

ASX Announcement

Aksesstoday Limited (Administrators Appointed) – Meeting of creditors called

Melbourne, 21 August 2019

Messers Vaughan Strawbridge, Sal Algeri and Glen Kanevsky were appointed Voluntary Administrators of Aksesstoday Limited (ASX:AXL)(**AXL**), A.C.N 603 303 126 Pty Ltd (**ACN Co**), Aksesstoday Retail Pty Ltd and Aksesstoday Operations Pty Ltd (together the **Group**) on 7 April 2019.

The Administrators today provided their statutory second report to creditors pursuant to rule 75-225 of the Insolvency Practice Rules (Corporations) in which they confirmed that the sale of business would be completed by way of a single Deed of Company Arrangement (**DOCA**) which contemplates two transactions with separate completion dates, whereby:

- The operating business will be sold as a going concern, which is effected through a restructure and transfer of all operating assets and undertakings (including the shares in Aksesstoday Operations Pty Ltd, Aksesstoday Retail Pty Ltd and, if required, 503 888 65 BL Pty Ltd) to ACN Co and the subsequent sale of the shares in ACN Co to Promontoria Holding 304 BV, a subsidiary of Cerberus (**PH304**);
- Following the sale of the operating business, the DOCA process will provide for the sale of the ASX Listed Shell, that is, consideration for the transfer of control of the board of AXL with no assets, liabilities or business operations. Further details of this transaction will be provided to shareholders of AXL in due course. The proceeds from the sale of the ASX Listed Shell will be paid into the Creditors' Trust for the benefit of creditors;
- Further, certain assets excluded from the transaction with PH304 will be transferred to the Creditors' Trust and preserved for the benefit of creditors, including monies that would otherwise have been payable to subordinated secured lenders in respect to default interest and early redemption payments and, proceeds from the recoupment of an intercompany loan following the sale of the assets in 1114604 BC Ltd.

The single DOCA and Creditors' Trust contemplates combining all creditors of the Group to claim against funds held in the Creditors' Trust. That is, a creditor of one entity in the Group will be treated under the DOCA as a creditor of the Group, without the need for creditors to prove their claim separately against each entity.

It is anticipated that the proposed DOCA will allow a dividend of between 33.9 cents and 34.9 cents in the dollar to unsecured creditors with the final amount dependent on the level of creditor claims. Given that unsecured creditors will not be paid in full, there will be no return to shareholders of AXL under the proposed DOCA from the sale of the subsidiaries or realisation of AXL's assets.

The Administrators recommend that creditors vote in favour of the DOCA proposal as it estimated to provide a greater return to creditors than would be achieved in a liquidation of the Companies.

The second meeting of creditors has been scheduled for 11 am on Friday, 30 August 2019, at which creditors will be asked to vote on the proposal.

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The Voluntary Administrators have published a Report to creditors pursuant to rule 75-225 of the Insolvency Practice Rules (Corporations), together with a Remuneration Approval Report. These are accessible from the following website under "Latest Reports":

<https://axesstodaylimited.com.au/>.

Further information

For further information about the 75-225 Report and Remuneration Approval Report, or the administration more generally, shareholders and creditors are invited to contact the Voluntary Administrators using the below details:

Email: axesstoday@deloitte.com.au

Phone: (02) 9322 5526

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