

# AM03

## Notice of administrator's proposals



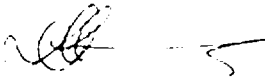
Companies House

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refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

<b>1</b>	<b>Company details</b>	
Company number	1   1   9   2   9   0   4   1	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	Bitumina Industries Limited	
<b>2</b>	<b>Administrator's name</b>	
Full forename(s)	Cameron	
Surname	Gunn	
<b>3</b>	<b>Administrator's address</b>	
Building name/number	22 York Buildings	
Street		
Post town	London	
County/Region		
Postcode	W   C   2   N     6   J   U	
Country		
<b>4</b>	<b>Administrator's name ❶</b>	
Full forename(s)	Lee	<b>❶ Other administrator</b> Use this section to tell us about another administrator.
Surname	Manning	
<b>5</b>	<b>Administrator's address ❷</b>	
Building name/number	22 York Buildings	<b>❷ Other administrator</b> Use this section to tell us about another administrator.
Street		
Post town	London	
County/Region		
Postcode	W   C   2   N     6   J   U	
Country		

AM03

Notice of Administrator’s Proposals

6		Statement of proposals		
		<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
7		Sign and date		
Administrator’s Signature	Signature		<div><div>✕</div><div></div><div>✕</div></div>	
Signature date	<div><div>d</div><div>2</div></div> <div><div>d</div><div>3</div></div>	<div><div>m</div><div>0</div></div> <div><div>m</div><div>8</div></div>	<div><div>y</div><div>2</div></div> <div><div>y</div><div>0</div></div> <div><div>y</div><div>2</div></div> <div><div>y</div><div>1</div></div>	

# AM03

## Notice of Administrator's Proposals



### Presenter information

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

Contact name **Shanice Austin**

Company name **ReSolve Advisory Limited**

Address **22 York Buildings**

Post town **London**

County/Region

Postcode **W C 2 N 6 J U**

Country

DX

Telephone **020 7702 9775**



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



### Important information

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



### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



## Bitumina Industries Limited - in Administration

High Court of Justice Business and Property Courts, Chancery Division, London

Court no: 000940 of 2021

**Joint Administrators' proposals** for achieving the purpose of administration

Date: 23 August 2021

Deemed date of delivery to creditors: 25 August 2021

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# 1. Abbreviations and definitions

Abbreviations and terms that may be used in these proposals:

Abbreviation	Definition
Administrators/we/us/our	Cameron Gunn and Lee Manning
BEIS	Department for Business, Energy and Industrial Strategy
Category 1 expenses	Please see appendix II for a full explanation
Category 2 expenses	Please see appendix II for a full explanation
Company/Bitumina	Bitumina Industries Limited
DMCC	Bitumina International DMCC
HMRC	HM Revenue & Customs
IA86	The Insolvency Act 1986 (e.g. s248 IA86: section 248 Insolvency Act 1986)
ICAEW	Institute of Chartered Accountants in England & Wales, regulatory authority
IR16	The Insolvency (England and Wales) Rules 2016 (e.g. r3.30 IR16: rule 3.30 Insolvency (England and Wales) Rules 2016)
Preferential creditor(s)	Employee claims for unpaid wages earned in the 4 months preceding the administration, up to £800, holiday pay and in certain circumstances, unpaid pension contributions, and  HMRC claims for certain unpaid taxes such as VAT and PAYE, which rank behind the preferential claims of the employees
Prescribed part	The amount set aside for creditors from floating charge funds in accordance with s176A IA86 and the IA86 Prescribed Part Order 2003
Rasmala	Rasmala Trade Finance Fund
ReSolve / Firm	Resolve Advisory Limited
RoT	Retention of title: Claims made by suppliers that title of goods supplied to the Company remains with them after delivery to the Company but before payment made
RPS	Redundancy Payments Service, part of the Insolvency Service, an executive agency of BEIS. Authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditor(s)	Creditors with security in respect of their debt, in accordance with s248 IA86
Secured Note Holders	Rami Farah, Nader Hamoud and Jonathan Woods
SIP	Statement of Insolvency Practice. Issued to insolvency practitioners by regulatory authorities. SIPs set out the principles and key compliance standards by which insolvency practitioners are required to operate
SIP 9	This SIP deals specifically with payments to insolvency office holders and their associates
SoA	Statement of Affairs
Stratura	Stratura Asfaltos
Unsecured creditor(s)	Creditors that are neither secured nor preferential

## 2. The purpose of this document

We previously notified you that Cameron Gunn and Lee Manning were appointed as Joint Administrators of the Company on 30 June 2021.

In this document we provide:

- a brief history of the Company;
- reasons why we were appointed; and
- our proposals for achieving the purpose of administration.

We also provide details of the Company's assets and liabilities and the likely outcome for each class of creditor.

The IA86 states the purpose of an administration is to achieve one of these three hierarchical objectives:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- (c) realise the Company's assets to pay a dividend to secured or preferential creditors.

Objective (a) is unlikely to be achieved, as no purchaser could be found for the shares of the Company and the nature of the Company's financial circumstances meant that a Company Voluntary Arrangement will not be appropriate. At the outset of the administration, the Company's major shareholder, Bernd Schmidt, had indicated that there was a third party that was willing and able to refinance the Company in a manner that would enable all its creditors to be repaid in full. This would have entailed the introduction of c £15 million into the Company and whilst at the last minute, a party contacted us to state that they were considering refinancing the Company's debts, this expression of interest arrived at a time when we had no choice but to complete the sale of the Company's 49.99% shareholding in Nynas AB and we simply had no time to delay the sale and wait to see whether the refinancing might proceed.

As a result, we are seeking to achieve objective (b) for the Company, and will do this by realising the Company's shareholdings in various subsidiary companies and any other assets that it may have in order to enable a distribution to the unsecured creditors.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration of the Company within 12 months then we will either apply to the Court, or hold a decision procedure of creditors, in order to seek approval to extending the duration of the Administration.

We will manage the affairs of the Company until our proposals for achieving the objective of this administration have been implemented as far as possible, after which the administration will end.

### Virtual Meeting of Creditors

Because we are pursuing objective (b), we are seeking a decision from creditors to approve our proposals and separate decisions to approve our pre-appointment costs and remuneration. Both of these decisions will be finalised on 8 September 2021. Further details can be found at Appendix IV. A Notice of Invitation NOT to form a Creditors' Committee is at Appendix VI.

If you have any questions regarding the contents of this document, please contact Shanice Austin on 020 7702 9775 or by email to [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com).



Lee Manning  
Joint Administrator

## For and on behalf of Bitumina Industries Limited

The affairs, business and property of the Company are being managed by the administrator

Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times, and without personal liability

Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe, Myles Jacobson and Simon Jagger are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales

Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here [www.resolvegroupuk.com/policies2/](http://www.resolvegroupuk.com/policies2/).



### 3. Summary of estimated recoveries for creditors

#### Estimated outcome for secured creditors

Secured creditors	Claims €	Recovery %	Forecast timing for repayment
Secured Note Holders	2,658,833*	100	Two months

\* Please note this is the face value of the loan notes (converted from USD 3,152,517 at USD 1 : EUR 0.8434) and excludes interest.

The Secured Note Holders hold a fixed and floating charge created on 22 January 2020 and registered at Companies House on 10 February 2020. Based on realisations to date, we do not anticipate the Secured Note Holders will suffer a shortfall.

The Administrators' solicitors, Locke Lord, have reviewed the security held by the Secured Note Holders' security and after having instructed leading counsel to consider the matters at issue, they confirmed that their view is that it is valid and effective security over the Company's assets.

One creditor has raised a concern regarding the effectiveness of the security over the Company's shares in Nynas AB and this is currently under review, as they claim that such security was not perfected under Swedish law, even though the Company is a UK company and such is governed by UK law.. A distribution to the Secured Note Holders is expected to take place within the next few months.

#### Estimated dividend prospects for other creditors

Creditors	Claims €	Recovery %	Forecast timing for repayment
Unsecured	15,343,955*	Uncertain	Uncertain

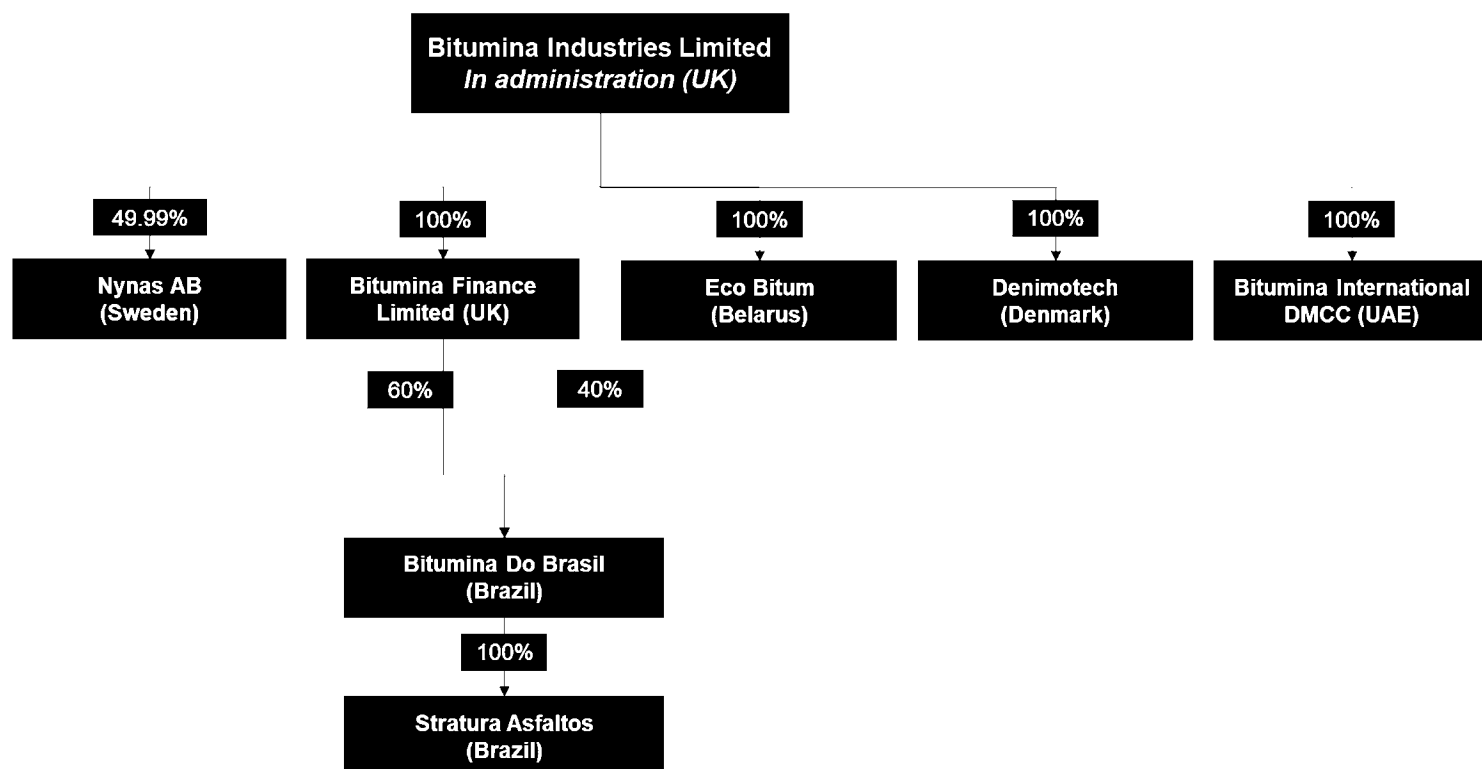
\* Claims have been converted to Euros for the purpose of this report at the following rates:  
USD 1 : EUR 0.8434  
GBP 1 : EUR 1.1663

At this stage it is uncertain as to the extent of any recoveries to the unsecured creditors as this will largely depend upon our ability to realise value for the Company's shareholdings in its remaining subsidiaries.

## 4. Brief history of the Company and events leading to its administration

### Background

The Company was incorporated on 5 April 2019 to acquire and hold subsidiaries involved in bitumen production, trading and distribution. The Company is a holding company for entities based in Europe, the UAE and South America. A summary group structure is provided below and the subsidiary undertakings are discussed in more detail at Section 5:



The principal director of the Company, Mr Bernd Schmidt, is also a majority shareholder of the Company.

Bitumina International DMCC was purchased by the Company in November 2019 from the Secured Note Holders. In consideration for the purchase, the Company issued convertible loan notes initially totalling USD 3,318,517 to the Secured Note Holders as set out in the convertible loan note instrument ("CLNI") and secured by a debenture.

In May 2021, the Secured Note Holders, via their solicitors Keystone Law, wrote to the Company setting out various breaches of the CLNI which resulted in the amounts due to the Secured Note Holders becoming immediately repayable.

The Company was not in a position to repay these debts and could not provide any financial evidence to support its solvency. To this end the Secured Note Holders engaged Keystone Law on 7 May 2021 to take the necessary steps to place the Company into Administration and sought our consent to act as administrators.

Following a review of the Secured Note Holders' debenture, which the note holders initially relied upon to appoint Administrators, Keystone Law raised a concern regarding the execution of the debenture filed at Companies House which could lead to a challenge regarding the validity of any appointment.

In order to ensure the validity of the Administration appointment, Keystone Law recommended the Secured Note Holders seek to place the Company into Administration via an application to Court in their capacity as creditors to the Company. The application was filed and an initial hearing set for 9 June 2021 between the Secured Note Holders as the applicant and the Company acting by its directors as the respondent.

At the hearing on 9 June 2021, due to the late submission of the respondent's defence/counter arguments, the hearing was adjourned to 30 June 2021 such that both parties would have an opportunity to serve further evidence and reply.

At the adjourned hearing on 30 June 2021 the Company was placed into Administration by an order of the Court and Lee Manning and Cameron Gunn of ReSolve were appointed Joint Administrators.

### Prior professional relationships

Prior to our appointment as Administrators, ReSolve had no prior professional relationship with the Company.

### Pre-administration costs

These are costs incurred prior to the Company entering administration but with a view to it doing so. Our pre-administration costs total £19,089. Full details of these costs are provided at Appendix I.

The payment of unpaid pre-administration costs as an expense of the administration is a matter requiring a decision of creditors by a decision procedure under r3.52 IR16 and is not part of the proposals subject to approval under paragraph 53 of Sch B1 IA86. That request is included at Appendix IV.

If creditors elect a committee, that committee will have authority to approve the payment of these costs under r3.52 IR16.

## 5. Conduct of the administration to date and next steps if our proposals are approved

As objective (a) could not be achieved we are seeking to adopt objective (b) by seeking a sale of the Company's shares in its subsidiary undertakings and realisation of its other assets with a view to distributing the proceeds to its secured and unsecured creditors.

Our principal actions immediately following our appointment as Administrators included the following matters:

- Correspond with the Company's pre-appointment insurance brokers and specialist insolvency insurance brokers to ensure adequate ongoing insurance cover remained in place during the Administration;
- Notify the Company's creditors and professional advisors of the Administrators' appointment;
- Notify the Company and its shareholders of the Administrators' appointment;
- Arrange the opening of an Administration GBP and EURO bank account;
- Liaise with the directors of the Company, advising them of the Administration and setting out the administration process and the Administrators' role;
- Liaise with the directors in relation to the submission of the Statement of Affairs and questionnaires;
- Plan and implement a marketing campaign for the sale of the Company's shareholding in Nynas AB;
- Hold numerous calls and teleconferences and facilitate the flow of information with parties interested in acquiring the Company's shares in Nynas AB and conduct negotiations with those parties who made offers to seek the maximum price and best outcome for the Company's creditors and employees;
- Contact the executive board of Nynas to advise of our appointment and to work alongside them to understand the critical issues and timelines their company faced and to establish a dialogue with them to help secure a sale of the Nynas shares in due course.
- Contact the executive board of Stratura Asfaltos to explain our role and desire to find a willing buyer for the 100 % shareholding of Stratura that Bitumina owned through Bitumina Do Brazil .
- Address statutory duties associated with the Administration.

### Shareholdings in subsidiary undertakings

The Company's only assets are the shares it holds, either directly or indirectly, in five trading companies located in Europe, UAE and South America.

#### 49.999% of Nynas AB

Nynas AB is a Swedish manufacturer of speciality oils and bitumen products and the Company held a 49.999% shareholding in Nynas AB at the time of the Administration. Following a formal restructuring in late 2019, the Nynas AB board instructed a Swedish investment firm to run a process to find a purchaser for either all or part of Nynas AB.

The Company was an interested party in this process and in September 2020 acquired a 49.999% shareholding in Nynas AB from a Finnish company called Neste Oyi. Neste remain a creditor of the Company in respect of deferred consideration due to it in respect of the sale of its shares in Nynas AB amounting to c Euros 12m.

Unfortunately, whilst Nynas AB is a profitable venture and is well known in the market, it had significant lending from Davidson Kempner, an institutional investment management firm who had acquired a significant position from a number of mostly Scandinavian banks and had lent further money to Nynas AB over the last 12 months. In total, the company has borrowings in excess of Euros 700m and is presently subject to a standstill arrangement with its lenders with tight controls and covenants on its cashflow and working capital headroom.

Shortly after our appointment as Administrators of the Company we sought to engage with the executive directors of Nynas AB to understand its present financial position, including any pressing issues on its working capital. It soon became clear that Nynas AB required further funding/support from its existing lenders, in particular to enable an urgent purchase of a cargo of Captain crude oil (to a value of c Euros 40 m) to be agreed with Goldman Sachs (commodity trading division) which we were advised would cause a substantial deterioration in the ability of Nynas to produce bitumen at its Swedish refinery and would cause the refinery to be temporarily closed, resulting in a significant loss to Nynas, together with damage to its reputation and loss of customers. The executive directors of Nynas advised us that Goldman Sachs was the only party willing to finance the crude cargo and that the order had to be committed by July 20<sup>th</sup>, failing which the opportunity would be lost. The directors confirmed that Nynas did not have sufficient working capital to purchase the crude itself and urged us to make sure that the Goldman Sachs cargo financing went ahead. A key condition of Goldman Sachs agreeing to finance the cargo was that they needed to be satisfied with the credentials of any incoming shareholder that might be acquiring the 49.99% shareholding in Nynas. This consequently put us under considerable time pressure to find an acceptable purchaser of the shares, as Goldman Sachs were not willing to finance the cargo if Bitumina Industries remained a shareholder.

As Administrators we have a responsibility to safeguard assets and maximise realisations. Urgent action was therefore required to protect the 49.999% shareholding in Nynas AB by identifying an acceptable purchaser for the shares that could support Nynas AB.

We were approached by a number of parties interested in the Company's shares in Nynas AB following our appointment and asked Carnegie, the Swedish investment brokerage, to re-engage any parties who they had contacted in the original sale process, as they had dealt with over 80 interested parties only a year ago. We also engaged with the key stakeholders in Bitumina (including Neste) to ensure they were kept apprised of our strategy and to provide as much time as possible to identify a willing purchaser and complete a transaction. Several emails were sent to Bernd Schmidt, the largest shareholder of Bitumina, to encourage him to accelerate the diligence of the party he had introduced with a view to acquiring the Nynas shares and (as that party later disclosed) to consider refinancing Bitumina.

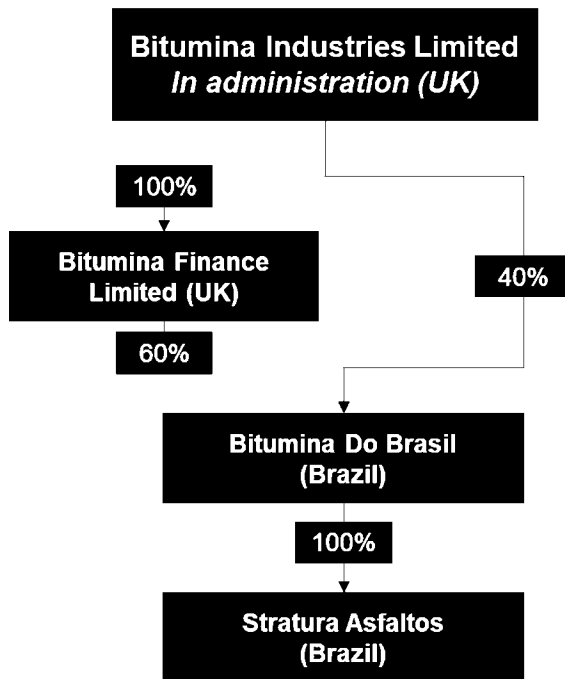
A number of offers were received for the Company's shares in Nynas AB by the deadline set by us, including an offer of €5m from Davidson Kempner. However, apart from the offer by Davidson Kempner, all other offers were conditional on further due diligence and the consent of the Swedish Secret Service (of the new owners being acceptable) and no other bidder offered any material sum up front without conditionality. Following review of the offers, and after holding further meetings with key stakeholders in the Nynas AB business, we were of the opinion that the unconditional offer from Davidson Kempner was the most desirable, having demonstrated proof of funding, and likely to provide significant value to the creditors of the Company.

On 23 July 2021 a sale of the Company's 49.999% shareholding in Nynas AB to a Davidson Kempner related party completed and initial consideration of €1m was received. The remaining consideration in the sum of €4m is payable upon the Swedish security agency providing its consent to the transaction or on September 30<sup>th</sup>, if this has not been received by then. The full consideration of Euros 5 Million is due and payable whether or not the Swedish security agency give their consent to the transfer of ownership. In addition, we are entitled to 50

% of any net profit earned by the purchaser on any sale of the Nynas shares within 24 months of the sale. These obligations are guaranteed by Davidson Kempner's parent company.

#### Stratura Asfaltos

Stratura is a Brazilian enterprise that provides bitumen products and services to the Brazilian market. The Company has an effective 100% shareholding in Stratura via its holdings in Bitumina Finance Limited and Bitumina do Brasil (see group structure extract below):



Immediately following our appointment as Administrators we reached out to the Board of Stratura to understand the extent of any cash flow or creditor pressure that would require us to run an accelerated marketing exercise of the Company's holding in Stratura in the same manner as the Nynas AB sale.

We were advised that the previous owner of Stratura, Petrobras, was still owed a substantial sum in relation to working capital previously provided to Stratura. Both parties had agreed to a repayment plan, however Stratura was not in a position to service these payments without potentially breaching covenants with its other lenders. At present, a 3 month standstill agreement has been reached with Petrobras, to enable a willing buyer to be found for the Stratura shares and we have already had discussions (alongside the executive directors of Stratura) with three separate interested parties with who discussions are continuing but which are unlikely to conclude for a number of weeks.

Whilst Stratura's solvency position is still under pressure, we are hopeful that a sale can be concluded which will generate a material sum for Bitumina.

We are continuing to liaise with the Board of Stratura and will provide a further update in our next report.

#### Eco-Bitum

Eco-Bitum is a Belarussian enterprise that is currently in the processing of building a facility at a strategic location in Belarus to produce bitumen products. The Company is understood to have a 100% shareholding in Eco-Bitum, however we are looking into the ownership structure as DMCC may also be a shareholder.

Whilst Eco-Bitum has so far spent USD 8m to 10m on developing the facility, the most recent set of financial information indicates the company is in fact balance sheet insolvent. Furthermore, it is not a trading enterprise and therefore it may be difficult to ascertain whether the shares held are of significant value.

Our investigations into this asset are ongoing.

## Denimotech

Denimotech is a Danish company that manufactures equipment used in the bitumen producing process and at the time of the Administration the Company owned 100% of the shares. It is a relatively small business, with annual revenue of approximately USD 1m, however we understand it is solvent and therefore the shares are likely to be of value.

We have been advised however, that the Company has pledged its shares in Denimotech to Rasmala as security for a debt that is owed in the sum of USD 3.5m by DMCC. It is not clear whether the pledge documentation has been executed by either party and we are making enquiries as to the present situation.

If the shares have not been pledged, we will likely seek to realise value in them for the Company's creditors.

## Bitumina International DMCC.

DMCC is a bitumen trading operation based in Dubai and at the time of the Administration the Company owned 100% of the shares. We are advised that it is not strictly a trading business and has no employees or assets, however it owes Rasmala, a trade finance company, USD 3.5m in relation to a shipment that was purportedly sent to South America.

It is not clear where this shipment has gone and both parties, Rasmala and DMCC, have instructed professional advisers to assist in tracing the shipment and identifying the ultimate beneficiary. In the meantime, the Company has pledged its shareholding in Denimotech to Rasmala as security in order to prevent immediate action against DMCC.

We also understand that DMCC paid expenses on behalf of the Company and has accrued an intercompany balance of USD 1.6m to 1.7m.

This matter remains under investigation.

## Connected party transactions

There have been no transactions to connected parties to date and we are not aware of any such transactions prior to our appointment.

## Directors' conduct and investigations

We have a duty to investigate the conduct of those who have been directors of the Company at any time in the three years before the Administration. We have to submit our findings to BEIS within three months of our appointment.

We will also investigate the affairs of the Company and decide whether any civil proceedings should be taken against anyone to recover or contribute to the Company's assets.

We should be pleased to receive from you any information you consider will assist us in these investigations. This is part of our normal work as Administrators and does not imply criticism of the directors' conduct.

## Objectives of the Administration

We are pursuing objective 3(1)(b) of Schedule B1 IA86.

## Outcome for creditors

### ▪ Secured creditors

The Secured Note Holders have a fixed charge over the Company's asset, which comprise various shareholdings, in respect of convertible loan notes totalling \$3,153,517, excluding interest and costs, as at 30 June 2021.

At this stage it is anticipated that the Secured Note Holders will be repaid in full.

- Preferential creditors

There are no known preferential creditors in this matter.

- Unsecured creditors

Where a company gave a floating charge over its assets to a lender on or after 15 September 2003, there are provisions in the insolvency legislation that require the Administrators to set aside a percentage of a Company's assets for the benefit of the unsecured creditors. This is known as the prescribed part of a company's net property.

A company's net property is the amount left after paying the preferential creditors, but before paying the lender who holds the floating charge. Administrators have to set aside 50 per cent of the first £10,000 of the net property and 20 per cent of the remaining net property up to a maximum of £800,000.

The Secured Note Holders were granted a floating charge over the Company's assets on 22 January 2020, so the prescribed part applies in this case. However, the Company's assets comprise various shareholdings in other entities, therefore it is expected that all recoveries in the Administration will be distributable under the terms of the Secured Note Holders' fixed charge and it is likely that there will be no requirement to set aside a prescribed part.

Based on realisations to date, the Company's financial position means there are sufficient assets to enable me to pay a dividend to non-preferential unsecured creditors. At this stage however, the quantum and timing of any such dividend is uncertain.

If we do agree unsecured claims, we may ask the Court for permission to allow us to pay dividends to unsecured creditors. If we do not request permission from the Court, a subsequent liquidator will formally adjudicate on claims and pay any dividends to unsecured creditors.

## Fees and expenses

According to insolvency legislation, our fees can be calculated in the following ways:

1. As a percentage of the value of the property that we deal with ("percentage basis"); or
2. By reference to the time properly given by us and our staff attending to matters arising ("time cost basis");  
or
3. A set amount ("fixed fee").

In this case we are proposing our fees for the Administration be charged on the time cost basis.

Details of our time costs and expenses to date are provided at Appendix III. In the period from 30 June 2021 to 23 August 2021 we have spent 248 hours which equates to £157,455 dealing with this report and the matters described in it.

If a Creditors' Committee is appointed, it will be for the committee to approve the basis of our fees and category 2 expenses. The invitation to form a Creditors Committee is at Appendix VI.

If a Creditors Committee is not appointed, we will require a decision from creditors to approve the basis our fees and category 2 expenses.

Notice of the decisions required of creditors in respect of our proposals and remuneration is at Appendix IV.

If neither the creditors nor the committee fix the basis of our fees and category 2 expenses, we may apply to Court to fix them, no later than 18 months after the date of our appointment.

When we seek time cost approval we have to set out a fee estimate, which acts as a cap on time costs so we cannot draw fees of more than the estimate without further approval. The fees estimate can be found at Appendix III.

This shows the estimated time costs, hours charged and average hourly rates split into various categories and by grade of staff. We estimate the total time costs we will incur in undertaking these tasks in the Administration and any subsequent liquidation will be £428,655.

This estimate has been provided at an early stage in the administration and before we have full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on our current knowledge of the case and our knowledge and experience of acting as administrators in respect of cases of a similar size and apparent complexity. As a result, the estimate does not account for any currently unknown complexities or difficulties that may arise during the Administration of the case. Due to the nature of this case, we may incur costs over and above the estimate provided. We therefore provide notice to creditors that the estimate may be subject to change in due course and we will of course write to creditors to seek further approval to any fee increase required.

If the time costs incurred by us exceed the estimate, or are likely to exceed the estimate, we will provide an explanation as to why in the progress reports to creditors. Since we cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where we consider it appropriate in the context of the case, we will seek a resolution to increase the fee estimate so that we will then be able to draw additional remuneration over and above this estimate.

Further information regarding administrators' fees can be found here:

<http://www.resolvegroupuk.com/resources>

There are different versions of the guide so please ensure that you refer to the latest version. A hard copy can be obtained on request, free of charge, from this office.

## 6. Statement of affairs

A Statement of Affairs has not been returned by the Director. In the absence of this being provided, at Appendix VIII we have produced an Estimate of the Financial Position as at 30 June 2021.

Please note that:

- The estimate does not make provisions for the costs of realising Company assets or the costs of the Administration.
- We make no comment on realisable values of unrealised assets, to protect commercially sensitive information.



## 7. Receipts and payments account

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 30 JUNE 2021 TO 23 AUGUST 2021		
	Estimated to realise - Estimated financial position €	For the period 30 June 2021 to 23 August 2021 €
FIXED CHARGE RECEIPTS		
Shares in subsidiary companies:		
Nynas AB	5,000,000	1,000,000
Stratura Asfaltos	Uncertain	-
Eco-Bitum	Uncertain	-
Denimotech	Uncertain	-
Bitumina International DMCC	Uncertain	-
	Uncertain	1,000,000
FIXED CHARGE PAYMENTS		
		-
TOTAL (receipts less payments)		1,000,000
REPRESENTED BY		
Bitumina Industries Limited - in Administration current account, non-interest bearing		1,000,000
TOTAL		1,000,000

## 8. Administrators' proposals

In order to achieve the objective set out at section 3 above, Cameron Gunn and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - (i) sell the Company's assets at such time(s) on such terms as we consider appropriate;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.
- (c) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Cameron Gunn and Lee Manning are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved.
- (d) the Administration of the Company will end by making an application to Court for an order that the Administration ceases.

### Approval of proposals, pre-appointment fees, remuneration and category 2 expenses

I am convening a virtual meeting of creditors of the Company to consider the above matters, which is to be held on 8 September at 10am.

If you wish to vote on the decision in person, you must request attendance to the virtual meeting by contacting Shanice Austin of ReSolve and request the relevant access code 72 hours before the meeting on 8 September 2021.

Shanice Austin can be contacted by telephone 020 7702 9775 or via email at [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com).

Please ensure you have completed a Proof of Debt and Proxy Form and have submitted it to Shanice Austin prior 4pm on 7 September 2021. To be entitled to vote at the meeting you must submit details of your claim to me before the meeting. I enclose a proof of debt form to assist you in submitting details of your claim.

If you do not wish to attend the meeting in person and wish to nominate a person as your proxy holder, or alternatively request the Chair acts as your proxy holder, please complete and return the enclosed proxy form to me. To be valid, proxy forms must be received by me before the meeting.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice provided with these proposals at Appendix IV. Such requests must be supported by a valid proof of debt (if not already lodged). I will convene a physical meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

Please note that I must receive at least one vote by the decision date or the decisions will not be made. I would therefore urge creditors to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within five business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10 per cent in value or 10 per cent in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

### Extending the Administration

We may seek the consent of the appropriate class(es) of creditors, or an order of the Court, to extend the period of the Administration beyond the statutory period of 12 months, if we believe it is required to achieve the objective of the Administration and to finish our work.

### Discharge from liability

We will be discharged from liability in respect of our actions as Administrators at a time set by the creditors or the Court.

## 9. Statutory and other information

Statutory and other information				
Court details:	High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List Court no: 000940 of 2021			
Full name:	Bitumina Industries Limited			
Trading name(s):	N/A			
Registered number:	11929041			
Registered office:	22 York Buildings, John Adam Street, London WC2N 6JU Formerly: The Broadgate Tower Third Floor, 20 Primrose Street, London, United Kingdom, EC2A 2RS			
Appointors:	Court application			
Company directors:	Uladzislau Punko, Bernd Reza Schmidt, Rene Ziegler			
Company secretary:	Reed Smith Corporate Services Limited			
Shares held by directors:	Name of Shareholder	Type of shares and number of shares held		Total amount called up
	Uladzislau Punko	4,040,944	Ordinary shares – 12.8%	USD 4,040,944
	Bernd Reza Schmidt	24,681,105	Ordinary shares – 78.2%	USD 24,681,105
	Rene Ziegler	182,768	Ordinary shares – 0.6%	USD 182,768
Date of the Administrators' appointment	30 June 2021			
Division of the Administrators' responsibilities:	For the purpose of paragraph 100(2) of Schedule B1, the administrators may exercise any of the powers conferred on them by IA86 jointly or individually			
Objective being pursued by the Administrators:	3(1)(b) of Schedule B1 IA86			
Regulation (EU) on Insolvency Proceedings:	I consider that these are "COMI proceedings" since the Company's registered office is in the United Kingdom, such that its centre of main interest is in the United Kingdom.			

If you have any queries regarding the proposals or the conduct of the Administration in general, please contact Shanice Austin on 020 7702 9775.

Should you have any comments or complaints regarding the Administration, please contact Mark Supperstone in the first instance. If you consider that we have not dealt with your comment or complaint appropriately, you may request we perform an internal independent review of your complaint. This review would be undertaken by a person within ReSolve not involved in the administration. A request for a review can be made in writing to ReSolve Advisory Limited, 22 York Buildings, John Adam Street, London, WC2N 6JU or by email to [complaints@resolvegroupuk.com](mailto:complaints@resolvegroupuk.com).

If you still feel that you have not received a satisfactory response then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Details of this procedure and other regulatory policies can be found on ReSolve's website at [www.resolvegroupuk.com/policies2/](http://www.resolvegroupuk.com/policies2/).

## Pre-appointment time costs and expenses

The Board of the Company instructed us to assist them in placing the Company in administration on 7 May 2021. They agreed that we should be paid our pre-appointment fees and expenses on a time cost basis. We provide below a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at my firm:

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Pre Appointment	24.80	16,740.00	5.40	2,349.00	-	-	30.20	19,089.00	632.09
	24.80	16,740.00	5.40	2,349.00	-	-	30.20	19,089.00	632.09

The following work was undertaken:

- Liaised with the Secured Note Holders regarding the potential appointment of Administrators under the terms of their security;
- Liaised with Keystone Law, the Secured Note Holders' solicitors, regarding the preparation of the Administration application;
- Supported the Secured Note Holders with their application to place the Company into Administration; and
- Planned internally for the appointment.

The following statement sets out the time costs that were incurred prior to the Administration and those where approval is being sought to pay them from administration funds.

Description	Amount £	Paid pre- appointment £	To be paid £
Pre-appointment time-costs	19,089	-	19,089

## Approval of pre-appointment fees and expenses

The Administrators are seeking approval of the outstanding pre-appointment fees and expenses at the virtual meeting. Further details are provided at Appendix IV.

## Administrators' remuneration policy, charge out rates, expense policy

### Time costs basis

Charge out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six-minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. The hourly charge out rates to be used on this case are as follows:

Staff grade	Rates applicable from 1 May 2021 Rate per hour (£)
Partner	625 - 755
Director	515 - 535
Senior Manager	435
Manager	375
Assistant Manager	305
Senior Administrator	255
Administrator	220
Junior Administrator	175

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Advisory Limited. Our cashier is charged at the Senior Administrator rate. The charge out rate for Lee Manning, the lead office holder in this case, is £725 per hour.

The charge out rates are reviewed periodically (no more than once a year) and are adjusted to take account of inflation and the firm's overheads.

When we seek time costs approval, we have to set out a fees' estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate, and by reference to each separate category of work. The blended rate is calculated as the prospective average cost per hour, based upon the estimated time to be expended by each grade of staff at their specific charge out rate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

A report accompanying the request to fix the basis of remuneration will include the fees' estimate, as well as details of the expenses that will be, or are likely to be, incurred. Further information about expenses is given below.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will summarise that information in a blended rate for all of the work being carried out within the estimate, and by reference to each separate category of work, and will also say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

## Expense policy

In accordance with Statement of Insolvency Practice 9, the basis of expense allocation must be fully disclosed to creditors. Expenses are categorised as either Category 1 or Category 2 expenses:

### Category 1

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without creditor approval. Examples of Category 1 expenses are statutory advertising, external meeting room hire, external storage, specific bond insurance, external information hosting charges, and Company search fees.

### Category 2

These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement. Category 2 expenses that are likely to be incurred, and require specific approval include:

Mileage	45 pence per mile paid to staff working on the insolvency appointment
Photocopying	20 pence per sheet of paper for reporting purposes (correspondence will be digital where at all possible to minimise this expense)

Category 1 and Category 2 expenses are subject to the rights of creditors to seek further information about them or challenge them.

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors,
- Auctioneers/Valuers,
- Accountants,
- Quantity Surveyors,
- Estate Agents,
- Pension specialists,
- Employment Claims specialists, and
- GDPR/Cyber Security specialists.

The following professionals have been utilised in this matter and the costs of these also comprise Administration expenses:

Professional Advisor	Nature of Work	Fee Arrangement	Fees incurred to date /£	Paid	Estimated future fees
Locke Lord	Legal advice	Time costs	110,085	-	Uncertain

The choice of professionals was based on our perception of their experience and ability to perform the type of work assigned to them, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and we are satisfied they are reasonable in the circumstances of this case.

Narrative for each of the above

Lock Lord have been engaged to provide us with advice relating to:

- The validity of the Secured Note Holders' security;
- Reviewing the transaction documentation regarding the sale of the Nynas AB shares;
- Responding to various correspondence from certain stakeholders and their legal representatives; and
- Ad-hoc advice as and when required.

Locke Lord have confirmed their independence and hold adequate professional indemnity insurance.



## Appendix III

### Schedule of post appointment time costs for the period from 30 June 2021 to 23 August 2021

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration &amp; Planning</b>									
Case planning / monitoring	21.50	15,565.50	12.30	5,350.50	2.00	506.50	35.80	21,422.50	598.39
Cashiering	-	-	-	-	4.30	1,044.00	4.30	1,044.00	242.79
General administration	31.30	21,732.50	1.70	739.50	2.00	510.00	35.00	22,982.00	656.63
	<b>52.80</b>	<b>37,298.00</b>	<b>14.00</b>	<b>6,090.00</b>	<b>8.30</b>	<b>2,060.50</b>	<b>75.10</b>	<b>45,448.50</b>	<b>605.17</b>
<b>Creditors</b>									
Secured	16.90	12,252.50	-	-	-	-	16.90	12,252.50	725.00
Preferential	-	-	-	-	-	-	-	-	-
Unsecured	0.70	507.50	1.80	783.00	1.00	220.00	3.50	1,510.50	431.57
	<b>17.60</b>	<b>12,760.00</b>	<b>1.80</b>	<b>783.00</b>	<b>1.00</b>	<b>220.00</b>	<b>20.40</b>	<b>13,763.00</b>	<b>674.66</b>
<b>Investigations</b>									
Other investigation	14.30	10,367.50	-	-	-	-	14.30	10,367.50	725.00
	<b>14.30</b>	<b>10,367.50</b>	<b>-</b>	<b>-</b>	<b>0.10</b>	<b>25.50</b>	<b>14.40</b>	<b>10,393.00</b>	<b>721.74</b>
<b>Realisation of Assets</b>									
Book debts	1.80	1,305.00	-	-	-	-	1.80	1,305.00	725.00
Sale of business / assets	50.40	36,732.00	0.70	304.50	0.40	102.00	51.50	37,138.50	721.14
Other assets	57.00	39,045.00	6.50	2,827.50	1.40	311.50	64.90	42,184.00	649.98
	<b>109.20</b>	<b>77,082.00</b>	<b>7.20</b>	<b>3,132.00</b>	<b>1.80</b>	<b>413.50</b>	<b>118.20</b>	<b>80,627.50</b>	<b>682.13</b>
<b>Statutory</b>									
Statutory paperwork / form completion	-	-	1.80	783.00	4.90	1,249.50	6.70	2,032.50	303.36
Filing documents with CH / Court	0.10	53.50	-	-	-	-	0.10	53.50	535.00
Reporting to creditors	-	-	10.80	4,698.00	1.90	439.00	12.70	5,137.00	404.49
	<b>0.10</b>	<b>53.50</b>	<b>12.60</b>	<b>5,481.00</b>	<b>6.80</b>	<b>1,688.50</b>	<b>19.50</b>	<b>7,223.00</b>	<b>370.41</b>
<b>Trading</b>									
	-	-	-	-	-	-	-	-	-
<b>Total hours and cost</b>	<b>194.00</b>	<b>137,561.00</b>	<b>35.60</b>	<b>15,486.00</b>	<b>18.00</b>	<b>4,408.00</b>	<b>247.60</b>	<b>157,455.00</b>	<b>635.92</b>

#### Narrative of work carried out:

#### Administration and Planning

This represents the routine administrative work that is required of the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their staff. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the SIP, which set out required practices that office holders must follow:

#### Case planning

- Review and storage of Company records.
- Considering the employee position of the Company.
- Case planning and administration.

#### Cashiering

- Dealing with the day to day management of the internal cash book.
- Making payments and dealing with receipts.
- Reconciling the Company's bank account.

#### General administration

- Statutory notifications and advertising.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Liaising with insurers regarding initial cover.
- Maintaining physical case files and electronic case details.
- Liaising with the Company's directors regarding provision of information.

## Creditors

Work involved in dealing with all classes of creditors.

The office holders need maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory obligations.

### Secured

- Liaising with the Secured Note Holders with respect to sums due to these secured creditors and planning the release of surplus funds.

### Unsecured

- Dealing with creditor correspondence, emails and telephone conversations.
- Maintaining up to date creditor information on the case management system.

## Investigations

Insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holders are required by the SIP to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors and any time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors. Any approval for an increase in fees will be sought as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

The office holders are also required by legislation to report to the BEIS on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

- General investigation into the Company's affairs.
- Statutory investigation into the directors' conduct, including preparation and submission of required reports.

## Realisation of Assets

This is the work that needs to be undertaken to protect and then realise the known assets, which should directly benefit creditors.

Please refer to section five of this report for further information regarding the work carried out to recover value for the Company's shareholdings in its various subsidiary undertakings.

## Statutory

These activities involve complying with legislation including but not limited to; The IA86, The IR16, The Companies Act 2006, The Bribery Act 2010, the Money Laundering Regulations 2017, SIPs and Pension Regulations. These activities do not add any direct benefit to creditors and they form part of the statutory obligations of the Administration.

- Preparation and delivery of all statutory documentation.
- Informing Companies House of the Administration.
- Liaising with solicitors regarding appointment documentation.
- Internal discussions in relation to the timings of the appointment and preparing for the appointment.
- Dealing with statutory issues required under IA86, IR 2016 and the Statements of Insolvency Practice.

## Litigation

Dealing with a number of complaints by Bernd Schmidt in respect of our conduct of the sale of the Nynas shareholding and instructing lawyers in that regard.

Instructing lawyers and counsel over the weekend of August 14th and 15th to deal with a short notice application by Bernd Schmidt, to inunct us from removing him as a director of Nynas AB and from generally pursuing the purposes of the administration.

Attending the hearing of the injunction application on August 16th, which was dismissed by the presiding judge.

## Administrators' fee estimate

Bitumina Industries Limited - In Administration			
FEES ESTIMATE			
	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work (£)	Average charge out rate (£)
ADMINISTRATION AND PLANNING (Note 2)			
Description of the tasks to be undertaken in this category of work			
Case planning and monitoring			
Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.	27.00	18,415.00	
Setting up physical/electronic case files (as applicable).	5.00	1,275.00	
Setting up the case on the practice's electronic case management system and entering data.	5.00	1,275.00	
Undertaking periodic reviews of the progress of the case.	7.00	4,495.00	
Overseeing and controlling the work done on the case by case administrators.	7.00	4,495.00	
Compliance matters			
Obtaining a specific penalty bond.	2.00	980.00	
Reviewing the adequacy of the specific penalty bond on a quarterly basis.	3.00	2,175.00	
Correspondence with creditors and directors and their lawyers			
Dealing with all routine correspondence and emails relating to the case.	50.00	35,310.00	
Cashiering			
Opening, maintaining and managing the office holder's estate bank account	3.00	1,705.00	
Creating, maintaining and managing the office holder's cashbook.	4.00	2,900.00	
Undertaking regular bank reconciliations of the bank account containing estate funds.	8.00	5,800.00	
General administration			
Arranging suitable insurance over assets.	3.00	1,705.00	
Regularly monitoring the suitability and appropriateness of the insurance cover in place.	2.30	1,526.50	
Preparing and filing VAT returns.	2.00	690.00	
Preparing and filing Corporation Tax returns.	2.00	690.00	
Seeking closure clearance from HMRC and other relevant parties.	4.00	1,020.00	
General Administration	1.00	725.00	
Total	135.30	85,181.50	629.58
INVESTIGATIONS (Note 3)			
Description of the tasks to be undertaken in this category of work			
D return preparation			
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.	10.00	5,440.00	
General investigation			
Recovering the books and records for the case.	2.00	1,450.00	
Listing the books and records recovered.	2.00	1,450.00	
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.	15.00	10,295.00	
Other investigation			
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors	20.00	12,110.00	
Total	49.00	30,745.00	627.45

## REALISATION OF ASSETS (Note 4)

Description of the tasks to be undertaken in this category of work			
Sale of business / assets			
Instructing and working with solicitors to assist in realisation of assets	55.00	38,425.00	
Liaison with Board of Directors of Nynas and Stratura	102.20	63,307.00	
Instructing agents to seek interested parties for realisation of assets	5.00	3,625.00	
Negotiation of sales contracts with all interested parties	126.00	90,504.00	
Total	288.20	195,861.00	679.60

## CREDITORS (note 5)

Description of the tasks to be undertaken in this category of work			
Unsecured creditors			
Dealing with creditor correspondence, emails and telephone conversations regarding their claims.	45.00	26,185.00	
Maintaining up to date creditor information on the case management system.	2.00	510.00	
Secured creditors			
Liaising with secured creditors in regards to security, status of bonds and providing regular updates where appropriate.	45.00	30,595.00	
Claim agreement and distributions			
Issuing a notice of intended dividend and placing an appropriate gazette notice.	2.00	980.00	
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.	8.00	5,800.00	
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.	7.00	3,265.00	
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.	10.00	7,250.00	
Total	119.00	74,585.00	626.76

## STATUTORY (Note 6)

Description of the tasks to be undertaken in this category of work			
Reporting to creditors			
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).	1.00	725.00	
Preparation of proposals and updating secured and unsecured creditors	30.00	18,890.00	
Preparing, reviewing and issuing annual progress reports to creditors and members (as applicable).	25.00	16,315.00	
Preparing, reviewing and issuing final reports to creditors and members (as applicable).	10.00	4,030.00	
Filing documents with Companies House / Court			
Filing returns at Companies House and/or Court (as applicable).	5.10	1,887.50	
Filing final returns at Companies House and/or Court (as applicable).	1.00	435.00	
Total	72.10	42,282.50	£586.44
Total time costs and hours	663.60	428,655.00	£645.95

## Notes to the Administrators' fee estimate

### Note 1 – Administration and planning

This represents the work that is involved in the routine administrative functions of the case by the Administrators and their staff.

### Note 2 – Investigations

The insolvency legislation gives us powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure. An initial investigation determines whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation.

If potential recoveries or matters for further investigation are identified then we will incur additional time costs to investigate them in detail and to bring recovery actions where necessary. We are unable to quantify the benefit to

creditors of these investigations at present but will include such information in our statutory report to creditors once the position is clear. We are also required by legislation to report to BEIS on the conduct of the directors and the work to enable us to comply with these statutory obligations is of no direct benefit to the creditors, although it may identify potential recovery actions.

#### Note 3 – Realisation of assets

This is the work that needs to be undertaken to realise the known assets in the case.

#### Note 4 – Creditors

Employees: We need to deal with the ex-employees in order to ensure that their claims are processed appropriately by the RPS. That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. We are required to undertake this work as part of their statutory functions.

Creditors: We need to maintain records of the names and addresses of creditors, together with the amounts of their claims to ensure notices and reports can be issued to the creditors. We will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. We are required to undertake this work as part of their statutory functions.

Dividends: We have to undertake certain statutory formalities in order to enable us to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

#### Note 5 – Statutory

Statutory - preparation of reports and compliance with statutory matters pertaining to the IA86, IR16, together with compliance with SIPs.

## Notice of Virtual Meeting

Bitumina Industries Limited – in Administration  
Company Number 11929041

Notice is given by Cameron Gunn and Lee Manning to the creditors of Bitumina Industries Limited that a virtual meeting of creditors has been summoned under paragraph 51 of Schedule B1 of the Insolvency Act 1986 for the purpose of seeking resolutions on the following:

1. **That the Administrators' proposals be approved.**
2. The Administrators be remunerated by reference to time costs for different categories of work, the details of which are set out in these proposals.
3. That the Administrators be permitted to recover category 2 expenses.
4. **That the Administrators' pre-appointment costs and expenses be approved and that they be drawn from the Company's estate.**

The meeting will be held as follows:

Date 8 September 2021

Time 10 am

1. Access to the virtual meeting can be obtained by contacting Shanice Austin of ReSolve and requesting the relevant access code. Shanice Austin can be contacted by telephone 020 7702 9775 or via email at [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com).
2. Creditors entitled to attend and vote at the virtual meeting may do so personally or by proxy. A creditor can attend the virtual meeting and vote, and are entitled to vote if they have submitted proof of their debt by no later than 4 pm on 7 September 2021, the business day before the meeting. Failure to do so will lead to their vote(s) being disregarded.
3. Any creditor unable to attend in person, but wishing to vote at the meeting can either nominate a person to attend on their behalf, or nominate the chair of the meeting to vote on their behalf. Creditors must lodge their proxy in advance of the meeting.
4. All proofs of debt and proxies must be lodged with Shanice Austin prior to the expiry of the deadline of 4 pm on 7 September 2021.
5. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
6. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the resolution provided they have lodged proof of their debt.
7. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the resolution(s) below. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
8. Creditors have the right to appeal a decision of the convener or chair made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to Court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 8 September 2021 the Decision Date.

9. The chair of the meeting may adjourn or suspend the meeting if necessary, and must do so if so resolved by creditors.
10. Any creditors excluded from the meeting, may complain to the chair during the meeting, or the convener of the meeting by no later than 4 pm the business day following the exclusion, in accordance with rule 15.38. (An excluded creditor is a person who has taken all necessary steps to attend a virtual meeting or, has been permitted by the convener to attend a physical meeting remotely, under arrangements which have been put in place by the convener but do not enable that person to attend the whole or part of the meeting.)
11. Please note that the meeting may be recorded for training and monitoring purposes.

Creditors requiring further information regarding the above, should either contact Shanice Austin at 22 York Buildings, John Adam Street, London, WC2N 6JU or, by email at [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com), or by phone on 020 7702 9775.

Dated this 23<sup>rd</sup> August 2021

A handwritten signature in black ink, appearing to be 'Lee Manning', with a long horizontal stroke extending to the right.

Lee Manning  
Joint Administrator

## Insolvency Act 1986

## Rule 16.3

## Proxy

## Bitumina Industries Limited - In Administration

Notes to help  
completion of the  
form

Please give full name of  
person (who must be  
18 or over) or the  
"Chair". If  
you wish to provide  
for alternative proxy-  
holders in the  
circumstances that  
your first choice is  
unable to attend  
please state the  
name(s) of the  
alternatives as well.

Name of creditor \_\_\_\_\_

Address \_\_\_\_\_

Name of proxy-holder \_\_\_\_\_

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Please delete words in  
brackets if the proxy-holder  
is only to vote as directed  
i.e. he has no discretion

**I appoint the above person to be my/the creditor's proxy-holder** at the meeting of creditors to be held on 8 September 2021 or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

## Voting instructions for resolutions

Any other resolutions  
which the proxy-  
holder is to propose or vote  
in favour of.  
If more room is required  
please use the other side of  
this form

1. That the Administrators' proposals be approved

For / Against

With the following modifications: (insert details of modifications)

2. That the Administrators' pre-Administration costs, the details of which are set out in the Administrators' proposals and issued with the notice of the meeting, be approved.

For / Against

3. That the Administrators' fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken and subject to the fees estimate set out in the Administrators' proposals and issued with the notice of the meeting.

For / Against

4. That the Administrators be permitted to recover category 2 expenses.

For / Against

This form must be  
signed

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name in CAPITAL LETTERS \_\_\_\_\_

Only to be completed  
if the creditor  
has not  
signed in person

Position with creditor or relationship or other authority for signature \_\_\_\_\_



## Notice of invitation NOT to form a creditors' committee

Bitumina Industries Limited – in Administration  
Company Number 11929041

NOTICE IS GIVEN by Cameron Gunn and Lee Manning to the creditors of Bitumina Industries Limited of an invitation NOT to form a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established. The deemed consent procedure is being used and the decision being sought is that a Creditors' Committee is NOT established.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 25 June 2021, the Decision Date, in other words a Creditors Committee will NOT be established unless creditors object.

2. A Committee may be formed if a minimum of three and a maximum of five creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipts of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 8 September 2021, the Decision Date.
5. Please complete the section below, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU so that it is received by no later than 23.59 on 8 September 2021, the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>. If you require a hard copy of the booklet please contact ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU.

The final date for votes to establish a committee is 8 September 2021, the decision date.

6. To object to this decision, creditors must deliver to us at our offices at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU a duly completed notice of objection by no later than 23.59 hours on 8 September 2021, the Decision Date, together with proof of their debt, (if not already lodged) without which objections will be invalid.
7. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 8 September 2021, without which, objections will be invalid.
8. Creditors should note that it is our responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then we will write to creditors to seek approval for this decision using a qualifying decision process.
9. Creditors with small debts, that is claims of £1,000 or less, must have lodged proof of their debt for their vote to be valid.
10. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.

11. Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
12. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 8 September 2021 the Decision Date.

Creditors requiring further information regarding the above, should either contact me at ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or contact Shanice Austin by telephone on 020 7702 9775 or by email at [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com).

Dated this 23<sup>rd</sup> August 2021

Lee Manning  
Joint Administrator

Bitumina Industries Limited – in Administration  
Company Number 11929041

NOTICE OF OBJECTION TO DEEMED CONSENT

If you agree with the proposed decisions, then you do not need to do anything, and can disregard this form.

Please note that if you object to the decision then you are saying that you want to establish a Committee. That will incur additional costs, so please only object if you are prepared to act as a Committee member or can nominate another creditor who is willing to act.

The following decision is sought from the creditors of the Company by way of a Deemed Consent Procedure;

1. That a Creditors' Committee should NOT be established.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: \_\_\_\_\_

Signature of creditor: \_\_\_\_\_

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which  
signing document: \_\_\_\_\_

Date: \_\_\_\_\_

Note: The completed form should be delivered to Cameron Gunn and Lee Manning, either by posting it to ReSolve Advisory Limited, 22 York Buildings, London, WC2N 6JU, or by emailing it to [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com), so that it is delivered by 23.59 hours on 8 September 2021 in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid. You are encouraged to return any forms or correspondence in respect of this matter by email to [shanice.austin@resolvegroupuk.com](mailto:shanice.austin@resolvegroupuk.com) rather than by post to ensure it is received ahead of the deadline.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 8 September 2021, the Decision Date.

## Proof of debt

BITUMINA INDUSTRIES LIMITED - IN ADMINISTRATION		
Date of administration: 30 June 2021		
1.	Name of creditor (If a company please also give company registration number).	
2.	Address of creditor for correspondence.	
3.	Total amount of claim, including any Value Added Tax and outstanding un-capitalised interest as at the date the company went into administration.	
4.	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the administrators may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting or decision procedure).	
5.	If amount in 3 above includes outstanding un-capitalised interest please state amount.	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7.	Particulars of any security held, the value of the security, and the date it was given.	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or in relation to creditor  Address of person signing (if different from 2 above)	
For Administrators' Use only		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Joint Administrator		Joint Administrator

## Estimate of Financial Position

	Book Value	Estimated to Realise
	€	€
Fixed charge assets		
Shares in subsidiary companies:		
Nynas AB	Unknown	5,000,000
Stratura Asfaltos	Unknown	Uncertain
Eco-Bitum	Unknown	Uncertain
Denimotech	Unknown	Uncertain
Bitumina International DMCC	Unknown	Uncertain
Available for secured creditors		5,000,000
Convertible Notes Holders		(2,658,833)
Estimated surplus available for unsecured creditors		2,341,167
Unsecured claims		
Professional fees		(1,094,515)
Other creditors		(12,900,000)
Intercompany		(1,349,440)
Total unsecured claims		(15,343,955)
Estimated surplus/(deficit) as regards unsecured creditors		(13,002,788)
Issued and called up capital		
Ordinary shares		26,630,152
Total shareholding		26,630,152
Estimated total (deficit)/surplus as regards members		(39,632,940)

## Unsecured creditors

€

NESTE Oyj	Keilaranta	P.O. Box 95	00095 Neste	FINLAND	12,900,000
Reed Smith	The Broadgate Tower	20 Primrose Street	London	EC2A 2RS	748,490
Advokatfirman Delphi KB	PO Box 1432	111 84 Stockholm	Sweden		300,000
Stocche Forbes	Av. Brigadeiro Faria Lima, 4100	10º andar	04538-132	São Paulo Brasil	46,025
Bitumina International DMCC	Dubai	UAE			1,349,440
					<u>15,343,955</u>