAT

Clients and creditors of Dolfin who wish to obtain a copy of the Consequentials Judgment should email dolfin@swgroup.com.

3.1.1.4 Consequentials Hearing - Appeal

On 15 May 2026 the JSAs issued the PTA Application to the Court of Appeal seeking permission to appeal certain aspects of the Consequentials Judgment, in particular paragraph 7(c) of the Consequentials Judgement (as originally handed down). The PTA Application concerned the Court's finding that the JSAs are required to apply to the Court for recoupment of costs and expenses before such costs may be paid from the relevant estates.

The JSAs did not seek to appeal any other aspects of the Consequentials Judgment.

The JSAs considered that the wording of paragraph 7(c) of the Consequentials Judgement (as originally handed down) could have important, and costly, implications for the conduct of the Special Administration.

On 3 June 2026 the Court of Appeal granted the JSAs permission to appeal the relevant aspect of the Consequentials judgement. However, Deputy Judge Christopher Pymont KC subsequently confirmed, in response to representations made by the JSAs, that paragraph 7(c) of the Consequentials Judgement could, on its literal interpretation, be taken to mean that the JSAs (and by extension insolvency officeholders generally appointed in other insolvency cases, including outside of the special administration context) were required to apply to Court before costs and expenses could be paid from the estate(s) under their control. The Judge therefore amended the Consequentials Judgement and the amended version was handed down on 22 June 2026 (the "Revised Consequentials Judgement").

In the Revised Consequentials Judgment the Judge accepted that he had the power to revisit paragraph 7(c) of the Consequentials Judgment and that he ought to do so, given that particular ruling could have been construed to apply to costs and expenses more generally than he had intended. The Judge confirmed that the only issue he had intended to address in making this ruling was the Court's power to disallow recoupment by administrators of the costs of unsuccessful litigation. The Revised Consequentials Judgement reflects this position.

The JSAs consider that the Revised Consequentials Judgement represents a satisfactory outcome for Clients and the future conduct of the Special Administration more generally. The amendments made in the Revised Consequentials Judgement means that the JSAs will not be required to make potentially multiple, costly applications to the Court for approval before drawing properly incurred costs and expenses, which would otherwise have diverted resources away from the return of Client Assets and increased the level of expenses to be borne by Client Assets. The clarification therefore avoids the prospect of future Court applications, delivers a meaningful costs-saving for Clients, and allows for a more efficient and cost-effective conduct of the Special Administration.

Following the hand down of the Consequentials Judgement and receipt of the Consequentials Order, the JSAs are in the process of withdrawing the PTA Application.

The JSAs costs of, and occasioned by, the PTA Application and attending to the above described matters following the Consequentials Hearing are legal fees of £110,523, plus VAT and counsel's fees of £9,245, plus VAT.

Pursuant to paragraph 13 of the Consequentials Order, these costs are to be treated as an expense of the Dolfin's Special Administration, which have been incurred in performance of the JSAs functions and are payable from the assets of the Company.

3.1.2 Return of Client Assets and Distribution Plan strategy

Client Custody Assets

The JSAs have been working with their legal advisers to finalise the DP, following the Hearing and the Judgement. As described above, the JSAs sent a copy of the draft DP to the Committee on 1 May 2026 (an earlier draft having previously been sent to the FCA and FSCS for their review in April 2026). The JSAs are continuing to liaise with the Committee to seek to agree the form of DP for the return of Client Custody Assets. This has taken longer than anticipated due to the JSAs ongoing engagement with the Committee. The JSAs are committed to ensuring that the application for approval of the DP is submitted to Court as soon as reasonably practicable.

The JSAs have also been seeking to engage a sub-custodian who will provide valuation services and will assist with the transfer/liquidation of assets once the DP has been approved. The JSAs have carried out due diligence on the sub-custodians under consideration to satisfy CASS 6.3.2 and have reported to the FCA in this regard. It is anticipated a sub-custodian will be appointed shortly.

Once the DP is approved the JSAs will be in a position to return Client Custody Assets.

Clients should note that, in light of the value of certain Client Custody Assets and the costs associated with returning them, outcomes for Clients will vary. It is likely to be the case for many Clients that there will only be a limited return, or no return, once costs have been applied.

At present the JSAs are unable to estimate when Custody Assets will be returned to Clients, as this will be subject to the approval of the DP by the Court. An update will be issued on the website
https://www.swgroup.com/services/restructuring-and-recovery-services/dolfin-financial-uk-ltd-in-special-administration
as soon as the next steps and anticipated timing for approval of the DP have become clearer.

Client Money

The JSAs declared the Interim Distribution on 28 January 2026 and paid the distribution to Firestone and IEML once they had duly satisfied the JSAs' due diligence requirements, as per the relevant anti money laundering legislation and the terms of the Order.

The JSAs wrote to all Clients with a Client Money balance in February 2026 to seek confirmation as to whether they wish to use their Client Money to pay their contribution to Client Custody Asset costs. Where Clients opted to receive their Client Money balance immediately, an Instruction Form was provided to them by the JSAs which requested payment instructions as well as other necessary documentation to satisfy the relevant legislation as outlined in section 3.1.1.2.

The JSAs have distributed 60% of Client Money during the Period. A further 11% of Client Money was distributed shortly after the reporting Period bringing the total distributed to 71%.

The JSAs continue to liaise with Clients where further information is required prior to the distribution being processed. If you have not yet submitted your Instruction Form, please do so as soon as possible and the JSAs will look to process your distribution once all required information has been received.

PPM

The Consequentials Order and the Revised Consequentials Judgement did not contain any directions in relation to the distribution of PPM. The JSAs have, however, declared an interim distribution of 70% of PPM and wrote to all Clients in February 2026 to request payment details and documentation to satisfy the relevant legislation as outlined in section 3.1.1.2.

The JSAs have distributed 58% of PPM during the reporting period.

The JSAs continue to liaise with Clients where further information is required prior to the distribution being processed. If you have not yet submitted your Instruction Form, please do so as soon as possible and the JSAs will look to process your distribution once all required information has been received.

3.1.3 Client Statements

The JSAs are continuing to seek engagement from those Clients who have yet to approve their Client Statement, although progress has been limited during the Period as a result of a lack of responses from Clients.

The position in respect of unresponsive Clients has been carefully considered by the JSAs, in conjunction with their legal advisors. These steps to be taken in relation to such Clients are expected to form part of any future application to Court for a Hard Bar Date, which is likely to be made by the JSAs prior to the closure of the Special Administration.

The JSAs urge any Client who has not yet completed their form to contact dolfin@swgroup.com.

3.1.4 Safeguarding and reconciling Client Custody Assets and Client Money

The JSAs continue to operate post Special Administration bank accounts, in accordance with CASS rules, to segregate PPM received and perform CASS reconciliations, as required. The JSAs regularly liaise with Dolfin's sub custodians and banks to ensure Client Custody Assets and Client Money are safeguarded and correctly reconciled.

All Client Money balances and PPM received are held in originating currencies and balances will be returned to Clients in the currency held. PPM are funds received in relation to Client Custody Assets held, such as dividends and maturity proceeds, with the funds held in segregated bank accounts.

3.1.5 Maintaining critical operations

As at the date of this report, the JSAs continue to engage the services of four consultants to assist the JSAs to:

- maintain IT systems;
- secure and reconcile Client Assets and account for PPM;
- liaise with the FCA, FSCS and certain other public bodies;
- search and review Dolfin's archive records; and
- communicate with Clients.

In order to maintain Client Assets and historic data the JSAs retain several IT systems that require ongoing support from a number of IT providers.

The JSAs continue to monitor costs and eliminate them when appropriate. These efforts continue to be hampered by Dolfin's historic reliance on the legacy investment management software and maintenance of the underlying data.

3.1.6 Client Communications

The JSAs continue to communicate with Clients, their appointed advisors and Creditors via the Dolfin website, emails and by direct contact.

The JSAs will post updates onto the website as and when material issues arise, or when there is material progress to report on. The web address is **https://www.swgroup.com/services/restructuring-and-recovery-services/dolfin-financial-uk-ltd-in-special-administration.**

Future documents in relation to the Special Administration are also made available for viewing and downloading at **https://www.ips-docs.com/.** To access these documents:

1. Click the padlock symbol or 'login'
2. Enter the case name: Dolfin Financial (UK) Ltd ~ (In Special Administration) ~ S&W Partners LLP
3. Enter the unique ID: Dolf1n2021 and click login
4. You will then be presented with case information and a list of documents to choose from and when you choose a document, you will be sent an email link to allow you to open it.

Once you have access to the IPS portal you are able provide your contact email address which will ensure you receive notice whenever a new document is uploaded.

Finally, Clients are also able to contact the JSAs by email at **dolfin@swgroup.com.**

3.1.7 Client Assets – Britannia

On 12 July 2021, the JSAs completed a sale of certain Client contracts to Britannia. All possible transfers to Britannia were completed where valid transfer instructions were provided within a reasonable time frame. The JSAs believe deferred consideration remains outstanding from Britannia and are considering the next steps for recovery of the debt owed.

3.1.8 Costs of returning Client Assets

The SAR provides that Objective 1 costs associated with the return of Client Custody Assets are to be paid out of Client Custody Assets. The CASS rules specify that the costs attributable to the distribution of the Client Money are to be paid out of the CMP and the costs of dealing with PPM will be deducted from PPM balances held.

Should there be surplus House funds, Clients may receive a distribution in relation to unsecured claims in the Special Administration for the costs of returning Client Assets. The JSAs will consider this at the appropriate juncture, based on House realisations available.

FSCS has determined that the conditions are not met for FSCS to exercise its discretion to fund the Objective 1 costs in relation to any of Dolfin's Clients. This means Dolfin's Clients will be required to fund the costs of transferring their own Client Assets, although they may be eligible for compensation from FSCS in relation to these costs. Please see section 3.2.2. for further details.

3.1.9 Consulting with the Committee

There has been significant interaction with the Committee during the Period in relation to the DP and the outcome of the Applications.

The JSAs provided their proposed draft of the DP to the Committee on 1 May 2026, which incorporated input received from the FCA and FSCS. The Committee sought an extension to the review period which was agreed by the JSAs. A Committee meeting was held on 12 June 2026 at which the JSAs presented the costs and proposed methodology for the return of Client Custody Assets to the Committee and invited further discussion.

The Committee has not yet approved the proposed DP and the JSAs are considering the Committee's further comments and proposals. The JSAs will continue to liaise with the Committee in an attempt to seek an agreeable form of DP for all parties that can be presented to the Court. The JSAs welcome the Committee's engagement.

This process has taken longer than the JSAs anticipated due to the JSAs ongoing engagement with the Committee, including consideration of the comments received and continuing discussions regarding certain aspects of the DP.

The JSAs will continue to liaise with the Committee with a view to obtaining Committee approval in respect of the DP. The JSAs welcome the Committee's engagement throughout this process.

3.2 Objective 2 – Engagement with market infrastructure bodies

3.2.1 FCA

The JSAs continue to liaise with the FCA in relation to their strategy for achieving the Objectives of the Special Administration, the transfer of Client Assets (development of a DP, transfer agreement and cost allocation model), Client positions, regulatory compliance matters and statutory reporting requirements.

The FCA have been kept apprised of matters following the Judgment and the Consequentials Judgement. The JSAs also continue to liaise with the FCA in relation to the DP. The FCA has provided input and guidance on the JSAs' proposed DP. The JSAs continue to engage with the FCA on the contents of the DP, which continues to evolve to incorporate comments from the Committee and FSCS (where appropriate) prior to its submission to court.

3.2.2 FSCS

FSCS determined that the conditions are not met for it to exercise its discretion to fund the Objective 1 costs in relation to any of Dolfin's Clients. Accordingly, Dolfin's Clients will be required to fund the costs of transferring their own assets.

FSCS is not currently inviting claims in respect of Dolfin. However, FSCS published a summary of its expected coverage position in relation to Dolfin on 10 February 2026. This summary sets out which clients may be eligible for compensation from the FSCS, and which elements of the Special Administration costs incurred for the return of Client Money and Custody Assets the FSCS is likely to cover, and which it is not. Please note that these arrangements may be revised depending on the provisions of the final DP, once approved by the court, and any relevant points arising from the court's judgment.

In terms of the Interim Distribution, the FSCS has stated that it does not regard the Interim Distribution as crystallising customer losses in respect of Client Money. FSCS considers that customer losses will only be finalised once the DP has been approved by the court, clients have paid the costs for the return of Custody Assets, and the final amount of Client Money to be distributed, as well as the final costs to be deducted, are known. Accordingly, Clients will not be invited to apply for compensation to FSCS in respect of the costs associated with the Interim Distribution of Client Money at this stage.

The JSAs provided the FSCS with their initial proposed DP and incorporated its comments where appropriate. The JSAs will continue to liaise with the FSCS in relation to the DP.

3.3 Objective 3 – Rescue the investment bank as a going concern or wind it up in the interests of creditors

As a result of the potential indebtedness of Dolfin and restrictions imposed by the FCA, as a consequence of compliance failures, it was not possible to rescue the Company as a going concern and / or effect a sale of its shares. The JSAs continue to focus on winding up the affairs of Dolfin in the best interests of its Clients and Creditors, in accordance with the Proposals.

3.4 House Assets

House Assets are those assets owned by Dolfin as opposed Client Assets (i.e. those assets which are held on trust for Clients). Proceeds from the sale of House Assets are used to pay, in the following order, the expenses of the Special Administration relating to the pursuit of Objectives 2 and 3, preferential debts and ordinary unsecured creditors.

It is anticipated that funds realised from House Assets will be sufficient to cover the expenses of the Special Administration in full. Any deficiency in House Assets is not recoverable from Client Assets. The JSAs therefore contemplate that there may be sufficient funds to enable a distribution to preferential and, possibly, unsecured creditors.

At the date of this report, the JSAs have realised House Assets totalling £9,521,149.81 as shown in the Receipts and Payments account at Appendix I.

4. Receipts and Payments

Attached at Appendix I is the JSAs' receipts and payments account for the Period. This account includes cumulative figures for the whole of the Special Administration from 30 June 2021 to 29 June 2026 and a comparison with the directors' Statements of Affairs values.

Please note that all balances presented in the Receipts & Payments account at Appendix I are shown inclusive of VAT, which is only partially recoverable in this matter.

4.1 Receipts

The following monies have been received in the Period:

- gross bank interest of £483,422.73.
- Court-Ordered legal fees for costs incurred by the JSAs in relation to the Para 74 Application of £39,000, payable by Firestone.
- Court-Ordered counsel fees in relation to the Hearing of £641,647.04. These costs had previously been settled by the JSAs utilising House funds prior to the Hearing and they have therefore been refunded during the Period by the JSAs, pursuant to the Consequentials Order.

4.2 Payments

In this Period, the JSAs have provided the full breakdown of payments between the different classes of asset pools which will bear the respective costs of the Special Administration that have been incurred, being:

- Client Custody Assets;
- Client Money;
- PPM / Corporate Action Income;
- Client contracts transferred to Britannia; and
- House / Company.

The key payments made in the Period, inclusive of VAT, are as follows:

- Consultants' monthly payments of £124,635.00, consultants' expenses of £530.54 and IT support costs of £71,992.92, which are apportioned between Custody Assets, Client Money, PPM and House / Company. These are payments in relation to maintaining Dolfin's ongoing structures and systems for holding Client Assets and data;
- Custodian and bank charges totalling £34,662.21 and £22.35 respectively, the former of which are costs arising in relation to holding Custody Assets and receiving PPM only;
- Counsel costs totalling £1,380, which have been charged in relation to the JSAs' Application, the Interim Distribution Application, the Firestone R202 Applications and the Hearing; and
- Corporation Tax totalling £415,365.50.

5. Costs of the Special Administration

As noted in earlier reports, the professional costs of the Special Administration to date can be split into the following three categories:

- Pre-Special Administration costs incurred by S&W and DWF;
- Post-appointment remuneration; and
- Post-appointment expenses and disbursements (to include category 1 and category 2 disbursements).

Further detail in respect of these costs is provided below.

5.1 Pre-Special Administration costs

As previously reported, the Committee approved S&W's pre-appointment costs of £195,694.04 plus VAT, as well as DWF's pre-appointment costs of £70,337 plus VAT and disbursements of £17,333 plus VAT. These costs have been paid in full.

5.2 Post-Special Administration costs

5.2.1 Basis of the JSAs remuneration

In July 2024, the Committee approved the JSAs' remuneration on the following bases:

- As a fixed fee in relation to Objective 1 costs arising in relation to Client Custody Assets, Client Money and PPM, which will be paid out of Client Assets:
  - Client Custody Assets approved as a fixed fee of £3,835,000, plus VAT
  - Client Money Claims approved as a fixed fee of £895,000, plus VAT
  - Corporate Action Income received post Special Administration approved as a fixed fee of £490,000, plus VAT
- On a time cost basis in relation to work undertaken in relation to the sale of certain Client contracts to Britannia, estimated at £416,827, plus VAT; and
- On a time cost basis in relation Objectives 2 and 3, estimated at £2,404,533, plus VAT, which will be paid out of House Assets.

<u>The JSAs have provided details below of the time costs for transparency. For the avoidance of doubt however, any time incurred in excess of the agreed fixed fees will not be recovered by the JSAs.</u>

A guide for creditors on insolvency practitioners' fees in administration is available at **www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx**. Please note that this guide is not wholly relevant to the special administration regime for investment banks, such as Dolfin.

The JSAs have previously provided our guide for creditors in respect of insolvency practitioners' fees in Special Administration, however, please note that this is now available for download at **https://www.swgroup.com/media/bwunhewi/client-and-creditors-guide-to-fees.pdf.**

Should you require a paper copy of these documents please email **dolfin@swgroup.com** and it will be sent to you at no cost.

5.2.2 The JSAs' time costs to 29 June 2026

During the Period the JSAs incurred total time costs of £1,014,682.18 which represents 1,364.3 hours at an average charge out rate of £743.74 per hour.

Appendix II sets out a detailed analysis of the time costs by reference to the grade of staff used and work done. The information is provided in accordance with SIP 9. A detailed narrative of the tasks undertaken in respect of each work activity is also set out within Appendix II.

Attached at Appendix III is a cumulative time analysis for the whole of the Special Administration from 30 June 2021 to 29 June 2026, which provides details of the JSAs' time costs since appointment. Also attached is a breakdown of the time incurred in relation to each of Client Custody Assets, Client Money, PPM (also referred to as CAI), the Britannia sale and House costs.

The JSAs have not yet drawn any post appointment fees. Any fees drawn will be in line with the fee approval obtained from the Committee, as detailed in section 5.2.1. As noted above, <u>any time incurred in excess of the agreed fixed fees set out in 5.2.1 will not be recovered by the JSAs.</u>

Clients and Creditors should be aware that some work is required by statute and may not necessarily provide any financial benefit to Clients and Creditors. Examples include dealing with former employees' claims through the Redundancy Payments Service and providing information relating to the Company and its former officers as required by the Company Directors' Disqualification Act 1986.

Details of S&W's current charge out rates, as well as policies in relation to the use of staff, are provided at Appendix IV.

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

5.2.3 The JSAs' disallowed costs in relation to the JSAs Application

In addition to other costs disallowed, the Consequentials Order and the Consequentials Judgement disallowed the JSAs own costs in relation to the JSAs Application.

As part of the work undertaken by Kroll, as fee assessor, the JSAs provided details of the proportion of the fixed fee allocated to deal with the JSAs Application. These amounts (shown in the table in section 3.1.1.3 above) will not be paid when the JSAs are in a position to draw their remuneration. With regard to remuneration in relation to Britannia and the House estate, these are calculated on a time costs basis and details of the quantum of time incurred in this regard has been set out in the re-stated cumulative SIP 9 analysis to 29 December 2025 in Appendix III, as well as in the table showing how costs are apportioned between the different asset classes, also shown in Appendix III. Similarly, the JSAs will not seek to recover these time costs incurred.

Clients will note that the JSAs have incurred significantly greater time costs than were initially estimated in 2023, and these costs will not be recovered.

5.3 Expenses

5.3.1 Consultants & IT services expenses

During the course of the Special Administration the JSAs have retained the services of a number of contractors, presently four, to provide support to maintain Dolfin's Client Asset framework. The JSAs have also engaged a number of IT support services and software providers to also enable the JSAs to retain Client data necessary for the Special Administration and the achievement of Objective 1.

Their costs are detailed in Appendix V.

5.3.2 Professional advisors' fees and expenses

During the Period the JSAs continue to engage a number of professional advisors and agents. Appendix VI details the basis on which these advisors were engaged and the JSAs' fee arrangement with each (which is subject to review on a regular basis) and the costs incurred to date.

Further counsel fees, which remain unpaid, have also been incurred in the Period in connection with the Applications and such fees will not be charged to Dolfin or Client Assets.

Most expenses have been settled in full to date and are shown in the receipts and payments account against the asset class that will bear each cost. The notable exception to this is DWF/NRF's fees, which largely remain unpaid. Their fees incurred to 29 June 2026 will be apportioned to the following asset classes (exclusive of VAT):

	Client Custody Assets (£)	Client Money (£)	Post Pooling Monies (£)	Sale of Client Assets to Britannia (£)	House / Company (£)	Total (£)
Incurred to date	1,600,641	82,251	114,497	72,825	1,241,443	**3,811,657**
Paid to date	(87,583)	(2,750)	-	(343)	(232,500)	**(323,176)**
Disallowed	(536,715)	(524,234)	(87,372)	(49,927)	(49,927)	**(1,248,174)**
Outstanding	**976,343**	**255,267**	**27,125**	**22,555**	**959,017**	**2,240,307**

It should also be noted that some of counsel's costs incurred in the period were in relation to the directions applications and will not be charged to the Dolfin estate.

5.3.3 Disbursements

From time to time it may be necessary for the JSAs to pay certain expenses relating to work being undertaken. The JSAs are permitted to charge and recover such disbursements which are classified as either category 1 or category 2 disbursements.

Category 1 disbursements are expenses paid by the JSAs to third parties and are recoverable without approval. These are included in Appendix VII.

Category 2 disbursements are internal expenses incurred by the JSAs that include an element of allocated costs or a profit element. Category 2 disbursements are subject to the same approval as the JSAs' remuneration. The only Category 2 disbursements incurred are in relation to the engagement of the JSAs' Investment Operations Team (Tilney) to assist with our initial CASS reconciliation exercise. No further costs have been incurred in this Period, as shown at Appendix VIII.

The Committee have approved these Category 2 disbursements.

6. Investigations

The JSAs' investigations remain ongoing, and the JSAs continue to provide information and assistance to certain regulatory authorities, as and when required. These matters remain confidential.

Further investigations remain ongoing as to potential claims available in connection with the Tier 1 Investor Visa scheme operated by Dolfin.

Clients and Creditors are urged to come forward with any information which might assist the JSAs in making recoveries.

7. Estimated Outcome

7.1 Clients

It remains the intention of the JSAs to return Client Assets in full, subject to any deductions that may be required to pay the associated costs of returning them. In light of the value of certain Client Custody Assets and the costs associated with returning them, outcomes for Clients may vary. It is likely to be the case for many Clients that there will only be a limited return, or no return, once costs have been applied.

The JSAs, in accordance with the Order, have declared an Interim Distribution of 90% of Client Money. Alongside the Interim Distribution, the JSAs have also declared an interim PPM distribution of 70%.

Clients who have not yet submitted their Instruction Form with payment instructions and required due diligence documentation should do so as soon as possible in order that the JSAs can process the Interim Distributions of Client Money and PPM.

The JSAs, alongside their legal advisers, are also preparing the DP for the return of Client Custody Assets. It had been anticipated that the DP would be filed within the Period. However, following the initial draft being provided to the Committee, who represent the interests of all Clients and Creditors, on 1 May 2026, and the Committee meeting held on 12 June 2026, the JSAs are continuing to engage with the Committee in relation to the DP and, as such, the JSAs are not yet in a position to file the application for the approval of the Distribution Plan with the Court.

The JSAs urge clients to monitor the Dolfin website referenced earlier in this report, as interim updates will be made available as and when required.

7.2 Creditors

7.2.1 Secured creditors

The JSAs are not aware of any secured creditors. The JSAs issued formal notice to all known parties who may be in a position to assert security over Dolfin's Client Assets during the Period and no response was received prior to the deadline.

7.2.2 Preferential creditors

The JSAs are aware of the following preferential creditors in respect of:

- Employee claims: RPS submitted a claim of £27,984.40; and
- HMRC: A secondary preferential claim for £170,014.02.

Based on realisations to date, as well as those forecast, the JSAs consider there may be sufficient funds available to pay a distribution to the primary and secondary preferential creditors.

7.2.3 Unsecured creditors

The JSAs are aware of the following unsecured creditors in respect of:

- Employee claims:
- Trade and expense creditors;
- HMRC; and
- Clients in relation to the costs incurred by them for the return of their Client Assets, which will crystalise at the point their assets are returned. These claims will automatically be noted by the JSAs, so there is no need to complete a claim form in relation to such claims.

Creditors who have yet to register their claims may do so by completing and returning the form available at **https://www.swgroup.com/services/restructuring-and-recovery-services/dolfin-financial-uk-ltd-in-special-administration/**.

8. Outstanding matters

The remaining actions to be concluded in the administration are as follows:

- Payment of the 90% Interim Distribution of Client Money and the 70% interim distribution of PPM, as well as payment of a final distribution of both;
- Finalisation of a DP, in conjunction with the JSAs' legal advisers and ongoing communications with the Committee;
- Seeking approval of the DP from Court, following which the JSAs will be in a position to commence distributions of Client Custody Assets;
- Tracing the small number of Clients who are yet to actively engage to verify their Client Statement and lodge a claim in the Special Administration;
- Concluding investigations into the Company's affairs, the actions taken by former management and pursuing claims, where appropriate, in relation to any potential causes of action identified;
- Continuing to comply with any formal information requests, to the extent that the JSAs are obliged to do so;
- Dealing with Dolfin's ongoing Corporation Tax and VAT obligations;
- Realising any further assets identified, including recovering the deferred consideration due from Britannia;
- Seeking Court approval for a Hard Bar Date prior to closure of the Special Administration; and
- Issuing six monthly progress reports, and the final report when the Special Administration can be closed.

9. Privacy and data protection

As part of the JSAs' role, we may need to access and use data relating to individuals. In doing so, the JSAs must abide by data protection requirements. Information about how personal data will be used and stored in relation to insolvency appointments can be found at **https://www.swgroup.com/legal-regulatory-and-compliance/privacy-notices/privacy-notice-sw-restructuring-and-recovery-services/.**

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact the JSAs if you believe this applies.

10. Duration and exit from the Special Administration

As set out previously, a special administration does not automatically end after 12 months.

Once the JSAs consider that the Objectives of the Special Administration have been met, it may be concluded by either:

- Making an application to the Court under Regulation 20 and paragraph 79 of Schedule B1 to the IA 1986 (as incorporated into the Regulations) and seeking any order necessary (which may include a request to place the Company into liquidation); or
- Filing a notice with the Court and Registrar of the Company's dissolution.

As stated previously, there is no prospect of the investment bank being rescued as a going concern. At this stage, it is not possible to provide a definitive timescale for the duration of the Special Administration.

11. Creditors' rights

Within 21 days of the receipt of this report, an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the JSAs provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the JSAs' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the administrators, as set out in this report, are excessive. These rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with the JSAs' conduct, please contact Adam Henry Stephens or Kevin Ley in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gov.uk

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

12. Next Report

The JSAs remain focused on returning Client Assets as quickly as possible and will notify stakeholders of any material developments on that matter as soon as practicable.

The JSAs are required to provide a progress report within one month of the end of the next six months of the Special Administration. In the meantime, updates to Clients will also be provided, as and when appropriate, and uploaded to the webpage:

https://www.swgroup.com/legal-regulatory-and-compliance/privacy-notices/privacy-notice-sw-restructuring-and-recovery-services/

Thank you.

Adam Henry Stephens and Kevin Ley

The joint special administrators

Date: 28 July 2026

Appendices

I Receipts and payments account

Receipts and payments account to 29 June 2026

Statement of Affairs £		From 30/06/2021 to 29/12/2025 £	From 30/12/2025 to 29/06/2026 £	Total to 29/06/2026 £
	RECEIPTS			
	Bank charge refunds	110.00	-	110.00
	Bank interest received	5,604,800.37	483,422.72	6,088,223.09
	Business rates refund	93,326.07	-	93,326.07
Uncertain	Furniture & equipment	2,768.00	-	2,768.00
17,538	IT software	-	-	-
2,000	Investment in group undertakings	-	-	-
151,472	HMRC - VAT and Corporation Tax repayments	-	-	-
61,708	Artwork	3,252.00	-	3,252.00
NIL	Trademarks	-	-	-
	Interest paid on late VAT refund	2,772.78	27.23	2,800.01
	Legal & General employee benefits refund	4,825.63	-	4,825.63
	Lewis Silkin funds on account	1,004.46	-	1,004.46
	Pre-paid card refunds	21,077.78	-	21,077.78
	BUPA refund	1,868.60	-	1,868.60
	3rd party funds received in error	708.98	-	708.98
	Refunded pre-appt legal expenses	40.00	-	40.00
	Refunds	4,398.50	-	4,398.50
	Court-ordered legal fees (IEML 201 application)	150,000.00	-	150,000.00
	Court-ordered legal fees (Firestone 74 application)	-	39,000.00	39,000.00
NIL	Britannia initial payment	600,000.00	-	600,000.00
NIL	Deferred consideration	-	-	-
NIL	Residual Client book/database	-	-	-
1,802,526	Firm's cash at bank	1,840,619.90	-	1,840,619.90
1,300,731	Inter-company debtors	-	-	-
11,815	Employee debts	-	-	-
49,875	Other trade debtors	-	-	-
23,906	Accrued income	-	-	-
4,518	Margin cash at bank	-	-	-
3,566,294	Custody fees from Clients	77,818.81	69,240.00	147,058.81
	Post-appointment VAT recoveries	501,123.24	18,944.74	520,067.98
	Total receipts	**8,910,515.12**	**610,634.69**	**9,521,149.81**

Statement of Affairs £		From 30/06/2021 to 29/12/2025 £	From 30/12/2025 to 29/06/2026 £	Total to 29/06/2026 £
	PAYMENTS			
	Payments in relation to Client Assets - Custody Assets			
	PAYE & NI	(23,985.11)	-	(23,985.11)
	Wages & salaries	(57,888.99)	-	(57,888.99)
	Consultants' expenses	(2,047.43)	(44.21)	(2,091.64)
	Consultants' monthly payments	(730,645.90)	(75,750.75)	(806,396.65)
	Custodian charges	(269,922.19)	(25,996.66)	(295,918.85)
	Bank charges	(111,305.02)	-	(111,305.02)
	LEI renewal	(245.79)	-	(245.79)
	Document notarisation	(975.02)	-	(975.02)
	Legal expenses	(343.94)	-	(343.94)
	Legal fees	(172,730.11)	-	(172,730.11)
	Counsel costs	(495,256.56)	(414.00)	(495,670.56)
	S&W refund of counsel costs (directions)	-	259,413.48	259,413.48
	Fee assessor's fees	(84,000.00)	-	(84,000.00)
	IT support	(559,838.41)	(57,594.31)	(617,432.72)
	Ransom payments	(47,654.31)	-	(47,654.31)
	Translation fees	(2,496.62)	-	(2,496.62)
	Venue hire	(3,906.00)	-	(3,906.00)
	Total payments in relation to Custody Assets	**(2,563,241.40)**	**99,613.55**	**(2,463,627.85)**
	Payments in relation to Client Assets - Client Money			
	PAYE & NI	(1,279.21)	-	(1,279.21)
	Wages & salaries	(3,046.79)	-	(3,046.79)
	Consultants' expenses	(227.40)	(97.26)	(324.66)
	Consultants' monthly payments	(43,301.48)	(14,202.00)	(57,503.48)
	Bank charges	(19,642.18)	-	(19,642.18)
	Interest charged	(8,499.66)	-	(8,499.66)
	Legal expenses	(75.95)	-	(75.95)
	Legal fees	(17,750.22)	-	(17,750.22)
	Counsel costs	(482,198.39)	(621.00)	(482,819.39)
	S&W refund of counsel costs (directions)	-	285,881.87	285,881.87
	Fee assessor's fees	(31,500.00)	-	(31,500.00)
	IT support	(104,969.76)	(10,798.92)	(115,768.68)
	Ransom payments	(2,778.37)	-	(2,778.37)
	Translation fees	(131.42)	-	(131.42)
	Venue hire	(260.40)	-	(260.40)
	Total payments in relation to Client Money	**(715,661.23)**	**260,162.69**	**(455,498.54)**
	Payments in relation to Client Assets - CAI			
	Consultants' expenses	(126.29)	(94.32)	(220.61)
	Consultants' monthly payments	(261,687.34)	(26,270.75)	(287,958.09)
	Custodian charges	(86,039.09)	(8,665.55)	(94,704.64)
	Legal expenses	(10.50)	-	(10.50)
	Counsel costs	(74,492.83)	(138.00)	(74,630.83)
	S&W refund of counsel costs (directions)	-	40,587.58	40,587.58
	Fee assessor's fees	(31,500.00)	-	(31,500.00)
	IT support	(34,990.18)	(3,599.69)	(38,589.87)
	Ransom payments	(2,778.37)	-	(2,778.37)
	Total payments in relation to CAI	**(491,624.60)**	**1,819.27**	**(489,805.33)**

Statement of Affairs £		From 30/06/2021 to 29/12/2025 £	From 30/12/2025 to 29/06/2026 £	Total to 29/06/2026 £
	PAYMENTS			
	Payments in relation to Britannia sale			
	Consultants' monthly payments	(93,626.37)	-	(93,626.37)
	Custodian charges	(23,548.04)	-	(23,548.04)
	Legal expenses	(60.76)	-	(60.76)
	Legal fees	(16,993.44)	-	(16,993.44)
	Counsel costs	(45,245.36)	(69.00)	(45,314.36)
	S&W refund of counsel costs (directions)	-	20,294.39	20,294.39
	Fee assessor's fees	(31,500.00)	-	(31,500.00)
	Ransom payments	(9,579.26)	-	(9,579.26)
	Total payments in relation to Britannia sale	**(220,553.23)**	**20,225.39**	**(200,327.84)**
	House / Company payments			
	Pre-appt legal disbursements	(21,280.00)	-	(21,280.00)
	Pre-appt legal fees	(84,404.04)	-	(84,404.04)
	Special administrators' pre-appt expenses	(28,137.55)	-	(28,137.55)
	Special administrators' pre-appt fees	(234,832.85)	-	(234,832.85)
	Agents/valuers expenses	(144.00)	-	(144.00)
	Agents/valuers fees	(14,563.55)	-	(14,563.55)
	Data room	(1,022.40)	-	(1,022.40)
	Pre-appt advertising - sale of business	(1,200.00)	-	(1,200.00)
	PAYE & NI	(6,715.83)	-	(6,715.83)
	Pension contributions	(7,337.29)	-	(7,337.29)
	Pension servicing fee	(666.66)	-	(666.66)
	Wages & salaries	(15,871.50)	-	(15,871.50)
	Consultants' incentive payments	(278,000.00)	-	(278,000.00)
	Consultants' expenses	(853.27)	(294.74)	(1,148.01)
	Consultants' monthly payments	(166,557.04)	(8,411.50)	(174,968.54)
	Bank charges	(6,293.64)	22.35	(6,271.29)
	Interest charged	(111,070.22)	-	(111,070.22)
	Legal expenses	(1,695.19)	-	(1,695.19)
	Legal fees	(332,371.02)	-	(332,371.02)
	Counsel costs	(147,073.35)	(138.00)	(147,211.35)
	S&W refund of counsel costs (directions)	-	29,116.79	29,116.79
	Fee assessor's fees	(31,500.00)	-	(31,500.00)
	Agent fees - RPO submission	(1,872.00)	-	(1,872.00)
	Insurance of assets	(1,332.52)	-	(1,332.52)
	Post redirection	(321.00)	-	(321.00)
	Ransom payments	(5,882.46)	-	(5,882.46)
	Statutory advertising	(10,547.64)	-	(10,547.64)
	ICO fees	-	(52.00)	(52.00)
	Storage & removals costs	(6,150.52)	-	(6,150.52)
	Venue hire	(1,041.60)	-	(1,041.60)
	VAT fine	(1,409.68)	-	(1,409.68)
	Corporation Tax	(301,139.78)	(415,365.50)	(716,505.28)
	Total House / Company payments	**(1,821,286.60)**	**(395,122.60)**	**(2,216,409.20)**
	FX differences on transfers	*316,798.88*	954.93	317,753.81
	Total payments		**(12,346.77)**	**(5,507,914.95)**
	Grand total			**4,013,234.86**
	Cash at Bank			**4,013,234.86**

Notes to the Receipts & Payments account

- The Receipts & Payments account for the Period shows additional breakdown of costs apportioned to Client Assets and House, which are now apportioned between:
  - Client Custody Assets;
  - Client Money;
  - Corporate Action Income (PPM or CAI);
  - Client contracts that transferred to Britannia; and
  - The House / Company.

  Previously payments were only apportioned between Client Assets and House / Company.
- Please note that the above R&P account shows firm account balances only. Client Money and Post Pooling Monies are received into separately designated client accounts and are not included in the above account.
- House balances are held in a number of different currencies. To assist in presenting this information in a readable format all currencies have been converted to GBP at the exchange rate on 30 June 2021. This leads to exchange rate differences due to conversions at other dates, which is represented by the line 'FX differences on transfers'
- Details of payments made to sub-contractors are shown in the body of our report.
- All transactions in the receipts and payments account are presented inclusive of VAT. Recovery of VAT is at a proportion of all VAT incurred, and this is shown in the 'post-appointment VAT recoveries' line in the receipts section of the account.

II Time analysis for the Period

From 30 December 2025 to 29 June 2026

Classification of work function	Partner / Director	Associate director	Hours Manager / Assistant Manager	Other professional staff	Total hours	Time cost	Average hourly rate
Objective 1: Client Assets							
Client communications	17.8	0.1	10.0	51.1	78.9	£39,008.65	£494.41
Reconciliations	65.5	0.7	9.5	3.4	79.0	£68,758.79	£870.18
Post Pooling Monies	5.3	-	-	-	5.3	£5,013.40	£954.93
Trading matters	8.8	4.2	4.0	15.3	32.3	£18,623.92	£575.70
Liaison with the Committee	22.3	-	9.7	-	32.0	£28,192.78	£879.65
Transfers, returns & sales	358.6	-	382.6	96.4	837.6	£617,111.03	£736.73
Directions application	114.3	-	9.2	0.8	124.4	£116,314.98	£935.26
Strategy & planning	4.9	-	1.0	-	5.9	£5,428.90	£920.15
Reporting	6.3	-	8.3	8.5	23.1	£13,916.40	£601.57
Total	603.8	4.9	434.3	175.6	1,218.6	£912,368.87	£748.70
Objective 2: Liaison with Regulatory Bodies							
Liaison with Regulatory Bodies	5.6	-	0.9	-	6.5	£6,533.54	£1,000.04
Total	5.6	-	0.9	-	6.5	£6,533.54	£1,000.04
Objective 3: Company ("House")							
Administration & planning	43.5	3.3	10.7	8.8	66.2	£52,747.75	£796.59
Directions application	1.4	-	-	-	1.4	£1,391.80	£994.14
Investigations	13.0	-	2.7	-	15.7	£13,973.80	£892.89
Realisation of assets	4.2	-	13.9	0.3	18.4	£12,939.71	£701.97
Case specific: legal actions	4.4	-	-	-	4.4	£4,185.00	£951.14
Corporate Tax	2.8	0.5	1.4	28.4	33.1	£10,541.71	£318.80
Total	69.2	3.8	28.7	37.5	139.2	£95,779.77	£688.24
Grand Total	**678.6**	**8.7**	**464.0**	**213.0**	**1,364.3**	**£1,014,682.18**	**£743.74**

Notes and further information on tasks undertaken in the Period

Objective 1: Client Assets time costs

Client communications

- Managing the dedicated email addresses and phone lines for Client queries and responding to all Client queries received, including a significant amount of correspondence from Clients' legal advisors and in relation to the directions applications and the distribution of Client Money and PPM
- Maintaining the Dolfin portal, website and engaging with Clients

Reconciliations

- Management of Dolfin's Client Assets, including Client Money, Client Custody Assets and accounting for PPM received
- CASS team meetings in respect of reconciliation practicalities and issues arising
- Management and liaison with banks and sub custodians (e.g. Bank of New York Mellon, IFSAM, Lloyds etc.)
- Reviewing and determining the correct allocation of Dolfin's debtor ledger as far as this impacts Dolfin's Clients
- Reviewing bank statements and transactions, dealing with bank charges and other issues arising
- Monitoring foreign exchange issues
- Updating and supporting Dolfin's software management system, IMS

Post Pooling Monies

- Managing PPM accounts
- Reconciling and recording all dividends, coupons and corporate actions
- Liaising with sub-custodians and issuers in relation to corporate actions
- Providing updates to various Clients, on request, about certain transactions

Trading matters and continuity of operations

- Administering payments for retained contractors and other suppliers
- Managing professional contractors engaged to oversee Client CASS requirements are met
- Review of critical suppliers and negotiating continuity of supply, managing any undertakings given or reducing hours / terminating contracts where possible
- Ensuring controlled functions, as required by the FCA, are fulfilled to the extent appropriate
- Maintaining / revising contracts with retained contractors
- Initiating updates and additions to IT hardware following system failures to ensure the data systems are robust

Transfers, returns & sales

- Corresponding with all Clients that have Client Money claims and / or PPM claims to notify them of distributions to which they are entitled
- Liaising with Clients with Client Money claims and / or PPM claims to obtain sufficient documentation to enable the JSAs to fulfil their AML obligations and provide details for where payments should be made for the first interim distribution
- Payment of distributions to Clients with Client Money claims and / or PPM claims
- Finalising the DP for presentation to the FCA and FSCS, meeting with both bodies to obtain their feedback on the proposed DP and making amendments accordingly
- Presenting the DP to the Committee, liaising with them in relation to their feedback on the proposed DP and modelling their proposed amendments
- Liaising with Committee members and their legal advisors in relation to proposed amendments in relation to the DP

- Undertaking an analysis of costs incurred to date, forecasting future costs, including obtaining a S&P report to provide Custody Asset values at a more recent date and allocating costs to different asset classes

Directions application

- Receiving, reviewing and commenting upon the Judgement received in January 2026
- Attending the Consequentials Hearing in March 2026
- Receiving, reviewing and commenting upon the Consequentials Judgement
- Liaising with Withers LLP and Stewarts Law LLP in relation to costs
- Payment of costs incurred by the Dolfin estate
- Addressing various correspondence from Withers LLP and Stewarts Law LLP
- Addressing queries arising in relation to the JSAs' Application from third parties and relevant regulatory bodies

Strategy & planning

- Case and file maintenance
- Regular review and if required revision of strategy for dealing with Client Assets
- Proactive management of strategy in relation to the ongoing management of Dolfin’s functions

Reporting

- Updating Client information schedules and back ups
- Other general reporting and schedules for Clients, as required
- Drafting and making available the JSAs’ 9th progress report

Objective 2: Liaison with Regulatory bodies time costs

- Correspondence, calls and meetings with the FCA, FSCS and MFSA

Directions application

- As set out above

Objective 3: Company (“House”) time costs

Administration & Planning

- Case and file maintenance and periodic compliance review
- Filing of statutory documents in accordance with the Rules and Regulations
- Complying with filing of formal notices etc. to all requisite stakeholders in accordance with statute and relevant timescales
- Review and revision of the Special Administration strategy, including internal and external meetings
- Managing S&W staff resource and briefings on the Special Administration strategy
- Managing various agents and advisors assisting with the Special Administration
- Liaising with S&W VAT and corporation tax partners regarding tax efficient strategies on the case and the filing of returns
- Statutory reporting, including the information required for progress reports
- Maintenance and reconciliations of estate bank accounts
- Making the PTA Application

Directions application

- As set out above

Investigations

- Investigations into various Client Asset movements
- Investigations into other matters, including a review of Dolfin records, in relation to potential claims that may be brought to recover funds for the benefit of the Dolfin house estate
- Review of FCA enforcement action taken

Realisation of assets

- Managing ongoing insurance cover requirements for the business and assets
- Debtor recoveries
- With the assistance of agents, managing the sale and marketing of artwork held by Dolfin
- Liaising with Dolfin's insurers in relation to claims under the Company's former insurance policies

Creditors

- Responding to employee, HMRC and unsecured creditor queries

Corporate Tax

- De-registering for VAT
- Submitting quarterly VAT claims for recovery of VAT suffered
- Liaising with HMRC in respect of VAT queries (e.g. partial recovery)
- Finalising and submitting the Corporation Tax return

Notes and further information on tasks undertaken

In addition to the Notes accompanying the time analysis for this Period (above), readers may wish to refer to the detailed narrative of tasks undertaken provided in earlier progress reports A copy of all progress reports can be found at https://www.swgroup.com/services/restructuring-and-recovery-services/dolfin-financial-uk-ltd-in-special-administration/

III Cumulative time analysis

From 30 June 2021 to 29 June 2026

Classification of work function	Hours							
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Objective 1: Client Assets								
Sale of Client Assets to Britannia	256.6	260.4	37.9	46.9	-	601.9	£366,681.41	£609.22
Client communications	206.0	127.5	541.1	201.0	-	1,075.7	£575,740.51	£535.23
Reconciliations	165.7	460.5	284.9	153.3	-	1,064.4	£632,670.39	£594.41
Post Pooling Monies	12.4	49.2	17.8	4.5	-	83.9	£55,955.26	£667.06
Storage & backup of data	7.4	5.3	31.7	33.8	-	78.0	£35,559.83	£455.80
Trading matters	104.8	125.2	264.6	201.5	-	696.1	£347,003.17	£498.51
Liaison with the Committee	153.9	141.9	428.4	81.7	1.3	807.2	£477,397.94	£591.40
Liaison with Fee Assessor	10.3	99.8	33.2	-	-	143.3	£102,794.50	£717.59
Client statements	39.3	14.2	279.4	163.6	-	496.5	£221,740.89	£446.61
Transfers, returns & sales	1,120.6	570.2	1,197.1	151.4	-	3,039.3	£2,041,580.55	£671.73
Directions application	377.7	100.4	230.5	6.2	-	714.8	£540,947.28	£756.76
Strategy & planning	58.9	36.2	100.2	95.8	-	291.1	£147,510.85	£506.74
Reporting	39.5	59.0	117.3	77.9	0.8	294.4	£163,081.33	£553.88
Firestone r202 application	0.4	12.4	0.9	-	-	13.7	£10,888.25	£797.67
Total	2,553.6	2,061.9	3,565.0	1,217.7	2.0	9,400.2	£5,719,552.18	£608.45
Objective 2: Liaison with Regulatory Bodies								
Liaison with Regulatory Bodies	69.3	29.6	56.5	50.9	-	206.3	£118,957.68	£576.53
Directions application	0.5	-	3.5	-	-	4.0	£2,181.60	£545.40
Total	69.8	29.6	60.0	50.9	-	210.3	£121,139.28	£575.94
Objective 3: Company ("House")								
Administration & planning	260.2	224.0	516.8	240.5	1.4	1,242.9	£666,432.69	£536.18
Directions application	1.4	2.8	4.9	-	-	9.1	£6,117.90	£672.30
Investigations	60.7	33.7	367.4	46.8	-	508.5	£272,618.15	£536.16
Realisation of assets	94.3	45.2	249.5	91.3	-	480.3	£247,978.42	£516.32
Creditors	5.5	9.0	30.1	47.3	-	91.8	£36,897.70	£401.79
Case specific: legal actions	32.7	16.6	117.0	0.4	-	166.7	£104,621.81	£627.79
Corporate Tax	25.3	23.6	114.8	123.2	-	287.0	£113,790.22	£396.53
Total	480.0	354.9	1,400.4	549.5	1.4	2,786.2	£1,448,456.89	£519.86
Grand Total	**3,103.4**	**2,446.4**	**5,025.4**	**1,818.0**	**3.4**	**12,396.7**	**£7,289,148.35**	**£587.99**

Restated cumulative time analysis to 29 December 2025 to show time incurred in relation to the directions applications

	Hours							
Classification of work function	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Objective 1: Client Assets								
Sale of Client Assets to Britannia	256.6	260.4	37.9	46.9	-	601.9	£366,681.41	£609.22
Client communications	188.2	127.5	531.1	149.9	-	996.8	£536,731.85	£538.46
Reconciliations	100.2	459.8	275.5	149.8	-	985.3	£563,911.60	£572.30
Post Pooling Monies	7.2	49.2	17.8	4.5	-	78.6	£50,941.86	£647.84
Storage & backup of data	7.4	5.3	31.7	33.8	-	78.0	£35,559.83	£455.80
Trading matters	95.9	120.9	260.6	186.2	-	663.7	£328,379.25	£494.75
Liaison with the Committee	131.6	141.9	418.7	81.7	1.3	775.2	£449,205.16	£579.48
Liaison with Fee Assessor	10.3	99.8	33.2	-	-	143.3	£102,794.50	£717.59
Client statements	39.3	14.2	279.4	163.6	-	496.5	£221,740.89	£446.61
Transfers, returns & sales	762.0	570.2	814.5	55.0	-	2,201.6	£1,424,469.52	£647.01
Directions application	263.4	100.4	221.3	5.4	-	590.5	424,632.31	£719.17
Strategy & planning	54.0	36.2	99.2	95.8	-	285.2	£142,081.95	£498.18
Reporting	33.2	59.0	108.9	69.4	0.8	271.3	£149,164.93	£549.82
Firestone r202 application	0.4	12.4	0.9	-	-	13.7	£10,888.25	£797.67
Total	1,949.8	2,057.0	3,130.7	1,042.1	2.0	8,181.6	£4,807,183.31	£587.56
Objective 2: Liaison with Regulatory Bodies								
Liaison with Regulatory Bodies	63.7	29.6	55.6	50.9	-	199.8	£112,424.13	£562.68
Directions application	0.5	-	3.5	-	-	4.0	2,181.60	£545.40
Total	64.2	29.6	59.1	50.9	-	203.8	£114,605.73	£562.34
Objective 3: Company ("House")								
Administration & planning	216.7	220.8	506.1	231.7	1.4	1,176.7	£613,684.94	£521.52
Directions application	-	2.8	4.9	-	-	7.7	4,726.10	£613.78
Investigations	47.7	33.7	364.7	46.8	-	492.8	£258,644.35	£524.83
Realisation of assets	90.1	45.2	235.5	91.0	-	461.9	£235,038.71	£508.91
Creditors	5.5	9.0	30.1	47.3	-	91.8	£36,897.70	£401.79
Case specific: legal actions	28.3	16.6	117.0	0.4	-	162.3	£100,436.81	£619.02
Corporate Tax	22.5	23.1	113.4	94.8	-	253.9	£103,248.51	£406.65
Total	410.8	351.2	1,371.7	512.0	1.4	2,647.1	£1,352,677.12	£511.01
Grand Total	**2,424.8**	**2,437.7**	**4,561.5**	**1,605.0**	**3.4**	**11,032.4**	**£6,274,466.17**	**£568.73**

Apportionment of time costs incurred by asset class

The JSAs have apportioned the time incurred between each of the different asset classes which must bear that proportion of costs.

An analysis of this apportionment is as follows.

Period	Client Custody Assets	Client Money	Post Pooling Money	Sale of Client Assets to Britannia	House / Company	Total
1: 30 June 2021 to 29 December	751,676	125,017	94,519	304,235	481,000	**1,756,447**
2: 30 December 2021 to 29 June	559,251	88,671	91,756	50,877	277,558	**1,068,112**
3: 30 June 2022 to 29 December	466,929	64,527	46,012	17,543	190,548	**785,559**
4: 30 December 2022 to 29 June	382,753	38,398	56,030	14,043	159,929	**651,153**
5: 30 June 2023 to 29 December	201,812	46,141	29,733	1,987	107,929	**387,602**
6: 30 December 2023 to 29 June	193,862	34,764	25,406	2,932	52,618	**309,582**
7: 30 June 2024 to 29 December	193,522	101,399	28,448	9,616	60,203	**393,188**
8: 30 December 2024 to 29 June	165,493	76,574	21,224	6,778	57,193	**327,262**
9: 30 June 2025 to 29 December	232,475	170,862	51,986	18,589	121,648	**595,561**
10: 30 December 2025 to 29 Jun	399,633	334,898	168,691	2,342	109,118	**1,014,682**
Subtotal	**3,547,406**	**1,081,252**	**613,805**	**428,942**	**1,617,744**	**7,289,148**
Less Directions Application time i	281,077	229,799	27,958	22,840	32,901	594,576
Total	**3,266,329**	**851,453**	**585,847**	**406,102**	**1,584,842**	**6,694,573**

Please note, the time analysis is being provided for transparency purposes only. The JSAs will not invoice for any time incurred over and above the fixed fees approved by the Committee as outlined in section 5.2.1, and anything over and above the fixed fee will be written off.

Apportionment of JSAs time costs incurred in relation to the directions applications by asset class

Period	Client Custody Assets	Client Money	Post Pooling Money	Sale of Client Assets to Britannia	House / Company	Total
1: 30 June 2021 to 29 December 2021	-	-	-	-	-	**-**
2: 30 December 2021 to 29 June 2022	-	-	-	-	-	**-**
3: 30 June 2022 to 29 December 2022	-	-	-	-	-	**-**
4: 30 December 2022 to 29 June 2023	-	-	-	-	-	**-**
5: 30 June 2023 to 29 December 2023	3,705	1,228	352	-	-	**5,285**
6: 30 December 2023 to 29 June 2024	2,145	378	-	-	-	**2,523**
7: 30 June 2024 to 29 December 2024	39,888	35,306	4,390	4,039	5,421	**89,043**
8: 30 December 2024 to 29 June 2025	56,705	32,171	3,922	3,167	5,280	**101,244**
9: 30 June 2025 to 29 December 2025	123,368	114,817	13,292	13,292	14,005	**278,773**
10: 30 December 2025 to 29 June 2026	55,267	45,899	6,003	2,342	8,196	**117,707**
Total	**281,077**	**229,799**	**27,958**	**22,840**	**32,901**	**594,576**

IV Staffing, charging, subcontractor, and adviser policies and charge out rates

i. Introduction

Detailed below are S&W Partners LLP's policies in relation to:

- Staff allocation and the use of subcontractors
- Professional advisers including S&W Partners Financial Services Ltd
- Expense recovery

As well as S&W Partners LLP's current charge out rates

ii. Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as joint officeholders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. The JSAs delegate tasks to suitable grades of staff, considering their experience and any specialist knowledge that is needed, and the JSAs supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by the JSAs' senior staff or the JSAs themselves.

All of the staff who work on the case (including cashiers (which is centralised, and London rates apply), support and secretarial staff) charge time directly to the assignment 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. Time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, e.g., geographical location, of individual cases.

This case is predominantly being conducted from the London office.

Subcontractors may be engaged to perform work which might ordinarily be carried out by the JSAs and their staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the Period covered by this report are set out in appendix V.

Any such arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

iii. Use of professional advisers

The JSAs select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which the JSAs believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and

- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the IA 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

iv. Expenses

Category 1 expenses do not require approval by Clients and creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 expenses do require approval from Clients and creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 S&W Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

However, on this case the JSAs have also sought to recover the costs of S&W Partners Special Operations Team to assist with reconciling and handling Client Assets. Details of their costs in the Period covered by this report are set out in the body of this report.

v. Charge out rates

The rates applicable to this Period are set out below.

S&W Partners LLP Restructuring & Recovery Services	£/hour From 01/01/2025	£/hour From 01/01/2026
Partner	990 to 1050	1100 to 1200
Director / Associate Director	640 to 890	700 to 945
Managers	390 to 720	440 to 780
Other professional staff	230 to 410	220 to 450
Support & secretarial staff	140 to 160	150 to 200
Forensics		
Manager / Assistant Manager	365 - 470	510
Tax		
Associate Director		655
Other Professional Staff	215	150 – 300

Notes

1. Time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.

3. The firm's cashiering function is centralised and London rates apply. The cashiering function time is reported according to the seniority of staff undertaking the work in our time analyses and is split between ‘Other professional staff’, ‘Managers’ and ‘Associate Director’.
4. Partner includes a Consultant acting as an officeholder or in an equivalent role.

V Consultants & IT Services expenses

Provider	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
Consultants (various)	Reconciliations, CASS support, IT support, Client communications, continuation to trade support & in house legal support	Hourly rate / daily rate	-	116,795.00	116,795.00	1,346,092.05	-
Consultants expenses	IT hardware and other expenses	Cost	-	530.54	530.54	3,651.51	-
Techrelate Ltd	Manage the IT infrastructure and supply the various licenses required to run the systems	Cost	-	12,276.68	12,276.68	156,292.08	-
CoreIX Ltd	Data centre where all data and backups are maintained	Cost	-	9,114.88	9,114.88	108,548.22	-
Mainframe & Cybernetic Systems Ltd	Data centre where all data and backups are maintained	Cost	-	6,836.16	6,836.16	6,836.16	-
Dashro Solutions Ltd	Assisting JSAs with the Company's bespoke software and migrating data, as well as producing the Client statements	Monthly fixed fee	-	6,000.00	6,000.00	269,158.33	-
Hamiltone		Cost	-	387.00	387.00	387.00	-

Profile system & software (Cyprus) Ltd	CASS client database software	Annual fee	-	30,455.00	30,455.00	140,778.00	-
Total			**-**	**182,395.26**	**182,395.26**	**2,031,743.35**	**-**

Please note that all balances presented in the Receipts & Payments account at Appendix I are shown gross of VAT. The balances listed above are shown net of VAT. Total costs outstanding may include costs incurred in prior periods, but not yet paid

VI Professional advisors' expenses

Name	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
DWF Law LLP	Legal advice re Objectives 1, 2 & 3 matters	Hourly rate	1,691,935.71	7,579.94	-	1,699,515.65	1,699,515.65
	Less time disallowed in relation to directions applications						(665,995.21)
	Total						1,033,520.44
Norton Rose Fulbright LLP	Legal advice re Objectives 1, 2 & 3 matters	Hourly rate	591,673.40	1,197,291.79	-	1,788,965.19	1,788,965.19
	Less time disallowed in relation to directions applications						(582,179.97)
	Total						1,206,785.22
Lewis Silkin LLP	Legal advice re employment matters	Hourly rate	-	-	-	38,617.72	-
Foot Anstey LLP	Legal advice re strategic matters	Hourly rate	-	4,003.00	-	96,764.00	4,003.00
Counsels' fees	Legal advice re various legal actions, JSAs Directions Application & distributions to creditors	Hourly rate	-	180,920.00	1,150.00	1,217,808.64	179,770.00
Legal expenses (various)	Ad hoc legal expenses (excl counsel costs)	Cost	-	-	-	1,821.95	-

Name	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
Kroll Advisory Ltd	Fee Assessor costs	Fixed fee	-	-	-	175,000.00	-
Compliancy Services Ltd	Translation fees	Fixed fee per document	-	-	-	2,190.00	-
SIA Group Asset	Chattel asset agents	Percentage realisations	-	210.00	210.00	1,330.00	-
Rabbow & Co LLP	Chattel asset agents	Percentage realisations	-	-	-	4,275.00	-
Hilco Appraisal Ltd	Chattel asset agents	Percentage realisations	-	-	-	4.00	-
Birkett Green Lees LLP	Advice and assistance with business rates refunds	Percentage realisations	-	-	-	6,697.29	-
ERA Solutions Ltd	Employment agent	Fixed fee	-	-	-	1,560.00	-
PK Financial Planning Ltd	Pension agent fee	Fixed fee	-	-	-	666.66	-
Saville Notaries Ltd	Notary public	Fixed fee	-	-	-	817.52	-
Total							

Please note that all balances presented in the Receipts & Payments account at Appendix I are shown gross of VAT. The balances listed above are shown net of VAT. Total costs outstanding may include costs incurred in prior periods, but not yet paid

VII Category 1 expenses

Provider	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
Administrators' bonds	Statutory bonding cost	Cost	140.00	-	-	140.00	140.00
Travel & subsistence	Travel & subsistence	Cost	575.50	-	-	575.50	575.50
Information Commissioner's Office ("ICO")	Data Registration renewal fee	Fixed fee	40.00	-	-	92.00	40.00
Courts Advertising	Statutory advertising costs	Fixed fee	-	-	-	9,789.70	-
Bank account analysis software		Fixed fee	200.00	-	-	200.00	200.00
Grants Storage Ltd	Document storage and removals	Fixed fee per box	-	-	-	900.54	-
JG Collections Ltd	Document storage and removals	Fixed fee per box	-	-	-	4,231.52	-
Elite Enterprise Software Ltd	IT hardware	Cost	-	-	-	636.40	-
Strawberry Global Tech Ltd	IT hardware	Cost	-	-	-	7,279.89	-
Etc Venues	Venue hire for Client & Creditor meeting	Fixed fee	-	-	-	4,340.00	-
Marsh Ltd	Insurance of assets	Fixed fee	-	-	-	1,332.52	-

Provider	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
iDeals Solutions Group Ltd	Data room cost	Fixed fee	-	-	-	852.00	-
Royal Mail Group Ltd	Postage redirection costs	Fixed fee	-	-	-	321.00	-
Total			955.50	-	-	30,691.07	955.50

Please note that all balances presented in the Receipts & Payments account at Appendix I are shown gross of VAT. The balances listed above are shown net of VAT. Total costs outstanding may include costs incurred in prior periods, but not yet paid

Category 2 expenses

Provider	Role	Basis of fee arrangement	B/F from previous period (£)	Incurred in current period (£)	Paid in current period (£)	Cumulative Costs (£)	Outstanding at period end (£)
Evelny (formerly Tilney)	Initial CASS reconciliation	Time cost	54,862.88	-	-	54,862.88	54,862.88
Total			**54,862.88**	-	-	**54,862.88**	**54,862.88**

Please note that all balances presented in the Receipts & Payments account at Appendix I are shown gross of VAT. The balances listed above are shown net of VAT. Total costs outstanding may include costs incurred in prior periods, but not yet paid.

VIII Statutory Information

Relevant Court	High Court of Justice, Business & Property Courts of England & Wales Company & Insolvency List
Court Reference	1111 of 2021
Incorporated on	5 November 2010
Trading Name(s)	Dolfin
Trading Address & former registered office	77 Coleman Street, London EC2R 5BN
Former Name(s)	RMS Fingroup Limited (23.4.14 – 4.10.16) Structured Investment Group Limited (5.11.10 – 23.4.14)
Registered Office	C/O S&W Partners LLP, Restructuring & Recovery Services, 45 Gresham Street, London EC2V 7BG
Registered Number	07431519
Joint Special Administrators	Adam Henry Stephens (IP No 9748) & Kevin Ley (IP No 25090) S& W Partners LLP 45 Gresham Street, London EC2V 7BG In accordance with paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, a statement has been made authorising the Joint Special Administrators to act jointly and severally
Date of Appointment	30 June 2021
Appointor	Order made on the application of the directors
Directors (current)	<u>Name</u> / <u>Appointed</u> / <u>Resigned</u> / <u>Shareholding</u> Rodney Baker-Bates / 29.05.20 / 20.01.22 / - Amir Nabi / 16.09.16 / 08.09.21 / -
Directors (last 3 years)	Stephen Kingsley / 19.05.20 / 31.03.21 / - Sanjay Maraj / 30.09.13 / 30.09.20 / - Denis Nagy / 20.09.13 / 30.04.20 / -
Company Secretary	None recorded at Companies House
Shareholders	<u>Name</u> / <u>No. shares held</u> / <u>Voting rights</u> Semen & Marina Linovich / 563,634 - Preference / 3.08 % Semen & Marina Linovich / 563,634 - Ordinary / 3.08 % Dolfin Group (UK) Ltd / 17,160,001- Ordinary / 93.84 %
Cross-border insolvencies and EU Regulation	The Recast EC Regulation on Insolvency Proceedings (2015/848) does not apply since it does not apply to insurance undertakings, credit institutions and investment undertakings. Dolfin is an investment undertaking providing services including the holding of funds or securities for third parties. The JSAs have been advised that the Retained Insolvency Regulation will not apply to insolvency proceedings opened in respect of the Company. These proceedings are 'centre of main interest' proceedings to which the EU Regulation as it has effect in the law of the United Kingdom.

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S&W Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

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