

14 December 2021



Privium Companies (All Administrators Appointed) ("the Companies")

Report to creditors – Section 75-225 of the Insolvency Practice
Rules (Corporations) 2016

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1. About this report: a guide for creditors

1.1. Appointment of Administrators and Purpose of this report

On 17 November 2021, we, John Park, Joanne Dunn and Kelly-Anne Trenfield were appointed Joint and Several Administrators of the below Companies in accordance with a resolution passed at a meeting of the Company's directors pursuant to section 436A of the Act:

Table 1 Company name (All Administrators Appointed)	Formerly Known As	ACN
Privium Group Pty Ltd ("Privium Group")	Privium Pty Ltd and Impact Group Pty Ltd	100 923 297
Privium Pty Ltd ("Privium")	Privium Homes Pty Ltd and Impact Homes Pty Ltd	085 773 931
Privium Civil Pty Ltd ("Privium Civil")	Impact Civil Pty Ltd	600 354 701
Privium Investments Pty Ltd ("Privium Investments")	Impact Investments Pty Ltd	145 575 168
Impact Land Pty Ltd ("Impact Land")	-	144 048 993
Impact Specs Pty Ltd ("Impact Specs")	-	614 365 258
Privium Assets Pty Ltd ("Privium Assets")	-	145 331 120
Privium Developments Pty Ltd ("Privium Developments")	Impact Developments Pty Ltd	169 024 006
Residences on Bass Pty Ltd ("Residences on Bass")	-	644 584 172

In a voluntary administration, the Administrators take control of the Companies and their affairs, superseding the powers of the directors and officers to make decisions and perform management functions.

We also have a duty to investigate the Companies' business, property, affairs and financial circumstances.

We are required to prepare this report under the Corporations Act 2001 (the Act) and provide creditors with information about the Companies' business, property, affairs and financial circumstances.

This report contains the information we are required by law to include, plus other information considered materially relevant to creditors to enable them to make an informed decision about the Companies' future.

This report and its attachments contain details about the forthcoming second meeting of creditors to be held on **22 December 2021** and our opinion and recommendation about the future of the Companies and what is considered to be in the creditors' interests. Creditors are required to decide whether:

- The Companies should execute a DOCA
- the administration of the Companies should end, or
- the Companies should be wound up.

Alternatively, creditors can vote to adjourn the meeting for up to 45 business days to allow more time to make their decision.

All details, forms and instructions relating to the meeting have been included with the covering letter and other documents attached to this report.

1.2. Key messages and recommendations

Section 2 of this Report summarises the items considered to be the most important for creditors.

1.3. Questions and help

If you are unsure about any of the matters raised in this report or the impact any decision about the Companies' future may have on you, please contact us by email at PriviumCreditors@fticonsulting.com or by phone on (07) 3225 4900.

1.4. Second Meeting of Creditors

The Administrators are required under law to convene a second meeting of creditors, at which time creditors will vote on the future of the Companies.

As mentioned above, the second meeting of creditors will be held on **Wednesday, 22 December 2021 at 10:00am (AEST)** using virtual meeting facilities.

Due to the ongoing threat of COVID-19, this meeting will be held by electronic means only and there will be no physical meeting place available.

Should you wish to attend the second meeting of creditors, please complete and return the relevant forms shown below, to our office by **no later than 10:00am (AEST) Tuesday, 21 December 2021**.

Meeting forms are also available to be downloaded from the FTI Consulting Creditor Portal: [FTI Consulting Creditor Portal](#).

PLEASE READ CAREFULLY

How to participate in the meeting

In order to attend the meeting, you must complete and return the below forms via email to PriviumCreditors@fticonsulting.com by no later than **10:00AM (AEST) on Tuesday, 21 December 2021**.

The below meeting forms are available to download from the FTI Consulting Creditor Portal:
<https://www.fticonsulting.com/creditors/privium-companies>

Meeting Registration Form

You must complete and return this form if you wish to attend the meeting of creditors, and vote at the meeting.

Please complete the meeting registration form via the following link:

<https://forms.office.com/r/XXUuiTL746>

Creditors will receive a link to register for the Zoom meeting, once they have submitted the required forms. The link will be emailed at least 12 hours prior to commencement of the meeting.

A creditor unique identifier will also be provided to be used for voting at the meeting.

Proxy Form

You must complete this form if you wish to appoint another person to attend the meeting on your behalf (corporate creditors must complete this form).

Non-individual creditors (corporate, trusts, etc.) who want to be represented must appoint an individual to act on its behalf by executing a proxy form.

Individuals may choose to appoint a proxy/representative to vote on their behalf by executing a proxy form. If an individual is attending in person a proxy form is not required.

Proof of Debt Form

You must complete this form in order to vote at the meeting.

This form is required to register your claim against the Companies.

Documents to substantiate your claim (e.g. invoices) must also be provided.

2. Key messages

2.1. Overview of administration strategy

2.1.1. Administrators' strategy and major actions

Strategy & Client Liaison	Secured control of the Companies' assets and overlaid appropriate risk protocols. Valuers and auctioneers were engaged, and motor vehicle searches were conducted.	Gained understanding of the status the Companies' businesses and projects. Obtained and reviewed the Companies' books and records including existing contracts.	Engaged with the Companies' clients. Client correspondence via both telephone hotline and a dedicated email inbox were arranged and enquiries were actioned based on individual circumstances.	Liaised with building regulators in each state in which the Companies' operated to determine extent of available insurance coverage and provide assistance to clients	Commenced preliminary investigations on the Companies' records.
Statutory matters & Investigations	Attended to all required statutory obligations and requirements, including preparing for and holding the virtual first meeting of creditors.	Conducted and reviewed searches in relation to the Companies and their officers.	Undertook investigations into the performance and position of the Companies leading up to our appointment, and reasons for failure.	Reviewed books and records of the Companies to identify potential voidable transactions and other recoveries realisable for the benefit of creditors.	Formed a preliminary opinion on date of insolvency and potential breaches of the Act by the Directors.
Stakeholders	Prepared and distributed a circular and correspondence to approximately 477 trade creditors and suppliers.	Prepared for and attended the first meeting of creditors.	Liaised with approximately 300 clients regarding the status of their build on an ongoing basis and issued a Circular to 1,645 clients providing critical information.	Responded to telephone and email queries from creditors, clients, stakeholders, and media.	Preparation of this report pursuant to Section 75-225 of the Insolvency Practice Rules (Corporations) 2016.

2.2. Key messages for creditors

Set out below is a summary of the key messages and recommendations detailed in this report. Please read this summary in conjunction of the remainder of the report including the terms of reference contained in **Appendix 1** and any other attachments.

Key areas	Commentary	Analysis
Explanations for the Companies' difficulties	Our investigations have identified the following reasons for the Companies' failure: ▪ Rising costs of construction via higher labour and materials cost due to supply shortages which outpaced stagnant revenue; ▪ Additional pressure on profit margins over FY20 arising from the COVID-19 pandemic; ▪ Recoverability of related party loans were affected by covenant amendments and maturity extensions on secured corporate notes held by the head company Privium Group Pty Ltd; ▪ Liquidity issues which resulted in halting projects and discontinued payments to suppliers; and ▪ Large dividend payments to related parties depleting available cash which might have otherwise afforded a buffer from deteriorating trading conditions.	Section 4
Estimated date of insolvency	Our preliminary view is the Companies were likely insolvent from at least August 2021 and remained so up until the time of our appointment on 17 November 2021.	Section 7
Voidable transactions and offences	We consider there may be transactions a liquidator could pursue which might result in property or money being recovered for the benefit of creditors. These include the following: Privium Group Pty Ltd (Administrators Appointed) ▪ Potential uncommercial transactions ▪ Potential voidable security interest Privium Pty Ltd (Administrators Appointed) ▪ Preferential payments to creditors ▪ Potential uncommercial transactions Privium Civil Pty Ltd (Administrators Appointed) ▪ Preferential payments to creditors	Section 7

Key areas	Commentary	Analysis
	Privium Investments Pty Ltd (Administrators Appointed) - Potential uncommercial transactions Impact Land Pty Ltd (Administrators Appointed) - None identified to date Impact Specs Pty Ltd (Administrators Appointed) - None identified to date Privium Assets Pty Ltd (Administrators Appointed) - None identified to date Privium Developments Pty Ltd (Administrators Appointed) - None identified to date Residents on Bass Pty Ltd (Administrators Appointed) - None identified to date The above potential voidable transactions are non-exhaustive, preliminary and subject to further investigations should the Companies be placed into liquidation.	
Offences by Office Holders	Based on our investigations to date, the following offences under the Corporations Act may have been committed by the Director and some former Directors: - Section 180 – Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties; - Section 181 – Failure to act in good faith; - Section 182 – Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage; and - Section 588G – Incurring liabilities while insolvent.	Section 7

Key areas	Commentary	Analysis																																				
Liability for insolvent trading	Based on the estimated date of insolvency and our current understanding of the Companies’ financial affairs, the potential claim for insolvent trading may be of the order of approximately \$2.5 million. At this time, it is unclear as to the capacity of the Director and former Directors to meet a successful insolvent trading claim. Further investigations would be required to determine the commerciality of an insolvent trading claim.	Section 7																																				
Proposal for a deed of company arrangement	No proposal for a deed of company arrangement has been received.	N/A																																				
Estimated outcome and timing for creditors	The estimates shown are based on the information presently available, our view of the Companies’ estimated realisable value of assets and estimated claims of creditors: Privium Group Pty Ltd (Administrators Appointed) <table><tr><td></td><td><i>Liquidation Low Return</i></td><td><i>Liquidation High Return</i></td><td><i>Timing of Payments</i></td></tr><tr><td>▪ Secured creditors</td><td>Nil</td><td>5 cents in the dollar</td><td>6 months</td></tr><tr><td>▪ Unsecured creditors</td><td>Nil</td><td>Nil</td><td>N/A</td></tr></table> Privium Pty Ltd (Administrators Appointed) <table><tr><td></td><td><i>Liquidation Low Return</i></td><td><i>Liquidation High Return</i></td><td><i>Timing of Payments</i></td></tr><tr><td>▪ Secured creditors</td><td>2 cents in the dollar</td><td>5 cents in the dollar</td><td>6 - 12 months</td></tr><tr><td>▪ Unsecured creditors</td><td>Nil</td><td>Nil</td><td>N/A</td></tr></table> Privium Civil Pty Ltd (Administrators Appointed) <table><tr><td></td><td><i>Liquidation Low Return</i></td><td><i>Liquidation High Return</i></td><td><i>Timing of Payments</i></td></tr><tr><td>▪ Secured creditors</td><td>Nil</td><td>0.1 cents in the dollar</td><td>6 months</td></tr><tr><td>▪ Unsecured creditors</td><td>Nil</td><td>Nil</td><td>N/A</td></tr></table>		<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>	▪ Secured creditors	Nil	5 cents in the dollar	6 months	▪ Unsecured creditors	Nil	Nil	N/A		<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>	▪ Secured creditors	2 cents in the dollar	5 cents in the dollar	6 - 12 months	▪ Unsecured creditors	Nil	Nil	N/A		<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>	▪ Secured creditors	Nil	0.1 cents in the dollar	6 months	▪ Unsecured creditors	Nil	Nil	N/A	Section 9
	<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>																																			
▪ Secured creditors	Nil	5 cents in the dollar	6 months																																			
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	<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>																																			
▪ Secured creditors	2 cents in the dollar	5 cents in the dollar	6 - 12 months																																			
▪ Unsecured creditors	Nil	Nil	N/A																																			
	<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>																																			
▪ Secured creditors	Nil	0.1 cents in the dollar	6 months																																			
▪ Unsecured creditors	Nil	Nil	N/A																																			

Key areas	Commentary				Analysis
	Privium Investments Pty Ltd (Administrators Appointed)				
		Liquidation Low Return	Liquidation High Return	Timing of Payments	
	▪ Secured creditors	6.7 cents in the dollar	14 cents in the dollar	2 years	
	▪ Unsecured creditors	Nil	Nil	N/A	
	Impact Land Pty Ltd (Administrators Appointed)				
		Liquidation Low Return	Liquidation High Return	Timing of Payments	
	▪ Secured creditors	Nil	0.8 cents in the dollar	6 months	
	▪ Unsecured creditors	Nil	Nil	N/A	
	Impact Specs Pty Ltd (Administrators Appointed)				
		Liquidation Low Return	Liquidation High Return	Timing of Payments	
	▪ Secured creditors	Nil	Nil	N/A	
	▪ Unsecured creditors	38 cents in the dollar	57 cents in the dollar	6 months	
	Privium Assets Pty Ltd (Administrators Appointed)				
		Liquidation Low Return	Liquidation High Return	Timing of Payments	
	▪ Secured creditors	7.7 cents in the dollar	11 cents in the dollar	6 months	
	▪ Unsecured creditors	Nil	Nil	N/A	
	Privium Developments Pty Ltd (Administrators Appointed)				
		Liquidation Low Return	Liquidation High Return	Timing of Payments	
	▪ Secured creditors	11 cents in the dollar	22 cents in the dollar	6-12 months	
	▪ Unsecured creditors	Nil	Nil	N/A	

Key areas	Commentary	Analysis												
	Residences on Bass Pty Ltd (Administrators Appointed) <table><thead><tr><th></th><th><i>Liquidation Low Return</i></th><th><i>Liquidation High Return</i></th><th><i>Timing of Payments</i></th></tr></thead><tbody><tr><td>▪ Secured creditors*</td><td>100 cents in the dollar</td><td>100 cents in the dollar</td><td>4 months</td></tr><tr><td>▪ Unsecured creditors</td><td>6.8 cents in the dollar</td><td>41 cents in the dollar</td><td>6 months</td></tr></tbody></table> <i>*BNY Trust Company Australia Limited (“BNY”) holds no security over Residences on Bass. Westpac Banking Corporation Limited (“WBC”) holds a mortgage over land owned by Residences on Bass, and they are expected to receive 100 cents in the dollar in relation to this loan.</i> The key factors and variables impacting the estimated return to creditors in liquidation are: ▪ Recoverability of voidable transaction claims; ▪ Validity and recovery of claims against related entities; ▪ Outcome of asset and property realisations; ▪ Recoverability of debtors; and ▪ Level of creditor claims. The key factors and variables impacting the estimated timing in the liquidation scenario includes the time it takes to realise the assets and the possible recovery actions available to the appointed Liquidator.		<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>	▪ Secured creditors*	100 cents in the dollar	100 cents in the dollar	4 months	▪ Unsecured creditors	6.8 cents in the dollar	41 cents in the dollar	6 months	
	<i>Liquidation Low Return</i>	<i>Liquidation High Return</i>	<i>Timing of Payments</i>											
▪ Secured creditors*	100 cents in the dollar	100 cents in the dollar	4 months											
▪ Unsecured creditors	6.8 cents in the dollar	41 cents in the dollar	6 months											
Remuneration	Under s 449E of the Act, the remuneration of the Administrators (and either the Deed Administrators or Liquidators, if appointed) can be fixed at the second meeting of creditors. Details of our proposed remuneration and resolutions are included in our Remuneration Approval Report.	Appendix 12												

3. Recommendation on the Companies' future

In our opinion it is in the creditors' interests the Companies be wound up and a liquidator appointed. Details about the estimated return to creditors and other information about what creditors can decide at the meeting are provided at **Section 10** this Report.

Options available to creditors	Option 1: Execute a DOCA	Option 2: Administration end	Option 3: Liquidation
Description	Whether it would be in the creditors' interests for the Companies to execute a DOCA	Whether it would be in the creditors' interests for the administrations to end	Whether it would be in the creditors' interests for the Companies to be wound up
Key factors to considers	As no DOCA has been proposed, creditors cannot resolve to accept a DOCA at this time	The Companies are insolvent with no cash to pay all due debts and no confirmed prospects of obtaining external funding	We have not been provided with a proposal for a DOCA for consideration and it is not appropriate the administrations end as the Companies are insolvent
Our opinion	No DOCA has been proposed	It is not in the creditors' interests the administrations should end	It is in the creditors' interests the Companies be wound up
Recommended option	Not recommended	Not recommended	Recommended
Potential to adjourn the meeting to a future date	- Creditors may wish to adjourn the second meeting for up to 45 business days to allow more time to make their decision regarding the future of the Companies. - The Administrators may recommend adjournment of the meeting of creditors to allow more time to consider a DOCA proposal or sale of business agreement, if any are received prior to the meeting		

4. Background information and reasons for failure

4.1. Outcome of the first meeting of creditors

The first meeting of creditors was held on 29 November 2021 to consider the formation of a committee of inspection and whether to appoint different persons to be the Administrators of the Companies.

Creditors resolved to appoint a committee of inspection for Privium Pty Ltd (Administrators Appointed) and the following representatives were appointed to the committee:

Table 2: Committee of Inspection Members for Privium Pty Ltd (Administrators Appointed)

Name	Representing
Jeremy Hollingsworth	BNY Trust Company of Australia Limited
Kevin Heri	Finlaysons Timber & Hardware Pty Ltd
John Goddard	Civic Shower Screens & Wardrobes Pty Ltd
Becky Cheung	Simply Wealth Group Pty Ltd
Harsh Bansal	Self – Customer
Nicole Jacobson	Self – Customer

A nomination for an alternative Administrator was received for Privium Pty Ltd (Administrators Appointed). A consent to act and DIRRI was received from Richard Rohrt of Hamilton Murphy. The resolution to replace the Administrators did not pass.

No nominations for alternative Administrators and no committee of inspection were formed for the other Companies captured under our appointment.

No Committee of Inspection meetings have been held during the Administration period at the time of issuing this report.

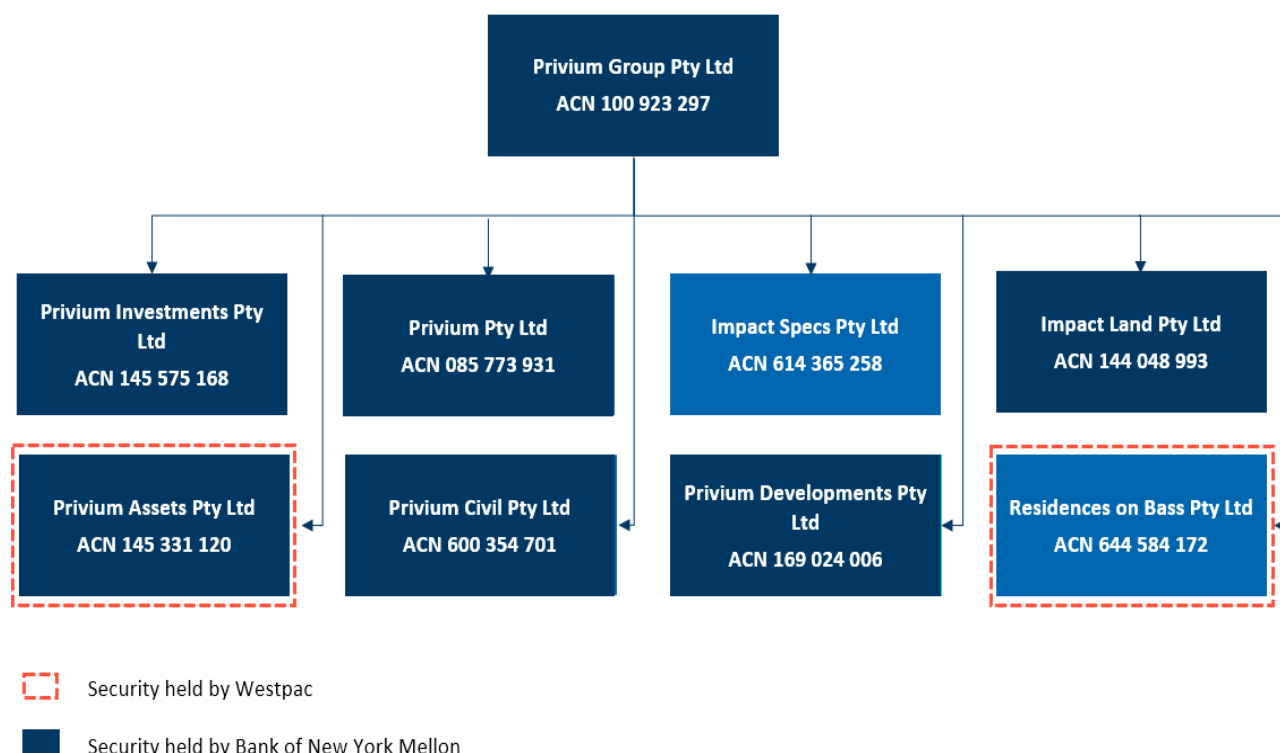
4.2. Administrator's prior involvement and independence

In accordance with s 436DA of the Act, we provided a DIRRI with our first communication to creditors. This DIRRI included the circumstances which led to our appointment as Administrators.

Our DIRRI was provided with our first circular to creditors and referred to at the first creditors' meeting.

There is no change to our assessment regarding our independence or to the information provided in the DIRRI.

4.3. Corporate Structure



4.4. Directors' explanation for the Companies' difficulties

The director of the Companies indicated to us the current circumstances faced by the Company are a result of the following:

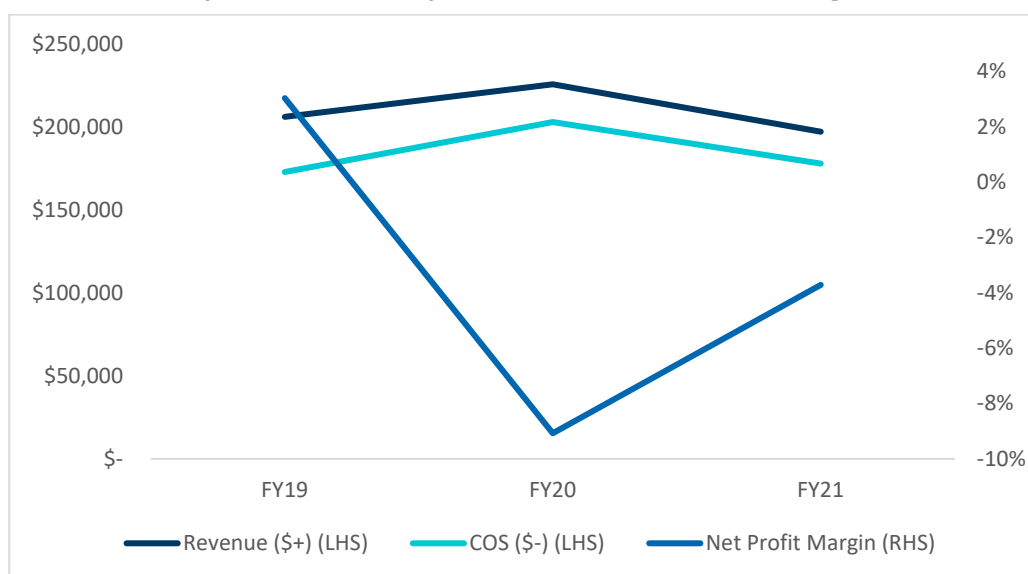
- The impact of COVID-19 on business operations:
 - Due to lead times of the building and construction industry, the initial impact of COVID-19 began in the fourth quarter of FY20, with lasting effects into FY21.
 - Second waves of COVID-19 in Victoria hindered the productivity relating to Victorian construction sites and limited the supplies and number of personnel on the ground.
- General downwards pressure on land values and general market sentiment in Victoria.
- Tighter lending conditions to customers resulted in extended settlement periods for registered land and established townhouses.

4.5. Administrators' observations of the Companies' difficulties

From our investigations to date, we largely agree with the Director's stated reasons and have identified the following additional possible causes for the failure of the Companies:

- Rising cost of construction outpacing revenue growth:
 - From FY19 to FY21, revenue growth remained relatively stable despite COVID-19 induced lockdowns across the eastern seaboard states. This was assisted through low cost of capital and generous Government builder and homeowner incentive programs.
 - Despite stable revenue figures, the Companies' cost of sales and overheads grew steadily from FY19 to FY21 due to a multitude of factors, namely:
 - Rise in cost of materials from shortages driven by supply chain issues; and
 - Shortage of sub-contractors and skilled labour, leading to higher labour rates.
- Furthermore, the Companies net profit margins naturally declined as a consequence of rising costs and stagnant revenue growth over the past three (3) years. With profit margins already extremely tight in its business model, the added pressure induced by COVID-19 deteriorated any remaining margin in FY20. Although FY21 showed slight improvements, it was ultimately insufficient. The net profit margin from FY19 to FY21 is shown in the below graph.

Graph 1: Privium Companies' Combined Net Profit Margin



- Covenant amendments and maturity extension to secured corporate notes held by the head company, Privium Group Pty Ltd, affected recoverability of related party loans:
 - In February 2016 Privium Group Pty Ltd was the issuer of amortising secured notes to the amount of \$45 million, in which FIIG Securities Limited are the Lead Manager and Initial Subscriber and Permanent Custodians Limited (where Bank of New York Mellon ("BNY") are the sole shareholder) act as the Security Trustee.
 - The secured notes were due to mature in February 2021; however, amendments were made in August 2020 which provided an eighteen (18) month extension to the maturity date and removed the debt to EBITDA covenant for FY20. If the amendments had not been made, Privium Group Pty Ltd would not have been in compliance with its covenants.

- The amendments, however, placed heavy constraints on the land and townhouse development divisions of the Group, which then affected the recoverability of related party loans and resulted in write-downs.
- Liquidity issues lead to halting projects and discontinuing payments to suppliers to preserve what little cash they had remaining. The limited cash led to multiple statutory demands issued against the main operating company in late 2021, as further detailed below in **Section 4.7**.

4.6. Outstanding winding up applications

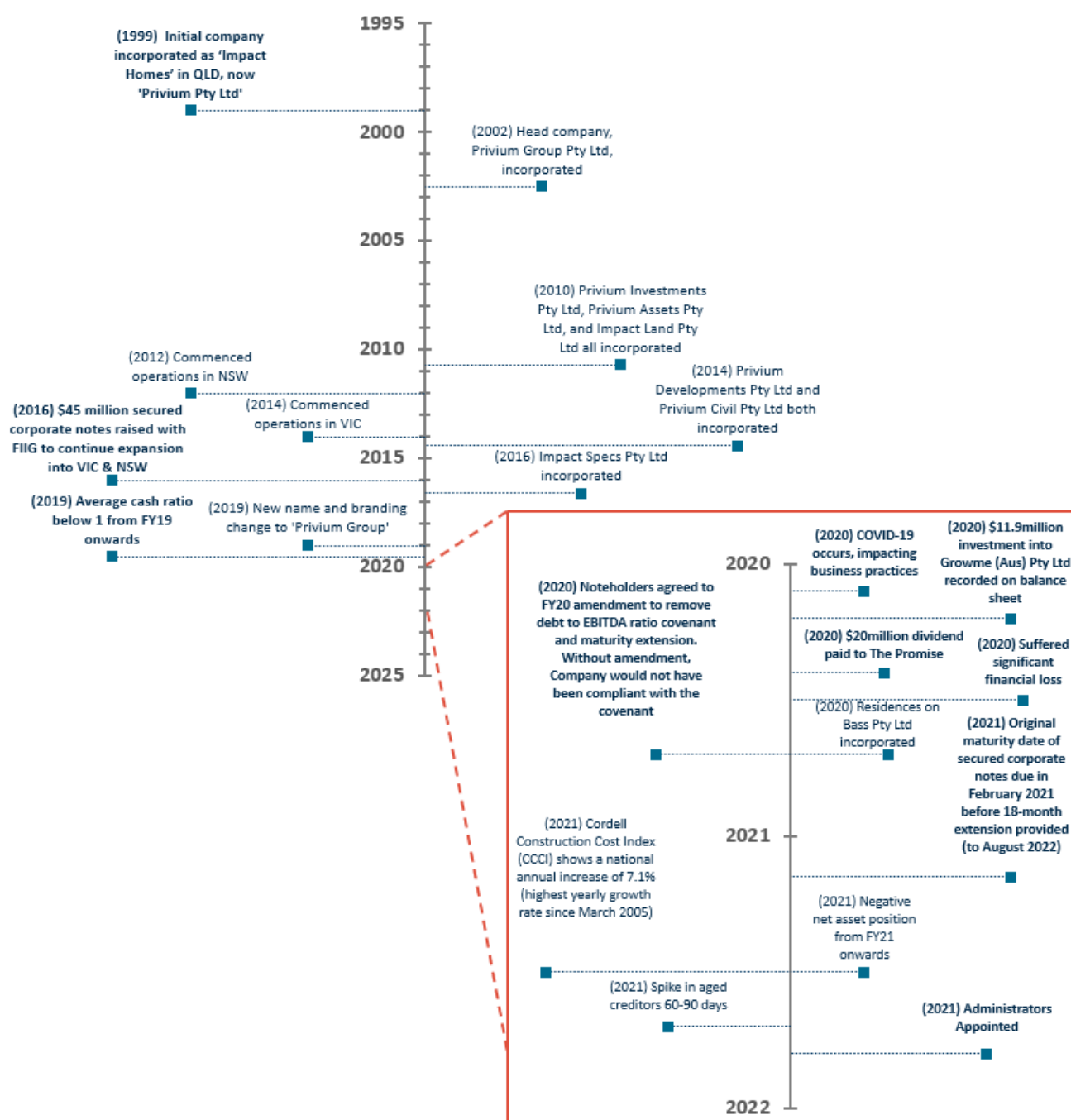
Based on searches performed at the time of our appointment, no winding up applications appear to have been lodged with an Australian Court against the Companies.

However, there were several statutory demands issued against companies within the Privium Group:

- Enjoy Life Group Pty Ltd (ACN 600 700 310) issued a statutory demand against Privium Pty Ltd on 20 October 2021 for the sum of \$285,000.
- Carnelian Projects Pty Ltd (ACN 153 653 224) issued a statutory demand against Privium Pty Ltd on 9 November 2021 for the sum of \$16,850 (incl. GST).

4.7. Timeline of events

Despite winning multiple state and national-based home builder awards over the years, the Companies have been impacted in recent years by a number of external and internal forces, primarily the outbreak of the COVID-19 Pandemic, the subsequent global supply chain shortage, rising costs of construction and building materials, decreased funding availability from related parties, and increased financing costs. Further details are provided in the timeline of events shown below:



4.8. Background Information and History of the Companies

The Privium Group consists of a variety of companies, nine (9) of which we have been appointed over as Administrators (refer to **Section 4.4** for Corporate Structure). The business model for The Privium Group was developed with the aim of being simple yet scalable, providing an end-to-end service from development through to property management.

The Privium Group focused on providing an array of services in the residential construction space for clients and stakeholders, including:

- Design and construct;
- Development;
- Project management;
- Civil works; and
- Maintenance.

The structure of the Privium Group includes a variety of Special Purpose Vehicles (“SPVs”). These SPVs were used to secure funding based on land and property being developed, with an arm’s length contract created between the SPV and Privium Pty Ltd for the purpose of constructing the dwellings. This has resulted in numerous intercompany loans, which are outlined in **Section 5.2**.

The below table outlines the companies within the Privium Group which we have been appointed over as Voluntary Administrators and provides a background on the history of each entity.

Table 3: Background Information and History

Company name (All Administrators Appointed)	Incorporated Date	Background Information and History
Privium Group Pty Ltd (formerly known as Privium Pty Ltd and Impact Group Pty Ltd)	14 June 2002	Operates primarily as the head company of the group structure with head office located in Brisbane, Queensland.
Privium Pty Ltd (formerly known as Privium Homes Pty Ltd and Impact Homes Pty Ltd)	6 January 1999	Main operating entity of the group, and holds building licenses in Queensland, New South Wales and Victoria. Originally incorporated as Impact Homes Pty Ltd, before changing to Privium Homes Pty in January 2019 and more recently Privium Pty Ltd in February 2021. The Company operated under different brand names, with the two main services targeting different customer groups. 1. The Impact Homes brand specialised in full turn-key home and land packages to investors and first home buyers. Product was typically sold through referral agents,

Table 3: Background Information and History

Company name (All Administrators Appointed)	Incorporated Date	Background Information and History
		providing end to end customer support through the build process. 2. The Privium Homes brand focused on luxury and custom designed builds. Services were targeted towards educated and experienced home buyers, who were seeking customisable designer homes or knockdown and rebuild options.
Privium Civil Pty Ltd (formerly known as Impact Civil Pty Ltd)	26 June 2014	Operates primarily as a civil works entity in Queensland and holds a separate Queensland building license.
Privium Investments Pty Ltd (formerly known as Impact Investments Pty Ltd)	3 August 2010	Operates primarily as an investment entity, holding sums of money as investment and holding units in the deposit boost fund.
Impact Land Pty Ltd	3 June 2010	Holds Put and Call Option Deeds with land developers.
Impact Specs Pty Ltd	22 August 2016	Operates primarily as a land holding entity, owning 3 lots in Queensland.
Privium Assets Pty Ltd	21 July 2010	Operates primarily as a treasury function and an asset holding entity, owning/leasing plant and equipment and motor vehicles.
Privium Developments Pty Ltd (formerly known as Impact Developments Pty Ltd)	10 April 2014	Holds security and equity in related parties referred to as PAG ("Property Alternative Developments Group"). Managed master-planned residential communities and townhouse developments, providing full service from consultation through to housing design, and construction.
Residences on Bass Pty Ltd	23 September 2020	Operates primarily as the developer of a townhouse development in Loganholme, Queensland.

*Further details about the Companies, such as statutory information, shareholding and security interests are included in **Appendix 2**.*

Section 5 of this Report details a summary of the Companies' historical performance and our preliminary analysis and comments about the existence and form of financial statements prepared by the Companies.

5. Historical financial analysis

5.1. Historical Financials (Balance Sheet and Profit & Loss)

The following historical financials are summarised versions of the Balance Sheets and Profit and Losses for each of the nine (9) Companies. Complete financials of the Companies can be found in Appendices 3 and 4.

5.1.1. Privium Pty Ltd

Table 4: Privium Pty Ltd (Administrators Appointed)

Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total current Assets	66,801	51,831	47,501	37,540
Total non-current assets	99	1	1	3
Total assets	66,899	51,832	47,502	37,543
Total current liabilities	29,776	27,798	18,551	16,518
Total non-current liabilities	17,309	8,753	16,111	8,050
Total liabilities	47,085	36,551	34,662	24,567
Net assets	19,814	15,281	12,840	12,976
Equity	19,814	15,281	12,840	12,976
Total equity	19,814	15,281	12,840	12,976

Our observations are as follows:

- Cash and cash equivalents (“cash on hand”) remained fairly consistent from FY19 to FY21 ranging from \$7.6m to a peak of \$9.5m. However, from FY21 to the date of the appointment of the external administrators (i.e., 1 July 2021 to 17 November 2021 - “current financial year”) Privium’s cash on hand decreased from around \$6m to \$3.2m (66%). We believe factors which contributed to this decline included COVID-19 induced lockdowns in Victoria and NSW hindering productivity, labour shortages as well as rising construction costs due to supply chain constraints.
- Receivables further reduced during the current financial year in line with the overall decline in revenue.
- Retained earnings decreased by around \$9m from FY19 to FY20 due to the impact of the aforementioned COVID-19 macroeconomic events with a further decrease by around \$2m between FY20 and FY21. Retained earnings had recovered c.\$100k during the current financial year.

- Inventories consist of work in progress (“WIP”) for various build projects. As Privium is currently not in a viable position to complete any builds, this asset is deemed to be unrecoverable.
- Contract assets continuously declined by a total of c.\$14.6m over FY19 to FY21. Although it experienced an increase of c.\$4m over the current financial year, the associated costs outpaced the growth.
- Trade and other payables have broadly decreased over the current financial year, in line with the overall reduction in revenue and associated direct costs.

Table 5: Financial Summary - Privium Pty Ltd (Administrators Appointed)

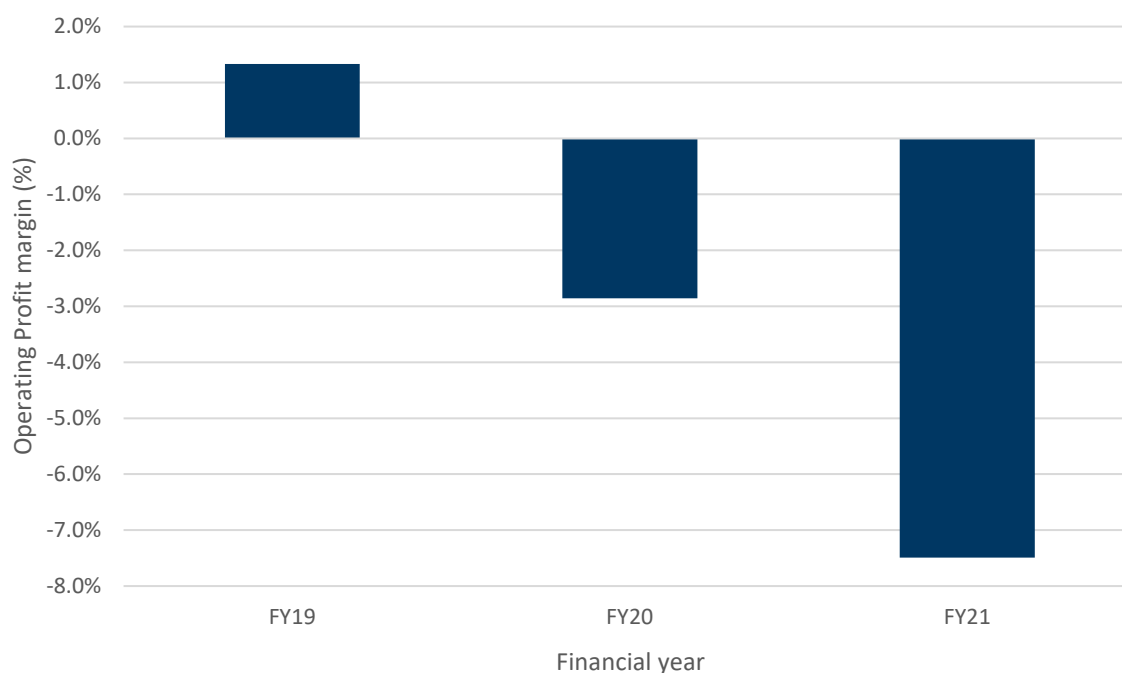
AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income¹	196,503.41	219,104.96	204,118.64	61,984.31
Gross Margin (%)	14.47	9.11	9.32	5.14
Operating Expenses	(25,811.47)	(26,223.29)	(32,225.68)	(5,335.93)
EBITDA	2,618.35	(6,265.22)	(2,043.38)	(2,148.64)

Source: Privium Pty Ltd Audited Financials (FY20), Privium Pty Ltd Management Accounts (2021)

- Privium’s Sales income consists entirely of revenue from contracts with customers. While this had increased by around 12% over FY19 to FY20, it decreased by around 13% from FY20 to FY21 which may be explained by the reduction in household expenditure from the uncertainty of the COVID-19 pandemic (ABS, 2021)².

¹ From all income sources.

² Source: Australian National Accounts: National Income, Expenditure and Product, Australian Bureau of Statistics (ABS), September 2021.

Graph 2: Privium Pty Ltd Operating Profit Margins over FY19 to FY21

- Privium's profit margins have continuously decreased from 1.3% to -7.5% over the past three financial years as presented in Graph 2. This can be attributed to the overall increasing Cost of sales and Selling, General & Administrative expenses ("SG&A"). A majority proportion of SG&A costs can be attributed to the ever-increasing overheads Privium pays for itself and various other Privium entities.
- In addition to the increasing costs over time, Privium was also subject to rising finance costs from bank charges and external sources of financing, which increased by around 30.9% from FY19 to FY21.
- Overall, the balance sheet indicates a significant contraction in activities between FY19 to the date of appointment of the administrators. This is evidenced by the significant decrease in Privium's total assets position resulting from trading headwinds the group of companies collectively faced. Ongoing liquidity is a concern as reliance on related party loans to fund operations were significantly contracted due to related entity losses during the current financial year. Although Privium received \$12.4 million distribution from a trust in FY21, this income inflow was unable to offset the pressure resulting from the increasing Cost of sales, SG&A and Finance costs. Furthermore, while the distribution from trust is observed in the management accounts' Profit and Loss in FY21, there was no record of \$12.4 million received in Privium's bank statements.

5.1.2. Privium Civil Pty Ltd

Table 6: Privium Civil Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total Current Assets	736	947	1,153	1,551
Total Non-Current Assets	-	87	61	53
Total Assets	736	1,035	1,214	1,604
Total Current Liabilities	249	112	456	412
Total Non-Current Liabilities	268	329	931	1,625
Total Liabilities	517	441	1,387	2,037
Net Assets	219	594	(172)	(433)
Total Equity	219	594	(172)	(433)

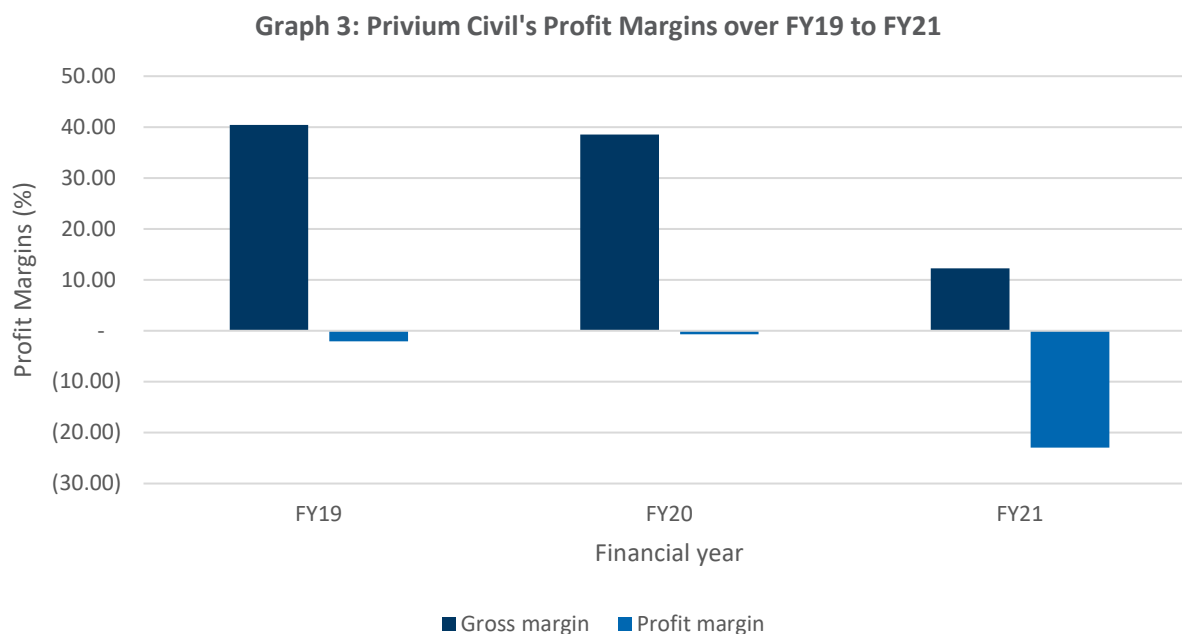
Our observations are as follows:

- Privium Civil's balance sheet consists of works undertaken for civil works on construction sites. The main source of its asset base relates to Contract Assets which is currently at \$1.4m for completed projects.
- Privium Civil's liabilities consists of trade payables which has grown by c.\$400k between FY20 and FY19 and was \$421k at the date of appointment. The increased activity post FY20 was due to more construction projects the group entered into during FY21.
- Privium Civil's expansion activity was financed by related party loans, with the bulk of the \$1.6m funding flowing from Privium Assets.
- The Accumulated deficit has grown considerably since FY19 with net losses increasing by c.\$1.5m.

Table 7: Financial Summary - Privium Civil Pty Ltd (Administrators Appointed)

AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total income	3,918.01	3,594.53	3,361.23	2,006.88
Gross Margin (%)	40.45	38.55	12.24	6.50
Operating Expenses	(1,614.85)	(1,369.08)	(1,201.18)	(346.65)
EBITDA	(34.71)	29.06	(776.93)	(211.73)

Source: Privium Civil Pty Ltd Management Accounts (2021)



- Over FY19 to FY21, Privium Civil's Gross Margins were steadily decreasing as evidenced in Graph 3, with a drop of 26.3% from F20 to FY21. In addition, it had also been experiencing increasing negative Net Profit margins. This can be mainly attributed to the reduction in sales revenue throughout the entire period coupled with the negative effects of the overall increasing costs of sales which may have arisen from the higher materials costs over the COVID-19 pandemic.
- The one-off increase in Finance costs in FY21 should also be noted which was mainly due to a \$267,715.37 bad debt expense on 31 March 2021 and 22 June 2021.
- Overall, the Privium Civil financials portrays an accurate picture of the struggles the construction industry faced during COVID-19 with induced bottlenecks impacting the utilisation of working capital with no readily available cash from operations, funding was primarily precipitated by related party loans.

5.1.3. Privium Group Pty Ltd

Table 8: Privium Group Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total Current Assets	18,666	24,712	24,712	24,700
Total Non-Current Assets	829	328	309	246
Total Assets	19,494	25,040	25,021	24,946
Total Current Liabilities	4,487	28,442	4,168	3,296
Total Non-Current Liabilities	(15,399)	(39,303)	(16,206)	(15,897)
Total Liabilities	(10,913)	(10,861)	(12,038)	(12,602)
Net Assets	30,407	35,900	37,059	37,548
Total Equity	30,407	35,900	37,059	37,548

- As described earlier in the report, Privium Group is the ultimate holding company of the group of entities known as the Privium Group of Companies. It was not an actively trading entity as evidenced by its cash position at appointment of c.\$350 and no trade receivables.
- Other Assets comprise of prepaid sales commissions, and Bartercard but primarily consists of shares held in other group entities with a Net Book Value of approximately \$17.6m. The valuation of the shares held has remained constant from FY20 to the date of appointment. A breakdown of this investment is detailed in the directors' Report on Company Affairs and Property ("ROCAP") in **Section 6.6**.
- The Bartercard holdings represent "Trade dollars" which is used within the Bartercard network to sell or purchase goods and services. The concept of Bartercard is to save on replacement costs and maximising or utilising unused capacity, whether that be unused time or unused inventory. It is important to note trade dollars can only be used through Bartercard and are not able to be converted into cash. We have requested information from Bartercard to review the holdings further, but as at the date of this report have yet to receive a response despite numerous follow ups.
- Loans and borrowings consisted of both short and long-term private debt financing from BNY. While BNY's security was registered on 11 February 2016, the debt financing was not on the books of Privium Group in FY20, however it served as a significant liability from FY21 onwards. The amount owing to BNY as at the date of appointment stands at approximately \$23.98m and evidences the increased dependence on external financing to fund operations within the group.
- Per the management books and records the related party loans are negative and recorded as liabilities, however these are in fact assets. More details regarding related party loans are discussed in **Section 5.2**.
- Retained earnings has been positive during the period of review, however it decreased c.\$12.5m between FY19 and FY20 due to a range of special dividends paid out to shareholders amounting to \$18.92m. As at the date of appointment retained earnings were c.\$2.5m and had risen approximately \$1.6m from FY20.

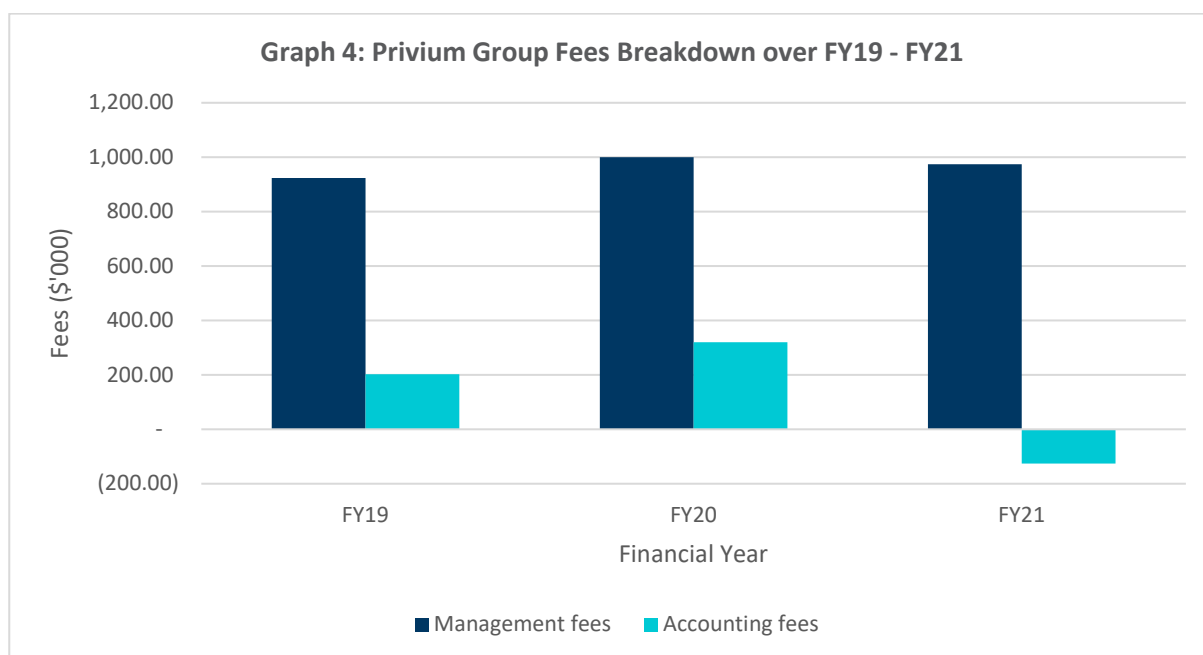
- As at the date of appointment Privium Group has an outstanding tax liability of c.\$8.6m. Overall, the balance sheet indicates a significant reliance on debt financing to fund the activities of the group of entities between FY19 to the date of appointment of the administrators. The special dividends paid in FY20 was amongst the backdrop of a consolidated net loss of c.\$27.5m from the group of entities.

Table 9: Financial Summary - Privium Group Pty Ltd (Administrators Appointed)

AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income	8,807.22	14,379.70	4,314.29	1,938.65
Gross Margin (%)³	-	-	-	-
Operating Expenses⁴	-	-	-	-
EBITDA	(1,150.50)	(1,321.31)	(914.07)	(373.32)

Source: Privium Group Pty Ltd Management Accounts (2021)

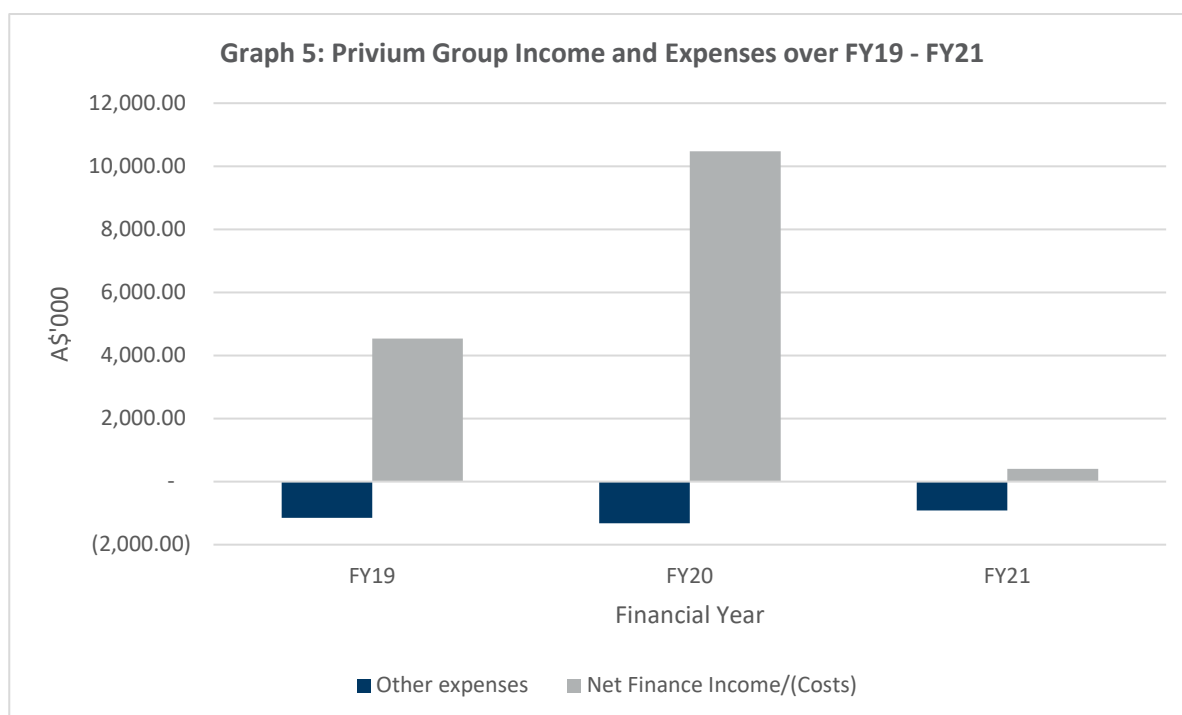
- As the head company, Privium Group's main income stream is from Finance income, namely interest on both internal and external loans, and dividends received from its investments and subsidiaries.



- Its total expenses can be split across Finance costs and Other expenses, which mainly consist of both internal and external management fees related to the BNY securities and accounting fees as presented in Graph 4. From the graph, total Management fees remained high and had increased by around 5.5% over FY19 to FY21.

³ Privium Group Pty Ltd does not engage in sales. Their main source of income is from financial sources. For a further breakdown, please see **Appendix 4**.

⁴ As above, Privium Group Pty Ltd thus does not incur operating expenses.



- As evidenced in Graph 5, while Other expenses reduced over FY19 to FY21, with cost savings of 20.6% over FY20 to FY21, Net Finance Income decreased dramatically by around 96.2% over FY20 to FY21, effectively negating the expense reduction. This is reflective of the decline in historical loans and borrowings over the same period.
- Out of the Privium entities, Privium Investments holds the largest proportion of Privium Group's loans (95.9% as of 17 November 2021), and thus would likely contribute the majority of Privium Group's internal financial income.
- As previously discussed, in FY20, Privium Group was able to successfully negotiate an extension on the maturity date of its secured, interest-bearing BNY corporate notes from February 2021 to August 2022. In addition, the debt to EBITDA ratio covenant on these loans was agreed to be removed for FY20 as Privium Group would not have been compliant, suggesting it had potential pressure on its earnings over the period.

5.1.4. Privium Assets Pty Ltd

Table 10: Privium Assets Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total Current Assets	20	414	287	540
Total Non-Current Assets	3,131	(7,387)	(11,801)	(11,971)
Total Assets	3,151	(6,974)	(11,514)	(11,431)
Total Current Liabilities	2711	1714	1056	826
Total Non-Current Liabilities	190	69	(3,565)	(3,489)
Total Liabilities	2,901	1,783	(2,509)	(2,664)
Net Assets	251	(8,757)	(9,005)	(8,767)
Total Equity	251	(8,757)	(9,005)	(8,767)

Our observations are as follows:

- Privium Assets is the main custodian of the groups commercial assets comprising of plant and equipment and motor vehicles. The Net Book Value as at FY19 was approximately \$4m and steadily decreased during FY20 and FY21 with the current Net Book Value of these assets being c.\$1.8m with multiple disposals of motor vehicles and machinery occurring in FY21. However, more build projects were signed off during this period but with less plant and equipment available to complete these jobs than previous years. The slow job lead times were a contributing factor to the cash burn which occurred for the trading entities.
- Per the management books and records the intercompany loans and borrowings are comprised entirely of related party loans, however these negative loan balances are in fact creditor amounts owing. More details regarding related party loans are discussed in **Section 5.2**.
- Lease liabilities had reduced from c.\$2.7m at FY19 to c.\$826k as at the date of appointment. Lease contracts were held for various items of property, office equipment, and vehicles. The leases range between 1-5 years. Lease contracts include extension and termination options.
- Privium Assets has had an accumulated deficit since FY20 as retained earnings fell by c.\$9m from FY19 to FY21 with the accumulated deficit partially recovering by c.\$230k as at the date of appointment.

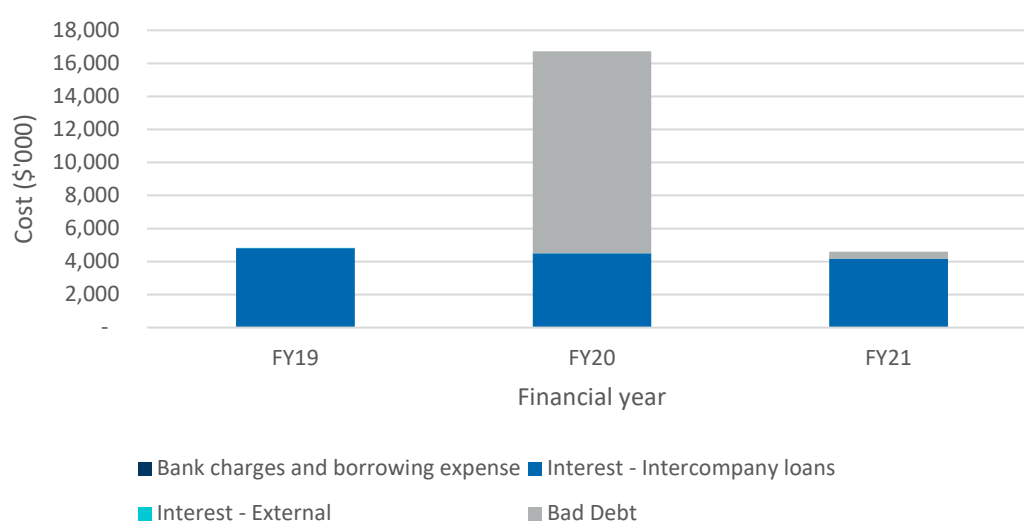
Table 11: Financial Summary - Privium Assets Pty Ltd (Administrators Appointed)

AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income	6,874.54	6,426.54	4,959.41	423.37
Gross Margin (%)	100.00	100.00	100.00	100.00
Operating Expenses	(141.95)	(75.65)	(53.32)	(13.56)
EBITDA	1,847.40	1,984.83	1,769.83	783.15

Source: Privium Assets Pty Ltd Management Accounts (2021)

- It appears over the period Privium Assets had relied primarily on funding from related entities to meet its lease obligations and finance its spending on non-current assets. The primary contributors of the related party loans were Privium Investments Pty Ltd (\$40.1m) and Privium Townhouses Pty Ltd (\$5.7m)
- As the Treasury function of the Group, Privium Assets deals with both the intercompany and external loans and borrowings and owns the Group's plant and equipment. Accordingly, its income is derived from motor vehicle leases, interest on intercompany and external loans, and management fees in respect of the BNY securities. Over FY19 to FY21, Privium Assets' income from motor vehicle leasing decreased by around 62.1% from \$2.2 million to \$0.82 million while Other income increased. This was due to Privium Assets making a net loss on asset sales in FY19 and the internalisation of management fees in respect of the BNY securities over FY20 to FY21 rather than paying fees to an external party.
- In conjunction, Privium Assets' expenses had also reduced over FY19 to FY21.

Graph 6: Privium Assets' Finance costs breakdown over FY19 to FY21



- However, it is important to note the surge in Finance costs incurred over FY20 which heavily weighed down Privium Assets' earnings as presented in Graph 6. Of the \$16.7 million Finance costs, 73.1% lies with the write-off of bad debts owed by the Property Alternative Developments Group ("PAG"). PAG and Privium Construction Pty Ltd ("PROchip") valued at \$11.2 million and \$1.0 million respectively⁵. Additionally, further write-offs on Privium Construction Pty Ltd's bad debt were recorded in FY21 totalling at \$415,805.34.

⁵ Additional bad debt of \$724.10 was also written off in FY20 on an individual's loan.

5.1.5. Privium Developments Pty Ltd

Table 12: Privium Developments Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total current Assets	269	44	146	138
Total non-current assets	28,302	17,678	7,170	6,739
Total assets	28,571	17,722	7,317	6,876
Total current liabilities	-	-	429	429
Total non-current liabilities	27,062	21,258	14,683	16,226
Total liabilities	27,062	21,258	15,112	16,654
Net assets	1,509	(3,537)	(7,795)	(9,778)
Total equity	1,509	(3,537)	(7,795)	(9,778)

Our observations are as follows:

- As outlined in the previous section, Privium Developments provided financing for various development projects. At FY19 the amount of external financing was approximately \$28.3m and decreased by c.\$9m in FY20 and decreased another c.\$10m in FY21, indicating a contraction in financing abilities. The entity went from a positive net asset position in FY19 to a negative net asset position in FY20 which continued until the date of appointment of the administrators.
- Similar to other entities within the Privium Group, Privium Developments financed its operations by utilising related party loans with Privium Assets financing the entire quantum of the outstanding loan amount.
- Retained earnings fell in line with the contraction of Privium Developments financing activities, as retained earnings went from approximately \$1.5m in FY19 to an accumulated deficit of \$9.7m at the date of appointment.

Table 13: Financial Summary - Privium Developments Pty Ltd (Administrators Appointed)				
AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income	6,000.39	3,311.26	2,063.73	137.80
Gross Margin (%)	100.00	100.00	90.56	100.00
Operating Expenses	(692.08)	(555.43)	(451.49)	(86.24)
EBITDA	(526.95)	(508.02)	(614.62)	(80.21)

Source: Privium Developments Pty Ltd Management Accounts (2021)

- Privium Developments acts as Privium Group's equity provider to PAG and thus receives the largest proportion of total income via financial streams. However, it had also recorded various miscellaneous income inflow from property sales and rental income.
- Over FY19 to FY21, Privium Developments' total income saw a reduction of 65.6% while Finance costs, the largest component of total expenses grew dramatically by 154.8%. These extreme increases in finance costs were mainly contributed by the write-off of bad debts valued at around \$5.7 million which occurred over both FY20 and FY21, resulting in the large drops in profits.
- Overall Privium Developments activities were tied to construction projects which had faced headwinds during FY20 until the date of appointment.

5.1.6. Privium Investments Pty Ltd

Table 14: Privium Investments Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total current Assets	51	652	895	615
Total non-current assets	(56,990)	(47,739)	(52,560)	(52,791)
Total assets	(56,938)	(47,087)	(51,665)	(52,176)
Total current liabilities	6	-	-	-
Total non-current liabilities	(56,858)	(36,099)	(39,892)	(40,172)
Total liabilities	(56,852)	(36,099)	(39,892)	(40,172)
Net assets	(87)	(10,988)	(11,773)	(12,004)
Total equity	(87)	(10,988)	(11,773)	(12,004)

Our observations are as follows:

- Privium Investments was a distributor of capital to other entities within the Privium Group, consequently its assets and liabilities are characterised by various intercompany loans and liabilities as well as some external loans. The main beneficiary of the intercompany loans was Privium Group which had a loan balance of approximately \$38m as at the date of appointment.
- Privium Investments also held the Deposit Boost receivables as assets on its balance sheet, which was created in FY2019 as a low interest-secured loan repayable over a 10-to-20-year term. The loans were structured to assist new homeowners with their initial deposits when purchasing new homes in the wake of tightened lending standards post the banking royal commission. These loans grew considerably from a pilot year balance amount of c.\$967k to c.\$3.8m from FY20 to the date of appointment.
- Despite the introduction of Deposit Boost loans, Privium Investments saw its accumulated deficit increase significantly from \$86.7m in FY19 to \$12m in FY21.
- Other Assets primarily consists of the shareholding of Growme Aus Pty Ltd ("Growme") valued at approximately \$615k from FY20 until the date of appointment. Further details on Growme can be found in **Appendix 18.4** of this Report.

Table 15: Financial Summary - Privium Investments Pty Ltd (Administrators Appointed)

AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Revenue	5,265.21	5,404.40	3,328.82	-
Gross Margin (%)⁶	-	-	-	-
Operating Expenses⁷	-	-	-	-
EBITDA	(0.48)	(108.51)	(1.38)	(0.28)

Source: Privium Investments Pty Ltd Management Accounts (2021)

- As Privium Investments deals with capital flows, its income and expenses are derived from financial sources. While these finance costs incurred via both inter-company and external loans (inclusive of shareholder loans) remained relatively constant over the FY19 to FY21, Privium Investment's Finance income declined by 36.8% from \$5.27 million to \$3.33 million.
- Importantly, the \$11.2 million impairment in Privium Investment's Growme investment should also be noted. Over FY20, Privium Group acquired a 17.81% stake in Growme worth \$11.9 million. However, the recoverable value of this investment on 30 June 2020 was merely \$615,038, and thus the impairment charge was recognised, resulting in an extremely large decrease in earnings in FY20. Further details in relation to the Growme investment is discussed in **Appendix 8**.

⁶ Privium Investments Pty Ltd only receives income from financial sources. For a further break down, please see **Appendix 4**.

⁷ As above, Privium Investments Pty Ltd therefore does not incur any operating expenses.

5.1.7. Impact Land Pty Ltd

Table 16: Impact Land Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'00s	FY19	FY20	FY21	17-Nov-21
Total current Assets	2,217	1,581	-	7
Total non-current assets	-	-	-	-
Total assets	2,217	1,581	-	7
Total current liabilities	-	-	-	-
Total non-current liabilities	527	1,529	7	1
Total liabilities	527	1,529	7	1
Net assets	1,691	52	(7)	6
Total equity	1,691	52	(7)	6

Our observations are as follows:

- Impact Land did not maintain a material balance sheet. Its sole purpose was to hold Put and Call Option Deeds with various land developers. Further details on this can be found in **Section 6.2.1**.

Table 17: Financial Summary – Impact Land Pty Ltd (Administrators Appointed)				
AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income	517.38	152.42	409.89	(96.36)
Gross Margin (%)	51.30	9.58	61.05	100.00
Operating Expenses	-	-	-	-
EBITDA	265.18	14.21	248.91	(96.64)

Source: Impact Land Pty Ltd Management Accounts (2021)

- Impact Land saw a 70.5% reduction in sales revenue over FY19 to FY20 which again may be influenced by the negative consumer sentiment over the initial period of the COVID-19 pandemic as evidenced previously.
- While Cost of sales also decreased (at 45.3%) alongside revenue over FY19 to FY20, it remained relatively low in FY21. This was because in FY19, \$389,413.68 of WIP for Impact Specs was incorporated in the Cost of Sales, thus suggesting other Costs of Sales such as property costs and legal fees have in fact increased over the later financial years.

5.1.8. Impact Specs Pty Ltd

Table 18: Impact Specs Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Total current Assets	2,391	1,378	695	566
Total non-current assets	-	-	-	-
Total assets	2,391	1,378	695	566
Total current liabilities	-	-	2	1
Total non-current liabilities	2,412	1,386	918	788
Total liabilities	2,412	1,386	921	789
Net assets	(21)	(8)	(226)	(223)
Total equity	(21)	(8)	(226)	(223)

Our observations are as follows:

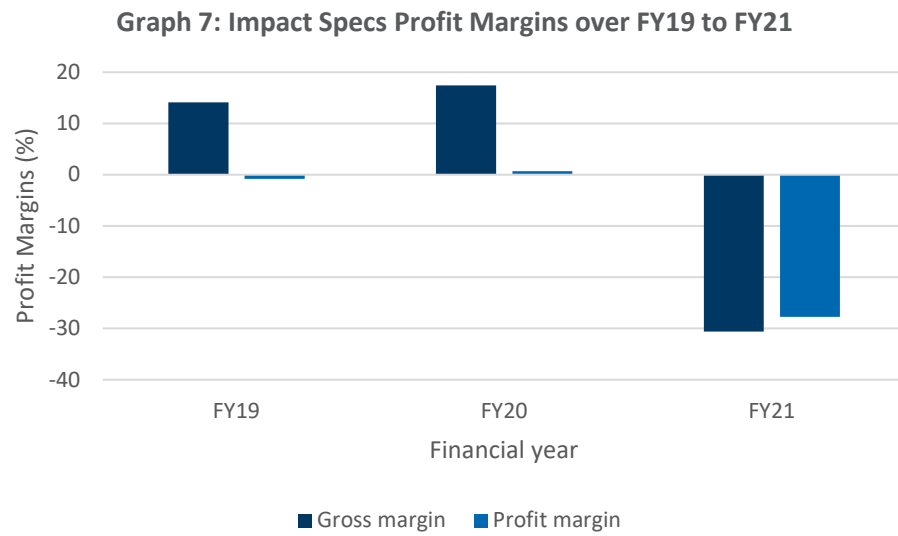
- Impact Specs held land available for sale with WIP on the land capitalised as inventories, its asset position has shrunk c.\$1.8m since FY19 and there are no other material asset observations from our review of its financials.
- The liabilities comprise solely of related entity loans in respect of Privium Assets.

Table 19: Financial Summary – Impact Specs Pty Ltd (Administrators Appointed)

AUD \$ '000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Total Income	2,529.87	1,725.45	795.49	313.45
Gross Margin (%)	14.13	17.41	(30.58)	9.80
Operating Expenses	(27.77)	-	-	-
EBITDA	327.10	297.68	(239.66)	30.44

Source: Impact Specs Pty Ltd Management Accounts (2021)

- Impact Spec's main source of revenue was through sales of land. Over the past three financials years, Impact Specs experienced continuously declining Sales income which may have arisen from the reduced expenditure appetite of consumers during the uncertainty of the COVID-19 pandemic.



- From Graph 7, it can be observed Impact Specs' profit margins were relatively tight over FY19 and FY20 and drastically negative over FY21. While its revenues declined over the entire period, its costs (such as property related taxes and works in progress) remained relatively high, thus resulting in an overall negative financial performance.

5.1.9. Residences on Bass Pty Ltd

Table 20: Residences on Bass Pty Ltd (Administrators Appointed)		
Historical Statement of Position		
\$'000s	FY21	17-Nov-21
Total current Assets	1,759	1,917
Total non-current assets	-	-
Total assets	1,759	1,917
Total current liabilities	1	3
Total non-current liabilities	1,758	1,914
Total liabilities	1,759	1,917
Net assets	0.1	(0.3)
Total equity	0.1	(0.3)

Our observations are as follows:

- Residences on Bass is solely involved in the development of a residential townhouse project in Loganholme, QLD. Incorporated in FY21 against the backdrop of headwinds facing the group of entities the assets as at the date of appointment consist of approximately \$42k in cash and cash equivalents and capitalised WIP of \$1.85 million.
- The liabilities comprise primarily of related party loans (to be discussed in **Section 5.2**) and a property loan amounting to \$407.5k.

Table 21: Financial Summary – Residences on Bass Pty Ltd (Administrators Appointed)

AUD \$ '000	FY21	1-Jul-21 to 17-Nov-21
Total Income	-	(2.00)
Gross Margin (%)	-	(4,597.13)
Operating Expenses	-	-
EBITDA	79.01	91.67

Source: Residences on Bass Pty Ltd Management Accounts (2021)

- Because Residences on Bass was incorporated on 23 September 2020 the historical financials are relatively short.
- Since establishment, Residences on Bass appeared to have had negative Cost of sales, with negative \$91,942.66 incurred over the past three and a half months. This was mainly due the negative \$1.85 million WIP on their townhouse development applied against cost of sales. The reason for this

application is not immediately clear, however it may have potentially been an adjustment for previously overestimated WIP.

- In addition, Residences on Bass had also been incurring high finance costs relative to revenue, where a large proportion were from intercompany loans and borrowings.

5.2. Related Party Loans

The below tables detail the intercompany loans of the Privium entities under administration⁸.

Table 22: Related Party Debtors of Privium Entities under Administration as at 17 November 2021

Privium Group Entity (Administrators Appointed)	Debtors	Management accounts (\$)	Director's ROCAP ERV (\$)
Privium Pty Ltd	Privium Group Pty Ltd	4,128,298.50	4,128,298.50
Privium Civil Pty Ltd	Privium Group Pty Ltd	352,751.69	352,751.69
Privium Group Pty Ltd	Privium Investments Pty Ltd	38,507,894.24	38,507,894.00
	Impact Land Pty Ltd	70,256.10	70,256.00
	Privium Townhouses Pty Ltd	414,319.90	414,320.00
	Integra Homes Pty Ltd	430,393.50	430,394.00
	Impact Real Estate Pty Ltd	99,849.80	99,850.00
Privium Assets Pty Ltd	Privium Pty Ltd	7,347,730.88	7,348,974.84
	Privium Civil Pty Ltd	1,923,037.32	1,923,037.32
	Privium Group Pty Ltd	3,643,988.60	3,643,988.60
	Privium Developments Pty Ltd	19,589,352.17	19,589,352.00
	Impact Land Pty Ltd	69,684.39	848.46
	Impact Specs Pty Ltd	884,629.53	884,629.53
	Privium Admin Services Trust	2,766,115.62	2,764,551.70
	Privium Construction Pty Ltd	37,739.04	37,739.04
	Director Loans - Property Alternative	482,494.51	482,494.51
Privium Investments Pty Ltd	Privium Group Pty Ltd	-	-
	Privium Assets Pty Ltd	40,172,067.90	40,172,067.90
Privium Developments Pty Ltd	Privium Group Pty Ltd	3,362,717.10	3,362,717.10
	Residences on Bass Pty Ltd	1,506,753.37	N/A
Impact Land Pty Ltd	Privium Group Pty Ltd	-	110.70
	Privium Assets Pty Ltd	-	-
Total		125,790,074.16	124,214,275.89

Should the Privium entities currently under Administration be placed into liquidation, further investigation into the recoverability of the above related party loans will be required. However, our preliminary observations are set out below:

- The major proportion of the intercompany loans of the Privium entities under administration are owed by other Privium entities also under administration. As such, the recoverability of these intercompany loans will be dependent on the potential outcome of a liquidation.
- For the remaining related party loans owing to parties outside of the administration, further investigations will need to be conducted to determine recoverability. These entities include the following: Privium Townhouses Pty Ltd, Integra Homes Pty Ltd, Impact Real Estate Pty Ltd, Privium Admin Services Trust, Landscaping Impact, and the Director Loans to PAG.

⁸ Note that the Director used Balance Sheet values for the Related Party Loans.

- Some discrepancies are present between both the related party debtors and creditors loan values in the Management accounts and Director's ROCAP ERV. However, as the total discrepancies are relatively minor as against the total intercompany loan values, it is likely to be immaterial.

Table 23: Related Party Creditors of Privium Entities under Administration as at 17 November 2021

Privium Group Entity (Administrators Appointed)	Creditor	Management accounts (\$)	Director's ROCAP ERV (\$)
Privium Pty Ltd	Privium Assets Pty Ltd	7,347,730.88	7,348,974.84
Privium Civil Pty Ltd	Privium Assets Pty Ltd	1,923,037.32	1,923,037.32
Privium Group Pty Ltd	Privium Assets Pty Ltd	3,643,988.60	3,643,988.60
	Privium Civil Pty Ltd	352,751.69	352,751.69
	Privium Investments Pty Ltd	-	-
	Privium Developments Pty Ltd	3,362,717.10	3,362,717.10
	Privium Pty Ltd	4,128,298.50	4,128,298.50
	Impact Land Pty Ltd	-	110.70
	Impact Specs Pty Ltd	87,843.30	87,843.30
Privium Assets Pty Ltd	Impact Land Pty Ltd	69,684.39	69,684.39
	Privium Investments Pty Ltd	40,172,067.90	40,172,067.90
	Privium Real Estate Pty Ltd	105,614.87	105,614.87
	Privium Admin Services Trust	-	N/A
	Privium Townhouses Pty Ltd	5,657,885.69	5,657,885.69
	iHub Aus Pty Ltd	804,327.47	804,327.47
	Canvas Designer Homes	115,137.94	114,817.98
Privium Investments Pty Ltd	Privium Group Pty Ltd	38,507,894.24	38,507,894.00
	Open Gold Capital Pty Ltd	17,842,927.14	17,842,927.14
Privium Developments Pty Ltd	Privium Assets Pty Ltd	19,589,352.17	19,589,352.00
	Privium Group Pty Ltd	3,362,717.10	3,362,717.10
	Privium Dev Pty Ltd	-	N/A
Impact Land Pty Ltd	Privium Assets Pty Ltd	69,684.39	848.46
	Privium Group Pty Ltd	70,256.10	70,256.00
Impact Specs Pty Ltd	Privium Assets Pty Ltd	884,629.53	884,629.53
Residences on Bass Pty Ltd	Privium Developments Pty Ltd	1,506,753.37	N/A
Total		149,605,299.69	148,030,744.58

- All related entity debts will be subject to adjudication and in any event, will rank as unsecured debts, unless security exists.
- If adjudication on claims is required on entities which are subject our administrations, we may either seek an independent expert to adjudicate on the claims or apply to court for an adjudication.

6. Strategy and financial position

6.1. Actions and strategy to date

6.1.1. Summary of actions and strategy

Since appointment, the Administrators' strategy has consisted of the following:

Table 24: Strategy and approach in the Administrations

1. Control of the business assets	2. Understand status of projects and review contracts	3. Engage with clients
- Secure the assets of the Companies, and overlay appropriate risk protocols - Engage with valuers, Lloyd's, to collect and secure assets in preparation for auction - Liaise with valuer to facilitate the sale of certain motor vehicles and IT equipment to Homecorp - Conduct motor vehicle searches with the relevant state transport government agencies	- Obtain a complete list of jobs from the Companies' records - Obtain access to the Companies' central construction management database - Undertake an urgent assessment of existing contracts and understanding of various project completion status	- Obtain client contact details and distribute correspondence regarding our appointment - Setup a dedicated email inbox and telephone hotline to handle the high volume of client and client representative enquiries - Respond to client enquiries and information requests relating to building contracts - Direct clients to the relevant building regulator in their state to make a claim if necessary - Facilitate handover of homes to clients where construction has reached practical completion

Our other key actions have involved:

- Attending the Companies' primary office location, in Underwood QLD, to meet with key management personnel and gain an understanding of the business.
- Liaising with the state building regulators in Queensland, New South Wales, and Victoria to provide them information to assist with the home warranty claims process.
- Collected a significant amount of the Companies' electronic books and records, backed up numerous key staff mailboxes and took custody of the Companies' electronic accounting system files.
- Commenced review of the Companies' records to investigate a number of unusual transactions made prior to our appointment.
- Preparing this report pursuant to Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016*.

Further details of the actions undertaken to date are provided in the following sections.

6.1.2. Clients

Upon appointment, we attended the Companies' primary office location to meet with former staff and, with their assistance, extracted a list from the Companies' construction software of over 2,100 existing client jobs across Queensland, New South Wales, and Victoria. As Privium is unable to carry out any further building works, an urgent assessment of the construction contracts was undertaken by the Administrators to formulate a strategy for dealing with the large number of residential homes in various stages of completion.

Our key strategies and actions are outlined below:

- An initial circular to clients was prepared and distributed via email on 19 November 2021 to address the uncertainty and stress around the impact of the Administration on building contracts in place with the Companies.
- On appointment, we contacted the state building regulators in Queensland, New South Wales, and Victoria to ensure clients would receive assistance where necessary. We have also been liaising with the applicable home warranty insurance providers.
- A dedicated email inbox and telephone hotline was setup to handle the high volume of enquiries from Privium clients.
- The Administrators are facilitating handover of homes to clients in instances where construction has reached practical completion.

6.1.3. Contract novation

Prior to appointment, arrangements were made by Privium to transfer many construction contracts in Queensland to alternative builders for completion. The Administrators have identified the following categories of building contracts:

1. Contracts novated to Torsion Pty Ltd ("Torsion") where construction has commenced, and the building is now being completed by Torsion.
2. Contracts where construction has not commenced, and the contracts have been identified for potential novation to Homecorp Pty Ltd ("Homecorp") for construction of the dwelling. We note a Heads of Agreement was reached with Homecorp prior to our appointment but is yet to come into effect given conditions precedent have not been met.
3. Contracts which have not been novated, or are not intended to be novated, to either Torsion or Homecorp and remain with Privium at this stage.

A breakdown of the above categories of building contracts is provided in the following table:

Table 25: Contract novations

Category	QLD	NSW	VIC	Total
Torsion	168	-	-	168
Homecorp	224	-	-	224
Privium	482	406	868	1,756
Total	874	406	868	2,148

Further details on the Torsion and Homecorp deals, are discussed in **Sections 6.3** and **6.4** of this Report.

6.1.4. Status of Privium jobs

The Administrators were provided a list of 2,148 total jobs from the Companies' records upon appointment. These jobs range from projects which are yet to have any construction work performed, to jobs where the client has moved into a completed home but the contract is in the warranty and maintenance period.

The Administrators and their staff are working through this list of jobs on an ongoing basis and have assigned each job a status from the following table:

Table 26: Administrator job status

Status	Definition
Open	The job is still potentially required to be dealt with or investigated by the Administrators.
Resolved	■ This includes the following categories of contracts: ■ There is no further action required from the Administrators at this time ■ The build contract for this job has been novated to Torsion and the Administrators have referred the client to Torsion ■ The build contract for this job has been earmarked for novation to Homecorp ■ The client has been referred to the applicable state building regulator for assistance ■ The client has engaged with the insurer and the claim process has commenced

A summary of contracts by status and state is provided at **Appendix 5**.

6.1.5. Property handovers

There are 303 jobs listed in the Companies' records which are at or close to the 'handover' phase. This means construction has reached practical completion and the Administrators can facilitate the handover of properties to clients without the need to carry out further building works.

The below table provides a summary of jobs in the handover phase at appointment:

Status	QLD	NSW	VIC	Total
Pre-Handover	9	6	14	29
Handover	86	48	70	204
Handover Paid	25	19	26	70
Total	120	73	110	303

The Administrators' staff have attended the Privium offices to take possession of the available keys to completed homes and have been dealing with handovers on a case-by-case basis.

As there are no remaining staff in the Companies, the Administrators have been liaising directly with the former relevant site supervisors in each state to deliver handover packs to clients. Since the Administrators have access to the Companies' construction software, we have also been extracting the relevant documentation from the Companies' records for inclusion in client handover packs where possible.

We are continuing to work through the list of clients in the handover phase of their building contracts. To date, the Administrators have handed over the keys for seven (7) homes and have been actively engaging with a total of 42 clients in relation to the handovers. There are still many of these clients the Administrators will be seeking out to progress the remaining handovers.

6.2. Asset Recoveries

Detailed below are our strategies in respect of realisation of the various assets of the Companies.

6.2.1. Impact Land Pty Ltd

Impact Land entered into a number of Put & Call Option agreements with a range of land / estate developers, providing Impact Land with the option to exercise rights to purchase specified developed vacant land lots at a determined price.

Under such agreements, it is common for a land buyer to pay a deposit (per lot) to the land seller as security.

The Administrators are currently investigating the various agreements Impact Land had entered into, with a view to maximising potential returns, including through working with parties to secure the release of deposits made to a range of land sellers. To date, the Administrators have secured the release of \$85,000 worth of deposits.

6.2.2. Residences on Bass Pty Ltd

Residences on Bass is developing an 18-unit townhouse project at 13 Bass Court, Loganholme QLD with construction works being undertaken by related entities, Privium Civil (civil works only) and Privium.

As a result of the Administration, construction works have ceased, with the property currently improved with 18 partially completed townhouses (frame stage for some, slab stage for others).

Furthermore, the Administrators are aware that a substantial number of the townhouses are currently under contract.

The Administrators are continuing their investigations into the project, in conjunction with consideration and assessment of potential realisation options available.

The Administrators have received a number of unsolicited expressions of interest to acquire the property, which will be considered in the context of our assessment of potential realisation options.

We can confirm the property was purchased for \$815,000 on 25 September 2020, with Westpac on title as the first ranking mortgagee.

6.2.3. Privium Developments Pty Ltd

Privium Developments holds General Security Agreements ("GSA") in relation to loans provided to the following Special Purpose Vehicles ("SPV"), all of which Robert Harder is a director:

Entity	Entity Asset/s	Loan amount Owing (\$)	Expected Return (\$)
The Views on Holmview Pty Ltd	Eiger Street and Samford Drive, Holmview QLD	472,000	472,000
Villas on Mumford Trust	13 Mumford Road, Narangba QLD	428,550	Nil
Nelson Street Land Pty Ltd	3 Nelson Street, Cranbourne East VIC *	2,500,000	2,500,000
East Valley Residences Pty Ltd	N/A	6,176	Unknown
Narangba View Pty Ltd	305 Burpengary Road, Narangba QLD; and 265 Callaghan Road, Narangba QLD	Unknown	Nil
Sanctuary Grove Pty Ltd	37 Yellena Road, Fletcher NSW	1,731,331	Unknown

*This property is currently under contract and due to settle on 20 December 2021.

These SPVs are also often referred to as the Property Alternative Developments Group or PAG.

As at the date of our appointment, the GSAs were not registered with the Personal Property Securities Register nor were any mortgages lodged on title of each of the underlying assets of each SPV. We are currently undertaking steps to rectify this and ensure registration of the security interests. The Administrators are currently liaising with the Director of the SPVs in relation to recovery of the loan amounts and potential timing of same.

6.2.4. Impact Specs Pty Ltd

The Administrators are aware of three (3) unencumbered vacant blocks of land as follows:

Property	Purchase Price (\$)	Purchase Date
2 Graham Court, Caboolture QLD 4510	215,000	6 December 2019
14 Narran Street, Jimboomba QLD 4280	191,100	10 June 2021
43 Tempo Drive, Ripley QLD 4306	139,900	16 July 2021

Given the timing of the appointment of Administrators, and limited timeframe prior to Christmas, the Administrators currently anticipate appointing selling agents to commence a marketing campaign for the properties in late January 2022.

6.2.5. Privium Investments Pty Ltd

The Administrators are aware Privium Investments holds an investment in two Deposit Boost funds held with Joii Capital Pty Ltd ("Joii") with closing balances of \$542,165.89 and \$2,828,700.98 as at 30 June 2021. We understand the Deposit Boost funds offer eligible customers an upfront contribution toward the cost of buying a new home.

The Administrators are currently investigating the recoverability of these investments and liaising with Joii with respect to obtaining further information and clarity on these investments as well as recovering outstanding payments owed to the Company on the investment.

6.2.6. Privium Assets Pty Ltd

Privium Assets held the majority of the property, plant and equipment for the Privium Group. Prior to our appointment as Administrators, Lloyds Auctioneers and Valuers were engaged to locate, collect and secure the assets of Privium Assets. The Administrators have continued to liaise with Lloyds in relation to same and have engaged Lloyds to conduct a sale campaign for the assets of Privium Assets.

As at the time of this report, the valuations provided to the Administrators for the assets of Privium Assets range from \$2.4m to \$3.4m.

We note the above figures are expected to increase as Lloyds continue to locate, retrieve and process further assets of Privium Assets.

Separately, we have been liaising with third parties, who were engaged prior to our appointment as Administrators, for the purchase of certain motor vehicles, IT equipment and plant and equipment to facilitate and finalise the sale of these assets. The Administrators intend to auction the remaining assets by way of online auctions and anticipate conducting a sale campaign prior to Christmas.

6.3. Torsion Pty Ltd (“Torsion”)

On 4 November 2021, prior to our appointment as Administrators, Privium Pty Ltd entered into a Heads of Agreement with Torsion (“the Torsion Agreement”) to potentially acquire Privium’s interest in those residential building contracts located in Queensland which were currently under construction.

Our preliminary investigation into the contracts has determined 168 contracts have already been novated to Torsion. In addition, there appears to be a related agreement between Torsion and the Privium Group for the acquisition of other assets, including the purchase of six (6) motor vehicles. We note the sale of these motor vehicles occurred prior to our appointment and the Administrators’ investigations into whether the sales were commercial are continuing.

Based on our current investigations Homecorp is unrelated to any of the Privium companies or its Director/former Directors. While the Torsion Agreement lacks sufficient details, a summary of the key components is provided below:

- Torsion is to receive \$20,000 of the profit from each novated contract; and
- Any profit in excess of the aggregate amount over all novated contracts will flow back to Privium.

We note the timing and details of any such payments referred to above is not addressed in the Torsion Agreement and the Administrators will liaise with Torsion in relation to setting up a process of auditing and monitoring any potential return to Privium.

At this stage, the Administrators are not in a position to comment on the commerciality of the transaction given the number of contracts involved and the need for the status of each individual contract (both financially and physically) to be investigated. As works had ceased prior to our appointment and Privium’s QBCC building license is expected to be shortly cancelled, Privium is not in a position to complete the building contracts, which would ultimately lead to these contracts being terminated and no further recoveries being made on these contracts.

6.4. Homecorp Constructions Pty Ltd (“Homecorp”)

On 12 November 2021, being prior to our appointment as Administrators, Homecorp entered into a Heads of Agreement (“the Homecorp Agreement”) with Privium Group Pty Ltd, Privium Pty Ltd, Privium Assets Pty Ltd, iHub Aus Pty Ltd (“iHub”) and Joii Limited. We note iHub is not subject to external administration, however it is a wholly-owned subsidiary of Privium Group. We note the Homecorp Agreement has not yet come into effect given conditions precedents have not yet been met.

Based on our current investigations Homecorp is unrelated to any of the Privium companies or its Director/former Directors. summary of the key components of the Homecorp Agreement is provided below:

- The assignment to Homecorp of approximately 200 unconditional building contracts in Queensland, which are yet to commence construction;
- The transfer of certain intellectual property assets of iHub to Homecorp;
- The transfer of certain information technology (“IT”) assets of Privium Assets to Homecorp;
- The transfer of certain motor vehicles and plant and equipment assets of Privium Assets to Homecorp;
- The assumption of some Privium Group liabilities by Homecorp; and

- all consideration received is to be paid to Privium Group to then be apportioned to each Privium entity subject to the Homecorp Agreement.

While the condition precedents are yet to be satisfied, as Administrators we have been liaising separately with Homecorp to facilitate the sale of certain motor vehicles and plant and equipment as well as certain IT assets. We note the sale of these assets is not yet finalised, and as such, we are unable to disclose the purchase price on same.

In respect of the consideration payable for the assigned building contracts, this is to be calculated by the profit derived by Homecorp above an aggregated amount of \$40,000 multiplied by the number of assigned contracts.

We have reviewed the Homecorp Agreement and the underlying assets subject to the Homecorp Agreement and consider the transaction to be commercial and represents the best possible return to creditors.

6.5. Receipts and payments

The cash receipts and payments for the Companies during the administration period from 17 November 2021 to 9 December 2021 is provided at **Appendix 6**.

We note the receipts and payments have been prepared on a cash basis.

6.6. Company's financial position at appointment

6.6.1. Report on Company Affairs and Property Part A by the director

Immediately after appointment, we requested that the Director of the Companies provide a statement about the Companies' business, property, affairs and financial circumstances in the form of a Report on Company Affairs and Property ("ROCAP").

A ROCAP is primarily comprised of two parts being:

1. Part A – A form which details the Companies assets and liabilities;
2. Part B – A questionnaire about the Companies' history, operations and books and records.

Part A of the ROCAP is lodged with ASIC and is publicly available for viewing, whereas Part B is a confidential document for the use of the Administrators in performing their duties.

6.6.2. ROCAP Part A by the Director

We received from the Director the ROCAPs Part A completed for each of the Companies on 24 November 2021 and were all lodged with ASIC on 26 November 2021.

A summary of the Companies' ROCAP Part A information is provided at **Appendix 7** along with the Administrators comments.

6.6.3. ROCAP Part B by the directors

We received a ROCAP Part B completed for all of the Companies by the Director on 24 November 2021 and we have regard to this when conducting our investigations and completing this Report.

7. Investigations, offences and voidable transactions

7.1. Overview – voidable transactions and insolvency

7.1.1. Duty to investigate

The law requires us to investigate and specify whether there appears to be any voidable transactions in respect of which money, property or other benefits may be recoverable by a liquidator under Part 5.7B of the Act.

We have sought to ascertain whether the Companies were insolvent at any particular point in time prior to our appointment as Administrators, in order to determine a point in time from which these provisions may apply.

7.1.2. Relevance of insolvency and liquidation

The ability to challenge voidable transactions and recover money/property for creditors is contingent on two elements:

- The Companies being placed into liquidation, and
- A liquidator being able to establish the Companies were insolvent at the time it entered into any particular transaction, or the Companies became insolvent as a consequence of that transaction.

7.1.3. Work performed

We have made enquiries into the financial affairs of the Companies. In this section, we set out our preliminary views and findings about:

- Offences that may have been committed.
- The solvency position of the Companies.
- Existence of voidable transactions – including unfair preferences/loans, uncommercial transactions, arrangements to avoid employee entitlements, and unreasonable director related transactions.
- Charges that may be voidable.
- Whether there is the prospect of a claim for insolvent trading.

Please note the investigations we have undertaken are only indicative of the actions that may be possible in the event of liquidation.

7.1.4. Opinion about books and records

Section 286(1) of the Act requires a company to keep written financial records that correctly record and explain its transactions and financial position and performance and would enable true and fair financial statements to be prepared and audited.

In considering compliance with this section, since our appointment we have:

- reviewed various financial reports to help us understand the Company's asset and liability positions;
- reviewed various correspondence files and documents relevant to the Company's financial position and performance of the Company;
- undertaken investigations and review, incorporating financial records and data; and
- discussed with the Company's finance team, processes and record keeping practices with its Director and interim Chief Financial Officer.

We consider the books and records have been largely maintained in accordance with Section 286 of the Act.

7.1.5. Date of insolvency

Our key workings and other analysis are contained in **Appendix 8**.

In the appendix we have also included some general comments and information about recoveries via voidable transactions, insolvent trading and common factors that indicate insolvency.

The summary of our findings and views on the Companies' solvency position are on the following pages.

7.1.6. Creditors' information sheet and other explanations

Provided at **Appendix 10** is an information sheet to assist creditors in understanding potential offences under the Act, recoverable transactions and insolvent trading.

Creditors should read this information in conjunction with our comments in this section of the report.

7.2. Insolvency and liability for insolvent trading

7.2.1. Summary of findings

We summarise the key findings from our investigations into the Companies' solvency position as follows:

- We have assessed the solvency of the following four (4) entities given the bulk of trading and funding within the Companies was largely dependent on these entities ("trading entities"):
 - Privium Pty Ltd (formerly Privium Homes Pty Ltd)
 - Privium Investments Pty Ltd
 - Privium Civil Pty Ltd
 - Privium Developments Pty Ltd

Given the closely interlinked finances and the extent of cross-collateralisation by BNY, we consider the Companies overall solvency position to be contingent on these entities ("trading entities").

Therefore, in our assessment we have only assessed the solvency of the trading entities. It is our opinion if the trading entities were found to be insolvent, the remaining five (5) would be as well.

- The trading entities experienced successive trading losses from FY2020 up to the date of appointment.
- The financial pressure on the trading entities appears to be caused by the challenging market and operating conditions as a result of COVID-19 (in and around FY2020 onwards).
- The trading entities have had a negative net asset position since FY2021 to the date of appointment.
- The trading entities do not appear to have sufficient cash to cover their current liabilities, with an average cash ratio of 0.3 since FY2019.
- Each of the trading entities appear to have access to funding through intercompany loans (i.e. loan liabilities).
- Privium Pty Ltd has received statutory demands from two creditors immediately prior to the date of appointment.
- From December 2020 onwards, the trading entities' trade creditors balances have been trending upwards suggesting creditors are increasingly becoming due and payable.

7.2.2. Solvency review – indicators of insolvency

Indicator	FY2019	FY2020	FY2021	FY2022
Trading losses	✗	✓	✓	✓
Insufficient cash flow	✓	✓	✓	✓
Difficulties in selling stock or collecting debts	✗	✗	✗	?
Creditors paid outside terms / special arrangements	✓	✓	✓	✓
Arrears of statutory liabilities	✗	✓	?	✓
Cheques are being returned dishonoured / payments dishonoured	✗	✗	✗	✗
Legal action threatened or commenced	✗	✗	✗	✓
Inability to obtain new or alternative funding	✗	✗	✗	✓
Inability to produce accurate financial information	✗	✗	?	?
Resignation of directors or other senior management	✗	✗	✓	✓
Qualified audit opinion	✗	✗	✗	✗
The Company has defaulted, or is likely to default, on its agreements with its financier	✗	✓	✗	✓
Finance staff raise solvency concerns	?	?	?	?
Inability to sell surplus assets	✗	✗	✗	✗
Issuing post dated cheques	✗	✗	✗	✗

Key

Item	Symbol
Indicator present	✓
Insufficient information to determine if indicator present or not	?
Indicator not considered present	✗

7.2.3. Estimated date of insolvency

Our preliminary view is the Companies were likely insolvent from at least August 2021 and remained so up until the time of our appointment on 17 November 2021

The primary reasons for our views are set out below:

- The trading entities had a negative net asset position from FY2021 to the date of appointment (17 November 2021).
- The trading entities experienced successive trading losses from FY2020 onwards and had accumulated losses of approximately \$4.5 million in the current financial year (for the period 1 July 2021 to 17 November 2021).
- The trade creditors balance increased from \$9 million in July 2021 to \$13 million in August 2021. From August 2021 onwards, the creditors balance was approximately \$15 million up to the date of appointment.
- The percentage of the total creditor balance within 31-60 days increased dramatically from August 2021 and was between 34% and 41% in the subsequent months leading up to the date of appointment. The percentage of the total creditor balance within 60 days also increased to 22% in November 2021.
- Privium Pty Ltd received statutory demands from two creditors immediately prior to the date of appointment (October 2021 and November 2021).

Nevertheless, further investigations will be required by the Liquidators if creditors resolve for the Companies to be wound up, to confirm the exact date of insolvency.

7.2.4. Preliminary view on liability for insolvent trading

Based on our estimated date of insolvency, the potential claim for insolvent trading has been calculated to be approximately \$2.5 million based on our current understanding of the Companies' financial affairs.

If the Companies are wound up and a liquidator appointed, further work would be performed on the solvency position of the Companies to determine whether there is a benefit to creditors in pursuing the directors for insolvent trading.

Creditors should refer to **Appendix 8** and **10** for additional information on insolvency and pursuing insolvent trading claims generally.

In the Companies' circumstances, the following matters appear particularly relevant:

- It is possible the Companies may have access to funding which we are not aware of, resulting in the date of insolvency being later than estimated. Should this be the case, then the potential claim for insolvent trading would be reduced.
- The former Directors who resigned prior to the date of insolvency would naturally, not be liable for a claim of insolvent trading.
- The Director and former directors are able to avail themselves of a number of protections from an insolvent trading claim under the Act, including the safe harbour provisions as defined in Section 588GA of the Act or the defences in Section 588H of the Act. Creditors are advised at present we are unable to form an opinion whether or if the Director or any of the former Directors are able to utilise such defences.

- Further investigations would need to be conducted in order to determine the exact quantum of the damages the Companies suffered as a result of the Director or former Directors failure to prevent the Companies from trading whilst insolvent.

7.2.5. Directors' capacity to pay claims by a liquidator

We have sought from the Director and former Directors, a statement of estimate on their personal financial position, however as of current date we only received two responses, one from a former Director who declined our request and another from James Harder who disclosed the following assets and liabilities:

Assets	\$	Liabilities	\$
Cash at Bank	7,256	Credit Cards	8,098.37
Furniture and Household Effects	15,000	Vehicle Loans	5,963.53
Total Assets	22,256.38	Total Liabilities	14,062.10
Net Asset	8,194.28		

Property searches performed on the Director and former Directors indicate the following property ownerships:

Name	Property Location	Approximate Value
Robert John Harder	QLD - Property 1	Estimated Value not available
	QLD - Property 2	Estimated Value \$365,000
	QLD - Property 3	Estimated Value \$370,000
	NSW - Property 1	Estimated Value \$290,000
Neil Gregory Wormwell	QLD - Property 1	Estimated Value \$2,875,000
Donald Wormwell	No Results	
James Jonathan Harder	QLD - Property 1	Estimated Value \$325,000

Nevertheless, the above values are purely indicative and do not consider any mortgages which may be secured over the properties nor the properties equity position.

Accordingly, we currently have insufficient data to determine whether the Director or former Directors have the ability to pay any amounts in respect of an insolvent trading claim, if successful.

We are aware of the existence of directors and offices insurance policies however enquiries would be required to determine whether it would respond to an insolvent trading claim.

Further investigations with regards to the Director and former Directors' assets will therefore need to be conducted in order to determine whether it would be commercial to bring an insolvent trading claim.

7.3. Voidable transactions

We set out below our preliminary findings in relation to potential recoveries from voidable transactions in a liquidation scenario including our view on the likelihood of there being substantiated and supportable claims. Where applicable, we have included our estimate of possible recoveries along with any other pertinent information.

For general information explaining these matters, including a list of applicable offences, please refer to **Appendix 8**.

Area	Our view	Comments
Unfair preferences	Possible claims	■ We have identified payments in Privium Pty Ltd and Privium Civil which may constitute an unfair preference payment to ordinary unsecured creditors which would be further investigated if the Companies enter liquidation. ■ For Privium Pty Ltd we consider there may be preferential payments to trade and statutory creditors in the sum of \$346k ■ For Privium Civil Pty Ltd we consider there may be preferential payments to trade creditors in the sum of \$209k.
Uncommercial transactions	Possible claims	■ We have identified a number of potential uncommercial transactions in connection with related entities however, further investigations are required in order to determine the commerciality of such transactions.
Unfair loans	No claims	■ Other than the potential uncommercial transactions above, we are not aware of any potential unfair loans which would likely result in property being recovered for the benefit of creditors.
Unreasonable payments to directors	Possible claims	■ The related party transactions identified in the uncommercial transactions section could also constitute unreasonable director-related transactions. Further investigations are required to determine if these transactions were in the commercial interest of the Companies.
Related entity benefit	Possible claims	■ The related party transactions identified in the uncommercial transactions section could also constitute related party benefits, but as previously noted further investigations will be required in this regard.
Arrangements to avoid employee entitlements	No claims	■ Our investigations to date have not revealed the existence of any such arrangements.
Voidable charges	Possible claims	■ Our investigations have revealed a security interest was registered by Open Gold Capital Pty Ltd however, further investigation is required.
Offences by directors	Possible claims	■ Based on our investigations to date, the following offence may have been committed by the Directors: — Section 180 – Act with care and diligence — Section 181 – Act in good faith — Section 182 – Use of position — Section 588G of the Act – a director has a duty to prevent insolvent trading

7.4. Disclosures: effect on employees

7.4.1. Effect on employees – liquidation

Position as priority creditors

Employees are afforded a priority in the winding up of a company compared to ordinary unsecured creditors. The order of priority for typical employee claims is as follows:

- Amounts due in respect of wages, superannuation and superannuation guarantee charge outstanding as at the date of the appointment of Administrators, followed by
- Amounts due in respect of leave of absence and other amounts due under the terms of an industrial instrument, followed by
- Retrenchment payments.

Creditors are advised none of the Companies had employees. We understand the Companies employees were all contracted from Joii Limited ("Joii")

7.4.2. Effect on employees – DOCA

Employees should note that the FEG Scheme is not available to employees in the event the Companies execute a DOCA.

At the date of this report, no DOCA proposal has been put forward and in any event, none of the Companies had employees.

7.5. Other Avenues of Inquiry

Creditors are advised we have to date, received a number of allegations from clients regarding potentially questionable practices by the Companies various marketing agents and referrers. Should creditors resolve for the Companies to be wound up, these allegations will be investigated by the liquidators.

7.6. Public Examination

Given the size and complexity of the Privium Group, the extent of its intercompany dealings, and the numerous allegations we have received, we advise in the event creditors resolve to place the Companies into liquidation it is likely the Liquidators will seek to have the Director, former Directors and other persons of interest, be publicly examined on oath as to their conduct, trade, dealings, and affairs relating to the Companies. Such an examination may well be used to seek evidence in relation to a potential recovery or litigation.

The Liquidators (or a creditor) may examine the examinee and the transcript of the examination may be used in evidence in any potential proceedings against them. Persons other than the Director or former Directors may also be examined if they might be indebted to or have property of the Companies, or otherwise be capable of giving information about the Companies' affairs.

8. Proposal for a deed of company arrangement

8.1. What is a DOCA?

A DOCA is a formal agreement between a company, its creditors and the proponents of the DOCA.

The proponents are interested parties who wish the creditors to consider their proposal – usually involving a compromise of creditors' claims as opposed to either winding up the company (liquidation) or returning the company to its directors.

A DOCA may involve:

- Maximising the chance of the company continuing in existence; and/or
- Result in a better return for the company's creditors than in a winding up.

8.2. Proposal for a DOCA

As previously stated, no proposal for a DOCA has been put forward.

9. Estimated return to creditors

9.1. Estimated return to creditors

- Detailed below is the estimated return to creditors for each company, summarised by category of creditor in accordance with Section 556 of the Act
- The estimated returns differ depending on assets, existence of secured creditor and possible recovery actions available to the appointed Liquidator.
- **Appendix 9** provides further details of estimated statement of positions with high and low scenarios.

		Privium Group Pty Ltd	Privium Pty Ltd	Privium Investments Pty Ltd	Privium Assets Pty Ltd	Privium Civil Pty Ltd	Impact Specs Pty Ltd	Privium Developments Pty Ltd	Residences on Bass Pty Ltd	Impact Land Pty Ltd
Cents in the \$	Notes	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation
Secured/Priority Creditors	1	Nil - 0.5 c/\$	2.1 – 5.3 c/\$	6.7 – 14.1 c/\$	7.7 – 11.1 c/\$	Nil - 0.1 c/\$	Nil	11.4 - 22 c/\$	Nil	Nil - 0.5 c/\$
Unsecured creditors	2	Nil	Nil	Nil	Nil	Nil	38 - 57 c/\$	Nil	6.8 - 41 c/\$	Nil

9.2. Notes

- There are no claims in any of the Companies for Wages, Superannuation, leave entitlements, redundancy or payment in lieu. Further, the major secured creditor holds security over seven of the nine companies in administration. In respect of those seven companies, the secured creditor is entitled to all surplus funds until repayment in full of its debt.
- The two companies which have no secured creditor (other than Westpac), only have intercompany loans as unsecured creditors. Those intercompany loans are to other entities in administration. Hence any surplus realisations after costs, will flow back to one or more of the entities where the secured creditor, BNY, holds security.
- These figures do not include any realisations from voidable transaction or insolvent trading recoveries. Secured creditors do not hold a priority over such realisations, in the event of recovery. In such a situation, all creditors (secured and unsecured) participate equally in any distribution made.

9.3. Administrators receipts and payments

A summary of receipts and payments since the date of our appointment to 9 December 2021 is attached at **Appendix 6**.

9.4. Impact of related entity claims on dividend prospects

As discussed above, the two companies where there is no secured creditor only have intercompany loans as unsecured creditors. The existence of these intercompany loans increases the return to the secured creditor, BNY, as the dividend received in those companies will flow directly back to BNY.

In the event realisations are made from voidable transaction or insolvent trading recoveries, it is noted c.\$7.5m of related party loans have lodged proofs of debt in the various administrations and, subject to adjudication, may be able to participate in any dividend payable. It is noted these entities are not subject to voluntary administration.

9.5. Estimated timing of payments to creditors

An indicative range of the estimated timing of dividends to each class of creditor is set out below:

Estimated timing for return to creditor classes		Privium Group Pty Ltd	Privium Pty Ltd	Privium Investments Pty Ltd	Privium Assets Pty Ltd	Privium Civil Pty Ltd	Impact Specs Pty Ltd	Privium Developments Pty Ltd	Residences on Bass Pty Ltd	Impact Land Pty Ltd
	Notes	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation
Secured/Priority Creditors	1	6 months	6 - 12 months	2 years	6 months	6 months	N/a	6-12 months	N/a	6 months
Unsecured creditors	2	N/a	N/a	N/a	N/a	N/a	6 months	N/a	6 months	N/a

- 1
 - These timeframes are based on time taken to realise assets.
 - The two year period estimated for Privium Investments is an estimate only. The Administrators are yet to receive details of the terms of the Deposit Boost Fund and as such, the timing of the return will depend heavily on the terms of the funding documents.
- 2
 - Based on estimates, there will be no distribution to unsecured creditors other than in the two entities where the secured creditor, BNY, does not hold security. As there are no external (non-related) unsecured creditors in those entities, the distributions to unsecured creditors will flow to entities which are subject to the security of the secured creditor and will be included in the distributions to the secured creditor.

10. Administrators' opinion and recommendation

10.1. Opinion and recommendation to creditors

10.1.1. What creditors can decide at the meeting

At the second meeting of creditors, creditors are required to decide whether:

- The Companies should execute a DOCA
- The administration of the Companies should end, or
- The Companies should be wound up.

In accordance with the requirements of Section 75-225 of the Insolvency Practice Rules (Corporations) 2016, the Administrators must provide an opinion on each of the above options, and whether the option is in the creditors' interests.

10.1.2. Administrators' opinions on the options available to creditors

Execution of a deed of company arrangement

As no DOCA has been proposed, creditors cannot resolve to accept a DOCA at this time. Therefore, we do not consider it would be in the creditors' interests for the Companies to execute a DOCA.

It remains an option for creditors to consider whether they may wish to adjourn the forthcoming meeting of creditors to allow time for a DOCA proposal to be submitted.

The Administration comes to an end

If the creditors vote for this alternative, control of the Companies would revert to the directors following the forthcoming meeting of creditors.

The Companies are insolvent with no cash to pay the Companies' debts and no confirmed prospects of obtaining external funding. Therefore we do not consider it would be in the creditors' interests for the administration to end.

The Company is wound up

Absent the other options being viable alternatives, we consider it would be in the creditors' interests for the Companies to be wound up. The Companies are insolvent. We have not been provided with a proposal for a DOCA for consideration and it is not appropriate the administrations end for the reasons noted above.

10.1.3. Administrators' opinion on voidable transactions

It is the opinion of the Administrators there are payments made by the Companies which could be considered voidable as against the liquidators. This has been discussed in **Section 7**.

Dated **14th December 2021**



Joanne Dunn

Administrator



John Park

Administrator



Kelly-Anne Trenfield

Administrator

CREDITOR ENQUIRIES

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CLIENT ENQUIRIES

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11. Appendix 1 – Glossary and terms of reference

Item	Definition
the Companies	Privium Group Pty Ltd Privium Pty Ltd Privium Civil Pty Ltd Privium Investments Pty Ltd Impact Land Pty Ltd Impact Specs Pty Ltd Privium Assets Pty Ltd Privium Developments Pty Ltd Residences on Bass Pty Ltd
Privium Group	Privium Group Pty Ltd
Privium	Privium Pty Ltd
Privium Civil	Privium Civil Pty Ltd
Privium Investments	Privium Investments Pty Ltd
Impact Land	Impact Land Pty Ltd
Impact Specs	Impact Specs Pty Ltd
Privium Assets	Privium Assets Pty Ltd
Privium Developments	Privium Developments Pty Ltd
Residences on Bass	Residences on Bass Pty Ltd
Growme	Growme Aus Pty Ltd
PROchip	Privium Construction Pty Ltd
The Privium Group	The whole of the Privium Group of Companies including those not listed above
iHub	iHub Aus Pty Ltd
Act	Corporations Act 2001 (Cth)
ASIC	Australian Securities and Investments Commission
c.	Circa, approximate
DOCA	Deed of company arrangement
DIRRI	Declaration of independence, relevant relationships and indemnities
ROCAP	Report on Company Activities and Property
PPSR	Personal Property Securities Register
ATO	Australian Taxation Office (incorporating the Deputy Commissioner of Taxation, as applicable)
PAG	Property Alternative Developments Group
BNY	BNY Trust Company of Australia Limited
SPV	Special Purpose Vehicles

Westpac	Westpac Banking Corporation Limited
GSA	General Security Agreements
ERV	Estimated realisable value
NPAT	Net profit after tax
GST	Goods and Services Tax, as applicable in Australia
EBIT / EBITDA	Earnings before interest and tax / Earnings before interest, tax, depreciation and amortisation
YTD	Year to date
FY14, FY15, FY16	Financial years ended/ending 30 June 2014, 30 June 2015 and 30 June 2016
Pre-Construction	Construction of the job has not commenced
Active Job	Construction of the job is underway and not yet completed or handed over to the client
Handover	This is the final status prior to job completion in which the property is handed over to the client after practical completion is achieved
Under Contract (sell only)	Relates to jobs where the client is buying land only or a property which has already been built
Job Complete – Maintenance	The job has been and settled and handed over to the client but is in the defect liability period
Torsion	Torsion Pty Ltd
the Torsion Agreement	Heads of Agreement with Torsion Pty Ltd
Homecorp	Homecorp Pty Ltd
The Homecorp Agreement	Heads of Agreement with Homecorp Pty Ltd
CCCI	Cordell Construction Cost Index
Cash on hand	Cash and cash equivalents
WIP	Works in Progress
SG&A	Selling, general & administrative expenses
FY	Financial year
Lloyds'	Lloyds Auctioneers and Valuers
Joi	Joi Limited
QBCC	Queensland Building and Construction Commission
Trading entities	Refers to Privium Pty Ltd, Privium Investments Pty Ltd, Privium Civil Pty Ltd, and Privium Developments Pty Ltd in Section 7 – Investigations, offences and voidable transactions
Date of appointment	17 November 2021
Current financial year	1 July 2021 to date of appointment

11.1. Terms of reference

This report has been prepared for the creditors of the Companies to assist them in evaluating their position as creditors and in deciding on the Companies' future. None of the Administrators, FTI Consulting and its staff shall assume any responsibility to any third party to which this report is disclosed or otherwise made available.

This report is based on information obtained from the Companies' records, the directors and management of the Companies and from our own enquiries. While we have no reason to doubt the veracity of information contained in this report, unless otherwise stated we have proceeded on the basis the information provided and representations made to us are materially accurate, complete and reliable. We have not carried out anything in the nature of an audit, review or compilation.

This report may contain prospective financial information, including estimated outcomes for creditors, and other forward looking information. As events and circumstances frequently do not occur as expected, there may be material differences between estimated and actual results. We take no responsibility for the achievement of any projected outcomes or events.

We reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to us between the date of this report and the forthcoming meeting of creditors.

Creditors should seek their own advice if they are unsure how any matter in this report affects them.

12. Appendix 2 – Company information

12.1. Statutory Information

12.1.1. Privium Group Pty Ltd

Incorporation Date	14 June 2002
Registered Address	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 27/11/2015 Neil Wormwell Former Director Appointed on 27/11/2015 Ceased on 01/10/2021 Donald Wormwell Former Director Appointed on 27/11/2015 Ceased on 09/09/2021 James Jonathan Harder Former Director Appointed on 14/04/2011 Ceased on 07/09/2021 Andrew Clement Former Director Appointed on 27/11/2015 Ceased on 23/10/2020 Janine Macaulay Former Director Appointed on 16/05/2016 Ceased on 13/11/2019 Gary Linton Former Director Appointed on 27/11/2015 Ceased on 05/02/2018

Shareholders	The Company has \$35,091,444.58 in paid up capital and 2,388,203 shares on issue. The complete share register is included in the following table. Previous owners: ■ VDB Family Holdings Pty Ltd – 1 share (Class Q) ■ Janine and Ross Keegan Macaulay – 1 share (Class N) ■ Open Gold Holdings Pty Ltd - 240,250 shares (ORD) ■ Open Gold Pty Ltd - 240,250 shares (ORD) ■ B & S Superannuation Australia Pty Ltd – 1 share (Class R) ■ Afg Assets Pty Ltd - 102,282 shares (ORD) ■ Watermark Capital Pty Ltd – 1 share (Class I) ■ Watermark Capital Pty Ltd – 150,000 shares (ORD) ■ Watermark Capital Pty Ltd – 105,706 shares (ORD) ■ The Promise Qld Pty Ltd – 100,000 shares (ORD) ■ Arc Investments (Qld) Pty Ltd – 3 shares (ORD) ■ Harder Investments Pty Ltd – 60,000 shares (ORD) ■ The Promise Qld Pty Ltd – 150,000 shares (ORD) ■ Rachel Anne Harder – 1 share (ORD)
Related entities	Formerly known as: Privium Pty Ltd Impact Group Pty Ltd
Description of trading activities	Residential building construction

Share Register: Privium Group Pty Ltd				
Share Class	Total Issued	Total Paid \$	Due \$	Shareholders
ORD ORDINARY SHARES	275,320	4,045,492.38	0.00	PLUG DEVELOPMENTS PTY LTD
ORD ORDINARY SHARES	275,320	4,045,492.38	0.00	HARDER DEVELOPMENTS PTY LTD
ORD ORDINARY SHARES	227,446	3,342,042.20	0.00	HARDER INVESTMENTS PTY LTD
ORD ORDINARY SHARES	306,115	4,497,987.43	0.00	BENDEE INVESTMENTS PTY. LTD.
ORD ORDINARY SHARES	306,115	4,497,987.43	0.00	EMERALD SKY INVESTMENTS PTY LTD
ORD ORDINARY SHARES	295,213	4,337,795.81	0.00	A CLEMENT DEVELOPMENTS QLD PTY LTD
ORD ORDINARY SHARES	91,760	1,348,301.54	0.00	LOVE YOUR WORLD
ORD ORDINARY SHARES	227,446	3,342,042.20	0.00	RANDOM SUPER PTY LTD
ORD ORDINARY SHARES	113,722	1,671,006.41	0.00	ARC INVESTMENTS (QLD) PTY LTD
ORD ORDINARY SHARES	269,723	3,963,251.28	0.00	THE PROMISE QLD PTY LTD
D CLASS D	1	1.00	0.00	HARDER DEVELOPMENTS PTY LTD
E CLASS E	1	1.00	0.00	BENDEE INVESTMENTS PTY. LTD.
F CLASS F	1	1.00	0.00	A CLEMENT DEVELOPMENTS QLD PTY LTD
G CLASS G	1	1.00	0.00	PLUG DEVELOPMENTS PTY LTD
H CLASS H	1	1.00	0.00	EMERALD SKY INVESTMENTS PTY LTD
I CLASS I	2	16.86	0.00	HARDER INVESTMENTS PTY LTD RANDOM SUPER PTY LTD
J CLASS J	1	1.00	0.00	THE PROMISE QLD PTY LTD
K CLASS K	1	8.65	0.00	JOII LIMITED
N CLASS N	2	2.00	0.00	JENNA LEE TRICKETT KARL LESLEIGH HELLYAR
O CLASS O	2	2.00	0.00	RENDRA YAP
P CLASS P	2	2.00	0.00	HTANI THERESA SEAWARD TROY CHRISTOPHER SEAWARD
Q CLASS Q	1	1.00	0.00	MARCELLE BRIDGET JANSEN
R CLASS R	1	1.00	0.00	LOVE YOUR WORLD
S CLASS S	1	1.00	0.00	NICOLE MAY ANNAKIN WILLIAM GEORGE STEPHEN ANNAKIN
T CLASS T	1	1.00	0.00	INKVALE PTY LTD
U CLASS U	1	1.00	0.00	ADAM MCCLELLAND TANYA MCCLELLAND
V CLASS V	1	1.00	0.00	GNJS ENTERPRISES PTY LTD
W CLASS W	1	1.00	0.00	JOHN SHARP KATIE SHARP
X CLASS X	1	1.00	0.00	KATE MAYNE

12.1.2. Privium Pty Ltd

Incorporation Date	6 January 1999
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 27/01/1999
Shareholders	The Company has \$13,088,015.92 in paid up capital and 4,299,450 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 4,299,450 shares (100%) Previous owners: ■ Harder Developments Pty Ltd – 1 share (Class D) ■ Bendee Investments Pty. Ltd. – 1 share (Class E) ■ A Clement Developments Qld Pty Ltd – 1 share (Class F) ■ Plug Developments Pty Ltd – 1 share (Class G) ■ Emerald Sky Investments Pty Ltd – 1 share (Class H) ■ Watermark Capital Pty Ltd – 1 share (Class I) ■ Stephen John Cotton – 1 share (Class J) ■ Bendee Investments Pty. Ltd. – 15 shares (ORD) ■ Emerald Sky Investments Pty Ltd – 15 shares (ORD) ■ Watermark Capital Pty Ltd – 15 shares (ORD) ■ A Clement Developments Qld Pty Ltd – 15 shares (ORD) ■ Plug Developments Pty Ltd – 15 shares (ORD) ■ Harder Developments Pty Ltd – 15 shares (ORD) ■ The Promise Qld Pty Ltd – 10 shares (ORD) ■ W2G Assets Pty Ltd – 2 shares (ORD) ■ Robert John Harder – 2 shares (ORD) ■ Harder Developments Pty Ltd – 2 shares (ORD)
Related entities	Formerly known as: Privium Homes Pty Ltd Impact Homes Pty Ltd
Description of trading activities	Residential building construction

12.1.3. Privium Investments Pty Ltd

Incorporation Date	03 August 2010
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 27/01/1999 James Jonathan Harder Former Director Appointed on 03/08/2010 Ceased on 07/09/2021
Shareholders	The Company has \$109.00 in paid up capital and 109 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 109 shares (100%) Previous owners: ■ Janine and Ross Macaulay – 1 share (Class D) ■ Rendra and Shirley Yap – 1 share (Class E) ■ Troy Christopher and Htani Theresa Seaward – 1 share (Class F) ■ VDB Family Holdings Pty Ltd – 1 share (Class G) ■ B & S Superannuation Australia Pty Ltd – 1 share (Class H) ■ Love Your World – 1 share (Class H) ■ Nicole May and William George Stephen Annakin – 1 share (Class I) ■ Inkvale Pty Ltd – 1 share (Class J) ■ Tanya and Adam McClelland – 1 share (Class K) ■ GNJS Enterprises Pty Ltd – 1 share (Class L) ■ Dinder Pty Ltd – 1 share (Class I) ■ Property Trade Group 1 Pty Ltd – 1 share (Class D) ■ Matterhorn Property Pty Ltd – 1 share (Class G) ■ Janine Lacey and Ross Keegan Macaulay – 1 share (Class D)
Related entities	Formerly known as: Impact Investments Pty Ltd
Description of trading activities	Residential building construction

12.1.4. Privium Assets Pty Ltd

Incorporation Date	21 July 2010
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 07/09/2021 James Jonathan Harder Former Director Appointed on 03/08/2010 Ceased on 07/09/2021
Shareholders	The Company has \$101.00 in paid up capital and 101 shares on issue. Shareholders: ■ Privium Investments Pty Ltd – 1 share (Class D) ■ Privium Group Pty Ltd – 100 shares (ORD) Previous owners: ■ Harder Developments Pty Ltd – 26 shares (ORD) ■ Bendee Investments Pty. Ltd. – 26 shares (ORD) ■ Emerald Sky Investments Pty Ltd – 16 shares (ORD) ■ Plug Developments Pty Ltd – 16 shares (ORD) ■ A Clement Developments Qld Pty Ltd – 16 shares (ORD)
Related entities	Formerly known as: Impact Assets Pty Ltd
Description of trading activities	Residential building construction

12.1.5. Privium Civil Pty Ltd

Incorporation Date	26 June 2014
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 26/06/2014
Shareholders	The Company has \$700,100.00 in paid up capital and 700,100 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 700,100 shares (100%) Previous owners: ■ Privium Pty Ltd – 100 shares (ORD)
Related entities	Formerly known as: Impact Civil Pty Ltd
Description of trading activities	Residential building construction

12.1.6. Impact Specs Pty Ltd

Incorporation Date	22 August 2016
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 22/08/2016
Shareholders	The Company has \$100.00 in paid up capital and 100 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 100 shares (100%)
Related entities	N/A
Description of trading activities	Residential building construction

12.1.7. Privium Developments Pty Ltd

Incorporation Date	10 April 2014
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 10/04/2014
Shareholders	The Company has \$102.00 in paid up capital and 102 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 102 shares (100%) Previous owners: ■ John and Katie Sharp – 1 share (Class D) ■ Kate Mayne – 1 share (Class E)
Related entities	Formerly known as: Impact Developments Pty Ltd
Description of trading activities	Residential building construction

12.1.8. Residences on Bass Pty Ltd

Incorporation Date	23 September 2020
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 23/09/2020
Shareholders	The Company has \$100.00 in paid up capital and 100 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 100 shares (100%)
Related entities	N/A
Description of trading activities	Residential building construction

12.1.9. Impact Land Pty Ltd

Incorporation Date	03 June 2010
Registered Address	46 Aspire Street, Rochedale QLD 4123
Principal Place of Business	Level 2, 54-66 Perrin Drive, Underwood QLD 4119
Directors and Officers	Robert John Harder Director Appointed on 01/10/2021 Neil Gregory Wormwell Former Director Appointed on 03/06/2010 Ceased on 02/11/2021
Shareholders	The Company has \$100.00 in paid up capital and 100 shares on issue. Shareholders: ■ Privium Group Pty Ltd – 100 shares (100%) Previous owners: ■ Harder Developments Pty Ltd – 26 shares (ORD) ■ Bendee Investments Pty. Ltd. – 26 shares (ORD) ■ Emerald Sky Investments Pty Ltd – 16 shares (ORD) ■ Plug Developments Pty Ltd – 16 shares (ORD) ■ A Clement Developments Qld Pty Ltd – 16 shares (ORD) ■ Privium Assets Pty Ltd – 100 shares (ORD)
Related entities	N/A
Description of trading activities	Residential building construction

12.2. Details of security interests and charges

Below are details the security interests registered on the PPSR upon appointment, plus any other prima facie valid charges that the Administrators are aware of.

12.2.1. Privium Group Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201903190015898	FUJIFILM LEASING AUSTRALIA LTD; FUJIFILM BUSINESS INNOVATION AUSTRALIA PTY LTD	Other Goods	19 Mar 2019
202106280060091	OPEN GOLD CAPITAL PTY LTD	All PAAP No Except	28 Jun 2021
201602110027100	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016

12.2.2. Privium Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201112220772942	Impact Assets Pty Ltd	All PAAP No Except	30 Jan 2012
201201120709124	CNW PTY LTD	Other Goods	30 Jan 2012
201202290058794	STODDART GROUP PTY LTD; STODDART (S.E.QUEENSLAND) PTY LTD; STODDART (NSW) PTY LTD; STODDART (VICTORIA) PTY LTD; STEEL HOUSE FRAMES AUSTRALIA PTY LTD; SCOPE SAFETY SYSTEMS (VICTORIA) PTY LTD; SCOPE SAFETY SYSTEMS PTY LTD; STODDART CLADDING SYSTEMS PTY LTD; STODDART ENERGY SYSTEMS PTY LTD; STODDART LININGS PTY LTD	Other Goods	29 Feb 2012
201204270067936	WACO KWIKFORM LIMITED	Other Goods	27 Apr 2012
201207030033342	COATES HIRE OPERATIONS PTY LIMITED	Motor Vehicle	03 Jul 2012
201207270087075	COATES HIRE OPERATIONS PTY LIMITED	Other Goods	27 Jul 2012
201304090034259	REDSTAR EQUIPMENT PTY LTD; ONSITE RENTAL GROUP OPERATIONS PTY LTD	Other Goods	09 Apr 2013
201401160014806	TRUSSCORP PTY LTD	Other Goods	16 Jan 2014

201401160031133	TRUSSCORP PTY LTD	Other Goods	16 Jan 2014
201401160031244	TRUSSCORP PTY LTD	Other Goods	16 Jan 2014
201401160031325	TRUSSCORP PTY LTD	Other Goods	16 Jan 2014
201401160031373	TRUSSCORP PTY LTD	Other Goods	16 Jan 2014
201404010036406	GATIC PTY LIMITED; KEY PLASTICS PTY. LTD.; NORTHERN IRON AND BRASS FOUNDRY PTY. LTD.; CREVET PIPELINES PTY LTD; IPLEX PIPELINES AUSTRALIA PTY LIMITED	Other Goods	01 Apr 2014
201409200018920	NATIONAL MASONRY PTY LTD	Other Goods	20 Sep 2014
201412100101478	JARMEN PTY LTD	Other Goods	10 Dec 2014
201502110070635	REECE AUSTRALIA PTY LTD; ACTROL PARTS PTY LTD; A. C. COMPONENTS PTY. LTD.; VIADUX PTY LTD	Other Goods	11 Feb 2015
201503270008450	The trustee for SKC Trust	Account	27 Mar 2015
201505110051337	ATF SERVICES PTY LTD	Other Goods	11 May 2015
201505280043867	METAL MANUFACTURES PTY LIMITED	Other Goods	28 May 2015
201507210047644	HOLCIM (AUSTRALIA) PTY LTD	Other Goods	21 Jul 2015
201507210116097	EXCEL CONCRETE PTY LTD	Other Goods	21 Jul 2015
201602110042765	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016
201602110049327	RELIABLE HIRE AUST PTY LTD	Other Goods	11 Feb 2016
201602220020462	DRUIN PTY LTD; The Trustee for DRUIN NO 3 TRUST	Other Goods	22 Feb 2016
201603040013947	STRATCO (QLD) PTY. LTD.	Other Goods	04 Mar 2016
201604080027809	ALPINE TRUSS PTY. LTD.	Other Goods	08 Apr 2016
201605130044649	SHRIRO AUSTRALIA PTY LIMITED	Other Goods	13 May 2016
201608120017411	The Trustee for DISCOVERY TRUST	Other Goods	12 Aug 2016
201610120045828	THE TRUSTEE FOR THE HODGSON FAMILY TRUST NEW LOOK INNOVATIONS (AUST) PTY LTD ALLCOAT RENDER & PAINT	Account	12 Oct 2016
201611080045484	MASTER HIRE PTY. LTD.	Other Goods	08 Nov 2016
201707240062945	KINGSPAN WATER & ENERGY PTY LIMITED	Other Goods	24 Jul 2017
201711220028769	HASTINGS DEERING (AUSTRALIA) LIMITED	Other Goods	22 Nov 2017
201711220028782	HASTINGS DEERING (AUSTRALIA) LIMITED	Motor Vehicle	22 Nov 2017

201804100063589	METECNO PTY LTD	Other Goods	10 Apr 2018
201804270114258	BORAL LIMITED; ALLEN TAYLOR & COMPANY LTD; ALLEN'S ASPHALT PTY LTD; ALSAFE PREMIX CONCRETE PTY LTD; BARNU PTY. LTD.; BAYVIEW PTY LIMITED; BAYVIEW QUARRIES PROPRIETARY LIMITED; BITUMAX PTY. LIMITED; BITUMEN IMPORTERS AUSTRALIA PTY LTD; BITUPAVE LTD; BORAL BRICKS PTY LTD; BORAL BRICKS WESTERN AUSTRALIA PTY LTD; BORAL BUILDING MATERIALS PTY LIMITED; BORAL BUILDING PRODUCTS LIMITED; BORAL CEMENT LIMITED; BORAL CONCRETE CONTRACTING PTY LIMITED; BORAL CONSTRUCTION MATERIALS GROUP LTD; BORAL CONSTRUCTION MATERIALS LIMITED; BORAL CONSTRUCTION RELATED BUSINESSES PTY LTD; BORAL CONTRACTING PTY LTD; BORAL CORPORATE SERVICES PTY LIMITED; BORAL FINANCE PTY LIMITED; BORAL HOLLOSTONE MASONRY (SOUTH AUST.) PTY. LIMITED; BORAL INSURANCE PTY LIMITED; BORAL INTERNATIONAL PTY LIMITED; BORAL INVESTMENTS PTY LIMITED; BORAL IP HOLDINGS (AUSTRALIA) PTY LIMITED; BORAL MASONRY LTD; BORAL MONTORO PTY LIMITED; BORAL PLASTER FIXING PTY. LIMITED.; BORAL PRECAST HOLDINGS PTY LTD; BORAL RECYCLING PTY LIMITED; BORAL RESOURCES (COUNTRY) PTY. LIMITED; BORAL RESOURCES (NSW) PTY LTD; BORAL RESOURCES (QLD) PTY. LIMITED; BORAL RESOURCES (SA) LIMITED; BORAL RESOURCES (VIC.) PTY. LIMITED; BORAL RESOURCES (W.A.) LTD; BORAL SHARED BUSINESS SERVICES PTY LTD; BORAL TIMBER FIBRE EXPORTS PTY LTD; BORAL TRANSPORT LIMITED; CONCRITE PTY LTD; DANDENONG QUARRIES PTY.	Other Goods	27 Apr 2018

	LIMITED; DE MARTIN & GASPARINI CONCRETE PLACERS PTY LIMITED; DE MARTIN & GASPARINI CONTRACTORS PTY LIMITED; DE MARTIN & GASPARINI PTY LIMITED; DE MARTIN & GASPARINI PUMPING PTY LIMITED; DUNCAN'S HOLDINGS LTD; DUNMORE SAND & SOIL PTY. LIMITED; FLYASH AUSTRALIA PTY LIMITED; GYPSUM RESOURCES AUSTRALIA PTY. LIMITED; HIGHLAND PINE PRODUCTS PTY LIMITED; LYMPIKE PTY LTD; OBERON SOFTWOOD HOLDINGS PTY. LIMITED; PENRITH LAKES DEVELOPMENT CORPORATION LTD; Q-CRETE PREMIX PTY LTD; ROAD SURFACES GROUP PTY. LTD.; RONDO BUILDING SERVICES PTY LTD; SOUTH EAST ASPHALT PTY LTD; SUNSTATE CEMENT LTD.; USG BORAL BUILDING PRODUCTS PTY LIMITED; USG INTERIORS AUSTRALIA PTY. LTD.; VENTIA BORAL AMEY NSW PTY LIMITED; VENTIA BORAL AMEY QLD PTY LIMITED		
201807230014278	CORINTHIAN INDUSTRIES (AUSTRALIA) PTY LIMITED; STEGBAR PTY. LIMITED; ANEETA WINDOW SYSTEMS (VIC) PTY. LTD.; REGENCY (SHOWERScreens & WARDROBES) PTY LIMITED; JELD-WEN AUSTRALIA PTY LIMITED; JELD-WEN GLASS AUSTRALIA PTY LIMITED; AIRLITE WINDOWS PTY LIMITED; TREND WINDOWS & DOORS PTY LIMITED; FENESTRA HARDWARE SPECIALISTS PTY LIMITED; ANEETA WINDOW SYSTEMS (SALES) PTY LTD; ANEETA WINDOW SYSTEMS (N.S.W.) PTY LTD; ANEETA WINDOW SYSTEMS (W.A.) PTY LTD; ANEETA WINDOW SYSTEMS (QLD) PTY LTD; BREEZWAY AUSTRALIA PTY LTD; KOLDER PTY. LIMITED; A & L WINDOWS PTY. LTD.; A & L WINDOWS (QLD) PTY. LTD.	Other Goods	23 Jul 2018

201807300040802	LEASEPLAN AUSTRALIA LIMITED	Motor Vehicle	30 Jul 2018
201808080028090	STRATCO PTY LTD	Other Goods	08 Aug 2018
201809190022096	CSR BUILDING PRODUCTS LIMITED	Other Goods	19 Sep 2018
201810260018410	The Trustee for Vic Mesh Unit Trust	Other Goods	26 Oct 2018
201811270037316	WACO KWIKFORM LIMITED	Other Goods	27 Nov 2018
201901070009578	MESH & BAR PTY. LIMITED	Other Goods	07 Jan 2019
201902080001687	PGH BRICKS & PAVERS PTY LIMITED	Other Goods	08 Feb 2019
201903220022189	THE TILE FACTORY WHOLESALE PTY. LTD.	Other Goods	22 Mar 2019
201906110004829	AUSTRALIAN TIMBER & TRUSSES PTY LTD	Other Goods	11 Jun 2019
201909240042815	SAMIOS PLUMBING PTY LTD	Other Goods	24 Sep 2019
201909300020053	CONPLANT PTY LTD	Motor Vehicle	30 Sep 2019
201909300020069	CONPLANT PTY LTD	Other Goods	30 Sep 2019
201912120018699	METAL MANUFACTURES PTY LIMITED	Other Goods	12 Dec 2019
202002070039201	AUSREO PTY LIMITED	Other Goods	07 Feb 2020
202003020037676	MANSELL PREMIX PTY LTD	Other Goods	02 Mar 2020
202003300054885	FUJIFILM UPSTREAM SOLUTIONS PTY LTD; FUJIFILM UPSTREAM LEASING PTY LTD	Other Goods	30 Mar 2020
202004230014820	BARRO GROUP PTY. LIMITED; DUNDOWRAN BLUE METAL QUARRIES PTY. LTD.; PRESTO TRANSPORT PTY. LTD.; MELBOURNE TYRE SERVICE PTY. LTD.; FLINTSTONES GARDEN SUPPLY CENTRE PTY. LTD.; AUSTRALIAN PRECAST PTY. LTD.; RAILWAY SAND SUPPLIES PTY. LTD.	Other Goods	23 Apr 2020
202007290049763	CHROMAGEN AUSTRALIA PTY LTD	Other Goods	29 Jul 2020
202007290050083	CHROMAGEN AUSTRALIA PTY LTD	Other Goods	29 Jul 2020
202007290051506	CHROMAGEN AUSTRALIA PTY LTD	Other Goods	29 Jul 2020
202009180029163	FINLAYSON TIMBER & HARDWARE PTY. LTD.	Other Goods	18 Sep 2020
202009180029331	FINLAYSON INSTALLATIONS PTY. LTD.	Other Goods	18 Sep 2020
202012070031962	STODDART GROUP PTY LTD; STODDART (S.E.QUEENSLAND) PTY LTD; STODDART (NSW) PTY LTD;	Other Goods	07 Dec 2020

	STODDART (VICTORIA) PTY LTD; STEEL HOUSE FRAMES AUSTRALIA PTY LTD; SCOPE SAFETY SYSTEMS (VICTORIA) PTY LTD; SCOPE SAFETY SYSTEMS PTY LTD; STODDART CLADDING SYSTEMS PTY LTD; STODDART ENERGY SYSTEMS PTY LTD; STODDART LININGS PTY LTD		
202102150001399	BRADNAM'S WINDOWS AND DOORS PTY. LTD.	Other Goods	15 Feb 2021
202104300014100	G JAMES AUSTRALIA PTY. LTD.	Other Goods	30 Apr 2021
202106220052371	CALCO TIMBERS PTY LTD	Other Goods	22 Jun 2021
202109140033986	FASTENERS DIRECT AUST PTY LTD	Other Goods	14 Sep 2021
202110080042351	ACCRUE REAL ESTATE VIC PTY LTD	All PAAP No Except	08 Oct 2021
202110080044234	ACCRUE REAL ESTATE PTY LTD	All PAAP No Except	08 Oct 2021
202110250057135	ORACLE FP PTY LTD	All PAAP No Except	25 Oct 2021
202111090033574	Entire Concrete	All PAAP No Except	09 Nov 2021

12.2.3. Privium Investments Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201112220772665	SABIN DEVELOPMENTS PTY LTD	All PAAP No Except	30 Jan 2012
201602110042899	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016

12.2.4. Privium Assets Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201112220520834	WESTPAC BANKING CORPORATION	All PAAP No Except	30 Jan 2012
201201240219453	IMPACT INVESTMENTS QLD PTY LTD	All PAAP No Except	30 Jan 2012
201304290052992	NATIONAL AUSTRALIA BANK LIMITED	Motor Vehicle	29 Apr 2013
201312100067503	IMPACT RES PTY LTD	Currency	10 Dec 2013
201508180061609	NATIONAL AUSTRALIA BANK LIMITED	Other Goods	18 Aug 2015
201511200056856	NATIONAL AUSTRALIA BANK LIMITED	Motor Vehicle	20 Nov 2015
201511200056860	NATIONAL AUSTRALIA BANK LIMITED	Motor Vehicle	20 Nov 2015

201511200056873	NATIONAL AUSTRALIA BANK LIMITED	Motor Vehicle	20 Nov 2015
201708220002921	WESTPAC BANKING CORPORATION	Motor Vehicle	22 Aug 2017
201708220003606	WESTPAC BANKING CORPORATION	Motor Vehicle	22 Aug 2017
201708220004559	WESTPAC BANKING CORPORATION	Motor Vehicle	22 Aug 2017
201708240005202	WESTPAC BANKING CORPORATION	Motor Vehicle	24 Aug 2017
201710100009341	MACQUARIE LEASING PTY LTD	Motor Vehicle	10 Oct 2017
201710180047912	WESTPAC BANKING CORPORATION	Motor Vehicle	18 Oct 2017
201710180050323	WESTPAC BANKING CORPORATION	Motor Vehicle	18 Oct 2017
201710180053748	WESTPAC BANKING CORPORATION	Motor Vehicle	18 Oct 2017
201712220077005	WESTPAC BANKING CORPORATION	All PAAP With Except	22 Dec 2017
201801090020123	WESTPAC BANKING CORPORATION	Motor Vehicle	09 Jan 2018
201801120029055	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	Motor Vehicle	12 Jan 2018
201801120029231	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	Motor Vehicle	12 Jan 2018
201801150018297	WESTPAC BANKING CORPORATION	Motor Vehicle	15 Jan 2018
201804160034634	WESTPAC BANKING CORPORATION	Motor Vehicle	16 Apr 2018
201804160035204	WESTPAC BANKING CORPORATION	Motor Vehicle	16 Apr 2018
201804160035329	WESTPAC BANKING CORPORATION	Motor Vehicle	16 Apr 2018
201804160062866	WESTPAC BANKING CORPORATION	Motor Vehicle	16 Apr 2018
201805160049855	WESTPAC BANKING CORPORATION	Motor Vehicle	16 May 2018
201809260069452	WESTPAC BANKING CORPORATION	Motor Vehicle	26 Sep 2018
201910210059264	WESTPAC BANKING CORPORATION	Motor Vehicle	21 Oct 2019
201910210059303	WESTPAC BANKING CORPORATION	Motor Vehicle	21 Oct 2019
201910210059342	WESTPAC BANKING CORPORATION	Motor Vehicle	21 Oct 2019
201912100028082	WESTPAC BANKING CORPORATION	Other Goods	10 Dec 2019
202003110026167	WESTPAC BANKING CORPORATION	General Intangible	11 Mar 2020
202105140028221	WESTPAC BANKING CORPORATION	Motor Vehicle	14 May 2021
202105140029274	WESTPAC BANKING CORPORATION	Motor Vehicle	14 May 2021
202105140030457	WESTPAC BANKING CORPORATION	Motor Vehicle	14 May 2021
202105270034041	WESTPAC BANKING CORPORATION	Motor Vehicle	27 May 2021
202109030055379	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	03 Sep 2021*

*The original ALLPAAP registration on the PPSR by Permanent Custodians Limited was made on 11 February 2016. The registration was inadvertently discharged on 1 September 2021, and a new registration created on 3 September 2021. On December 2021, Permanent Custodians Limited obtained an order from the Federal Court of Australia pursuant to Section 588FM of the Act which allowed their registration on the PPSR to be fixed as at 4 September 2021. The Administrators did not oppose this application.

12.2.5. Privium Civil Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201602110041696	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016
201511090045917	EASTCOAST KERBING PTY. LTD.	Other Goods	09 Nov 2015
202005140033542	STANLEY MACADAM PTY LTD	Motor Vehicle	14 May 2020
201512230014228	EXCEL CONCRETE PTY LTD	Other Goods	23 Dec 2015
201511270052269	REECE AUSTRALIA PTY LTD; ACTROL PARTS PTY LTD; A. C. COMPONENTS PTY. LTD.; VIADUX PTY LTD	Other Goods	27 Nov 2015
201609270026349	NATIONAL MASONRY PTY LTD	Other Goods	27 Sep 2016
201511090045929	EASTCOAST KERBING PTY. LTD.	All PAAP No Except	09 Nov 2015
201808270030241	REECE AUSTRALIA PTY LTD; ACTROL PARTS PTY LTD; A. C. COMPONENTS PTY. LTD.; VIADUX PTY LTD	Other Goods	27 Aug 2018
202105070003730	ATCO STRUCTURES & LOGISTICS PTY LTD	Other Goods	07 May 2021
201802070058115	MASTER HIRE PTY. LTD.	Other Goods	07 Feb 2018
202009220023917	Northern SEQ Distributor Retailer Authority	Other Goods	22 Sep 2020
202005140033557	STANLEY MACADAM PTY LTD	Other Goods	14 May 2020

12.2.6. Impact Specs Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201612190062722	THE TRUST COMPANY (AUSTRALIA) LIMITED	All PAAP No Except	19 Dec 2016
201812200052098	SPA INVESTMENTS PTY LTD	All PAAP No Except	20 Dec 2018

12.2.7. Privium Developments Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201602110042555	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016
201503050016540	VDB INVESTMENTS PTY LTD	All PAAP No Except	05 Mar 2015

12.2.8. Residences on Bass Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
202011240042622	WESTPAC BANKING CORPORATION	All PAAP With Except	24 Nov 2020

12.2.9. Impact Land Pty Ltd

Registration Number	Secured Party	Collateral Class	Date Registered
201602110043741	PERMANENT CUSTODIANS LIMITED	All PAAP With Except	11 Feb 2016

13. Appendix 3 – Historical Statement of Position

Table 28: Privium Pty Ltd (Administrators Appointed)

Historical Statement of Position

\$'000s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	7,586	8,617	9,533	3,197
Trade and other receivables	11,819	16,838	12,329	4,155
Provision for doubtful debts	0	0	(416)	(275)
Contract Assets	25,821	13,194	11,246	14,660
Inventories	15,528	9,466	10,907	11,904
Other Assets	6,047	3,715	3,901	3,899
Total current Assets	66,801	51,831	47,501	37,540
Non-current assets				
Intangible Assets	1	1	1	3
Loan receivables	98	0	0	0
Total non-current assets	99	1	1	3
Total assets	66,899	51,832	47,502	37,543
Liabilities				
Current liabilities				
Trade and other payables	25,884	22,793	16,860	15,778
Current Interest-bearing loans and borrowings	149	117	0	0
Income Tax payable	120	0	711	0
Warranty provisions	0	340	591	591
Contract Liabilities	3,623	4,549	390	149
Total current liabilities	29,776	27,798	18,551	16,518
Non-current liabilities				
Intercompany loans and borrowings	14,334	6,166	11,151	3,219
Deferred tax liabilities	2,975	2,587	4,959	4,830
Total non-current liabilities	17,309	8,753	16,111	8,050
Total liabilities	47,085	36,551	34,662	24,567
Net assets	19,814	15,281	12,840	12,976
Equity				
Issued capital	8,305	13,088	13,088	13,088
Retained earnings	11,510	2,193	(248)	(112)
Total equity	19,814	15,281	12,840	12,976

Table 29: Privium Civil Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Current Assets				
Cash and cash equivalents	0.1	0.8	0.3	0.6
Trade and other receivables	683.3	1,050.2	126.3	-
Inventories	52.4	(104.6)	-	95.0
Contract Assets	-	-	1,024.8	1,453.8
Deferred Tax Asset	-	1.0	1.5	1.5
Total Current Assets	736	947	1,153	1,551
Non-Current Assets				
Operating Lease Assets	-	87	61	53
Total Non-Current Assets	-	87	61	53
Total Assets	736	1,035	1,214	1,604
Current Liabilities				
Trade and other payables	238	110	517	421
Deffered Tax Liabilities	11	2	(61)	(10)
Total Current Liabilities	249	112	456	412
Non-Current Liabilities				
Lease Liability	-	91	66	55
Intercompany loans and borrowings	268	238	864	1,570
Total Non-Current Liabilities	268	329	931	1,625
Total Liabilities	517	441	1,387	2,037
Net Assets	219	594	(172)	(433)
Equity				
Issued Capital	300	700	700	700
Retained earnings	(81)	(106)	(872)	(1,133)
Total Equity	219	594	(172)	(433)

Table 30: Privium Group Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	13	12	12	0.35
Other Assets	18,653	24,700	24,700	24,700
Total Current Assets	18,666	24,712	24,712	24,700
Non-Current Assets				
Intangible assets	2	2	2	2
External loans and borrowings	827	326	308	244
Intercompany loans and borrowings	-	-	-	-
Total Non-Current Assets	829	328	309	246
Total Assets	19,494	25,040	25,021	24,946
Current Liabilities				
Trade and other payables	132	125	-	-
Lease Liability	-	-	-	-
Loans and borrowings (current)	4,355	28,317	4,168	3,296
Other payables	-	-	-	-
Total Current Liabilities	4,487	28,442	4,168	3,296
Non-Current Liabilities				
Loans and borrowings	28,000	-	20,524	20,680
Intercompany loans and borrowings liabilities	(43,410)	(34,032)	(27,990)	(27,947)
Deferred tax liabilities	11	(5,271)	(8,739)	(8,631)
Total Non-Current Liabilities	(15,399)	(39,303)	(16,206)	(15,897)
Total Liabilities	(10,913)	(10,861)	(12,038)	(12,602)
Net Assets	30,407	35,900	37,059	37,548
Equity				
Total Equity	30,407	35,900	37,059	37,548

Table 31: Privium Assets Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Current Assets				
Cash and cash equivalents	—	167	72	132
Trade and other receivables	—	1	0.01	235
Inventories	—	—	—	—
Prepayments	—	—	215	173
Other Assets	20	246	—	—
Total Current Assets	20	414	287	540
Non-Current Assets				
Property, plant and equipment and intangible assets	1,172	950	859	725
Motor Vehicles	2,832	1,995	1,517	1,093
External loans and borrowings	5,484	1,500	475	520
Intercompany loans and borrowings	(6,357)	(11,833)	(14,652)	(14,309)
Total Non-Current Assets	3,131	(7,387)	(11,801)	(11,971)
Total Assets	3,151	(6,974)	(11,514)	(11,431)
Current Liabilities				
Trade and other payables	—	—	—	—
Lease Liability	2,711	1,714	1,055	826
Other payables	—	—	1	—
Total Current Liabilities	2711	1714	1,056	826
Non-Current Liabilities				
Interest-bearing loans and borrowings	—	—	(3,644)	(3,644)
Deferred tax liabilities	190	69	79	155
Total Non-Current Liabilities	190	69	(3,565)	(3,489)
Total Liabilities	2,901	1,783	(2,509)	(2,664)
Net Assets	251	(8,757)	(9,005)	(8,767)
Equity				
Issued capital	0.10	0.10	0.10	0.10
Retained earnings/Accumulated Deficit	251	(8,757)	(9,005)	(8,767)
Total Equity	251	- 8,757	(9,005)	(8,767)

Table 32: Privium Developments Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	181.35	44.12	17.65	5.04
Trade and other receivables	88.00	-	-	4.07
Other Assets	0.01	0.01	0.01	0.01
Deferred Tax Asset	-	-	128.57	128.57
Total current Assets	269	44	146	138
Non-current assets				
Intercompany loans and borrowings assets	-	-	1,408	1,507
Loan receivables	28,302	17,678	5,762	5,232
Total non-current assets	28,302	17,678	7,170	6,739
Total assets	28,571	17,722	7,317	6,876
Liabilities				
Current liabilities				
Trade and other payables	-	-	-	-
Provision for doubtful debts	-	-	429	429
Total current liabilities	-	-	429	429
Non-current liabilities				
Intercompany loans and borrowings	26,679	20,839	14,691	16,227
Deffered tax liabilities	383	420	(8)	(1)
Total non-current liabilities	27,062	21,258	14,683	16,226
Total liabilities	27,062	21,258	15,112	16,654
Net assets	1,509	(3,537)	(7,795)	(9,778)
Equity				
Issued capital	0.1	0.1	0.1	0.1
Retained earnings	1,508	(3,537)	(7,795)	(9,778)
Total equity	1,509	(3,537)	(7,795)	(9,778)

Table 33: Privium Investments Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	51.42	20.61	0.10	0.06
Trade and other receivables	-	-	279.90	-
Other assets	0.00	631.57	615.04	615.04
Deferred Tax Asset	-	-	-	-
Total current Assets	51	652	895	615
Non-current assets				
Deposit Boost Receivable	968	3,882	3,371	3,371
Intercompany loans and borrowings	(44,949)	(48,700)	(56,120)	(56,351)
assets				
Loans and borrowings	(13,009)	(2,922)	189	189
Total non-current assets	(56,990)	(47,739)	(52,560)	(52,791)
Total assets	(56,938)	(47,087)	(51,665)	(52,176)
Liabilities				
Current liabilities				
Trade and other payables	6	-	-	-
Total current liabilities	6	-	-	-
Non-current liabilities				
Intercompany loans and borrowings	(57,101)	(36,099)	(39,892)	(40,172)
Deferred Tax Liabilities	(57)	-	-	-
External loans	300	-	-	-
Total non-current liabilities	(56,858)	(36,099)	(39,892)	(40,172)
Total liabilities	(56,852)	(36,099)	(39,892)	(40,172)
Net assets	(87)	(10,988)	(11,773)	(12,004)
Equity				
Issued capital	0.1	0.1	0.1	0.1
Retained earnings	(87)	(10,988)	(11,773)	(12,004)
Total equity	(87)	(10,988)	(11,773)	(12,004)

Table 34: Impact Land Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'00s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	26.40	0.20	-	6.69
Trade and other receivables	812.73	-	-	-
Provision for doubtful debts	-	-	-	-
Contract Assets	-	-	-	-
Inventories	1,378.19	1,581.02	-	-
Other Assets	-	-	-	-
Total current Assets	2,217	1,581	-	7
Non-current assets				
Intangible Assets	-	-	-	-
Loan receivables	-	-	-	-
Total non-current assets	-	-	-	-
Total assets	2,217	1,581	-	7
Liabilities				
Current liabilities				
Trade and other payables	-	-	-	-
Current Interest-bearing loans and borrowings	-	-	-	-
Income Tax payable	-	-	-	-
Warranty provisions	-	-	-	-
Contract Liabilities	-	-	-	-
Total current liabilities	-	-	-	-
Non-current liabilities				
Interest-bearing loans and borrowings	143	1,927	7	6
Deferred tax liabilities	384	(398)	-	(5)
Total non-current liabilities	527	1,529	7	1
Total liabilities	527	1,529	7	1
Net assets	1,691	52	(7)	6
Equity				
Issued capital	1	1	1	1
Retained earnings	1,690	51	(8)	5
Total equity	1,691	52	(7)	6

Table 35: Impact Specs Pty Ltd (Administrators Appointed)				
Historical Statement of Position				
\$'000s	FY19	FY20	FY21	17-Nov-21
Assets				
Current Assets				
Cash and cash equivalents	61.64	0.04	0.07	1.27
Trade and other receivables	-	-	0.31	-
Provision for doubtful debts	-	-	-	-
Contract Assets	-	-	-	-
Inventories	2,312.22	1,377.76	694.59	564.59
Other Assets	17.24	0.13	-	-
Total current Assets	2,391	1,378	695	566
Non-current assets				
Intangible Assets	-	-	-	-
Loan receivables	-	-	-	-
Total non-current assets	-	-	-	-
Total assets	2,391	1,378	695	566
Liabilities				
Current liabilities				
Trade and other payables	-	-	2	1
Current Interest-bearing loans and borrowings	-	-	-	-
Income Tax payable	-	-	-	-
Warranty provisions	-	-	-	-
Contract Liabilities	-	-	-	-
Total current liabilities	-	-	2	1
Non-current liabilities				
Interest-bearing loans and borrowings	2,416	1,315	919	797
Deferred tax liabilities	(4)	71	(0)	(9)
Total non-current liabilities	2,412	1,386	918	788
Total liabilities	2,412	1,386	921	789
Net assets	(21)	(8)	(226)	(223)
Equity				
Issued capital	0.1	0.1	0.1	0.1
Retained earnings	(21)	(8)	(226)	(223)
Total equity	(21)	(8)	(226)	(223)

Table 36: Residences on Bass Pty Ltd (Administrators Appointed)		
Historical Statement of Position		
\$'000s	FY21	17-Nov-21
Current Assets		
Cash and cash equivalents	35	42
Inventories	1,690	1,853
Other Assets	34	22
Total current Assets	1,759	1,917
Non-current assets		
Intangible Assets	-	-
Loan receivables	-	-
Total non-current assets	-	-
Total assets	1,759	1,917
Liabilities		
Current liabilities		
Trade and other payables	1	3
Income Tax payable	-	-
Warranty provisions	-	-
Contract Liabilities	-	-
Total current liabilities	1	3
Non-current liabilities		
Related party loans	1,408	1,507
Interest-bearing loans and borrowings	408	408
Deferred tax liabilities	(58)	(0)
Total non-current liabilities	1,758	1,914
Total liabilities	1,759	1,917
Net assets	0.1	(0.3)
Equity		
Issued capital	0.1	0.1
Retained earnings	-	(0.4)
Total equity	0.1	(0.3)

14. Appendix 4 – Historical Financial Performance

Table 37: Privium Pty Ltd (Administrators Appointed)

Historical Profit and Loss

AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales income	196,503.41	219,104.76	191,711.32	61,984.14
Cost of sales	(168,073.58)	(199,146.69)	(173,844.89)	(58,796.85)
Gross Profit	28,429.83	19,958.08	17,866.43	3,187.29
Operating Expenses				
SG&A	(25,811.47)	(26,223.29)	(32,225.68)	(5,335.93)
Operating profit/(loss)	2,618.35	(6,265.22)	(14,359.25)	(2,148.64)
Distribution from trust	-	-	12,401.14	-
Other income	-	-	6.02	-
Other expenses	-	-	(91.30)	-
EBIT	2,618.35	(6,265.22)	(2,043.38)	(2,148.64)
Finance income	-	0.20	0.16	0.17
Finance costs	(303.75)	(209.82)	(397.51)	119.39
EBT	2,314.61	(6,474.84)	(2,440.74)	(2,029.08)
Income tax benefit/(expense)	(694.47)	1,941.53	2,193.01	N/A
Net Profit/(Loss)	1,620.14	(4,533.31)	(2,440.74)	(2,029.08)

Source⁹: Privium Pty Ltd Audited Financials (2020), Privium Pty Ltd Management Accounts (2021)

⁹ FY19 and FY20 values are sourced from Privium Pty Ltd's Special Purpose Financial Report for the Year Ended 30 June 2020. All 2021 data is obtained from Privium Pty Ltd's Management Accounts.

Table 38: Privium Civil Pty Ltd (Administrators Appointed)

Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales income	3,918.01	3,574.01	3,343.07	2,001.81
Cost of sales	(2,333.16)	(2,196.12)	(2,933.95)	(1,871.77)
Gross Profit	1,584.84	1,377.90	409.12	130.04
Operating Expenses				
SG&A	(1,614.85)	(1,369.08)	(1,201.18)	(346.65)
Operating profit/(loss)	(30.01)	8.82	(792.06)	(216.61)
Other income	-	20.51	18.15	5.06
Other expenses	(4.71)	(0.26)	(3.02)	(0.19)
EBIT	(34.71)	29.06	(776.93)	(211.73)
Finance costs	(46.56)	(63.95)	(315.96)	(49.39)
EBT	(81.28)	(34.88)	(1,092.89)	(261.12)
Income tax benefit/(expense)	-	10.00	326.71	N/A
Net Profit/(Loss)	(81.28)	(24.88)	(766.17)	(261.12)

Source: Privium Civil Pty Ltd Management Accounts (2021)

Table 39: Privium Group Pty Ltd (Administrators Appointed)

Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales Income	-	-	-	-
Cost of sales	-	-	-	-
Gross Profit	-	-	-	-
Operating Expenses				
SG&A	-	-	-	-
Operating profit/(loss)	-	-	-	-
Interest received - ATO	-	-	0.04	-
Other expenses	(1,150.50)	(1,321.31)	(914.12)	(373.32)
EBIT	(1,150.50)	(1,321.31)	(914.07)	(373.32)
Finance income	8,807.22	14,379.70	4,314.25	1,938.65
Finance costs	(4,270.66)	(3,903.94)	(3,912.28)	(1,076.51)
EBT	3,386.06	9,154.45	(512.10)	488.81
Income tax benefit/(expense)	(1,051.85)	(2,742.15)	1,666.16	N/A
Net Profit/(Loss)	2,334.21	6,412.30	1,154.06	488.81

Source: Privium Group Pty Ltd Management Accounts (2021)

Table 40: Privium Assets Pty Ltd (Administrators Appointed)				
Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	17-Nov-21
Sales income ¹⁰	2,159.73	1,095.71	819.01	309.20
Cost of sales	-	-	-	-
Gross Profit	2,159.73	1,095.71	819.01	309.20
Operating Expenses				
SG&A	(141.95)	(75.65)	(53.32)	(13.56)
Operating profit/(loss)	2,017.79	1,020.06	765.69	295.63
Other income ¹¹		965.04	1,004.42	487.79
	(168.99)			
Other expenses	(1.40)	(0.27)	(0.27)	(0.28)
EBITDA	1,847.40	1,984.83	1,769.83	783.15
Depreciation and amortisation	(1,234.91)	(923.65)	(664.54)	(170.86)
Finance income	4,883.80	4,365.79	3,135.98	(373.62)
Finance costs	(4,835.21)	(16,722.34)	(4,593.01)	(0.93)
EBT	661.07	(11,295.37)	(351.74)	237.74
Income tax benefit/(expense)	(198.32)	3,388.28	103.82	N/A
Net Profit/(Loss)	462.75	(7,907.08)	(247.92)	237.74

Source: Privium Assets Pty Ltd Management Accounts (2021)

¹⁰ Income from motor vehicle leases

¹¹ Consists of Management fee of BNY securities over FY20 and FY21, and Profit on asset sales over the entire period.

Table 41: Privium Developments Pty Ltd (Administrators Appointed)				
Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales income	395.85	0.30	23.94	7.23
Cost of sales	-	-	(2.26)	-
Gross Profit	395.85	0.30	21.68	7.23
Operating Expenses				
SG&A	(692.08)	(555.43)	(451.49)	(86.24)
Operating profit/(loss)	(296.23)	(555.13)	(429.81)	(79.01)
Other income ¹²	-	116.12	0.04	-
Other expenses	(230.72)	(69.01)	(184.84)	(1.20)
EBIT	(526.95)	(508.02)	(614.62)	(80.21)
Finance income	5,604.54	3,194.83	2,039.75	130.57
Finance costs	(2,946.56)	(7,764.16)	(7,508.08)	(2,033.18)
EBT	2,131.03	(5,077.34)	(6,082.94)	(1,982.82)
Income tax benefit/(expense)	(622.54)	1,540.59	1,824.59	N/A
Net Profit/(Loss)	1,508.49	(3,536.76)	(4,258.35)	(1,982.82)

Source: Privium Developments Pty Ltd Management Accounts (2021)

¹² Composed of Profit from asset sales and ATO interest. In FY20, Privium Developments received \$116,119.51 from the sale of management rights over a property.

Table 42: Privium Investments Pty Ltd (Administrators Appointed)				
Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales Income	-	-	-	-
Cost of sales	-	-	-	-
Gross Profit	-	-	-	-
Operating Expenses				
SG&A	-	-	-	-
Operating profit/(loss)	-	-	-	-
Other expenses	(0.48)	(108.51)	(1.38)	(0.28)
EBIT	(0.48)	(108.51)	(1.38)	(0.28)
Impairment of investment in Growme	-	(11,211.58)	-	-
Finance income	5,265.21	5,404.40	3,328.82	-
Finance costs	(4,879.11)	(4,771.15)	(4,447.98)	(230.62)
EBT	385.62	(10,686.83)	(1,120.53)	(230.89)
Income tax benefit/(expense)	(115.71)	(214.64)	335.85	N/A
Net Profit/(Loss)	269.91	(10,901.48)	(784.68)	(230.89)

Source: Privium Investments Pty Ltd Management Accounts (2021)

Table 43: Impact Land Pty Ltd (Administrators Appointed)				
Historical Profit and Loss				
AUD \$'000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales Income	517.38	152.42	408.18	(96.36)
Cost of sales	(251.95)	(137.82)	(159.00)	-
Gross Profit	265.43	14.60	249.18	(96.36)
Operating Expenses				
SG&A	-	-	-	-
Operating profit/(loss)	265.43	14.60	249.18	(96.36)
Other expenses	(0.25)	(0.39)	(0.28)	(0.27)
EBIT	265.18	14.21	248.91	(96.64)
Finance income	-	-	1.71	-
Finance costs	(23.78)	(6.89)	(13.76)	3.07
EBT	241.40	7.33	236.86	(93.56)
Income tax benefit/(expense)	(72.42)	(2.20)	0.10	N/A
Net Profit/(Loss)	168.98	5.13	236.96	(93.56)

Source: Impact Land Pty Ltd Management Accounts (2021)

Table 44: Impact Specs Pty Ltd (Administrators Appointed)				
Historical Profit and Loss				
AUD \$000	FY19	FY20	FY21	1-Jul-21 to 17-Nov-21
Sales Income	2,529.27	1,725.45	782.43	313.45
Cost of sales	(2,171.83)	(1,425.12)	(1,021.69)	(282.73)
Gross Profit	357.45	300.32	(239.26)	30.71
Operating Expenses				
SG&A	(27.77)	-	-	-
Operating profit/(loss)	329.67	300.32	(239.26)	30.71
Other expenses	(2.58)	(2.65)	(0.40)	(0.28)
EBIT	327.10	297.68	(239.66)	30.44
Finance income	0.60	-	13.06	-
Finance costs	(348.41)	(280.23)	(83.66)	(27.94)
EBT	(20.71)	17.45	(310.26)	2.50
Income tax benefit/(expense)	-	(5.24)	93.08	N/A
Net Profit/(Loss)	(20.71)	12.22	(217.18)	2.50

Source: Impact Specs Pty Ltd Management Accounts (2021)

Table 45: Residence on Bass Pty Ltd (Administrators Appointed)		
Historical Profit and Loss		
AUD \$'000	FY21¹³	1-Jul-21 to 17-Nov-21
Sales Income	-	(2.00)
Cost of sales	79.31	93.94
Gross Profit	79.31	91.94
Operating Expenses		
SG&A	-	-
Operating profit/(loss)	79.31	91.94
Other expenses	(0.30)	(0.28)
EBIT	79.01	91.67
Finance costs	(79.01)	(92.08)
EBT	(0.00)	(0.41)
Income tax benefit/(expense)	0.00	N/A
Net Profit/(Loss)	(0.00)	(0.41)

Source: Residences on Bass Pty Ltd Management Accounts (2021)

¹³ Residences on Bass' FY21 Profit and Loss Statement is not for the full financial year, specifically it is for the period. 23 September 2020 to 30 June 2021.

15. Appendix 5 – Client job status as at 7 December 2021

	Open	Resolved	Total
QLD			
Pre-Construction	334	66	400
Active Job	15	158	173
Handover	107	13	120
Under Contract (sell only)	28	17	45
Job Complete - Maintenance	-	136	136
Total	484	390	874
NSW			
Pre-Construction	95	37	132
Active Job	83	37	120
Handover	70	3	73
Under Contract (sell only)	18	2	20
Job Complete - Maintenance	-	61	61
Total	266	140	406
VIC			
Pre-Construction	318	71	389
Active Job	153	33	186
Handover	100	10	110
Under Contract (sell only)	28	-	28
Job Complete - Maintenance	1	154	155
Total	600	268	868
Total	1,350	798	2,148

Note: data extracted on 7 December 2021

16. Appendix 6 – Receipts and payments

The cash receipts and payments for the Companies during the administration period from 17 November 2021 to 9 December 2021 is below.

Impact Land Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Accounts receivable	85,000.00
Total non-trading receipts	85,000.00
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	85,000.00

Residences on Bass Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Total non-trading receipts	-
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	-

Privium Developments Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	5,007.45
Total non-trading receipts	5,007.45
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	5,007.45

Privium Civil Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	100,000.00
Monies held on trust	567.38
Total non-trading receipts	100,567.38
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	100,567.38

Impact Specs Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	1,238.15
Total non-trading receipts	1,238.15
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	1,238.15

Privium Assets Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Accounts receivable	20,900.00
Total non-trading receipts	20,900.00
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	20,900.00

Privium Group Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	220.21
Monies held on trust	100,000.00
Total non-trading receipts	100,220.21
Non-trading payments	
Search fees*	(88.20)
Total non-trading payments	(88.20)
Net receipts/(payments)	100,132.01

*The payment for search fees was made via cheque, which has yet to be presented

Privium Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	1,608,539.17
Accounts receivable	147,185.66
Total non-trading receipts	1,755,724.83
Non-trading payments	
Labour hire	(12,258.71)
Insurance brokerage fees	(517.00)
Total non-trading payments	(12,775.71)
Net receipts/(payments)	1,742,949.12

Privium Investments Pty Ltd	
Description	Total (\$)
Non-trading receipts	
Sweep of cash at appointment	28.85
Accounts receivable	258,613.68
Total non-trading receipts	258,642.53
Non-trading payments	
Total non-trading payments	-
Net receipts/(payments)	258,642.53

17. Appendix 7 – Company's financial position at appointment

Privium Group Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Group Pty Ltd ROCAP and Administrators' ERV.

Table 46: Director's ROCAP Privium Group Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	350	100,220	100,220
Trade Debtors	2	-	-	-
Plant & Equipment/Other Assets	3	7,046,067	-	-
Motor Vehicles	4	-	-	-
Real Property	5	-	-	-
Inventory	6	-	-	-
Other Assets	7	66,156,373	Unknown	
Total Assets		73,202,791	Unknown	100,220
Liabilities				
Secured Creditors	8	23,976,039	23,040,000	Unknown
Employee Entitlements	9	-	-	-
Trade Creditors	10	-	511,835	511,835
Statutory Liabilities	11	103,345	103,345	103,345
Other Liabilities	12	11,575,710	11,575,710	11,575,710
Total Liabilities		35,655,094	35,230,890	Unknown
Net Assets		37,547,697	Unknown	Unknown

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$350 held in cash and cash equivalents.

Upon our appointment, correspondence was issued to all major banking institutions, as well as Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium Group.

Two bank accounts with Westpac Banking Corporation were identified with a total balance of \$240. These funds have been transferred to the Administration bank account and net of bank fees, we have recovered a sum of \$220 from the bank account of Privium Group.

In addition to the above, the Administrators were made aware of funds in the amount of \$100,000 held on trust by Privium Group's lawyer, Mills Oakley. Mills Oakley have transferred these funds into our Administration bank account.

Note 2 – Trade Debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium’s finance team, it does not appear any trade debtors exist in this entity.

Note 3 and 4 – Plant & Equipment, Motor Vehicles & Other Assets

The Director’s ROCAP stated there were Plant & Equipment/Other Assets worth c.\$7.05m and no motor vehicles.

Upon appointment, the Administrators immediately undertook motor vehicle searches, wrote to secured parties registered on the PPSR and reviewed the financials to determine asset ownership.

The only potential asset identified for this entity was the lease of office equipment, which we determined held no equity and advised Fujifilm Leasing the Administrators would not be exercising any rights in respect of these items.

After further review of the financials and discussions with Privium’s finance team we could not identify any assets worth c.\$7.05million in this entity. Privium Groups’ accounts appears to show this figure being rolled over in the accounts since FY17.

It is unlikely there are any assets or recoveries available in relation to this category.

Note 5 – Real Property

The Director did not disclose any real property in their ROCAP.

Upon appointment, the Administrators completed property searches on Privium Group and we confirm there is no real property owned by Privium Group.

Note 6 – Inventory

The Director did not disclose any inventory in his ROCAP and we are not aware of any inventory for this entity.

Note 7 – Other Assets

The Director disclosed other assets totalling c.\$66.2m in the ROCAP. A summary of the other assets are as follows:

Shares in Private Company

The Director disclosed Shares in Private Company's in the amount of c.\$17.65m. A summary of the shares held is as follows:

Table 47: Shares in Private Companies

Company	Director's ROCAP ERV	Administrators' Comments
Privium Pty Ltd	13,088,014	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Privium Townhouses Pty Ltd (formerly Integra Homes)	3,863,433	The Administrators are currently investigating whether these shares are of any value to benefit creditors
Impact Admin	100	The Administrators are not aware of any assets in the name of this entity so we are of the opinion these shares do not hold any value for the benefit of creditors.
Privium Assets Pty Ltd	100	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Privium Investments Pty Ltd	109	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Impact Land Pty Ltd	100	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
SJ & R Pty Ltd (now ihub)	1,003	The Administrators are currently investigating whether these shares are of any value to benefit of creditors.
Impact Specs Pty Ltd	100	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Privium Developments Pty Ltd	102	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Impact Dev Pty Ltd	100	The Administrators are currently investigating whether Impact Dev Pty Ltd holds any assets. At this stage it is unknown if these shares are of any value to benefit of creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.

Residences on Bass Pty Ltd	100	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Littleton Villas JV	6	The Administrators are currently investigating whether Littleton Villas JV holds any assets so it is unknown if these shares are of any value to benefit of creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.
Impact Res	100	The Administrators are currently investigating whether this Company holds any assets. At this stage it is unknown if these shares are of any value to benefit of creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.
Impact Land PC	100	The Administrators are currently investigating whether this Company holds any assets. At this stage it is unknown if these shares are of any value to benefit of creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.
Landscaping Impact	49	The Administrators are currently investigating whether this Company holds any assets. At this stage it is unknown if these shares are of any value to benefit of creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.
Privium Civil Pty Ltd	700,100	This entity is under Administration; consequently it is the Administrators' opinion these shares do not have any value for the benefit of creditors nor will there be a return to shareholders in this entity's Administration.
Total	17,653,616	

Loans: Non-Related Party

The Director disclosed non-related party loans of c.\$244,000 in the ROCAP. After further review of the financials and discussions with Privium's finance team, it was determined these loans were for the costs incurred in obtaining the corporate bonds such as legal fees, accounting and application fees and were recorded incorrectly in the accounts. Given that, there will be no realisation for this item for the benefit of creditors.

Loans: Related Parties

The Director's ROCAP disclosed related party loans owing to Privium Group in the amount of c.\$39.5million. The following table provides a breakdown of loans provided to related parties:

Table 48: Related Party Loans

Company	Director's ROCAP ERV	Administrators' Comments
Impact Land Pty Ltd	70,256	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Privium Investments Pty Ltd	38,507,894	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Impact Integra	414,320	The Administrators are currently investigating the recoverability of this loan account.
Privium Townhouses Pty Ltd	430,394	The Administrators are currently investigating the recoverability of this loan account.
Impact RES	99,850	The Administrators are currently investigating the recoverability of this loan account.
Total	39,522,714	

For further information regarding related party transactions, please refer to **Section 5.2** of this report.

Taxation Provisions / Deferred Taxation Assets

The Director's ROCAP stated there was Deferred Tax Assets and Provision for Taxation in the amount of c.\$714,00 and c.\$8million respectively. Given these items are accounting entries only, there will be no realisation from these sources.

Goodwill

There was goodwill of c.\$2,000 in the ROCAP. As the entities in Administration, there should be no value prescribed to this item.

Note 8 – Secured Creditors

Upon appointment, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

The Director's ROCAP included liabilities to FIIG Bonds (CL) and FIIG Bonds (NCL) in the amount of c.\$3.3m and c.\$20.7m respectively. This liability relates to securities provided by BNY Mellon, via Permanent Custodians, for secured loans. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m.

We note BNY Mellon's debt is cross-collateralised across seven entities subject to our appointment.

In addition, the PPSR search revealed an ALLPAAP registration to Open Gold Capital Pty Ltd which we are seeking legal advice to determine its validity. For the purposes of the Administrators' ERV this is unknown and reflected accordingly in the table above.

Note 9 – Employee Entitlements

Privium Group did not employ staff and all services provided were contracted through Joii Limited.

Note 10 – Trade Creditors

The Director disclosed no trade creditors in the ROCAP. The Administrators’ ERVs have been taken from the proof of debts received in the Administration and unpaid invoices where creditors are yet to submit a claim. We note these amounts have not been adjudicated and are subject to change.

Note 11 – Statutory Creditors

The Director’s ROCAP has indicated there is c.\$103k owing to the Australia Taxation Office (“ATO”) for goods and services tax. A proof of debt is yet to be submitted by the ATO.

Furthermore, as Privium Group did not employ staff, there is no liability for payroll tax.

Note 12 – Other Liabilities

The Director’s ROCAP disclosed other liabilities of loans where Privium Group borrowed c.\$11.6m from related parties to fund operations.

A summary of the related party loans are as follows:

Table 49: Related Party Loans		
Company	Director's ROCAP ERV	Administrators' Comments
Privium Assets Pty Ltd	3,643,989	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Privium Pty Ltd	4,128,299	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Privium Civil Pty Ltd	352,752	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Impact Land Pty Ltd	111	The company is under Administration and will be classified as an unsecured creditor in this Administration
Privium Developments Pty Ltd	3,362,717	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Impact Specs Pty Ltd	87,843	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Total	11,575,710	

For further information in regards to related party loans please refer to **Section 5.2**.

Privium Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Pty Ltd and Administrators' ERV.

Table 50: Director's ROCAP Privium Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Cash and Cash Equivalents	1	3,470,915	799,098	799,098
Trade Debtors	2	4,096,650	1,822,161	326,446
Work in Progress	3	11,904,168	Unknown	-
Contract Assets	4	14,660,295	Unknown	-
Plant & Equipment	5	-	-	-
Motor Vehicles	6	-	-	-
Real Property	7	-	-	-
Inventory	8	-	-	-
Other Assets	9	8,029,877	Unknown	-
Total Assets		42,161,906	Unknown	1,125,544
Liabilities				
Secured Creditors	10	-	23,040,000	23,040,000
Employee Entitlements	11	-	-	-
Trade Creditors	12	15,378,205	26,689,410	26,689,410
Statutory Liabilities	13	118,438	118,438	118,438
Other Liabilities	14	13,533,975	7,792,681	7,792,681
Total Liabilities		29,030,618	57,640,529	57,640,529
Net Assets		13,131,288	Unknown	(56,514,985)

Note 1 – Cash and Cash Equivalents

Upon the appointment of the Administrators, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium.

The following accounts were identified as at appointment:

Table 51: Bank Accounts

Account Name	Banking Institution	Balance (\$)
Privium Pty Ltd	Bank of Queensland	745,608.05
Privium Homes Pty Ltd	Westpac Banking Corporation	53,540.32

The funds from the Bank of Queensland account, less bank fees, have been transferred to the Administration bank account totalling \$745,558.05. We requested the pre-appointment cash at bank from the Westpac Banking Corporation (“Westpac”) and on 10 December 2021, Westpac transferred the pre-appointment balance into our Administration bank account along with additional funds received from the recovery of other assets such as debtors. The total funds transferred were \$863,011.12.

Note 2 – Trade debtors

The Director’s ROCAP stated there was a balance of c.\$4.1m in trade debtors. The debtors relate to all progress claim invoices issued on the builds. Upon further review with Management, the total amount outstanding for trade debtors was c.\$4.9m. A summary of the debtor categories are as follows:

Table 52: Trade Debtor Summary

Description	Amount (\$)	Administrators’ Comments
Practical Completion	\$1,050,394.58	The Administrators have collected circa \$326k of debtors in this category from the facilitation of property handovers of completed builds. The Administrators’ estimate any further recoveries to range between nil and \$724k.
Progress Claims	\$3,858,832.50	The debtors who are included in this category generally have offsetting claims, consequently we estimate recoveries up to \$772k.
Total	\$4,909,227.08	

Note 3 – Work in Progress

The Director’s ROCAP disclosed work in progress of c.\$11.9m whereby work in progress is defined as works completed but not yet invoiced as a progress claim.

The company entered into a Heads of Agreement with Torsion prior to our appointment as Administrators, by which Torsion could acquire the company’s interest in the Queensland contracts currently under construction. Our preliminary investigation into the contracts has determined 168 contracts have already been novated. Consideration payable under this agreement is calculated as any profit in excess of the aggregate amount (\$20,000 from each novated contract). Any profit Privium may receive will not be quantified until completion of the last novated contract and as such, is currently unknown. This is discussed in more detail in **Section 6.3** of this Report. We note, Privium cannot complete any of the works in progress, consequently, we do not estimate any monies will be recovered for this asset category other than any funds we may recover from the Torsion agreement.

Note 4 – Contract Assets

The Director’s ROCAP stated there was contract assets totalling c.\$14.7m for revenue contingent on works being carried out i.e. the value of homes not yet under construction.

Privium entered into a Heads of Agreement with Homecorp Constructions Pty Ltd prior to our appointment as Administrators to acquire, amongst other physical assets, the assignment of approximately 200 unconditional building contracts in Queensland, which are yet to commence construction. Consideration payable for the assigned building contracts is calculated as any profit derived from Homecorp above an aggregated amount of \$40,000 multiplied by the number of assigned contracts. Any profit Privium may

receive will not be quantified until completion of the last novated contract and as such, is currently unknown. This is discussed in more detail in **Section 6.4** of this Report.

We note, Privium will not recover any funds from the homes not assigned to Homecorp as Privium is unable to complete the builds.

Note 5 and 6 – Plant & Equipment and motor vehicles

The Director’s ROCAP stated there was no plant and equipment or motor vehicles.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties registered on the PPSR.

We have been corresponding with the secured parties who registered their securities with the description as “motor vehicles.” The parties have advised that “motor vehicles” were trailers with signboards which can travel at speeds greater than 10km per hour and consequently were required to be registered in that category. Further investigations revealed these “motor vehicles” had no equity so these were disclaimed by the Administrators.

We have received confirmation no motor vehicles are registered by Privium in Queensland and are awaiting confirmation from the New South Wales and Victorian regulatory bodies.

Note 7 – Real Property

The Director did not disclose any real property in their ROCAP.

Upon appointment, the Administrators completed property searches on Privium Pty Ltd and we confirm there is no real property owned.

Note 8 – Inventory

The Director did not disclose any inventory in their ROCAP.

Note 9 – Other Assets

The Director’s ROCAP identified other assets totalling c.\$8m. A summary of the other assets owned by Privium Pty Ltd are discussed below.

Qoin:

The Director disclosed c.\$3.9m of Qoin in the ROCAP. Qoin is the “trade dollars” for the Batercard network to sell or purchase goods and services. We note Qoin can only be used through Batercard and is not able to be converted into cash.

The Administrators are currently investigating if the Qoin can be sold to a third party for cash for the benefit of creditors.

Goodwill:

There was goodwill of \$3,050 in the ROCAP, and as Privium is in Administration, there is no value prescribed to this item.

Investment

The Director’s ROCAP detailed an investment into the Privium Admin Services Trust for \$100. Management advised this trust has separate equity owners to the other subsidiaries in The Privium Group so it was determined during the 2021 financial year to buy ownership. Given the limited value of the investment, it is not commercial for the Administrators to pursue this matter any further.

Loans: Related Party

The Director disclosed in the ROCAP Privium Pty Ltd loaned funds in the amount of c.\$4.1m to Privium Group Pty Ltd. Given Privium Group Pty Ltd is in Administration, any recovery is unlikely and will be subject to the outcome of the Administration.

For further information regarding related party loans please refer to **Section 5.2**.

Note 10 – Secured Creditors

As previously advised, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

BNY Mellon has a cross-collateral security across seven entities subject to our appointment for the financial bonds. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m in respect of the bonds.

In addition to the above and further to our comments at Note 5 and 6, all other parties detailed on the PPSR are for retention of title claims for materials provided for the builds. We are currently liaising with the parties to determine the validity of the claims and obtain discharges for the security where applicable.

Note 11 – Employee Entitlements

Privium Pty Ltd did not employ staff and all services provided to the company were contracted through Joii Limited.

Note 12 – Trade Creditors

The Administrators’ ERVs have been taken from creditors outstanding at the date of appointment as per the Director’s ROCAP as well as the proof of debts received in the administration. Our estimate also includes proof of debts received from the company’s customers, where they are owed money and the home warranty insurance will not cover the losses. We note these amounts have not been adjudicated and are subject to change.

Note 13 – Statutory Creditors

The Director’s ROCAP has indicated there is c.\$118k owing to the Australia Taxation Office (“ATO”) for goods and services tax. A proof of debt is yet to be submitted by the ATO.

Furthermore, as Privium Pty Ltd did not employ staff, there is no liability for payroll tax.

Note 14 – Other Liabilities

The Director’s ROCAP identified other liabilities totalling c.\$13.5m. A summary of the other liabilities owed by Privium Pty Ltd are discussed below.

Table 53: Other Liabilities

Item	Directors' ROCAP ERV	Administrators' Comments
Provision for Doubtful Debts	274,633	This provision is an accounting entry for debtor amounts which may not be recovered.
Deferred Tax	4,727,206	The deferred tax liability represents an accounting entry which indicates the timing differences between taxable and accounting income. As previously advised, the ATO is yet to submit a proof of debt.
Revenue received in advance	148,545	Money received from clients for works to be completed. The clients who made payment for these works should complete a proof of debt to claim in the Administration as an unsecured creditor.
Warranty Provision	590,909	This provision is an accounting entry for warranty works to be completed for finalised jobs. Any homeowners who require warranty works to be completed should contact the regulator in their applicable state and lodge a claim under their home warranty insurance.
Accrued Expenses	443,706	Any creditor who has performed services for the Company should complete a proof of debt to claim in the Administration as an unsecured creditor.
Loan: Privium Assets Pty Ltd	7,348,975	This company is under Administration and will be classified as an unsecured creditor in this Administration.
Total	13,533,975	

The Administrators' ERV is the total of the accrued expenses, revenue received in advance and loan from Privium Assets Pty Ltd.

Privium Investments Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Investments Pty Ltd and Administrators' ERV.

Table 54: Director's ROCAP Privium Investments Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	59	29	29
Trade Debtors	2	-	-	-
Plant & Equipment	3	-	-	-
Motor Vehicles	4	-	-	-
Real Property	5	-	-	-
Inventory	6	-	-	-
Other Assets	7	44,347,061	Unknown	258,614
Total Assets		44,347,119	Unknown	258,614
Liabilities				
Secured Creditors	8	-	23,040,000	23,040,000
Employee Entitlements	9	-	-	-
Trade Creditors	10	-	-	-
Statutory Liabilities	11	-	-	-
Other Liabilities	12	56,350,821	56,350,821	56,350,821
Total Liabilities		56,350,821	79,390,821	79,390,821
Net Assets		(12,003,702)	Unknown	(79,132,179)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed cash at bank of \$59.

Upon the appointment of the Administrators, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium Investments.

A bank account with Westpac Banking Corporation was identified with a balance of \$48.85. These funds have been transferred to the Administration bank account and net of bank fees, we have recovered a sum of \$28.85 from the bank account of Privium Investments Pty Ltd.

Note 2 – Trade debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium’s finance team, it does not appear any trade debtors exist in this entity.

Note 3 and 4 – Plant & Equipment and motor vehicles

The Director’s ROCAP stated there was no plant and equipment or motor vehicles.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties registered on the PPSR. Although we have not received a definitive response from Sabin Developments Pty Ltd for details regarding its security, the Director advised it is not owed any money. Notwithstanding, the Administrators are not aware of any plant and equipment owned by Privium Investments Pty Ltd.

We have received confirmation that no motor vehicles are registered by the Company in Queensland and are awaiting confirmation from the New South Wales and Victorian regulatory bodies.

Note 5 – Real Property

The Director did not disclose any real property in their ROCAP.

Upon appointment, the Administrators completed property searches on Privium Investments Pty Ltd and we confirm there is no real property owned by the Company.

Note 6 – Inventory

The Director did not disclose any inventory in their ROCAP.

Note 7 – Other Assets

The Director disclosed other assets totalling c.\$44.3m in the ROCAP. A summary of the other assets are as follows:

Units in Funds

The Director provided details of an asset with the description Units in Funds for \$3,370,893 which relates to a fund which lends house deposits (or partial deposits) to clients who do not hold sufficient funds to obtain a loan from a financial institution. The fund is administered by Joii Limited who makes quarterly payments to the Company.

Upon our appointment, the Administrators became aware the Fund was required to make payment of c.\$259k for the September 2021 Quarter. The Administrators engaged with Joii Limited to facilitate the payment which was received into the Administration bank account on 6 December 2021.

We are still gathering information regarding the fund to determine if further funds can be recovered for the benefit of creditors.

Investments

The Director’s ROCAP detailed an investment of \$615,038 in Growme (Aus) Pty Ltd. This investment and our investigations into its circumstances is detailed further in **Appendix 8** of this report. Creditors are advised however, it seems unlikely this amount will be recoverable.

Shares in Private Company

The Company holds a share (\$1) in Privium Assets Pty Ltd. Privium Assets is under Administration; consequently, it is the Administrators’ opinion this share does not hold any value for the benefit of creditors nor will there be a return to shareholders in this entity’s Administration.

Loans

The Director's ROCAP disclosed related loans owing to the company in the amount of approximately \$40.4m. The following table provides a breakdown of loans provided to related parties:

Table 55: Loans

Company/Individual	Related Party (Y/N)	Director's ROCAP ERV	Administrators' Comments
Paul Browne	Unknown	104,060	We have requested further information regarding this loan and we will continue to investigate to determine if this loan is recoverable for the benefit creditors.
Jay & Samantha Berends	Unknown	85,000	We have requested further information regarding this loan and we will continue to investigate to determine if this loan is recoverable for the benefit creditors.
Privium Assets Pty Ltd	Yes	40,172,068	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Total		40,361,128	

Note 8 – Secured Creditors

As previously advised, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

As previously discussed, BNY Mellon has a cross-collateral security across seven entities subject to our appointment for the financial bonds. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m in respect of the bonds.

Note 9 – Employee Entitlements

Privium Investments Pty Ltd did not employ staff and any services provided were contracted through Joji Limited.

Note 10 – Trade Creditors

The Administrators' have not received any proof of debts from trade creditors in the Administration.

Note 11 – Statutory Creditors

The Director's ROCAP has indicated there are no statutory creditors.

The Administrators are not aware of any statutory creditors.

Note 14 – Other Liabilities

The Director's ROCAP identified other liabilities totalling c.\$56.4m for loans borrowed from related parties. A summary of the related party loans are as follows:

Table 56: Related Party Loans

Company	Director's ROCAP ERV	Administrators' Comments
Privium Group Pty Ltd	38,507,894	The company is under Administration and has submitted a proof of debt for this amount to claim as an unsecured creditor.
Open Gold Capital Pty Ltd	17,842,927	The company is as an unsecured creditor in this Administration. Further investigation is being conducted into the transaction creating this loan.
Total	56,350,821	

Privium Assets Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Assets Pty Ltd and the Administrators' ERVs.

Table 57: Director's ROCAP Privium Assets Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	279,616	24,865	24,865
Trade Debtors	2	2,580	Unknown	129,814
Plant & Equipment	3	800,416	Unknown	1,314,850
Motor Vehicles	4	1,100,665	Unknown	1,174,000
Real Property	5	-	-	-
Inventory	6	-	-	-
Other Assets	7	36,972,597	Unknown	-
Total Assets		39,155,874	Unknown	2,643,528
Liabilities				
Secured Creditors	8	-	23,040,000	23,040,000
Employee Entitlements	9	-	-	-
Trade Creditors	10	-	-	-
Lease liabilities	11	740,465	452,999	Unknown
Statutory Liabilities	12	77,791	77,791	77,791
Other liabilities	13	47,001,823	46,924,398	46,924,398
Total Liabilities		47,820,079	70,495,188	70,042,189
Net Assets		(8,664,205)	Unknown	(67,174,873)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed cash at bank of c.\$280k.

Upon the appointment of the Administrators, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium Assets Pty Ltd.

A bank account with Westpac Banking Corporation was identified with a balance of \$248,653 as at the date of appointment. During our appointment Westpac exercised its right of set-off of accounts on 25 November 2021 and applied the credit amount of the account as at close of business on 17 November 2021, being \$333,652.57, against the outstanding amount owed under the facility provided to the Company.

Note 2 – Trade debtors

The Director disclosed trade debtors in his ROCAP of \$2,580. The Administrators have requested further information from Privium’s finance team regarding the debtor to determine if the funds can be recovered for the benefit of creditors.

Upon our appointment, the Administrators became aware of funds totally c.\$21,000 incorrectly paid to W2G Assets Pty Ltd relating to the sale of one of the Company’s motor vehicles to Torsion Pty Ltd. The Administrators have since organised for the transfer of these funds to the Administration bank account.

In addition, we have also received funds into our pre-appointment account, from QBE for an insurance claim and AFG Corp Investment Pty Ltd for the sale of three motor vehicles to Wearing Earthworks in the amount of \$85k and c.\$24k respectively. Westpac is currently facilitating the transfer of these funds.

Note 3 and 4 – Plant & Equipment and motor vehicles

The Director’s ROCAP stated there was plant and equipment worth c.\$800k and motor vehicles worth c.\$1.1m.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties on the PPSR.

In addition, the Administrators have engaged with Lloyds Asset and Valuation Services (“Lloyds”) to assist in locating and recovering the assets, undertake valuations of the plant and equipment owed by Privium Assets Pty Ltd and to prepare a sale campaign.

At this stage, the Administrators are yet to be provided with a final valuation as Lloyd’s continue to locate/recover assets across Queensland, Victoria and New South Wales. As such, the total estimated high value has been presented as unknown in the table.

Notwithstanding the above, Lloyds have provided us with an interim valuation report to include assets collected to date, which is detailed in Table 58 below. Lloyds’s estimate the high and low values of the currently identifiable assets to be between c.\$1.3m to c.\$1.9m and c.\$1.2m to c.\$1.5m for plant and equipment and motor vehicles respectively, before any realisation costs and specific finance liabilities.

Table 58: Plant and Equipment / Motor Vehicles

Description	Fair Market Value	Forced Liquidation Value
IT & Office Equipment	215,540	84,850
Plant and Equipment	1,699,107	1,230,000
Motor Vehicles	1,473,400	1,174,000
Total	3,388,047	2,488,850

Westpac holds first ranking security over a number of the motor vehicles, and any recoveries in respect of such motor vehicles must be paid in priority to satisfy its security.

Note 5 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Privium Assets Pty Ltd and we confirm there is no real property owned by the Company.

Note 6 – Inventory

The Director did not disclose any inventory in his ROCAP.

Note 7 – Other Assets

The Director disclosed other assets totalling c.\$37m in the ROCAP. A summary of the other assets are as follows:

Prepayments

The Director disclosed prepayments in the amount of c.\$173k for a three-year subscription to A2K Technologies for software / technology solutions. The prepayment included in the ROCAP is for amortisation purposes only. Consequently, the prepayment is not refundable so there will be no recovery from this source for the benefit of creditors.

Goodwill

There was goodwill of c.\$20k in the ROCAP, and as the Company is in Administration, there should be no value prescribed to this item.

Borrowing Expenses

The Director’s ROCAP detailed borrowing expenses asset of c.\$4.3k. Our investigations into the asset revealed it appears to relate to a motor vehicle and we note all known motor vehicles owned the Company will be address by Lloyd’s final valuation.

Loans: Related Party

The Director's ROCAP disclosed related party loans owing to the company in the amount of approximately \$37m. The following table provides a breakdown of loans provided to related parties:

Table 59: Loans to Related Parties

Description	Director's ROCAP ERV	Administrators' Comments
Privium Pty Ltd	7,348,975	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Impact Admin Services Trust	2,764,552	The Administrators are currently investigating the recoverability of this loan account.
Privium Civil Pty Ltd	1,923,037	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Impact Land Pty Ltd	848	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
PROchip	37,739	The Administrators are currently investigating the recoverability of this loan account.
Landscaping Impact	99,651	The Administrators are currently investigating the recoverability of this loan account.
Privium Developments Pty Ltd	19,589,352	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Impact Specs Pty Ltd	884,630	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Director Loans - Property Alternative Group	482,495	The Administrators are currently investigating the recoverability of this loan account.
Privium Group Pty Ltd	3,643,989	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Total	36,775,267	

For further information regarding related party transactions, please refer to **Section 5.2** of this Report.

Note 8 – Secured Creditors

Upon appointment, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

As previously discussed, BNY Mellon has a cross-collateral security across seven entities subject to our appointment for the financial bonds. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m for the bonds.

As advised in Note 3 and 4, Westpac Banking Corporation holds an ALLPAAP security interest over the Company. At this stage, the Administrators are of the view its security will be paid out through the sale of the motor vehicles, however, we note should there be any shortfall on any of the vehicles it may have the ability to claim for the shortfall as an ALLPAAP holder. For the purpose of the Administrators’ ERV, we have included Westpac’s debt in the lease liability line item.

Note 9 – Employee Entitlements

Privium Assets Pty Ltd did not employ staff and any services provided to the Company were contracted through Joii Limited.

Note 10 – Trade Creditors

The Administrators’ have not received any proof of debts from trade creditors in the Administration.

Note 11 – Lease Liabilities

The Director’s ROCAP disclosed lease liabilities of \$740,465 for motor vehicles (\$572k) and office equipment (\$168k).

As previously discussed, upon our appointment the Administrators wrote to all parties on the PPSR. A summary of the lease liabilities based on responses to date are in the table below. As referred to in Note 1, Westpac exercised its right of set-off of accounts and applied a set-off of \$333,652.57 against the previous outstanding amount of \$722,457.45.

Table 60: Lease Liabilities

Financier	Description	Amount owing (\$)
Macquarie Leasing	Financing for 1 motor vehicle.	12,778
Australia and New Zealand Banking Group Limited	Financing for 2 motor vehicles.	51,416
National Australia Bank Limited	Financing for 4 motor vehicles.	Unknown
Westpac Banking Corporation	Financing for 21 motor vehicles/mobile P&E and 2 Other goods.	388,805
Total		452,999

Note 12 – Statutory Liabilities

The Director’s ROCAP has indicated there is c.\$78k owing to the Australia Taxation Office (“ATO”) for goods and services tax. A proof of debt is yet to be submitted by the ATO.

Note 13 – Other Liabilities

The Director’s ROCAP identified other liabilities totalling c.\$47m. A summary of the other liabilities owed by Privium Assets Pty Ltd are discussed below.

Loans: Related Party

Privium Assets Pty Ltd loaned monies from related parties in the amount of c.\$47m to fund operations.

Table 61: Loans from Related Parties

Description	Director's ROCAP ERV	Administrators' Comments
Impact Land Pty Ltd	69,684	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Privium Investments Pty Ltd	40,172,068	The company is under Administration and has submitted a proof of debt to claim in the Administration as an unsecured creditor in this Administration.
Impact Integra	804,327	The company will be classified as an unsecured creditor in this Administration.
Privium Townhouses Pty Ltd	5,657,886	The company will be classified as an unsecured creditor in this Administration.
Privium Pty Ltd	114,818	The company is under Administration and will be classified as an unsecured creditor in this Administration.
Impact RES	105,615	The company will be classified as an unsecured creditor in this Administration.
Total	46,924,398	

*For further information regarding related party transactions, please refer to **Section 5.2** of this Report.*

Deferred Tax

The Director's ROCAP detailed a deferred tax liability of c.\$77k. Given the deferred tax liability represents an accounting entry which indicates the timing differences between taxable and accounting income, there will be no realisation from this source.

Privium Civil Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Civil Pty Ltd and the Administrators' ERVs.

Table 62: Director's ROCAP Privium Civil Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	597	100,567	100,567
Trade Debtors	2	-	-	-
Plant & Equipment	3	52,713	-	-
Motor Vehicles	4	-	-	-
Real Property	5	-	-	-
Inventory	6	-	-	-
Other Assets	7	1,902,953	Unknown	-
Total Assets		1,956,263	Unknown	100,567
Liabilities				
Secured Creditors	8	-	23,040,000	23,040,000
Employee Entitlements	9	-	-	-
Trade Creditors	10	436,404	395,851	436,404
Statutory Liabilities	11	(11,177)	Unknown	-
Other Liabilities	12	1,978,018	1,978,018	1,978,018
Total Liabilities		2,403,245	25,413,869	25,454,422
Net Assets		(446,982)	Unknown	(25,353,855)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$597 held in cash and cash equivalents.

Upon our appointment, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium Civil Pty Ltd.

A bank account with Westpac Banking Corporation was identified with a balance of \$587. These funds have been transferred to the Administration bank account and net of bank fees, we have recovered a sum of \$567 from the bank account of Privium Civil Pty Ltd.

In addition to the above, the Administrators were made aware of funds in the amount of \$100,000 which were being held on trust by the Company's lawyer, Mills Oakley. Mills Oakley have transferred these funds into our Administration bank account.

Note 2 – Trade Debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium’s finance team, it does not appear any trade debtors exist in this entity.

Note 3 and 4 – Plant & Equipment and Motor Vehicles

The Director’s ROCAP stated there was fixture and fitting leased assets worth c.\$53K and no motor vehicles.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties registered on the PPSR. Despite numerous attempts to contact the parties who have registered their security over “goods / motor vehicles”, we are yet to receive a response. Notwithstanding, the Administrators are not aware of any plant and equipment owned by Privium Civil Pty Ltd.

Upon further discussions with Management and investigations into the realisation value of the fixtures detailed in the Company’s books and records, it appears the fixtures and fittings are owned by Privium Assets Pty Ltd.

We have received confirmation no motor vehicles are registered by the Company in Queensland and are awaiting confirmation from the New South Wales and Victorian regulatory bodies.

Note 5 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Privium Civil Pty Ltd and we confirm there is no real property owned by the Company.

Note 6 – Inventory

The Director did not disclose any inventory in his ROCAP.

Note 7 – Other Assets

The Director disclosed other assets totalling c.\$1.9m in the ROCAP. A summary of the other assets are as follows:

Work in Progress:

The Director disclosed c.\$95K in work in progress for works performed but not invoiced yet for progress claims. Our high-level investigations into the matter have revealed there is unlikely to be any recoveries from work in progress given the offsetting claims by customers for extra costs incurred from the disruption of their builds.

Contract Assets:

The Director advised in the ROCAP contract assets totalling c.\$1.5m for revenue contingent on works yet to be carried out. Given the Company is unable to complete the builds as it is in Administration, we do not anticipate any recovery from this source for the benefit of creditors.

Loans: Related Parties:

The Director’s ROCAP disclosed a related party loans owing to the Company in the amount \$353k from Privium Group Pty Ltd. Given Privium Group Pty Ltd is in Administration, any recovery from this loan, which is unlikely, is subject to the outcome of the Administration.

Deferred Tax Asset:

The Director disclosed a c.\$1.5k deferred tax asset in the ROCAP. We note a deferred tax asset represents an accounting entry which indicates the timing differences between taxable and accounting income. Given that, there will be no recovery from this source.

Note 8 – Secured Creditors

As previously discussed, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

As creditors are aware, BNY Mellon has a cross-collateral security across seven entities subject to our appointment for the financial bonds. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m in respect of the bonds.

Note 9 – Employee Entitlements

Privium Civil Pty Ltd did not employ staff and any services provided to the Company were contracted through Joii Limited.

Note 10 – Trade Creditors

The Administrators’ ERVs have been taken from creditors outstanding at the date of appointment as well as the proof of debts received in the administration. We note these amounts have not been adjudicated and are subject to change.

Note 11 – Statutory Liabilities

The Director’s ROCAP has indicated there is a negative liability (i.e. an asset) of -\$11,177 owed by the Australia Taxation Office (“ATO”) for goods and services tax should the Company complete its Business Activity Statement (“BAS”). The Administrators’ are currently investigating the Company’s account with the ATO to determine if it is commercial to complete the pre-appointment BAS.

Note 12 – Other Liabilities

The Director’s ROCAP identified other liabilities totalling c.\$2m. A summary of the other liabilities owed by Privium Civil Pty Ltd are discussed below.

Lease Liabilities:

The Director disclosed lease liabilities of c.\$55k in the ROCAP. As previously discussed, despite numerous requests, we are yet to receive a response from the parties listed on the PPSR so we have not been able to verify this amount.

Loans from Related Party:

The Director disclosed the Company loaned funds from Privium Assets Pty Ltd in the amount of c.\$1.9m. We note, Privium Assets Pty Ltd is in Administration and has submitted a proof of debt for this amount to claim as an unsecured creditor in this Administration.

Impact Specs Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Impact Specs Pty Ltd and the Administrators' ERVs.

Table 63: Director's ROCAP Impact Specs Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	1,268	1,238	1,238
Trade Debtors	2	-	-	-
Work in Progress	3	564,590	Unknown	-
Plant & Equipment	4	-	-	-
Motor Vehicles	5	-	-	-
Real Property	6	-	Commercially sensitive	Commercially sensitive
Inventory	7	-	-	-
Other Assets	8	87,843	Unknown	-
Total Assets		653,701	Unknown	1,238
Liabilities				
Secured Creditors	9	-	-	-
Employee Entitlements	10	-	-	-
Trade Creditors	11	847	847	847
Statutory Liabilities	12	(8,693)	(8,693)	-
Other Liabilities	13	884,630	884,630	884,630
Total Liabilities		876,784	23,916,784	23,925,477
Net Assets		(223,083)	Unknown	(23,924,239)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$1,258 held in cash and cash equivalents.

Upon our appointment, correspondence was issued to all major banking institutions, as well as Bartercard, notifying them of our appointment and to confirm all bank accounts held by Impact Specs Pty Ltd.

A bank account with Westpac Banking Corporation was identified with a total balance of \$1,238. These funds have been transferred to the Administration bank account and net of bank fees, we have recovered a sum of \$1,238 from the bank account of Impact Specs Pty Ltd.

Note 2 – Trade Debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium’s finance team, it does not appear any trade debtors exist in this entity.

Note 3 – Work in Progress

The Director’s ROCAP disclosed the Company had work in progress totalling c.\$565k as at the date of our appointment.

After further review of the financials, discussions with Privium’s finance team and completion of real property searches, we confirm the summary of the Work in Progress is as follows:

Table 64: Work in Progress Summary

Description	Administrators' Comments
2 Graham Court, Caboolture QLD 4510	On 6 December 2019, the Company purchased the land for \$215,000. A site inspection revealed a cement slab has been constructed upon it. This land is unencumbered.
43 Tempo Drive, Ripley QLD 4306	On 16 July 2021, the Company purchased land for \$139,900. This land is unencumbered.
14 Narran Street, Jimboomba QLD 4280	On 10 June 2021, the Company purchased land for \$191,100. This land is unencumbered.

To realise the land holdings, the Administrators will shortly undertake the following actions before going to the open market to sell:

1. Organise independent valuations; and
2. Obtain marketing proposals from real estate agents.

At this stage, the estimated realisable value is unknown.

Note 4 and 5 – Plant & Equipment and Motor Vehicles

The Director’s ROCAP stated there was no plant and equipment and no motor vehicles.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties registered on the PPSR. Despite numerous attempts to contact SPA Investments Pty Ltd for details regarding its security, we are yet to receive a response. Notwithstanding, the Administrators are not aware of any plant and equipment owned by Impact Specs Pty Ltd.

We have received confirmation no motor vehicles are registered by the Company in Queensland and are awaiting confirmation from the New South Wales and Victorian regulatory bodies.

Note 6 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Impact Specs Pty Ltd and we confirm no real property was identified other than the three blocks of land disclosed in Note 3.

Note 7 – Inventory

The Director did not disclose any inventory in his ROCAP.

Note 8 – Other Assets

The Director disclosed other assets in the ROCAP for a loan Impact Specs Pty Ltd loaned to Privium Group Pty Ltd in the amount of c.\$88k. Given Privium Group Pty Ltd is in Administration, any recovery is unlikely and will be subject to the outcome of the Administration.

For further information regarding related party loans please refer to **Section 5.2**.

Note 9 – Secured Creditors

As previously discussed, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

Whilst the PPSR search revealed two ALLPAAP registrations to The Trust Company (Australia) Limited and Spa Investments Pty Ltd, The Trust Company (Australia) Limited discharged its security interest on 26 November 2021 and Spa Investments Pty Ltd has not provided evidence of a debt nor whether its security is valid. It is our view the registration of Spa Investments Pty Ltd is not currently valid and the party has been requested to remove the registration.

Note 10 – Employee Entitlements

Impact Specs Pty Ltd did not employ staff and any services provided to the Company were contracted through Joii Limited.

Note 11 – Trade Creditors

The Administrators’ ERVs have been taken from creditors outstanding at the date of appointment as no proof of debts have been received to date in the administration.

Note 12 – Statutory Liabilities

The Director’s ROCAP has indicated there is a negative liability (i.e. an asset) of -\$8,693 owed by the ATO for goods and services tax withheld from a property settlement. The Administrators are currently investigating the Company’s account with the ATO to determine if it is commercial to complete the pre-appointment BAS.

Note 13 – Other Liabilities

The Director’s ROCAP identified other liabilities totalling c.\$885k for funds loaned to the Company from Privium Assets Pty Ltd. We note, Privium Assets Pty Ltd is in Administration and has submitted a proof of debt for this amount to claim as an unsecured creditor in this Administration.

Residences on Bass Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Residences on Bass Pty Ltd and the Administrators' ERVs.

Table 65: Director's ROCAP Residences on Bass Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	2,201	-	-
Trade Debtors	2	-	-	-
Work in Progress	3	1,857,746	Unknown	-
Plant & Equipment	4	-	-	-
Motor Vehicles	5	-	-	-
Real Property	6	-	Commercially Sensitive	Commercially Sensitive
Inventory	7	-	-	-
Other Assets	8	57,541	Unknown	-
Total Assets		1,917,488	Unknown	-
Liabilities				
Secured Creditors	9	-	406,103	406,103
Employee Entitlements	10	-	-	-
Trade Creditors	11	3,135	1,649	1,649
Statutory Liabilities	12	0	2,045	2,045
Other Liabilities	13	1,914,253	1,506,753	1,506,753
Total Liabilities		1,917,388	1,916,550	1,916,550
Net Assets		100	Unknown	(1,916,550)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$2,201 held in cash and cash equivalents.

Upon the appointment of the Administrators, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Residences on Bass Pty Ltd.

Three accounts with Westpac Banking Corporation were identified, with two being loan accounts detailed further below in Note 9. The credit account totalled \$8,025.06, however during our appointment Westpac exercised its right of set-off of accounts and on 25 November 2021 applied the credit amount of the account

as at close of business on 17 November 2021, being \$8,025.06, against the outstanding amount owed under the facility provided to the Company. This leaves no remaining value to recover.

Note 2 – Trade debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium’s finance team, it does not appear any trade debtors exist in this entity.

Note 3 – Work in Progress

The Director’s ROCAP disclosed work in progress of c.\$1.86m whereby work in progress is defined as works completed but not yet invoiced for the townhouse development. We have engaged GRC Quantity Surveyors to assist with assessing the potential value of the partially completed construction works. We have received a number of unsolicited expressions of interest to acquire the real property together with the partially completed construction works.

Note 4 and 5 – Plant & Equipment and motor vehicles

The Director did not disclose any plant and equipment or motor vehicles in his ROCAP.

Upon appointment, the Administrators immediately undertook motor vehicle searches, wrote to secured parties registered on the PPSR and reviewed the financials to determine asset ownership.

No further assets were identified, and it is unlikely there are any assets or recoveries available in relation to this category.

Note 6 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Residences on Bass Pty Ltd and have identified real property at 13 Bass Court, Loganholme QLD. The value of this asset is commercially sensitive, however is expected to be realised.

Note 7 – Inventory

The Director did not disclose any inventory in his ROCAP, and we are not aware of any inventory for this entity.

Note 8 – Other Assets

The Director disclosed other assets totalling \$57,541 in the ROCAP. A summary of the other assets are as follows:

Security Deposit

The Director’s ROCAP stated there was a Security Deposit in the amount of \$35,153. The Administrators are currently investigating the security deposit and its recoverability, however it is unlikely there will be any realisation from this source as works likely related to the deposit are unable to be completed.

Capitalised Expenses

The Director disclosed capitalised expenses in the amount of \$22,079. A summary of these accounts are as follows:

Table 66: Capitalised Expenses

Account	Director's ROCAP ERV	Administrators' Comments
Borrowing Expenses (less accumulated amortisation)	21,675	This is an accounting entry capitalising expenses and is not a realisable asset of the Company
Formation Expenses (less accumulated amortisation)	405	This is an accounting entry capitalising expenses and is not a realisable asset of the Company
Total	22,079	

GST Refund

The Director's ROCAP stated there were negative liabilities for GST Paid and BAS report due, totalling \$309. Given the value is immaterial, it is not commercial to pursue a recovery from this source.

Note 9 – Secured Creditors

As previously discussed, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

The Director did not disclose any secured creditors in his ROCAP, however as referenced in Note 1, the Company held two loan accounts with Westpac, being secured Business Finance Agreements. The balance of these accounts as at our appointment are detailed in the table below. However, as referred to in Note 1, Westpac exercised its right of set-off of accounts and applied a set-off of \$8,025.06 against the total outstanding amount.

Table 67: Loan Accounts

Account Name	Banking Institution	DR Balance (\$)
Residences on Bass Pty Ltd	Westpac Banking Corporation	5,836.14
Residences on Bass Pty Ltd	Westpac Banking Corporation	408,291.60

Westpac also holds a registered ALLPAAP over the Company as well as a registered mortgage over the real property.

Note 10 – Employee Entitlements

Residences on Bass Pty Ltd did not employ staff and any services provided to the Company were contracted through Jolii Limited.

Note 11 – Trade Creditors

The Director disclosed trade creditors totalling \$3,135 in the ROCAP.

The Administrators’ ERVs have been taken from the proof of debts received in the Administration and well as unpaid invoices where creditors are yet to submit a claim. We note these amounts have not been adjudicated and are subject to change.

Note 12 – Statutory Creditors

The Director did not disclose any statutory creditors in their ROCAP.

The Administrators have received an assessment from the Office of State Revenue in Queensland totalling \$2,045 for land tax. We note the amount has not been formally claimed or adjudicated and is subject to change.

Note 13 – Other Liabilities

The Director’s ROCAP disclosed a related party loan where Residences on Bass Pty Ltd borrowed c.\$1.51m from a related party, Privium Developments Pty Ltd. The Company is under Administration and will be classified as an unsecured creditor in this Administration unless evidence of security is located.

Impact Land Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Impact Land Pty Ltd and the Administrator's ERV.

Table 68: Director's ROCAP Impact Land Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	669	659	659
Trade Debtors	2	-	-	-
Plant & Equipment	3	-	-	-
Motor Vehicles	4	-	-	-
Real Property	5	-	Commercially Sensitive	Commercially Sensitive
Inventory	6	-	-	-
Other Assets	7	70,139	-	-
Total Assets		70,808	Unknown	659
Liabilities				
Secured Creditors	8	-	23,040,000	23,040,000
Employee Entitlements	9	-	-	-
Trade Creditors	10	-	-	-
Statutory Liabilities	11	-	-	-
Other Liabilities	12	70,256	70,256	70,256
Total Liabilities		70,256	23,110,256	23,110,256
Net Assets		551	Unknown	(23,109,597)

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$669 held in cash and cash equivalents.

Upon the appointment of the Administrators, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Impact Land Pty Ltd.

A bank account with Westpac Banking Corporation was identified with a balance of \$659, with the difference to the ROCAP identified as a monthly bank account fee for November 2021. These funds have been requested from Westpac to transfer into the Administration bank account however are yet to be received.

Note 2 – Trade debtors

The Director did not disclose any trade debtors in his ROCAP. After further review of the financials and discussions with Privium's finance team, it does not appear any trade debtors exist in this entity.

Note 3 and 4 – Plant & Equipment and motor vehicles

The Director did not disclose any plant and equipment or motor vehicles in his ROCAP.

Upon appointment, the Administrators immediately undertook motor vehicle searches, wrote to secured parties registered on the PPSR and reviewed the financials to determine asset ownership.

No further assets were identified, and it is unlikely there are any assets or recoveries available in relation to this category.

Note 5 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Impact Land Pty Ltd and we confirm there is no real property owned by the Company. The Company had entered into several Put and Call option agreements with a range of land / estate developers where it was common for deposits to be paid (per lot) to the land seller as security. To date the Administrators have secured the release of \$85,000 worth of deposits with the remaining estimated realisable value for the deposits being unknown. This is discussed in more detail in **Section 6.2.1** of this report.

Note 6 – Inventory

The Director did not disclose any inventory in his ROCAP, and we are not aware of any inventory for this entity.

Note 7 – Other Assets

The Director disclosed other assets totalling \$70,139 in the ROCAP. A summary of the other assets are as follows:

Loans: Related Parties

The Director disclosed in the ROCAP that Impact Land Pty Ltd loaned funds in the amount of \$69,684 to Privium Assets Pty Ltd. This company is under Administration and any return from this source, which is unlikely, is subject to the outcome of the Administration.

BAS Report Refund

The Director's ROCAP stated there was a negative liability for BAS report due in the amount of \$455. Given the value is immaterial, it is not commercial to pursue a recovery from this source.

Note 8 – Secured Creditors

As previously advised, the Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interest can be found in **Appendix 2**.

The Director did not disclose any secured creditors in his ROCAP, however as previously discussed, BNY Mellon has a cross-collateral security across seven entities subject to our appointment for the financial bonds. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m.

Note 9 – Employee Entitlements

Impact Land Pty Ltd did not employ staff and any services provided to the Company were contracted through Joii Limited.

Note 10 – Trade Creditors

The Director did not disclose any trade creditors in his ROCAP, and the Administrators are not aware of any trade creditors. No proofs of debt from trade creditors were received in the Administration.

Note 11 – Statutory Creditors

The Director did not disclose any statutory creditors in his ROCAP, and the Administrators are not aware of any statutory creditors. No proofs of debt from statutory creditors were received in the Administration.

Note 12 – Other Liabilities

The Director's ROCAP disclosed a related party loan where Impact Land Pty Ltd borrowed \$70,256 from a related party, Privium Group Pty Ltd. The Company is under Administration and will be classified as an unsecured creditor in this Administration.

Privium Developments Pty Ltd

The table below provides a summary of the Director's ROCAP Part A for Privium Developments Pty Ltd and Administrators' ERV.

Table 69: Director's ROCAP Privium Developments Pty Ltd

	Note	Director's ROCAP ERV	Administrators' High ERV	Administrators' Low ERV
Assets				
Cash and Cash Equivalents	1	5,037	5,007	5,007
Trade Debtors	2	4,073	-	-
Plant & Equipment	3	-	-	-
Motor Vehicles	4	-	-	-
Real Property	5	-	-	-
Other Assets	6	10,231,066	Unknown	Unknown
Total Assets		10,240,176	Unknown	Unknown
Liabilities				
Secured Creditors	7	-	23,040,000	23,040,000
Employee Entitlements	8	-	-	-
Trade Creditors	9	-	-	-
Statutory Creditors	10	-	-	-
Other Liabilities	11	20,018,002	19,589,452	19,589,452
Total Liabilities		20,018,002	42,629,452	42,629,452
Net Assets		(9,777,826)	Unknown	Unknown

Note 1 – Cash and Cash Equivalents

The Director's ROCAP disclosed a balance of \$5,037 held in cash and cash equivalents.

Upon our appointment, correspondence was issued to all major banking institutions and Bartercard, notifying them of our appointment and to confirm all bank accounts held by Privium Developments Pty Ltd.

A bank account with Westpac was identified with a total balance of \$5,027. These funds have been transferred to the Administration bank account and net of bank fees, we have recovered a sum of \$5,007 from the bank account of Privium Developments Pty Ltd.

Note 2 – Trade Debtors

The Director disclosed trade debtors in their ROCAP of \$4,073. The Administrators have requested further information from Privium's finance team regarding the debtor amount to determine if the funds can be recovered for the benefit of creditors.

Note 3 and 4 – Plant & Equipment, Motor Vehicles

The Director did not disclose any Plant & Equipment or Motor Vehicles in his ROCAP.

Upon appointment, the Administrators immediately undertook motor vehicle searches and wrote to secured parties on the PPSR. After further review of the financials, the Administrators are not aware of any plant and equipment owned by this entity.

We have received confirmation no motor vehicles are registered by the Company in Queensland and are awaiting confirmation from the New South Wales and Victorian regulatory bodies.

Note 5 – Real Property

The Director did not disclose any real property in his ROCAP.

Upon appointment, the Administrators completed property searches on Privium Developments Pty Ltd and we confirm there is no real property owned by the Company.

Note 6 – Other Assets

The Director disclosed other assets totalling c.\$10.2m in the ROCAP. A summary of the other assets are as follows:

Shares in Private Company

The Director disclosed Shares in Private Company’s in the amount of \$6. A summary of the shares held is as follows:

Table 70: Shares in Private Companies

Company	Director's ROCAP ERV	Administrators' Comments
Chelmsford Terraces	\$1	Investigations are currently underway to determine whether any of these entities have any value to creditors. If the shares do have a value, we need to consider whether it is commercial to realise the shares, noting the value may be minimal.
Narangba Views	\$1	
Wynbrook Villas	\$1	
Views on Holmview	\$1	
Oxley Land	\$1	
PA Developments	\$1	
Total	\$6	

Loans: Related Parties

The Director's ROCAP disclosed related party loans owing to the Company in the amount of c.\$10.1million. The following table provides a breakdown of loans provided to related parties:

Table 71: Related Party Loans		
Company	Director's ROCAP ERV	Administrators' Comments
The Views on Holmview	\$472,000	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors.
Villas on Mumford	\$432,918	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors.
Narangba View	\$70,796	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors.
Nelson Street Land	\$2,500,000	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors. Settlement of 3 Nelson Street, Cranbourne East Vic is currently scheduled for 20 December 2021.
Sanctuary Grove	\$1,750,087	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors.
East Valley Residences	\$6,176	This company is part of the PAG. The Administrators are currently investigating the recoverability of this loan for the benefit of creditors.
Residences on Bass Pty Ltd	\$1,506,753	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Privium Group Pty Ltd	\$3,362,717	This company is under Administration. Any return from this source, which is unlikely, is subject to the outcome of the Administration.
Total	\$10,101,448	

For further information regarding the PAG, please refer to **Section 6.2.3** of this report.

Deferred Tax Assets and Statutory Liabilities (Assets)

The Director's ROCAP stated Deferred Tax Assets in the amount of c.\$129k. Given deferred tax assets are accounting entries only, there will be no realisation.

In addition, the Director's ROCAP stated there were negative liabilities for GST Paid and BAS report due, totalling \$1,047. Given the value is immaterial, it is not commercial to pursue a recovery from this source.

Note 7 – Secured Creditors

The Administrators conducted a search on the PPSR and issued correspondence to all parties on the register. A summary of the PPSR Security Interests can be found in **Appendix 2**.

Whilst the PPSR search revealed two ALLPAAP registrations to VBD Investments Pty Ltd and Permanent Custodians Limited, VBD Investments Pty Ltd discharged its security interest on 19 November 2021.

As creditors are aware, BNY Mellon has a cross-collateral security across all seven entities subject to our appointment for the financial bonds, via Permanent Custodians secured loans. We have received a Proof of Debt from BNY Mellon in the amount of c.\$23m in respect of the bonds.

Note 8 – Employee Entitlements

Privium Developments Pty Ltd did not employ staff and any services provided to the Company were contracted through Joii Limited.

Note 9 – Trade Creditors

The Director did not disclose any trade creditors in his ROCAP, and the Administrators are not aware of any trade creditors. No proofs of debt from trade creditors were received in the Administration.

Note 10 – Statutory Creditors

The Director did not disclose any statutory creditors in his ROCAP, and the Administrators are not aware of any statutory creditors. No proofs of debt from statutory creditors were received in the Administration

Note 11 – Other Liabilities

The Director disclosed other liabilities totalling c.\$20.0million in the ROCAP. A summary of the other liabilities are as follows:

Loans: Related Parties

The Director’s ROCAP disclosed related party loans owing by the Company in the amount of c.\$19.6million. The following table provides a breakdown of loans provided to related parties:

Table 72: Related Party Loans

Company	Director's ROCAP ERV	Administrators' Comments
Privium Assets Pty Ltd	19,589,352	The company is under Administration and will be classified as an unsecured creditor in this Administration.
JV Bucket	100	This loan is likely related to the PAG.
Total	19,589,452	

*For further information on the related party transactions please refer to **Section 5.2***

Provision for onerous contracts

The Director’s ROCAP stated c.\$429k in provisions for onerous contracts. Given this provision is an accounting entry for onerous contracts, there will be no claim from this source in the Administration.

18. Appendix 8 – Investigations – analysis and information

18.1. General information and considerations

18.1.1. Date of insolvency

In order to ascertain if there were any insolvent transactions entered into by a company, it is first necessary to determine the date a company became insolvent.

Proving the date on which, a company became insolvent is an essential element of recovery actions with respect to unfair preferences, uncommercial transactions and insolvent trading.

Recovery actions require the liquidator to prove that the particular company was insolvent at the time of the transaction, or in the case of an insolvent trading action, when the debt was incurred.

18.1.2. What is insolvency?

Solvency is defined in s 95A of the Act as when a company is able to pay all its debts as and when they become due and payable. A company that is not solvent is insolvent.

Whether a company is able to meet its debts as they become due is essentially a “cash flow” test rather than a “balance sheet” test (although the company’s balance sheet position is still relevant).

Consideration of the entire financial position of a company is required to establish if it is insolvent at a particular date. This includes factors such as the value of the company’s assets relative to its liabilities and the nature of these assets and liabilities. Also, the extent to which cash is expected to be generated from future trading activities, or available from alternative sources is relevant to considering a company’s solvency position.

18.1.3. General and commercial considerations

Proving insolvency is often a complex exercise and usually involves considerable time and expense in thoroughly investigating all aspects of claims. Legal advice on the merits of claims is generally required.

Typically, insolvent trading claims are defended, and directors may seek to rely on the statutory defences available to them.

Legal proceedings are often necessary for liquidators to pursue claims. This adds to the time and costs involved in pursuing claims. There is also inherent uncertainty involved with any litigation. As a result, commercial considerations are relevant, including whether the amount of the claim is large enough to pursue on a cost and risk/benefit basis.

The capacity of a party to pay any successful claim to a liquidator is also a relevant consideration in determining whether or not pursuing an action is likely to be in the interest of creditors.

Liquidators may not have funds to pursue actions. At other times, the liquidator may view the risks/benefits of pursuing an action not to be in the interest of creditors (for example, in cases where pursuing an action would use up the available cash/assets when otherwise a small dividend to creditors could be paid). In these

circumstances, it is possible that a creditor or a litigation funder may wish to fund an action to pursue a claim. This typically occurs only when there is a very strong case and high prospect of success.

18.2. Indicators of potential insolvency

18.2.1. Factors to take into account

- The company has a history of continuing trading losses.
- The company is experiencing cash flow difficulties.
- The company is experiencing difficulties selling its stock, or collecting debts owed to it.
- Creditors are not being paid on agreed trading terms and/or are either placing the company on cash-on-delivery terms or requiring special payments on existing debts before they will supply further goods and services.
- The company is not paying its Commonwealth and state taxes when due (e.g. pay-as-you-go instalments are outstanding, goods and services tax (GST) is payable, or superannuation guarantee contributions are payable).
- Cheques are being returned dishonoured.
- Legal action is being threatened or has commenced against the company, or judgements are entered against the company, in relation to outstanding debts.
- The company has reached the limits of its funding facilities and is unable to obtain appropriate further finance to fund operations—for example, through:
 - negotiating a new limit with its current financier; or
 - refinancing or raising money from another party.
- The company is unable to produce accurate financial information on a timely basis that shows the company's trading performance and financial position or that can be used to prepare reliable financial forecasts.
- Company directors have resigned, citing concerns about the financial position of the company or its ability to produce accurate financial information on the company's affairs.
- The company auditor has qualified their audit opinion on the grounds there is uncertainty that the company can continue as a going concern.
- The company has defaulted, or is likely to default, on its agreements with its financier.
- Employees, or the company's bookkeeper, accountant or financial controller, have raised concerns about the company's ability to meet, and continue to meet, its financial obligations.
- It is not certain that there are assets that can be sold in a relatively short period of time to provide funds to help meet debts owed, without affecting the company's ongoing ability to continue to trade profitably.
- The company is holding back cheques for payment or issuing post-dated cheques.

Source: ASIC Regulatory Guide 217 - *Duty to prevent insolvent trading: Guide for directors*

ASIC's view is these are some of the factors a reasonable person would take into account when determining whether a company is insolvent. The list of factors is not intended to be exhaustive. There may be other factors which would indicate to a reasonable person a company may be insolvent.

18.3. Date of insolvency

In our consideration of the solvency of the Companies, we observed the majority of trading and funding within the Companies was largely dependent on four (4) particular entities, being:

- Privium Pty Ltd (formerly Privium Homes Pty Ltd);
- Privium Investments Pty Ltd;
- Privium Civil Pty Ltd; and
- Privium Developments Pty Ltd.

Given the closely interlinked finances and the extent of cross-collateralisation by BNY, we consider the Companies overall solvency position to be contingent on the above listed entities (“trading entities”).

Therefore, in our assessment we have only assessed the solvency of the trading entities. It is our opinion that if the trading entities were found to be insolvent, the remaining five (5) would be as well.

18.3.1. Solvency review – balance sheet test

We have summarised our review of the trading entities’ historical net asset and working capital position below. In the following sections, we detail the net asset and working capital position of each of the trading entities.

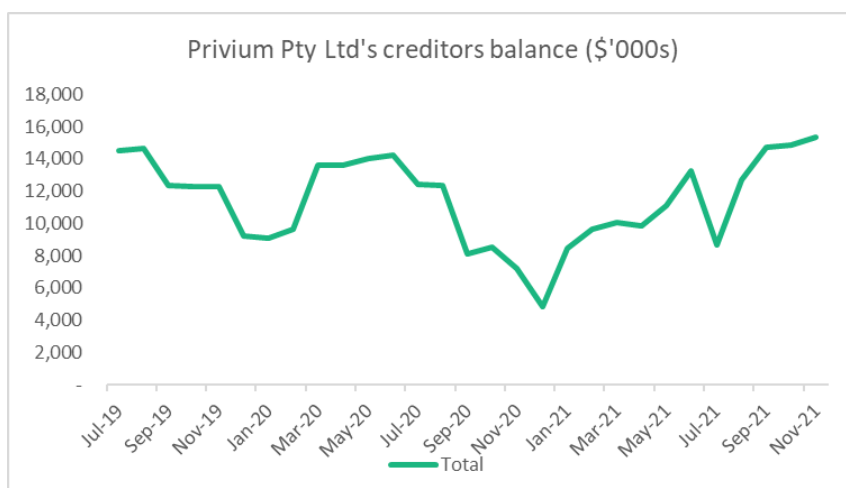
Summary

- The trading entities had a positive net asset position in FY2019 and FY2020, and a negative net asset position from FY2021 to the date of appointment (17 November 2021). That is, from FY2021 to the date of appointment the trading entities’ total liabilities outweigh its’ total assets.
- The trading entities maintained a working capital ratio of above one, averaging 2.3 since FY2019 which indicates it had sufficient funds (from current assets) available to meet its short-term debts.
- The trading entities appear to have utilised intercompany loans to fund day-to-day operations from FY2019 up to the date of appointment.
- The trading entities do not appear to have sufficient cash to cover its’ current liabilities, with an average cash ratio of 0.3 since FY2019. That is, they only has 30 cents of cash to cover every \$1 of current liabilities.
- From December 2020 onwards, the trading entities’ trade creditor balances has been trending upwards, suggesting the trading entities had increased expenditure which may place further pressure on cash flow.

Privium Pty Ltd

- Privium Pty Ltd has maintained a positive net asset position since FY19 (i.e. its total assets outweigh its total liabilities).
- Privium Pty Ltd also had a working capital ratio of above one, averaging at 2.2 since FY2019 which indicates that it had sufficient current assets available to meet its short-term debts.
- Privium Pty Ltd appears to have utilised intercompany loans to fund day-to-day operations.

- Privium Pty Ltd does not appear to have sufficient cash to cover current liabilities, with an average cash ratio of 0.3 over the period from July 2018 to November 2021.
- We observed the following in relation to Privium Pty Ltd's creditor balances:
 - As set out in the figure below, Privium Pty Ltd had an increasing creditor balance from December 2020 onwards:



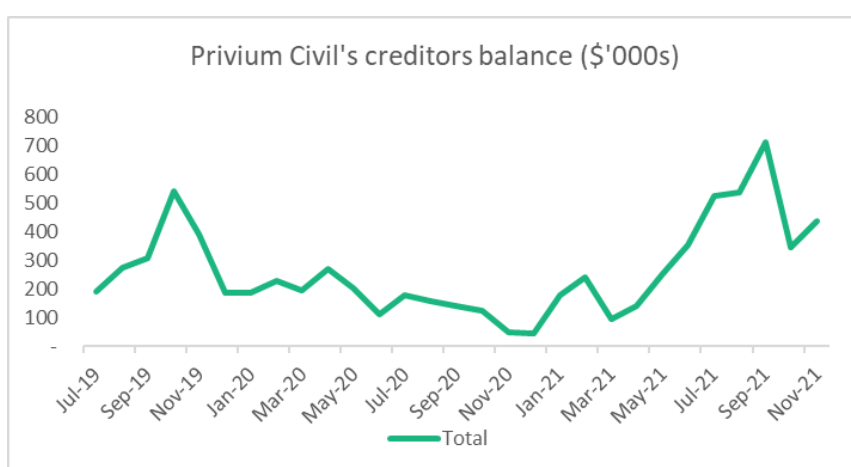
- Further to the above, from August 2021 onwards, the amount owed to creditors within 31-60 days increased also increased from \$2 million in August 2021 to \$6 million up to the date of appointment (this comprised 16% of the total creditor balance in August 2021 and 35-41% of the total creditor balance up to the date of appointment).
- Given the number of creditors from July 2019 to November 2021 had not changed significantly (on average 370 creditors), the above figure suggests Privium Pty Ltd's expenditure increased from December 2020, and therefore its trade creditors balances were also increasing.
- As Privium Pty Ltd does not appear to have sufficient cash to cover its short-term debt (as described above), an increasing creditor balance may have placed further pressure on Privium Pty Ltd's ability to pay debts as they fall due.

Privium Investments Pty Ltd

- Privium Investments had a negative net asset position since FY2019, with a significantly negative position since FY2020 (\$11.0 million). That is, it owed significantly more debt (liabilities) compared to the total assets it owns.
- Privium Investments had a working capital ratio of 8.1 in FY19 however this is largely due to minimal current liabilities (approximately \$6,000 in accrued expenses). It did not record any other current liabilities in the period from FY2020 to November 2021.
- Privium Investments cash balance in FY2021 and as at November 2021 was under \$100.
- Privium Investments had intercompany loan liabilities in FY2020 to November 2021 between \$15.5 million and \$16 million.

Privium Civil Pty Ltd

- Privium Civil had a positive net asset position in FY2019 and FY2020 and a negative net asset position from FY2021 onwards indicating that from FY2021 onwards, its total liabilities outweigh its total assets.
- Privium Civil has a working capital ratio averaging 4.4 over the period FY2019 to November 2021 which indicates that it has sufficient funds (from current assets) to cover its short-term debts.
- Privium Civil had insufficient cash to cover its current liabilities from FY2019 onwards however, it had access to funding through intercompany loans.
- We observed the following in relation to Privium Civil's creditor balances:
 - As set out in the figure below, Privium Civil had an increasing creditor balance from December 2020 onwards:



- Given the number of creditors from July 2019 to November 2021 has not changed significantly (on average 28 creditors), the above figure suggests that Privium Civil's expenditure increased from December 2020 and therefore, its trade creditors balances were also increasing.
- As Privium Civil does not appear to have sufficient cash to cover its short-term debt (as described above), an increasing creditor balance may place further pressure on Privium Civil's ability to pay debts as they fall due.

Privium Developments Pty Ltd

- Privium Developments had a negative net asset position since FY2020 (i.e. its total liabilities outweigh its total assets).
- Privium Developments also had a working capital ratio of below one from FY2021 onwards although the only current liabilities recorded in the balance sheet relates to the provision for doubtful debts.
- Privium Developments' cash balance has deteriorated after FY2019 (from \$181,000 in FY2019 to \$5,000 as at November 2021)

18.3.2. Solvency review – cash flow test

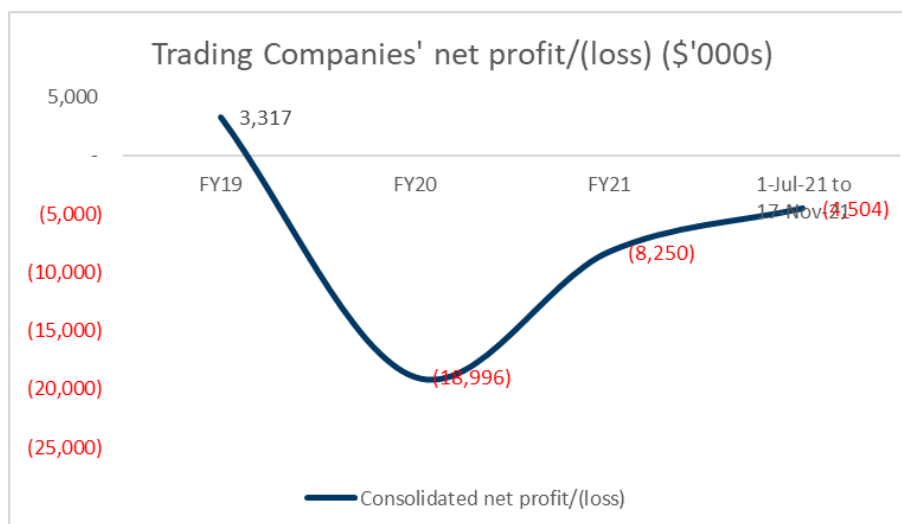
The cash flow test involves assessing the Companies' ability to meet their obligations as and when they fall due. There are many elements to consider and we have considered the following:

- trade creditor ledgers and information (including ageing profile) – i.e. to assess whether the Companies had been meeting its payments on time
- statutory liability position - i.e. whether the Companies had been meeting its statutory liabilities
- liquidity ratios and levels or working capital to assess – i.e. whether the Companies had sufficient liquidity to meet its liabilities in the short term
- EBITDA and profit and loss position – i.e. to assess the Companies' ability to generate sufficient cash to meet its obligations
- sources of funding and support by financiers or related entities – i.e. to assess whether the Companies had any alternative sources of funding
- the existence of other indicia of insolvency

We have summarised our preliminary review of the trading Companies' ability to meet its obligations as and when they fall due. In the following sections, we detail the cash flow position of each of the trading entities.

Summary

- The trading entities experienced successive trading losses from FY2020 onwards. The accumulated losses from the last two financial years (FY2020 and FY2021) total approximately \$27.2 million. Further, the trading entities had accumulated losses of approximately \$4.5 million in the current financial year (for the period 1 July 2021 to 17 November 2021).

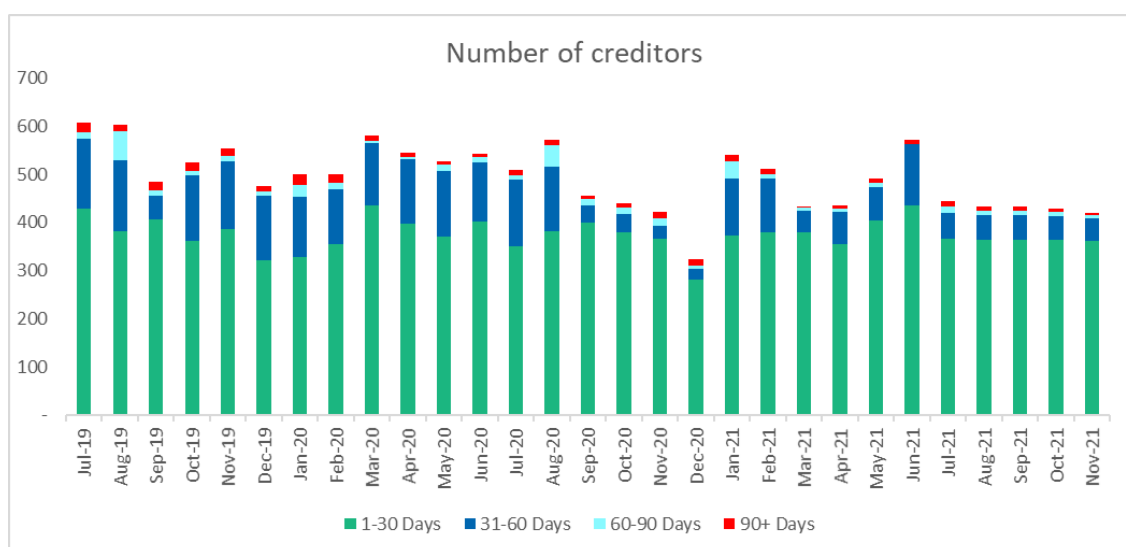


- The trading entities' ability to service debt in the short-term is based on the proportion of current assets to current liabilities, set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Current Assets	67,857	53,474	49,695	39,844
Current Liabilities	30,031	27,910	19,435	17,358
Working Capital	37,826	25,565	30,260	22,486
Current Ratio	2.3	1.9	2.6	2.3

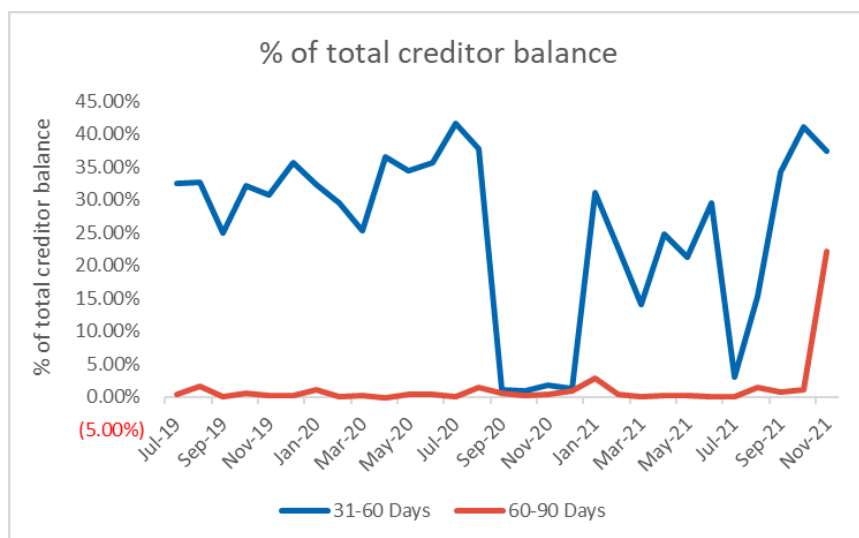
Source: Management accounts and the trading entities' Audited Financial Statements (where available).

- The above table illustrates that the trading entities have maintained a current ratio of above one (with an average of 2.2) over the last three (3) financial years which indicates it had sufficient working capital.
- Each of the trading entities do not appear to have significant or any external access to funding but rather appear to rely on intercompany loans to fund day-to-day operations.
- We have reviewed the trading entities aged creditor listings for the period from July 2019 to November 2021 and summarise the total number of creditors over period in the figure below:



Source: Aged creditors summary from Privium Pty Ltd and Privium Civil's management accounts

- In the following figure we summarise the percentage of the total creditor balances that fall within 31 to 90 days. We note that only a small proportion of the balances were greater than 90 days and therefore, have not displayed this in the figure below.

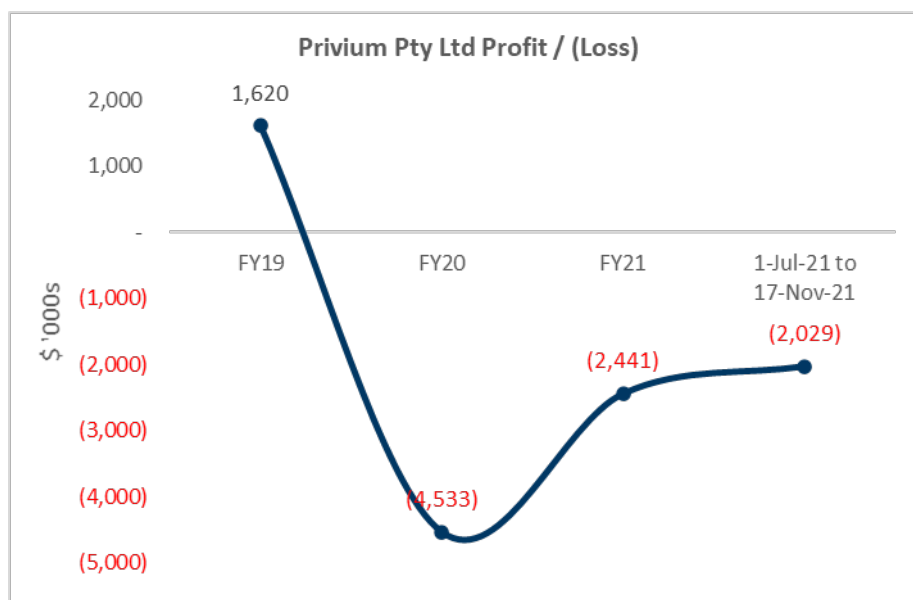


Source: Aged creditors summary from Privium Pty Ltd and Privium Civil's management accounts

- In relation to the above figures, we note the following:
 - Only Privium Pty Ltd and Privium Civil had trade creditor balances.
 - There were minimal creditor balances within the 90+ day period.
 - The creditor balances within the 31-60 day period was trending upwards from July 2021 onwards and was greater than 15% of the total balance from August 2021. This indicates that the trading entities were taking longer to repay its debts as they became due.
 - The creditor balances within the 60-90 day period also spiked in November 2021 to 22%, the date of appointment which further indicates that the trading entities' may not have had sufficient funds to pay its debts as they became due.
- Based on the financial statements, all the trading entities financial statements were prepared on a going concern basis.

*Privium Pty Ltd**Ongoing trading losses*

For the purposes of assessing the solvency of the trading entities, we have reviewed the annual earnings profile over the period 1 July 2018 to 17 November 2021, as set out in the figure below:



Source: Audited financial statements for FY2019 to FY2021, management accounts for FY2022

With respect to the above graph, we note the following:

- Privium Pty Ltd experienced successive trading losses from FY2020 onwards. The accumulated losses for the last two financial years (FY2020 and FY2021) total approximately \$7.0 million. Further, Privium Pty Ltd has accumulated losses of approximately \$2.0 million in the current financial year (for the period 1 July 2021 to 17 November 2021).
- Preliminary investigations indicate trading losses were predominately due to the challenging market conditions as a result of COVID-19 (from FY2020 onwards). Based on the audited financial statements, the Companies have been impacted by COVID-19 through:
 - “Material disruption to the Company’s customers and their operations and therefore, impacts the Company’s revenue;
 - Absenteeism or inability of the Company’s workforce to support operations or customers’ workforces being impacted such that their operations are impacted;
 - Unavailability or delay of products and supplies used in Company’s operations; and
 - Estimating the recoverability of inventories, contract assets and prepaid sales commissions.”¹⁴
- We note the above indicates Privium Pty Ltd was not generating sufficient cash from day-to-day operations to meet its liabilities from FY2020.

¹⁴ Privium Pty Ltd FY2020 Audited Financial Statements

Liquidity ratios and levels of working capital

Privium Pty Ltd's ability to service debt in the short-term is based on the proportion of current assets to current liabilities, set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Current Assets	66,801	51,831	47,501	37,540
Current Liabilities	29,776	27,798	18,551	16,518
Working Capital	37,024	24,033	28,950	21,022
Current Ratio	2.2	1.9	2.6	2.3

The amount of working capital is calculated by deducting current liabilities from current assets. The current ratio is calculated by dividing the current liabilities by the current assets.

The above table illustrates that Privium Pty Ltd has maintained a current ratio of above one (with an average of 2.2) over the last three (3) financial years, indicating it had sufficient working capital (current assets) to cover its' short-term debts. That is, it has 2.2 times more current assets than current liabilities.

Access to funding

Privium Pty Ltd appears to have funded ongoing working capital primarily through intercompany loans, as set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Interest-bearing loans and borrowings (Current)	149	117	-	-
Intercompany loans and borrowings (Non-current)	14,334	6,166	11,151	3,219
Total access to funding	14,483	6,282	11,151	3,219

Other factors

We have also considered a number of other factors in assessing the solvency, with reference to the ASIC guidelines, as follows:

- Inability to produce timely and accurate financial information to represent trading activities;
- Trade Creditors – aging and special arrangements;
- Arrears of statutory liabilities; and
- Material uncertainty relating to going concern.

Our findings with regards to these other factors are noted below.

Inability to produce timely and accurate financial information to display the companies' trading performance and financial position, and make reliable forecasts

- The Companies maintained an accounting system proven to be largely accurate.
- This factor was not evident prior to our appointment.

Arrears of statutory liabilities

Our preliminary investigations indicate that Privium Pty Ltd had arrears of the following:

- Office of State Revenue in the amount of \$23,411.80 in FY2020.
- Australian Tax Office in the amount of \$122,127.71 in FY2022.

We have not identified any other arrears of statutory liabilities, however, further investigation may be required if the Companies' enter liquidation.

Trade Creditors – aging and special arrangements

We have analysed the trade creditors for Privium Pty Ltd and Privium Civil Pty Ltd together and have summarised this analysis in the 'summary' section above.

We are aware of statutory demands notices from two Privium creditors as follows:

- Statutory demand for payment of debt dated 20 October 2021 from Enjoy Life Group Pty Ltd in the sum of \$285,000.
- Statutory demand for payment of debt dated 9 November 2021 from Carnelian Projects Pty Ltd in the sum of \$16,850.

With the exception of the above, our preliminary review of the available information to date reveals little evidence of other creditors pressuring the Companies to settle outstanding accounts, nor have we observed any evidence of enforcement or legal action taken by any other creditor.

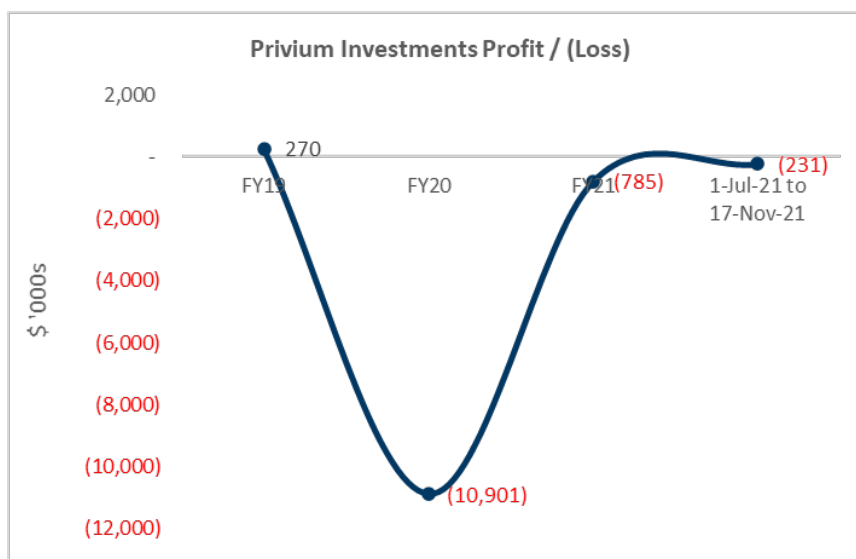
Material uncertainty relating to going concern

The Companies' financial statements are prepared as special purpose financial statements and explicitly state they have been prepared on a going concern basis.

The financial statements also contain a declaration by the Directors indicating, in their opinion, they have reasonable grounds to believe the Companies will be able to pay debts as and when they become due and payable.

*Privium Investments Pty Ltd**Ongoing trading losses*

For the purposes of assessing the solvency of the trading entities, we have reviewed the annual earnings profile over the period 1 July 2018 to 17 November 2021, as set out in the figure below:



Source: Privium Investments Pty Ltd Management Accounts (2021)

With respect to the above graph, we note the following:

- Privium Investments experienced successive trading losses from FY2020 onwards, totalling \$11.9 million for the period FY2020 to November 2021.
- Similarly to Privium Pty Ltd, our preliminary investigations indicate trading losses were predominately due to the challenging market conditions as a result of COVID-19 (from FY2020 onwards).
- We note the above indicates Privium Investments was not generating sufficient cash from day-to-day operations to meet its liabilities from FY2020.

Liquidity ratios and levels of working capital

Privium Investments' ability to service debt in the short-term is based on the proportion of current assets to current liabilities, set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Current Assets	51	652	895	615
Current Liabilities	6	-	-	-
Working Capital	45	652	895	615
Current Ratio	8	N/A	N/A	N/A

The amount of working capital is calculated by deducting current liabilities from current assets. The current ratio is calculated by dividing the current liabilities by the current assets.

The above table illustrates that Privium Investments had a high current ratio (8) in FY2019 indicating it had sufficient working capital (current assets) to cover its' short-term debts. That is, it had 8 times more current assets than current liabilities.

However, Privium Investments did not have any current liabilities recorded from FY2020 onwards. This is expected as Privium Investments functioned as the investments and capital allocation entity of the Companies.

Access to funding

Privium Investments appears to have funded ongoing working capital primarily through intercompany loans, as set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Intercompany loans and borrowings (Non-current assets)	44,949	48,700	56,120	56,351
Loans and borrowings (Non-current assets)	13,009	2,922	(189)	(189)
B & S Harder Super Fund (Non-current liabilities)	300			
Intercompany loans and borrowings (Non-current liabilities)	(57,101)	(36,099)	(39,892)	(40,172)
Total access to funding	1,157	15,523	16,039	15,990

Other factors

We have also considered a number of other factors in assessing the solvency, with reference to the ASIC guidelines, as follows:

- Inability to produce timely and accurate financial information to represent trading activities;
- Trade Creditors – aging and special arrangements;
- Arrears of statutory liabilities; and
- Material uncertainty relating to going concern.

Our findings with regards to these other factors are noted below.

Inability to produce timely and accurate financial information to display the companies' trading performance and financial position, and make reliable forecasts

- The Companies maintained an accounting system proven to be largely accurate.
- This factor was not evident prior to our appointment.

Trade Creditors – aging and special arrangements

Privium Investments did not have any trade creditors.

Arrears of statutory liabilities

Our preliminary investigations do not indicate that Privium Investments had arrears of statutory liabilities. However, further investigation may be required if the Companies' enter liquidation.

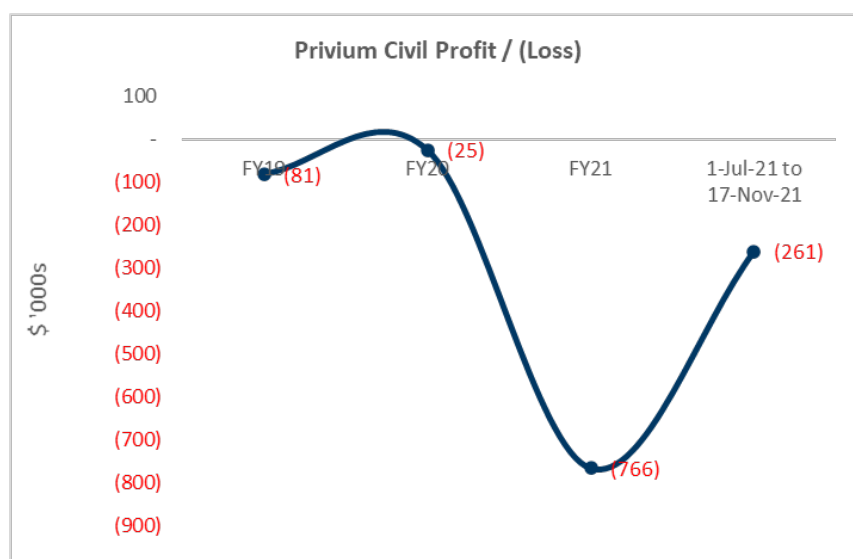
Material uncertainty relating to going concern

The Companies' financial statements are prepared as special purpose financial statements and explicitly state that they have been prepared on a going concern basis.

The financial statements also contain a declaration by the Directors indicating, in their opinion, they have reasonable grounds to believe the Companies will be able to pay debts as and when they become due and payable.

*Privium Civil Pty Ltd**Ongoing trading losses*

For the purposes of assessing the solvency of the trading entities, we have reviewed the annual earnings profile over the period 1 July 2018 to 17 November 2021, as set out in the figure below:



Source: Privium Civil Pty Ltd Management Accounts (2021)

With respect to the above graph, we note the following:

- Privium Civil experienced successive trading losses from FY2019 onwards, totalling \$1.1 million for the period FY2019 to November 2021.
- Similarly to Privium Pty Ltd, our preliminary investigations indicate trading losses were predominately due to the challenging market conditions as a result of COVID-19 (from FY2020 onwards).
- We note the above indicates Privium Civil was not generating sufficient cash from day-to-day operations to meet its liabilities from FY2020.

Liquidity ratios and levels of working capital

Privium Civil's ability to service debt in the short-term is based on the proportion of current assets to current liabilities, set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Current Assets	735.8	947.5	1,152.9	1,550.8
Current Liabilities	248.7	111.7	455.8	411.6
Working Capital	487	836	697	1,139
Current Ratio	3.0	8.5	2.5	3.8

The amount of working capital is calculated by deducting current liabilities from current assets. The current ratio is calculated by dividing the current liabilities by the current assets.

While the above table illustrates that Privium Civil had a high current ratio (suggesting it had sufficient working capital to cover its' short-term debts), practically it did not appear to have sufficient cash at bank to meet its' current liabilities (cash was below \$1,000 each period).

Access to funding

Privium Civil appears to have funded ongoing working capital entirely through intercompany loans, as set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Loan - Privium Assets	268	238	1,217	1,923
Loan - Privium Group	-	-	(353)	(353)
Total access to funding	268	238	864	1,570

Other factors

We have also considered a number of other factors in assessing the solvency, with reference to the ASIC guidelines, as follows:

- Inability to produce timely and accurate financial information to represent trading activities;
- Trade Creditors – aging and special arrangements;
- Arrears of statutory liabilities; and
- Material uncertainty relating to going concern.

Our findings with regards to these other factors are noted below.

Inability to produce timely and accurate financial information to display the companies' trading performance and financial position, and make reliable forecasts

- The Companies maintained an accounting system proven to be largely accurate.
- This factor was not evident prior to our appointment.

Trade Creditors – aging and special arrangements

We have analysed the trade creditors for Privium Pty Ltd and Privium Civil together and have summarised this analysis in the 'summary' section above.

Our review of the available information reveals no evidence of other creditors pressuring the Companies to settle outstanding accounts, nor is there any evidence of enforcement or legal action taken by any other creditor.

Arrears of statutory liabilities

Our preliminary investigations do not indicate that Privium Civil had arrears of statutory liabilities. However, further investigation may be required if the Companies' enter liquidation.

Material uncertainty relating to going concern

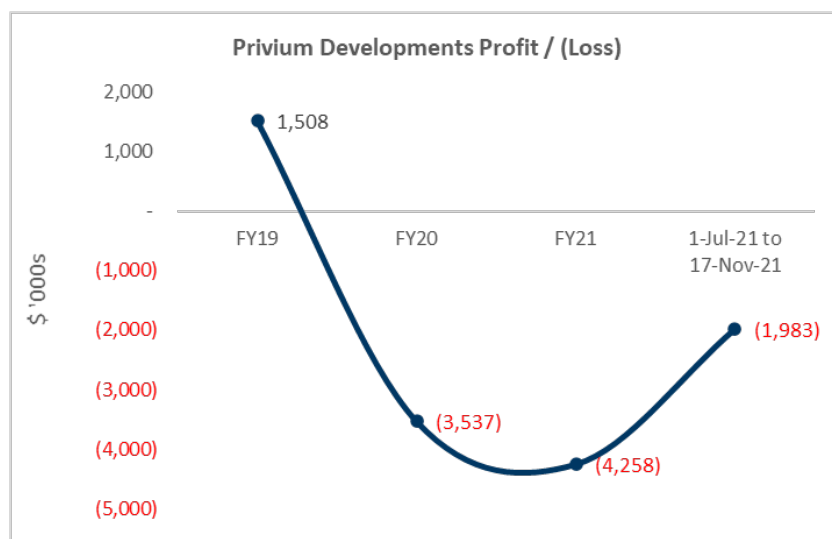
The Companies' financial statements are prepared as special purpose financial statements and explicitly state they have been prepared on a going concern basis.

The financial statements also contain a declaration by the Directors indicating, in their opinion, they have reasonable grounds to believe the Companies will be able to pay debts as and when they become due and payable.

Privium Developments Pty Ltd

Ongoing trading losses

For the purposes of assessing the solvency of the trading entities, we have reviewed the annual earnings profile over the period 1 July 2018 to 17 November 2021, as set out in the figure below:



Source: Privium Developments Pty Ltd Management Accounts (2021)

With respect to the above graph, we note the following:

- Privium Developments experienced successive trading losses from FY2020 onwards, totalling \$9.7 million for the period FY2020 to November 2021.
- Similarly to Privium Pty Ltd, our preliminary investigations indicate trading losses were predominately due to the challenging market conditions as a result of COVID-19 (from FY2020 onwards).
- We note the above indicates Privium Developments was not generating sufficient cash from day-to-day operations to meet its liabilities from FY2020.

Liquidity ratios and levels of working capital

Privium Developments' ability to service debt in the short-term is based on the proportion of current assets to current liabilities, set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Current Assets	269	44	146	138
Current Liabilities	-	-	429	429
Working Capital	269	44	(282)	(291)
Current Ratio	N/A	N/A	0.3	0.3

The amount of working capital is calculated by deducting current liabilities from current assets. The current ratio is calculated by dividing the current liabilities by the current assets.

The above table illustrates that Privium Developments has insufficient working capital (from current assets) to meet its' current liabilities from FY2021. That is, the current asset to current liabilities ratio is 0.3:1.

Access to funding

Privium Developments appears to have funded ongoing working capital primarily through intercompany loans, as set out in the table below.

AUD \$ '000	FY19	FY20	FY21	Nov-21
Intercompany loans and borrowings assets (non current asset)	-	-	(1,408)	(1,507)
Loan receivables (non-current assets)	(28,302)	(17,678)	(5,762)	(5,232)
Loan - Privium Assets	26,679	20,839	18,054	19,589
Loan - Privium Group	-	-	(3,363)	(3,363)
Total access to funding	(1,622)	3,161	7,521	9,488

Other factors

We have also considered a number of other factors in assessing the solvency, with reference to the ASIC guidelines, as follows:

- Inability to produce timely and accurate financial information to represent trading activities;
- Trade Creditors – aging and special arrangements;
- Arrears of statutory liabilities; and
- Material uncertainty relating to going concern.

Our findings with regards to these other factors are noted below.

Inability to produce timely and accurate financial information to display the companies' trading performance and financial position, and make reliable forecasts

- The Companies maintained an accounting system proven to be largely accurate.
- This factor was not evident prior to our appointment.

Trade Creditors – aging and special arrangements

Privium Developments did not have any trade creditors

Arrears of statutory liabilities

Our preliminary investigations do not indicate that Privium Developments had arrears of statutory liabilities. However, further investigation may be required if the Companies' enter liquidation.

Material uncertainty relating to going concern

The Companies' financial statements are prepared as special purpose financial statements and explicitly state they have been prepared on a going concern basis.

The financial statements also contain a declaration by the Directors indicating, in their opinion, they have reasonable grounds to believe the Companies will be able to pay debts as and when they become due and payable.

Conclusion

Based on the above analysis, our preliminary view is the Companies may have been insolvent from at least August 2021.

The primary reasons for this preliminary view are set out below:

- The trading entities had a negative net asset position from 1 July 2020 (FY2021) to the date of appointment (17 November 2021).
- The trading entities do not appear to have sufficient cash to cover current liabilities, with an average cash ratio of 0.3 since FY2019.
- The trading entities experienced successive trading losses from FY2020 onwards (\$19 million in FY2020 and \$8 million in FY2021) and had accumulated losses of approximately \$4.5 million in the current financial year (for the period 1 July 2021 to 17 November 2021).
- The trade creditors balance increased from \$9 million in July 2021 to \$13 million in August 2021. From August 2021 onwards, the creditors balance was approximately \$15 million to the date of appointment indicating an increase in expenditure which may place pressure on the trading entities' ability to pay debts as they fall due.
- The percentage of the total creditor balance within 31-60 days increased dramatically from August 2021 and was between 34% and 41% in the subsequent months leading up to the date of appointment. The percentage of the total creditor balance within 60 days also increased to 22% in November 2021.

Nevertheless, further investigations will be required by the Liquidators iff creditors resolve for the Companies to be wound up to confirm the exact date of insolvency.

18.4. Voidable transactions

We set out below our preliminary findings in relation to potential recoveries from voidable transactions in a liquidation scenario including our view on the likelihood of there being substantiated and supportable claims. Where applicable, we have included our estimate of possible recoveries along with any other pertinent information.

18.4.1. Unfair preferences

We have reviewed the payments made by the Companies during the period leading up to appointment, considering the potential date of insolvency of the company. We have identified a number payments which may constitute an unfair preference payment to ordinary unsecured creditors. A summary of payments which have been flagged as potentially preferential is shown on the below table:

Entity	Number of Creditors	Potential preferential payments (\$)
Privium Civil Pty Ltd	2	209,519
Privium Pty Ltd	1	345,966
Total		551,485

Further investigations in relation to the available defences including whether the creditors could have reasonably expected the Companies to be insolvent, would need to be undertaken should the Companies be placed into liquidation.

Based on our preliminary review, we believe there is limited information available to suggest creditors have exerted any undue pressure on the Companies for preferential payments or would have otherwise had reasonable suspicion of insolvency.

The quantum of recoverable preference payments is unknown at this stage.

18.4.2. Uncommercial transactions

We have identified several potential uncommercial transactions in connection with related entities, however, further investigations would be required to consider whether the Companies were insolvent at the time of the transaction and to balance the benefits and detriments of the Companies entering into the transactions.

The related entities that appear to have potentially benefited from certain transactions are set out in the table below:

Related Party	Date Incorporated	Officers
Open Gold Capital Pty Ltd (formerly W2G 7 Pty Ltd)	04/11/2013	Robert John Harder (current) Jared Sa-Bin Harder (former) James Jonathan Harder (former)
The Promise Qld Pty Ltd	10/05/2012	Rachel Anne Harder (current) Robert John Harder (former) Trevor Hugh Adams (former)
Love Your World (registered charity)	06/06/2012	Rachel Harder Hayley Hayes Lance Hayes
Growme Aus Pty Ltd	29/04/2015	Christopher Harasty (current) Robert John Harder (former)
Joi Limited (registered charity)	21/09/2017	Jared Harder Alenta Kabamba Desley Scott Draeger Cathy Henk La Dru Timothy Hanna

We summarise the transactions below:

Privium Group Pty Ltd

- \$20million transaction on 29 June 2020 comprising of the following cash transactions:
 - Deposit of approximately \$20.2 million to Privium Group's Westpac bank account with the description 'Open Gold to Privium'
 - Transfer of \$20.2 million from Privium Group's Westpac bank account to the clearing account with the description 'Privium to the Promise'
 - \$18 million withdrawal from the Privium Group's Westpac bank account recorded as a dividend paid to The Promise
 - \$2 million withdrawal from the Privium Group's Westpac bank account recorded as a loan in the accounts from The Promise with the description 'Privium to the Promise' and a loan from Open Gold Unit Trust with the description 'Privium to repay Moonie River (part of transaction for OGA investment)'
 - When queried, we were advised by a member of the Privium finance team in order to present a more attractive balance sheet to prospective investors, an \$18 million dividend was distributed to shareholders. We were also advised these shareholders would then decide to invest into the Open Gold business plan, which allowed Open Gold to acquire \$18 million worth of Privium shares in return.
 - Further investigation in relation to this \$18 million dividend is required to determine the commerciality of these transactions.

Privium Pty Ltd

- Online bank transfers (withdrawals) of at least \$500,000 (in September 2020, June 2021 and September 2021) identified in Privium Pty Ltd Westpac bank account which appear to have been paid to 'Love Your World'
- Bank transactions relating to Open Gold including the following:
 - Online bank transfers (withdrawals) of at least \$2.6 million (in March and June 2021) identified in Privium Pty Ltd's Westpac bank account to Open Gold with the transaction description such as 'Drafting Privium', 'Corporate' and 'REA'.
 - Online bank transfers (deposits) of at least \$1.1 million (in March and July 2021) from Open Gold.
 - Based on the MYOB files provided to us over this period, we have only been able to identify one payment (withdrawal) in March 2021 to Open Gold recorded in the accounts totalling approximately \$208,000.
 - When queried, we were advised by a member of the Privium finance team up to FY2021 Open Gold was a prospective parent company of Privium. Open Gold's business plan was to raise capital and purchase the Privium entities. The payments to Open Gold represent actual services provided to Privium which included management services, accounting software and drafting.
 - Further investigations in relation to Open Gold's relationships with the Privium entities will need to be explored to determine the commerciality of the arrangements.
- Privium Pty Ltd entered into an agreement with Joii Limited (trading as Joii Tech) for the purchase of IT Equipment for an amount which appears to be significantly in excess of market value. Further investigations will be required in this regard.

Privium Investments Pty Ltd

- A \$11.9 million investment in 'Growme (Aus) P/L' was recorded in Privium Investments' accounts on 27 March 2020. However, it was written down to approximately \$615,000 by 30 June 2020. Our preliminary investigations have not identified any cash movement relating to this transaction.
 - When queried, a member of the Privium finance team informed us that Growme is a software development company which developed the same software that Privium used for task management and the impairment was recorded as a result of differing views of independent valuers.
 - We were further advised that, per our observation, no money was exchanged for the Growme investment. Rather, it entered the Privium Investment's books in exchange for the forgiveness of related entity loans previously owed by PAG.
 - Further investigations will need to be undertaken to determine the commerciality of this loan forgiveness, as well as the value of the Growme investments.
- Movements in loan accounts comprising of the following:
 - Reduction of loans from 'AR Clement Investment', 'LATL' and 'Plug Investments' totalling \$8.1million in 30 June 2020 recorded against the loan account of The Promise with the description 'Consolidation of shareholder loans into the Promise'. As at 30 June 2020, the Promise loan balance recorded as a liability in the accounts of Privium Investments was \$10.9 million.

- Transfer of the \$10.9 million loan balance of The Promise to the loan account of Open Gold Capital P/L on 1 July 2020 with the description '*Move from The Promise to Open Gold*'.
- Transfer of \$2.2 million loan balance of Open Gold Accounts P/L to the loan account of Open Gold Capital P/L on 1 July 2020 with the description '*Change Open Gold Accounts*'.
- Director interest expenses recorded for the Promise and Open Gold loan accounts and additional transfer of loans to the Open Gold Capital loan account totalling \$4.7 million from 31 July 2020 to October 2021. The loan balance (liability to Privium Investments) as at 31 October 2021 for the Open Gold Capital account is \$17.8 million.
- Our preliminary investigations have not identified any cash movement relating to these transactions.
- When queried, we were advised by a member of the Privium finance team the above transactions represented shareholder loans ('AR Clement Investment', 'LATL' and 'Plug Investments') using their personal vehicles as the debt instruments. In calendar year 2020, the loan balances were consolidated to Open Gold (initially to The Promise Qld Pty Ltd). This was part of the broader Open Gold business plan to raise capital and start the 'roll up' of companies. The shareholder loans have not been repaid.

Personal Payments

- Further investigations are required to determine if any payments were made by any of the Companies to the Director, former Directors and their associates relating to their personal expenses.

The above entities are related parties to the Companies due to either common directors, or having relatives of the director as office holders.

Based on our preliminary review, and despite the initial advice obtained from the Director, it is still unclear whether the above transactions were conducted on a commercial or uncommercial basis. Further investigations will be required if the Companies enter liquidation, particularly concerning the Companies' relationship with Open Gold and transfers to The Promise and Love Your World. Public examinations of individuals involved in the transactions may also be required.

18.4.3. Unfair loans

To identify unfair loans entered into by the Companies we have reviewed the management accounts, analysed movements in balances and examined loan documents where available. Consideration has been given to the term of the loan, interval of repayments and interest rate levied.

As identified previously, the Companies are primarily funded through intercompany loans namely from Privium Assets (formerly Impact Assets) and Privium Group (formerly Impact Group). We have not been provided any intercompany loan agreements or details as to the conditions of these loans.

Therefore, other than the uncommercial transactions detailed above, we are not aware of any potential unfair loans which could likely result in property being recovered for the benefit of creditors.

18.4.4. Unreasonable director-related transactions

The related party transactions discussed in relation to uncommercial transactions could also constitute unreasonable director-related transactions. As detailed above, further investigation will be required to determine if these transactions were in the commercial interest of the Companies.

18.4.5. Related entity benefits

Our investigations to date have not revealed any transactions with related entities which would likely result in property being recovered for the benefit of creditors, other than the potential unfair preference and uncommercial transaction outlined above.

18.4.6. Arrangements to avoid employee entitlements

Arrangements to avoid employee entitlements is typically characterised as phoenix activity, through which the operations of a company in liquidation are continued by deliberately diverting key assets to a new entity and, in the process, avoiding paying employee entitlements.

As the Company did not employ, our investigations to date suggests such arrangements do not exist.

18.4.7. Voidable charges

The Personal Property Securities Register has been searched for charges granted by the Companies. Our preliminary investigations has revealed a security interest held by Open Gold Capital Pty Ltd. We also note the following:

- An unsigned General Security Agreement on 30 June 2020 indicates Privium Group as the Grantor, provided security to Open Gold Capital Pty Ltd as Secured Party.
- A loan agreement of \$20 million dated 17 May 2021 was executed with the Lender being Open Gold Capital Pty Ltd, the Borrower being Privium Investments Pty Ltd and the Guarantor being Privium Group Pty Ltd.
- Open Gold Capital Pty Ltd lodged an ALLPAAP security interest on the PPSR of the company on 28 June 2021.
- A loan amendment dated 1 July 2021 was executed with the Lender being Open Gold Capital Pty Ltd and the Borrower being Privium Investments Pty Ltd.

We are currently seeking advice on the validity of the security interests. Further investigations would need to be undertaken should the Companies be placed into liquidation.

18.4.8. Offences with Directors

The Directors owe the below duties to the Companies:

- **Section 180 – Act with care and diligence**

Directors must exercise their powers and discharge their duties with the degree of care and diligence of a reasonable person which holds such a position.

Our preliminary view is it appears likely the Director and former Directors may have breached Section 180(1) of the Act by way of failure to exercise the powers and discharge duties with the degree of care

and diligence that a reasonable person would exercise in the Director's position. We say this on the basis of the following:

- Failure to ensure Privium Pty Ltd paid insurance premium to the VMIA and iCARE NSW, resulting in a large number of clients becoming unable to make a claim for damages they suffered as a result of the Companies failure to complete the building contracts.
- The Director appeared to have caused the Companies to enter into unusual transactions with related entities in which he was also a Director of or which his immediate family were office holders of, which on the face of it do not appear to have been commercial. However, further investigations in this regard will be required to confirm this suspicion.

■ **Section 181 – Act in good faith**

Directors are required to act in good faith in the best interest of the Companies and for a proper purpose. Acting in the best interest of the Companies required a belief, at the time a decision is made, the course of action will result in benefit to the Companies.

As noted above, subject to further investigations required in relation to the uncommercial transactions as discussed in **Appendix 18.4.2**, it is likely the Director and former Directors may have been in breach of his duties under Section 181(2) of the Act.

■ **Section 182 – Use of position**

Directors owe a duty to the Companies to not improperly use their position to gain an advantage for themselves or cause detriment to the Companies.

Based on our preliminary observations, and noting the related party transactions discussed in **Appendix 18.4.2**, do require further investigations, it seems evident the Director had used his position as Director to enter into transactions with other entities of which he is a Director of that do not appear to have been in the Companies best interest.

■ **Section 183 – Use of information**

Directors owe a duty to the Companies to not improperly use information to gain an advantage for themselves or cause detriment to the Companies. Our investigations have not revealed any occurrences of improper use of information.

■ **Section 588G – Duty to prevent insolvent trading**

Directors have a duty to prevent the Companies trading while insolvent. If the Directors traded the Companies while insolvent and are unable to avail themselves by applying the safe harbour provisions as defined in Section 588GA of the Act or the defences in Section 588H of the Act, they can be held liable for debts incurred by the Companies while trading insolvent. Based on our preliminary investigations, and as detailed in **Appendix 18.3**, it appears the Company had traded whilst insolvent from at least August 2021.

However, further investigations in this regard will be required to determine the exact date of insolvency if the Companies are placed into liquidation.

19. Appendix 9 – Estimated return to creditors

Below are estimated statements of position in respect of each Company. The below tables provide the high and low scenarios in a liquidation.

\$	Notes	Privium Group Pty Ltd		Privium Pty Ltd		Privium Investments Pty Ltd	
		Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation
		Low Return	High Return	Low Return	High Return	Low Return	High Return
Non-Circulating Assets							
Real Property	1	Nil	Nil	Nil	Nil	Nil	Nil
Plant and Equipment (inc MV)	2	250,000	250,000	Nil	Nil	Nil	Nil
Less: First Ranking Secured Creditor Claim	3	Nil	Nil	Nil	Nil	Nil	Nil
Surplus/(Shortfall) From Non-Circulating Assets		250,000	250,000	Nil	Nil	Nil	Nil
Circulating Assets							
Cash at Bank at Appointment	4	100,240	100,240	745,608	862,148	49	49
Debtors (Practical completions)	5	Nil	Nil	941,987	1,345,695	Nil	Nil
Investments	6	Nil	Nil	Nil	Nil	1,685,446	3,370,893
Returns from Intercompany loans	7	Nil	Nil	Nil	Nil	Nil	Nil
Liquidator Claims and recoveries	8	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Total Circulating and Claims		100,240	100,240	1,687,595	2,207,843	1,685,495	3,370,942
Total Assets and recoveries available		350,240	350,240	1,687,595	2,207,843	1,685,495	3,370,942
External Administration Costs							
Administrators' Remuneration and Disbursements	9	(138,031)	(138,031)	(692,268)	(692,268)	(55,007)	(55,007)
Estimated Liquidators' Remuneration and Disbursements	9	(200,000)	(50,000)	(400,000)	(200,000)	(50,000)	(40,000)
Estimated Legal Costs	9	(60,000)	(50,000)	(120,000)	(100,000)	(40,000)	(20,000)
Estimated External Administration Costs		(398,031)	(238,031)	(1,212,268)	(992,268)	(145,007)	(115,007)
Surplus/(Shortfall) Available to Secured/Priority Creditors		(47,791)	112,209	475,327	1,215,576	1,540,489	3,255,935
Secured/Priority Creditors							
Bank of New York Mellon	10	(23,040,000)	(23,040,000)	(23,040,000)	(23,040,000)	(23,040,000)	(23,040,000)
Surplus/(Shortfall) Available to Unsecured Creditors		(23,087,791)	(22,927,791)	(22,564,673)	(21,824,424)	(21,499,511)	(19,784,065)
Unsecured creditors							
Shortfall to Secured Creditor		(23,087,791)	(22,927,791)	(22,564,673)	(21,824,424)	(21,499,511)	(19,784,065)
Unsecured Creditor Claims	11	(11,734,682)	(11,734,682)	(28,032,083)	(28,032,083)	(38,507,897)	(38,507,897)
Total Unsecured Creditors		(34,822,473)	(34,662,473)	(50,596,756)	(49,856,507)	(60,007,408)	(58,291,962)
<i>Estimated Distribution for Unsecured creditors (c/\$)</i>		<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>

\$	Notes	Privium Assets Pty Ltd		Privium Civil Pty Ltd		Impact Specs Pty Ltd	
		Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation
		Low Return	High Return	Low Return	High Return	Low Return	High Return
Non-Circulating Assets							
Real Property	1	Nil	Nil	Nil	Nil	506,280	628,242
Plant and Equipment (inc MV)	2	2,190,188	2,737,735	Nil	Nil	Nil	Nil
Less: First Ranking Secured Creditor Claim	3	(453,000)	(453,000)	Nil	Nil	Nil	Nil
Surplus/(Shortfall) From Non-Circulating Assets		1,737,188	2,284,735	Nil	Nil	506,280	628,242
Circulating Assets							
Cash at Bank at Appointment	4	Nil	Nil	100,587	100,587	1,258	1,258
Debtors (Practical completions)	5	Nil	Nil	Nil	Nil	Nil	Nil
Investments	6	Nil	Nil	Nil	Nil	Nil	Nil
Returns from Intercompany loans	7	336,947	503,909	Nil	Nil	Nil	Nil
Liquidator Claims and recoveries	8	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Total Circulating and Claims		336,947	503,909	100,587	100,587	1,258	1,258
Total Assets and recoveries available		2,074,135	2,788,644	100,587	100,587	507,538	629,500
External Administration Costs							
Administrators' Remuneration and Disbursements	9	(107,597)	(107,597)	(54,289)	(54,289)	(50,591)	(50,591)
Estimated Liquidators' Remuneration and Disbursements	9	(120,000)	(60,000)	(40,000)	(20,000)	(60,000)	(25,000)
Estimated Legal Costs	9	(72,000)	(60,000)	(25,000)	(10,000)	(60,000)	(50,000)
Estimated External Administration Costs		(299,597)	(227,597)	(119,289)	(84,289)	(170,591)	(125,591)
Surplus/(Shortfall) Available to Secured/Priority Creditors		1,774,539	2,561,048	(18,701)	16,299	336,947	503,909
Secured/Priority Creditors							
Bank of New York Mellon	10	(23,040,000)	(23,040,000)	(23,040,000)	(23,040,000)	Nil	Nil
Surplus/(Shortfall) Available to Unsecured Creditors		(21,265,461)	(20,478,952)	(23,058,701)	(23,023,701)	336,947	503,909
Unsecured creditors							
Shortfall to Secured Creditor		(21,265,461)	(20,478,952)	(23,058,701)	(23,023,701)	Nil	Nil
Unsecured Creditor Claims	11	(47,041,399)	(47,041,399)	(2,322,189)	(2,322,189)	(884,632)	(884,632)
Total Unsecured Creditors		(68,306,860)	(67,520,351)	(25,380,890)	(25,345,890)	(884,632)	(884,632)
<i>Estimated Distribution for Unsecured creditors (c/\$)</i>		<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.4 c/\$</i>	<i>0.6 c/\$</i>

		Privium Developments Pty Ltd		Residences on Bass Pty Ltd		Impact Land Pty Ltd	
		Liquidation	Liquidation	Liquidation	Liquidation	Liquidation	Liquidation
		Low Return	High Return	Low Return	High Return	Low Return	High Return
\$	Notes						
Non-Circulating Assets							
Real Property	1	Nil	Nil	744,950	1,192,250	110,000	264,000
Plant and Equipment (inc MV)	2	Nil	Nil	Nil	Nil	Nil	Nil
Less: First Ranking Secured Creditor Claim	3	Nil	Nil	(450,000)	(406,103)	Nil	Nil
Surplus/(Shortfall) From Non-Circulating Assets		Nil	Nil	294,950	786,147	110,000	264,000
Circulating Assets							
Cash at Bank at Appointment	4	5,027	5,027	Nil	Nil	659	659
Debtors (Practical completions)	5	Nil	Nil	Nil	Nil	Nil	Nil
Investments	6	2,714,632	4,665,550	Nil	Nil	Nil	Nil
Returns from Intercompany loans	7	91,528	622,725	Nil	Nil	Nil	Nil
Liquidator Claims and recoveries	8	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Total Circulating and Claims		2,811,187	5,293,303	Nil	Nil	659	659
Total Assets and recoveries available		2,811,187	5,293,303	294,950	786,147	110,659	264,659
External Administration Costs							
Administrators' Remuneration and Disbursements	9	(80,189)	(80,189)	(63,422)	(63,422)	(78,126)	(78,126)
Estimated Liquidators' Remuneration and Disbursements	9	(20,000)	(100,000)	(80,000)	(50,000)	(80,000)	(50,000)
Estimated Legal Costs	9	(80,000)	(50,000)	(60,000)	(50,000)	(40,000)	(20,000)
Estimated External Administration Costs		(180,189)	(230,189)	(203,422)	(163,422)	(198,126)	(148,126)
Surplus/(Shortfall) Available to Secured/Priority Creditors		2,630,998	5,063,114	91,528	622,725	(87,467)	116,533
Secured/Priority Creditors							
Bank of New York Mellon	10	(23,040,000)	(23,040,000)	Nil	Nil	(23,040,000)	(23,040,000)
Surplus/(Shortfall) Available to Unsecured Creditors		(20,409,002)	(17,976,886)	91,528	622,725	(23,127,467)	(22,923,467)
Unsecured creditors							
Shortfall to Secured Creditor		(20,409,002)	(17,976,886)	Nil	Nil	(23,127,467)	(22,923,467)
Unsecured Creditor Claims	11	(19,589,454)	(19,589,454)	(1,510,449)	(1,510,449)	(71,099)	(71,099)
Total Unsecured Creditors		(39,998,456)	(37,566,340)	(1,510,449)	(1,510,449)	(23,198,566)	(22,994,566)
<i>Estimated Distribution for Unsecured creditors (c/\$)</i>		<i>0.0 c/\$</i>	<i>0.0 c/\$</i>	<i>0.1 c/\$</i>	<i>0.4 c/\$</i>	<i>0.0 c/\$</i>	<i>0.0 c/\$</i>

19.1. Notes

1	Impact Specs Pty Ltd The anticipated realisations are from three unencumbered vacant blocks of land located in Caboolture, Jimboomba and Ripley. The low return is based on the purchase price of the lots and the high return reflects a 20% premium to the purchase price, accounting for potential improved values as a result of broad-based market increases in recent times. Estimates have been included for realisation costs such as agent's fees, marketing and valuation costs. Residences on Bass Pty Ltd The low return is based on the purchase price of the property in 2020 and the high return is based on recent unsolicited expressions of interest. Estimates have been included for realisation costs such as quantity surveyor fees, agent's fees, marketing and valuation costs. Impact Land Pty Ltd The low return is based on returned deposits already received by the Administrators and an estimate has been made of potential future deposit refunds for the high return.
2	Privium Group Pty Ltd Proceeds from the sale of Intellectual Property rights pursuant to the Homecorp Agreement Privium Assets Pty Ltd The low return is based on 80% of current valuation of plant, equipment, IT, office equipment and motor vehicles located. The high return is as per the valuation. The valuer does however anticipate the valuation figures will increase as further assets are located. Estimates have been included for realisation costs such as auction commission, marketing and relocation costs. These figures include realisations for plant, equipment, IT, office equipment and motor vehicles included in the Homecorp Agreement.
3	Privium Assets Pty Ltd Specific security costs payable to Westpac (after set-off of cash at bank), Macquarie Leasing and ANZ upon sale of motor vehicles. Residences on Bass Pty Ltd Business Term Loan owed to Westpac (after set-off of cash at bank), secured by registered mortgage over land and General Security Agreement.
4	Amounts as per BOQ and Westpac accounts as at date of appointment with the exception of Privium Pty Ltd. The low return only includes BOQ balance as Westpac are currently claiming security over \$149,133.27 in relation to contingent liabilities.

5	The high return reflects Company records for amounts outstanding from clients for the final stage of construction. The low return of 70% makes allowance for contract and defect disputes.
6	Privium Investments Pty Ltd The realisation is in relation to the Deposit Boost Funds held with Joii Capital Pty Ltd. Although the high return is reflective of book value, we are yet to determine the Company's rights and obligations in respect of collectability. A 50% discount has been applied for the low return however there is no certainty regarding collection. Privium Developments Pty Ltd The recovery of secured loans from the PAG companies are dependent on asset realisations by PAG. Each of the developments has been assessed on an individual basis and a range of values, and associated costs, have been attributed to each.
7	There are two entities, Impact Specs Pty Ltd and Residences on Bass Pty Ltd, which are in Voluntary Administration but are not subject to BNY's security. The unsecured creditors of both entities are solely intercompany liabilities. As a result, any surplus (after costs) from the realisation of the assets of these companies, will flow through Privium Assets Pty Ltd and Privium Developments Pty Ltd respectively.
8	The Administrators have conducted preliminary investigations into the Solvency of the Companies and considered potential actions available to a Liquidator if appointed. Based on the preliminary investigations, the Administrators consider certain transactions may be recoverable as preferential payments, uncommercial transactions, unreasonable director related transactions or creditor defeating dispositions. Should the Company be placed into liquidation, further investigations would be required in order to determine the quantum and commerciality of pursuing potential recovery of these transactions. At this stage, it is impossible to provide a range of returns available, if any.
9	■ Administrators' estimated remuneration for the Voluntary Administration period. ■ Legal fees are an estimate based on potential cost to pursue voidable transactions and for any work required in collection of assets such as debtors or investments. ■ Estimated Liquidators' remuneration is dependent on the level of work required to wind down the affairs of the relevant Company and pursue voidable transactions and insolvent trading claims.
10	Current balance of amortising secured notes.
11	Estimate based on the Group's records and proofs of debts submitted. Proofs of debt have not been adjudicated and hence there may be claims included which are invalid.

20. Appendix 10 – Creditor Information Sheet

Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

**For more information, go to www.arita.com.au/creditors.
Specific queries about the voluntary administration should be directed to the voluntary administrator's office.**



Voluntary administration: A guide for creditors

This information sheet (INFO 74) provides information for unsecured creditors of companies in voluntary administration.

It covers:

- [who is a creditor?](#)
- [the purpose of voluntary administration](#)
- [the voluntary administrator's role](#)
- [effect of appointment](#)
- [voluntary administrator's liability](#)
- [creditors' meetings](#)
- [voting at a creditors' meeting](#)
- [company returned to directors](#)
- [liquidation](#)
- [deed of company arrangement](#)
- [approval of administrator's fees](#)
- [proposals to creditors without a meeting](#)
- [committee of inspection](#)
- [directors and voluntary administration](#)
- [other creditor rights](#)
- [questions and complaints](#)

Who is a creditor?

You are a creditor if the company owes you money. You may be owed money because you:

- supplied goods or services to the company
- made loans to the company
- paid for goods or services that you have not received
- are an employee owed money for unpaid wages and other entitlements.

A 'contingent creditor' is owed money by the company if a certain event occurs (e.g. if they succeed in a legal claim against the company).

Creditors might be secured or unsecured:

- A **secured creditor** holds a [security interest](#), such as a mortgage, in some or all the company's assets, to secure a debt owed by the company. Lenders usually require a security interest in company assets when they provide a loan. If the creditor wants to ensure their security interest over personal property other than land is enforceable and given priority in an insolvency, they should register the security on the Personal Property Securities Register (PPSR). You can [search the PPSR](#) to find out if anyone holds a security interest (other than a mortgage over land) in the company's assets.
- An **unsecured creditor** does not hold a security interest in the company's assets.

Employees are a special category or class of unsecured creditors. Their outstanding entitlements are usually paid before the claims of other unsecured creditors. For more information, see [Information Sheet 75](#) *Voluntary administration: A guide for employees* (INFO 75).

All references in this information sheet to 'creditors' are to unsecured creditors unless otherwise stated.

The purpose of voluntary administration

Voluntary administration is designed to resolve a company's future: see [Table 1](#). An independent registered liquidator (the voluntary administrator) takes full control of the company. This allows the director or a third-party time to find a way, if possible, to save the company or its business.

If it is not possible for the director or a third-party to come up with a plan to save the company or its business, the voluntary administrator aims to administer the company's affairs to obtain a better return (payment) to creditors than if the company had been immediately wound up (closed down). A mechanism for achieving these aims is a deed of company arrangement (DOCA).

A DOCA is a binding arrangement between a company and its creditors governing how the company's affairs will be dealt with. It is agreed to after the company enters voluntary administration. The DOCA is generally proposed by the director or any third-party, usually in consultation with the voluntary administrator, and is administered by a deed administrator (usually the registered liquidator who was the voluntary administrator).

A company's director(s) usually appoint/s a voluntary administrator after they determine the company is insolvent or likely to become insolvent. Less commonly, a liquidator, provisional liquidator, or [secured creditor](#) may appoint a voluntary administrator.

Table 1: The voluntary administration process

Step	What happens
Appointment of voluntary administrator	A voluntary administrator can be appointed by: - the directors (by resolution of the board and in writing) - a secured creditor (with a security interest in all or substantially all of the company's property) - a liquidator (or provisional liquidator). Voluntary administration begins on the appointment of the voluntary administrator.
First meeting of creditors	The voluntary administrator must hold the first meeting of creditors within eight business days of being appointed, unless the court allows an extension of time. At least five business days' notice of the meeting must be given to creditors. Creditors can vote at the meeting to: - replace the administrator, and/or - form a committee of inspection.
Voluntary administrator's investigation and report	The voluntary administrator must investigate the company's affairs and report to creditors on the alternative options available to the company (see below options)

Step	What happens
Second meeting of creditors – meeting to decide company's future	The voluntary administrator must hold the meeting to decide the company's future within 25 business days of being appointed (or 30 business days if the appointment is around Christmas or Easter), unless the court allows an extension of time. At least five business days' notice of the meeting must be given to creditors. Creditors can decide at this meeting to: • return the company to the directors' control • accept a DOCA (the deed must be signed by the company within 15 business days following the meeting, unless the court allows an extension of time), or • put the company into liquidation (this happens immediately, and the administrator usually becomes the liquidator).

A company in voluntary administration may also be in receivership. For more information, see [Information Sheet 54 Receivership: A guide for creditors](#) (INFO 54).

The voluntary administrator's role

After taking control of the company, the voluntary administrator investigates and reports to creditors about the company's business, property, affairs and financial circumstances. They also report on the following three options available to creditors (including employees):

- end the voluntary administration and return the company to the directors' control
- approve a DOCA through which the company will pay all or part of its debts and then be free of those debts
- wind up the company and appoint a liquidator.

The voluntary administrator must give an opinion on each option, including an opinion on any DOCA proposal, and recommend which option is in the best interests of creditors.

In doing so, the voluntary administrator tries to:

- determine possible solutions to the company's problems
- assess any proposals put forward for the company's future
- compare the possible outcomes of any proposals with the likely outcome in a liquidation.

A creditors' meeting is held about five weeks after the company goes into voluntary administration to decide the company's future. In complex administrations, this meeting may be held later if the court orders.

The voluntary administrator has all the powers of the company and its directors, including the power to sell or close the company's business – or sell individual assets – in the lead up to creditors deciding the company's future.

The voluntary administrator is also responsible for reporting to ASIC possible offences by people involved with the company.

At the end of the administration, the voluntary administrator must lodge a detailed account of receipts and payments (known as the 'end of administration return') with ASIC. A copy of this account of receipts and payments may be obtained by searching [ASIC Connect](#) for a fee.

Although the voluntary administrator may be appointed by the directors, they must act fairly and impartially.

Effect of appointment

The effect of the appointment of a voluntary administrator is to provide the company with breathing space while the company's future is resolved. While the company is in voluntary administration:

- unsecured creditors cannot begin, continue or enforce their claims against the company without the administrator's consent or the court's permission
- owners of property (other than perishable property) used or occupied by the company, or people who lease such property to the company, cannot recover their property
- except in limited circumstances, secured creditors cannot enforce their security interest in the company's assets
- creditors or other eligible parties cannot commence a court application to put the company in liquidation
- a creditor holding a personal guarantee from the company's director or other person cannot act under the personal guarantee without the court's consent.

Voluntary administrator's liability

If the voluntary administrator incurs debts for the purchase of goods or services, hiring, leasing, using or occupying property during the administration, under the administrator's authority, they are paid from the available assets of the company as costs of the voluntary administration. The administrator is personally liable to pay these costs, or any shortfall if there are insufficient funds available from company asset sales.

To have the benefit of this protection as a provider of goods or services to a company in voluntary administration, you should ensure you receive a purchase order authorised in the manner advised by the administrator.

The voluntary administrator must decide whether to continue to use or occupy property owned by another party held or occupied by the company at the time of their appointment.

Within five business days after their appointment, the voluntary administrator must notify the owner of property whether they intend to continue to occupy or use the property and, if they do not intend to continue to occupy or use the property, the location of that property (if known). If the voluntary administrator decides to continue to occupy or use the property, they will be personally liable for any rent or amounts payable that arise after the end of the five business days.

Creditors' meetings

Two creditor meetings must be held during the voluntary administration.

First creditors' meeting

The voluntary administrator must hold the first creditors' meeting within eight business days after the voluntary administration begins.

At least five business days before the meeting, the voluntary administrator must notify as many creditors as practical in writing (provide a notice of meeting) and advertise the meeting. The advertisement must appear on ASIC's Published notices website.

The voluntary administrator must also send to creditors declarations about any relationships they may have or indemnities they have been given. This declaration will allow creditors to consider the voluntary administrator's independence and make an informed decision about whether to replace them with another voluntary administrator of the creditors' choice.

The purpose of the first meeting is for creditors to decide whether they want:

- to form a committee of inspection, and, if so, who will be on the committee
- the existing voluntary administrator to be removed and replaced by a voluntary administrator of their choice.

A committee of inspection may be formed to assist and advise the voluntary administrator. The committee of inspection also monitors the conduct of the voluntary administration, may approve certain steps in the administration and may give directions to the voluntary administrator. The voluntary administrator must have regard to the directions but is not always required to comply with them.

A creditor who wishes to nominate an alternative voluntary administrator at the first meeting must approach a registered liquidator before the meeting and obtain written consent that they would be prepared to act as voluntary administrator. The proposed alternative administrator should give to those attending the meeting declarations about any relationships they may have or indemnities they have been given. The voluntary administrator will only be replaced if the resolution to replace them is passed by the creditors at the meeting.

To be eligible to vote at this meeting, you must lodge details of your debt or claim with the voluntary administrator.

This meeting can be chaired by either the voluntary administrator or any other person nominated in writing by the administrator.

Second creditors' meeting (to decide the company's future)

After investigating the company's affairs and forming an opinion on each of the three options available to creditors, the administrator must provide an opinion on which option is in the best interests of creditors. The administrator must then call a second creditors' meeting. At this meeting, creditors are given the opportunity to decide the company's future.

This meeting is usually held about five weeks after the company goes into voluntary administration (six weeks if the appointment is around Christmas or Easter).

In complex voluntary administrations, more time is sometimes needed for the voluntary administrator to report to creditors. In these circumstances, the court can grant an extension of time to hold the meeting.

The voluntary administrator must chair this meeting.

At least five business days before the meeting, the voluntary administrator must send creditors:

- a notice of meeting
- the voluntary administrator's report
- the voluntary administrator's statement.

These will be accompanied by:

- a claim form (usually a 'proof of debt' form)
- a proxy voting form.

The meeting must also be advertised on ASIC's Published notices website.

Either or both the first and second creditors' meeting may be held using telephone, videoconferencing or web-based meeting facilities.

Voluntary administrator's report

This report must give enough information to explain the company's business, property, affairs and financial circumstances. The report should allow you to make an informed decision about the company's future.

The report should also provide an analysis of any proposals for the future of the company, including the possible outcomes, as well as a comparable estimate of what would be available for creditors in a liquidation.

You should read the voluntary administrator's report before you attend the second meeting or decide to appoint someone else to vote on your behalf at that meeting.

Voluntary administrator's statement

The voluntary administrator's statement must include the voluntary administrator's opinion, with reasons, on each of the options available to creditors, as well as an opinion on which option the voluntary administrator believes is in the best interests of creditors. The options are:

- end the voluntary administration and return the company to the directors
- approve a DOCA (if one is proposed)

- wind up the company and appoint a liquidator.

The voluntary administrator's statement must also include other information known to the voluntary administrator that will allow you to make an informed decision about each of the options above.

The statement must also advise whether there are any voidable transactions where money or property may be recoverable by a liquidator, if one were appointed. Voidable transactions include unfair preferences (certain creditors have been paid in preference to other creditors), unfair loans, insolvent trading and creditor-defeating dispositions, including illegal phoenix activity.

If the director or other third parties provide proposals for a DOCA, the voluntary administrator must provide creditors with a statement giving enough detail about each proposal to enable creditors to make an informed decision. The types of proposals allowed in a DOCA are very flexible.

Typically, a DOCA proposal will provide for the company to pay all or part of its debts, possibly over time, and then be free of those debts. It will often provide for the company to continue trading. How these things will happen varies from case to case because the terms allowed in a DOCA are also very flexible.

You should insist on being provided with as much information about the terms of the proposed DOCA as possible before the creditors' meeting. The minimum contents of a DOCA provide a guide on the information you might request if it has not already been provided.

Contact the voluntary administrator before the meeting if you believe the voluntary administrator's report or statement does not contain sufficient information to allow you to decide the company's future.

Voting at a creditors' meeting

To vote at any creditors' meeting you must lodge details of your debt or claim with the voluntary administrator. Usually, the voluntary administrator will provide you with a form called a 'proof of debt' to complete and return before the meeting.

The chairperson of the meeting decides whether to accept the debt or claim for voting purposes. The chairperson may decide a creditor does not have a valid claim. In this case, they may not allow the creditor to vote. If the chairperson is not sure whether to accept the debt or claim, they must mark the vote as 'objected to' and allow the creditor to vote subject to the vote being declared invalid if the objection is sustained. This decision is only for voting purposes. It is not relevant to whether a creditor will receive a dividend (payment of their claim).

You can appeal to the court within 10 business days after the chairperson decides to accept or reject a proof of debt or claim for voting purposes.

A secured creditor can vote for the full amount of their debt without having to deduct the value of their security interest.

Voting by proxy

You can appoint an individual as proxy to attend and vote at a meeting on your behalf. Creditors who are companies will have to nominate a person as proxy so they can participate in the meeting. You do this by completing a proxy form sent out with the notice of meeting. You must provide the completed proxy form to the voluntary administrator before the meeting.

An electronic proxy form may be used if the liquidator allows electronic lodgement.

A 'special proxy' is used when you specify on the proxy form how the proxy is to vote on specified resolutions (the actual resolution wording is on the form). The proxy holder must vote in accordance with that instruction and cannot change the voting at the meeting. Further, the resolution specified in the form is the one you are voting on and if a different resolution is proposed (or the resolution is changed) then your special proxy vote should not be counted because you have not indicated how you will vote on that changed or different resolution. A 'general proxy' is used when you leave it to the proxy holder to decide how to vote on each resolution.

You can appoint the chairperson to represent you through either a special or general proxy. The voluntary administrator or one of their partners or employees must not use a general proxy to vote in favour of a resolution approving payment of

the voluntary administrator's fees.

Manner of voting

To vote on any resolution put to a creditors' meeting, creditors state aloud their agreement or disagreement, or a 'poll' is taken

If voting is on the voices, the resolution is passed if a majority present indicate agreement. It is up to the chairperson to decide if a majority is reached.

After the vote, the chairperson must tell those present whether the resolution passed or failed. If the chairperson cannot determine the outcome of a resolution on the voices, they may conduct a poll.

A person participating and entitled to vote can also demand a poll. If a poll is demanded, it must be taken immediately, and the chairperson determines how to take this poll.

If you intend to demand a poll, you must do so before, or as soon as, the chairperson has declared the result of a vote on the voices.

When a poll is taken, a resolution is passed if *both*:

- more than half the number of creditors who are voting (in person or by proxy) vote in favour of the resolution
- those creditors owed more than half of the total debt owed to creditors at the meeting vote in favour of the resolution.

This is referred to as a 'majority in number and value'. If a majority in both number and value is not reached under a poll (deadlock), the chairperson has a casting vote.

Chairperson's casting vote

When there is a deadlock, the chairperson may use their casting vote (except for resolutions to approve their remuneration) either in favour of or against the resolution. If the resolution relates to the liquidator's removal, the chairperson may only exercise the casting vote in favour of their removal. The chairperson may also decide not to use their casting vote, and then the deadlocked resolution is not passed.

The chairperson must inform the meeting (and include in the written minutes of meeting lodged with ASIC) the reasons why they did or did not to use their casting vote.

If you are dissatisfied with how the chairperson exercised their casting vote or failed to use their casting vote, you may, in specified circumstances, apply to the court for a review of the chairperson's decision. The court may vary or set aside the resolution or order the resolution is taken to have been passed.

Votes of related creditors

If directors and shareholders, their spouses, relatives and other entities controlled by them are creditors of the company, they are entitled to attend and vote at creditors' meetings, including the meeting to decide the company's future.

If a resolution is passed or defeated based on related creditor votes and you are dissatisfied with the outcome, you may, in specified circumstances, apply to the court for the resolution to be set aside and/or for a fresh resolution to be voted on without related creditor votes. Certain criteria must be met before the court will make such an order (e.g. the original result of the vote is against the interests of all or a class of creditors).

Deciding how to vote at the second meeting

How you vote at the meeting on the three possible options, as well as any competing proposals for a DOCA, is a commercial decision based on your assessment of the company and its future prospects, and your personal circumstances. The information provided by the voluntary administrator, including opinions expressed, will assist you. However, you are not obliged to accept the administrator's recommendation.

If you do not consider you have been given enough information to decide how to vote, and particularly whether to vote for any DOCA proposal, you can ask for a resolution to be put to creditors that the meeting be adjourned (up to a maximum

of 45 business days) and for the administrator to provide more information. You must make this request before a vote on the company's future. This resolution must be passed for the adjournment to take place.

Creditors also have the right, when a DOCA is proposed and considered at the meeting, to negotiate specific requirements into the terms of the DOCA (e.g. how the deed administrator is to report to creditors on the progress of the DOCA).

Any request to vary the DOCA proposal to include such requirements should be made before the vote takes place.

Minutes of meeting

The chairperson must prepare minutes of each meeting and a record of those who were present at each meeting.

The minutes must be lodged with ASIC within 10 business days of the meeting. A copy of the minutes of meeting may be obtained by searching [ASIC Connect](#) for a fee.

Company returned to directors

Rarely, creditors will resolve to return the company to its directors. If the company is returned to the directors, the directors are responsible for ensuring the company pays its outstanding debts as they fall due.

Liquidation

If creditors resolve the company go into liquidation, the voluntary administrator becomes the liquidator, unless creditors vote at the second meeting to appoint a different liquidator of their choice. The liquidation is a creditors' voluntary liquidation with any payments of dividends to creditors made in the order set out in the Corporations Act 2001 (Corporations Act). For more information, see [Information Sheet 45 Liquidation: A guide for creditors](#) (INFO 45).

Deed of company arrangement

If creditors vote that the company enter a DOCA, the company must sign the deed within 15 business days of the creditors' meeting, unless the court allows a longer time. If this does not happen, the company will automatically go into liquidation, with the voluntary administrator becoming the liquidator.

The DOCA binds all unsecured creditors, even if they voted against the proposal. It also binds owners of property, those who lease property to the company and secured creditors, if they voted in favour of the DOCA. In certain circumstances, the court can also order that these people are bound by the deed even if they did not vote for it. The DOCA does not prevent a creditor who holds a personal guarantee from the company's director or another person acting under the personal guarantee to be repaid their debt.

Contents of the deed

Whatever the nature of the DOCA, it must contain certain information, including the:

- name of the deed administrator
- property that will be used to pay creditors
- debts covered by the DOCA and the extent to which those debts are released
- order in which the available funds will be paid to creditors (the DOCA must ensure that employees have a priority in payment of outstanding employee entitlements unless eligible employees agree by a majority in both number and value to vary this priority)
- nature and duration of any suspension of rights against the company
- conditions (if any) for the DOCA to come into or continue operation
- circumstances in which the DOCA terminates.

There are also certain terms that will be automatically included in the DOCA, unless the DOCA says they will not apply. These are called the 'prescribed provisions'. They include the powers of the deed administrator, termination of the DOCA and the appointment of a committee of inspection.

The voluntary administrator's report should tell you which prescribed provisions are proposed to be excluded or varied and, if varied, how.

Monitoring the deed

The deed administrator must ensure the company (or others who have made commitments under the DOCA) carries through the commitments. The extent of the deed administrator's ongoing role will be set out in the DOCA.

Creditors can also play a role in monitoring the DOCA. If you are concerned that the company's (or others) obligations under the DOCA are not being met, you should promptly take this up with the deed administrator. Matters that may raise concern include deadlines for payments being missed or other actions promised under the DOCA not occurring.

Creditors have the right when a DOCA is proposed and considered at the second meeting to negotiate consequences of failure to meet deadlines into the terms of the DOCA. Any request to vary the DOCA proposal to include consequences should be made before a vote for the DOCA proposal occurs.

A director must notify the deed administrator if they become aware there has been, or is likely to be, a material contravention of the DOCA. In addition, the deed administrator must give notice to creditors as soon as practicable after becoming aware of a material contravention, or likely material contravention, of the DOCA.

A deed administrator must lodge with ASIC a detailed list of their receipts and payments (known as the annual administration return) annually on the anniversary of their appointment and at the end of their administration. A copy of the receipts and payments may be obtained by searching [ASIC Connect](#) for a fee.

Varying the deed

The deed administrator can call a creditors' meeting at any time to consider a proposed variation to the DOCA. The proposed resolutions must be set out in the notice of meeting sent to creditors.

The deed administrator must also call a meeting to consider a resolution to vary the DOCA if:

- the committee of inspection requests it (where there is a committee of inspection)
- creditors pass a resolution requiring the deed administrator call a meeting
- at least 25% in value of creditors request the deed administrator in writing to do so
- less than 25% but more than 10% in value of creditors ask the deed administrator in writing to do so and they pay for the cost of holding the meeting.

If the request to call a meeting is not reasonable, the deed administrator does not have to comply, but they must notify the person or body who made the request and set out reasons why.

The deed administrator may still convene a meeting to consider varying the DOCA if the person or body who made the request agrees (at the deed administrator's request) to pay the costs of calling and holding the meeting.

Payment of dividends under a deed

The order in which creditor claims are paid depends on the terms of the DOCA. Sometimes the DOCA proposal is for creditor claims to be paid in the same order as in a liquidation. Other times, a different order is proposed.

The DOCA must ensure employee entitlements are paid before (in priority to) other unsecured creditors unless eligible employees agreed to vary the order.

Before you decide how to vote at the creditors' meeting, make sure you understand how the DOCA will affect the order of payment of your debt or claim.

You may wish to seek independent legal advice if the DOCA proposes a different order to that in a liquidation, or if creditors approve such a DOCA.

Establishing your claim under a deed

How debts or claims are dealt with under a DOCA depends on the DOCA's terms. Sometimes the DOCA incorporates the Corporations Act provisions for dealing with debts or claims in a liquidation.

Before any dividend is paid to you for your debt or claim, you will need to give the deed administrator information to prove your debt. You may need to complete a 'proof of debt' form. You should attach copies of all relevant invoices or other supporting documents to the claim form because your debt or claim may be rejected if there is insufficient evidence to support it.

If a creditor is a company, the claim form should be signed by a person authorised by the company.

When you submit your claim, ask the deed administrator to acknowledge receipt of your claim and ask if they require any further information.

If the deed administrator rejects your claim, follow the steps outlined in the notice of rejection and/or seek competent legal advice on your options to appeal the decision to reject your claim. Depending on the terms of the DOCA, you may have a limited time to take legal action to challenge the decision.

Contact the deed administrator if you have questions about the calculation of your claim or the timing of the payment.

How a deed comes to an end

A DOCA may end when:

- the obligations under the DOCA have been fulfilled and creditors have been paid
- the DOCA automatically terminates following certain conditions being met (as set out in the DOCA). In this case, the DOCA may provide that the company will go into liquidation because the conditions have been met
- the deed administrator calls a meeting of creditors (on their own initiative or at the direction of creditors or the committee of inspection if one has been formed), and creditors vote to end the DOCA. This may occur because there has been a breach of the DOCA or it is unlikely the terms of the DOCA can be fulfilled. At this time, creditors may be asked to vote to put the company into liquidation, or
- the DOCA is terminated because a creditor, the company, ASIC or any other interested person applies to the court and the court is satisfied that:
 - creditors were provided false and misleading information when the decision to accept the DOCA proposal was made
 - the voluntary administrator's report left out information material to the decision to accept the DOCA proposal
 - the DOCA cannot proceed without undue delay or injustice
 - the DOCA is unfair or discriminatory to the interests of one or more creditors or against the interests of all creditors.

If the court terminates the DOCA as a result of such an application, the company automatically goes into liquidation.

Approval of administrator's fees

Both a voluntary administrator and deed administrator are entitled to be paid for the necessary work they properly perform. Generally, their fees will be paid from available assets before any payments are made to creditors. If there are no – or only limited – assets the administrator is sometimes not paid (or only partially paid) for the work they do. They may arrange for a third party to contribute to their fees.

An administrator/deed administrator is also entitled to ask for approval to pay their estimated future fees (for work yet to be done). This is usually requested to allow them to continue doing work up to a certain point in time (e.g. to achieve a particular outcome) or to the completion of the administration/deed administration.

The fees cannot be paid until the amount has been approved by creditors, a committee of inspection or the court. Creditors, the voluntary administrator or deed administrator, or ASIC can ask the court to review the amount of fees approved. The voluntary administrator or deed administrator can also put a proposal to creditors to approve their fees without holding a meeting.

If you are asked to approve fees at a general meeting of creditors or at a meeting of a committee of inspection, the voluntary administrator or deed administrator must give you a report with sufficient information to help you assess

whether the requested fees are reasonable. This should be given to you at the same time as the notice of the meeting or with the proposal. This report should be in simple language and set out:

- a summary of the major tasks performed or likely to be performed
- the costs of completing those tasks and how they were calculated
- the periods when funds will be drawn to pay the fees
- the estimated total fees or range of fees
- an explanation of the likely impact the fees will have on any payments to creditors
- other information that will assist you to determine whether the fees claimed are reasonable.

If you are in any doubt about how the fees were calculated, ask the voluntary administrator or deed administrator for more information.

If you do not think the fees are reasonable, raise your concerns with the voluntary administrator or deed administrator.

Apart from fees, the voluntary administrator and deed administrator are entitled to reimbursement for out-of-pocket expenses. This reimbursement may require creditor, committee of inspection or court approval.

For further information, see [Information Sheet 85 Approving fees: A guide for creditors](#) (INFO 85).

Proposals to creditors without a meeting

Instead of convening a creditors' meeting, the voluntary administrator or deed administrator can put proposals to creditors by giving notice in writing.

This notice must be given to each creditor entitled to receive notice of a meeting and:

- include a statement of the reasons for the proposal and likely impact the proposal will have on creditors
- invite the creditor to either:
 - vote 'yes' or 'no' for the proposal
 - object to the proposal without a meeting
- specify a reasonable time for the administrator to receive creditor replies.

To vote on the proposal, you must lodge details of your debt or claim with the administrator and complete the provided voting documents.

You can vote 'yes' or 'no' on the proposal and/or object to the proposal without a creditors' meeting. You should return your response to the administrator within the time specified in the notice, which must be at least 15 business days after notice is given to creditors.

A resolution is passed if the majority of creditors in number and value who responded to the notice voted 'yes' and if 25% or less in value of the creditors who responded objected to the proposal being resolved without a creditors' meeting.

The administrator should provide enough information to allow creditors to make an informed decision. Contact the administrator if you need further information to help you decide.

If the proposal without a meeting relates to the approval of remuneration, the voluntary administrator or deed administrator must provide you with the same information as if a meeting had been called.

The administrator must lodge with ASIC a statement about the outcome of the proposal. A copy of the outcome of the proposal may be obtained by searching [ASIC Connect](#) for a fee.

Committee of inspection

A committee of inspection may be formed to assist and advise the voluntary administrator or deed administrator. The committee of inspection also:

- monitors the conduct of the voluntary administrator or deed administrator

- may approve certain steps in the voluntary administration or deed administration
- may give directions to the voluntary administrator or deed administrator.

The voluntary administrator or deed administrator must have regard to the directions but is not always required to comply with them.

In a voluntary administration, the committee may be formed at the first creditors' meeting.

All creditors are entitled to stand for committee membership. Members appointed to the committee of inspection represent the interests of all creditors.

If a creditor is a company, the creditor can nominate, in writing, an individual to represent it on the committee.

A person can be appointed as a member of the committee of inspection by:

- resolution of creditors
- a creditor or group of creditors owed at least 10% of the value of creditors' claims
- an employee or group of employees owed at least 50% in value of outstanding employee entitlements.

A member of the committee of inspection must not directly or indirectly derive any profit or advantage from the administration of the company unless creditors resolve to allow it or a court grants leave to derive the profit or advantage. Deriving a profit or advantage can arise during ongoing trading with the company after the liquidator is appointed.

A committee of inspection has various powers and functions, including to:

- approve the voluntary administrator's or deed administrator's remuneration
- direct the voluntary administrator or deed administrator to convene a creditors' meeting
- request the voluntary administrator or deed administrator to give information, provide a report or produce a document
- obtain specialist advice or assistance (with the prior approval of the voluntary administrator, deed administrator or the court) that the committee considers desirable about the conduct of the voluntary administration or the deed administration.

If the request to convene a meeting or provide information is not reasonable, the voluntary administrator or deed administrator is not required to comply with the request.

A committee of inspection can determine its own procedures and exercises its powers through resolutions passed at meetings of the committee. A resolution is passed by a majority in number of its members present at a meeting. The committee of inspection can only act if a majority of its members attend.

Minutes of meetings of the committee of inspection must be prepared and lodged with ASIC. A copy of the minutes of the committee of inspection meetings may be obtained by searching [ASIC Connect](#) for a fee.

ASIC is entitled to attend a meeting of the committee of inspection.

Directors and voluntary administration

Directors cannot use their powers while the company is in voluntary administration. They must help the voluntary administrator by providing the company's books and records, a [Report on Company Activities and Property](#), and providing any further information about these that the voluntary administrator reasonably requires.

If the company goes from voluntary administration into a DOCA, the directors' powers depend on the DOCA's terms. When the DOCA is completed, the directors regain full control of the company, unless the DOCA provides for the company to go into liquidation on completion.

If the company goes from voluntary administration or a DOCA into liquidation, the directors cannot use their powers. If creditors resolve that the voluntary administration should end, control of the company goes back to the directors.

Other creditor rights

Request for information

Creditors can, by resolution or individually, request the voluntary administrator or deed administrator to give information, provide a report or produce a document.

The voluntary administrator or deed administrator must comply with this request unless:

- the information, report or document is not relevant to the administration
- the voluntary administrator or deed administrator would breach their duties if they complied with the request
- it is not reasonable to comply with the request.

There are rules governing when a direction is not reasonable, including if the voluntary administrator or deed administrator, acting in good faith, thinks that:

- complying with the request would substantially prejudice the interests of one or more creditors or a third party, and that the prejudice outweighs the benefits of complying with the request
- the information would otherwise be privileged from production in legal proceedings
- there is not enough money to cover the costs incurred to comply with the request.

If the direction is not reasonable, the voluntary administrator or deed administrator must notify the requesting party and set out reasons why the request is not reasonable.

If the requesting party agrees to pay the costs of providing the information and security for those costs (if the voluntary administrator or deed administrator requires it), the voluntary administrator or deed administrator must comply with the request.

Appoint a reviewing liquidator

Creditors can resolve to appoint a reviewing liquidator to carry out a review into fees and/or costs incurred by the voluntary administrator or deed administrator. With the voluntary administrator or deed administrator's agreement, one or more creditors may also appoint a reviewing liquidator.

A creditor can also apply for ASIC to appoint a reviewing liquidator: see [Form 5605 Application for ASIC to appoint a reviewing liquidator](#).

Where creditors resolve to appoint a reviewing liquidator, the review is limited to:

- remuneration approved within the six months before the reviewing liquidator is appointed
- costs or expenses incurred during the 12 months before the reviewing liquidator is appointed (unless the voluntary administrator or deed administrator agrees to a longer period).

The reviewing liquidator must be a registered liquidator. A creditor who wishes to appoint a reviewing liquidator must approach a registered liquidator to get written consent that they would be prepared to act as reviewing liquidator. The person must also make a written [declaration about any relationships](#) they or their firm have that might affect their independence to act as reviewing liquidator.

The voluntary administrator or deed administrator, and their staff, must cooperate with the reviewing liquidator.

If creditors pass a resolution to appoint a reviewing liquidator, the reviewing liquidator's costs form part of the expenses of the [external administration](#). If one or more creditors appoint the reviewing liquidator with the consent of the voluntary administrator or deed administrator without passing a resolution, the reviewing liquidator's costs are borne by the creditor(s) who appoint the reviewing liquidator.

Questions and complaints

Contact the voluntary administrator or deed administrator to raise questions or complaints. If this fails to resolve your concerns, including any concerns about their conduct, you can [lodge a report of misconduct with ASIC](#). Reports of misconduct against companies and their officers can also be made to ASIC.

Lodging your report of misconduct online ensures we can quickly respond to your concerns.

ASIC does not usually become involved in matters of a voluntary administrator's or deed administrator's commercial judgement.

More information

- › [Information Sheet 39](#) *Insolvency information for directors, employees, creditors and shareholders* (INFO 39)
- › [Australian Restructuring Insolvency & Turnaround Association \(ARITA\) website](#)
- › [ARITA Code of Professional Practice for Insolvency Practitioners](#)

Important notice

Please note that this information sheet is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice.

You should also note that because this information sheet avoids legal language wherever possible, it might include some generalisations about the application of the law. Some provisions of the law referred to have exceptions or important qualifications. In most cases your particular circumstances must be taken into account when determining how the law applies to you.

This is **Information Sheet 74 (INFO 74)**, reissued in August 2020.

Last updated: 30/03/2021 09:23

21. Appendix 11 – DIRRI

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

PRIVIUM COMPANIES (ALL ADMINISTRATORS APPOINTED) (“THE COMPANIES”)

(SEE ATTACHED LIST OF COMPANIES)

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Companies and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of ourselves, our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd (FTI Consulting or Firm) and associated entities, as detailed in **Annexure B**.

We are Professional Members of the Australian Restructuring Insolvency and Turnaround Association (ARITA). We acknowledge that we are bound by the ARITA Code of Professional Practice.

Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

Circumstances of appointment

How we were referred this appointment

This appointment was referred to FTI Consulting by Mills Oakley Lawyers, who are lawyers for the Company.

We believe that this referral does not result in us having a conflict of interest or duty because:

- Mills Oakley Lawyers refers work to FTI Consulting from time to time. Neither the Administrators nor FTI Consulting have any formal or informal referral arrangements with Mills Oakley Lawyers and to our knowledge they do not exclusively refer such work to us or FTI Consulting.
- FTI Consulting is not reliant upon referrals from Mills Oakley Lawyers, who are one of a considerable number of firms, organisations and persons who refer work to, or seek advice from,

FTI Consulting. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other referrals from Mills Oakley Lawyers is not material to FTI Consulting.

- Work referrals arising from networks of business professionals, advisors and other persons are normal and accepted arrangements, and do not inherently impact on us discharging our statutory duties and obligations with independence and impartiality.
- There is no expectation, agreement or understanding between the Administrators and the referrer about the conduct of this administration and we are free to act independently and in accordance with the law and the requirements of the ARITA Code of Professional Practice.
- While FTI Consulting has in the past engaged Mills Oakley Lawyers to provide legal advice, this has been for separate, non-related insolvency/restructuring engagements. Mills Oakley Lawyers is one of many external firms who provide such advice and assistance to FTI Consulting from time to time, which is on a non-exclusive basis and based upon professional service and expertise.

Did we meet with the Companies, the director or their advisers before we were appointed?

☒ Yes ☐ No

We had the following three (3) meetings with director and its advisors between 8 November 2021 and 16 November 2021:

- On 8 November 2021, John Park was approached by Mills Oakley Lawyers to meet with Robert Harder and Neil Wormwell to discuss the financial position of the Companies and options available to the director.
- Between 8 November 2021 and 16 November 2021 financial information was obtained from the Companies to assess the financial position.
- On 15 November 2021, John Park, Joanne Dunn and Kelly-Anne Trenfield had a meeting with the director of the Companies, Robert Harder, and the Companies solicitor from Mills Oakley Lawyers, Ashley Tiplady, to discuss the possible external administrations and review the Companies' financial positions for planning purposes.

We received no remuneration for this advice.

In our opinion, this meeting does not affect our independence for the following reasons:

- The Courts and relevant professional bodies recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Companies is such that it would not be subject to review and challenge during the course of our appointment.
- No advice has been given to the director in his capacity as director of the Companies, or in relation to his personal circumstances.
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as Administrators of the Companies in an objective and impartial manner.

We have provided no other information or advice to the Companies, director and its advisors prior to our appointment beyond that outlined in this DIRRI.

Declaration of Relationships

Within the previous 2 years we or our firm have had a relationship with:

The Companies	☒ Yes ☐ No As detailed above, there was a meeting prior our appointment as Administrators with the directors of the Companies.
The director	☐ Yes ☒ No
Any associates of the Companies?	☒ Yes ☐ No - We are also appointed as Voluntary Administrator of various companies in the Privium Group as detailed in Annexure A. We have obligations in respect of each of the companies individually (as defined in Section 435A of the Corporations Act 2001) and not to the Privium Group as a whole. As such, it is acknowledged that potential conflicts could possibly arise in the course of carrying out our duties in respect of each company in the Privium Group. - We are of the view that the appointment to the various Companies will have significant benefits to the conduct of the Voluntary Administrations, particularly as this will offer cost savings and will facilitate a comprehensive and accurate understanding of the activities and financial position of the Companies as a whole. - We are aware that there are inter-company transactions between the Companies but at this time are not aware of any potential conflicts of interest arising from our appointments over the Companies. If it becomes apparent that pre-appointment dealings between the Companies may give rise to a conflict which may impact the outcome for creditors, we undertake to disclose any such conflicts to the creditors and as appropriate, seek Court directions as to the means of resolving the potential conflict.
A former insolvency practitioner appointed to the Companies?	☐ Yes ☒ No
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Companies' property?	☒ Yes ☐ No Westpac Banking Corporation Limited ("WBC") holds an All Present and After Acquired Property security interest over substantially the whole of property of a number of the Companies. We believe that this relationship does not

result in a conflict of interest or duty because we have not undertaken any work for WBC in respect of the Companies, all previous engagements with WBC were unrelated to this engagement, and we are not paid any commissions, inducements or benefits by WBC to undertake engagements and are not bound or obligated to deliver a favorable outcome to any party.

Do we have any other relationships that we consider are relevant to creditors assessing our independence?

☐ Yes ☒ No

Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities we may be entitled to under the law.

Dated 18 November 2021



 Kelly-Anne Trenfield



 Joanne Dunn



 John Park

Notes:

1. The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.
2. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 or Bankruptcy Act and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.

ANNEXURE A

PRIVIUM COMPANIES (ALL ADMINISTRATORS APPOINTED)

Company	Formerly	ACN
Privium Group Pty Ltd	Privium Pty Ltd; Impact Group Pty Ltd	100 923 297
Privium Pty Ltd	Privium Homes Pty Ltd; Impact Homes Pty Ltd	085 773 931
Privium Civil Pty Ltd	Impact Civil Pty Ltd	600 354 701
Privium Investments Pty Ltd	Impact Investments Pty Ltd	145 575 168
Impact Land Pty Ltd	n/a	144 048 993
Impact Specs Pty Ltd	n/a	614 365 258
Privium Assets Pty Ltd	Impact Assets Pty Ltd	145 331 120
Privium Developments Pty Ltd	Impact Developments Pty Ltd	169 024 006
Residences on Bass Pty Ltd	n/a	644 584 172

ANNEXURE B

FTI Consulting (Australia) Pty Ltd and associated entities

FTI Consulting Inc (ultimate holding entity)

FTI Consulting – FD Australia Holdings Pty Ltd

FTI Consulting (Australia) Pty Ltd

FTI Technology (Sydney) Pty Ltd

FTI Consulting (Perth) Pty Ltd

FTI Consulting (Sydney) Pty Ltd

FTI Capital Advisors (Australia) Pty Ltd

FTI Consulting Australia Nominees Pty Ltd

22. Appendix 12 – Remuneration Approval Report

14 December 2021



Remuneration Approval Report

Privium Companies (All Administrators Appointed)
(refer to Table 1)

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Declaration

John Park, Kelly-Anne Trenfield and I, Joanne Dunn, of FTI Consulting, have undertaken a proper assessment of the claims for remuneration for the appointment as Voluntary Administrators of the Company in accordance with the law and applicable professional standards. We are satisfied the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment and further, the disbursements have been incurred in the conduct of the external administration are necessary and proper.

Executive Summary

This remuneration approval report provides you with the information the Corporations Act 2001 ("Act") and the Code of Professional Practice published by the Australian Restructuring Insolvency and Turnaround Association ("ARITA") requires creditors to receive to make an informed decision regarding the approval of our remuneration for undertaking the Voluntary Administration of:

Table 1	ACN
Company name (All Administrators Appointed)	
Privium Group Pty Ltd	100 923 297
Privium Investments Pty Ltd	145 575 168
Impact Land Pty Ltd	144 048 993
Impact Specs Pty Ltd	614 365 258
Privium Assets Pty Ltd	145 331 120
Privium Developments Pty Ltd	169 024 006
Residences on Bass Pty Ltd	644 584 172

We are asking creditors to approve the following remuneration and disbursements:

Appointment type	Period	Remuneration (\$)
Privium Group Pty Ltd (Administrations Appointed) ACN 100 923 297		
Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$66,531.00
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$71,500.00
Total		\$138,031.00
Privium Investments Pty Ltd (Administrations Appointed) ACN 145 575 168		
Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$27,506.50
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$27,500.00
Total		\$55,006.50

Impact Land Pty Ltd (Administrations Appointed) ACN 144 048 993

Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$39,076.00
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$39,050.00
Total		\$78,126.00

Impact Specs Pty Ltd (Administrations Appointed) ACN 614 365 258

Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$25,291.00
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$25,300.00
Total		\$50,591.00

Privium Assets Pty Ltd (Administrations Appointed) ACN 145 331 120

Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$52,596.50
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$55,000.00
Total		\$107,596.50

Privium Developments Pty Ltd (Administrations Appointed) ACN 169 024 006

Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$38,939.00
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$41,250.00
Total		\$80,189.00

Residences on Bass Pty Ltd (Administrations Appointed) ACN 644 584 172

Voluntary Administration	Resolution 1: 17 November 2021 to 5 December 2021	\$30,422.00
Voluntary Administration	Resolution 2: 6 December 2021 to 21 December 2021	\$33,000.00
Total		\$63,422.00

We estimate the total cost of the Voluntary Administration of the nine (9) Companies will be \$1,319,518.00. This has increased by a total of \$179,518.00 for all nine (9) Companies from our previous estimate because of the following reasons:

- Extensive volume of email and phone queries from clients concerning a variety of matters such as:
 - Status of contracts after Company placed into Voluntary Administration
 - Insurance relating to deposits, build costs and maintenance and defects, the process of making an insurance claim and the relevant authority to make a claim through
 - Process of making a claim in the Voluntary Administration should there be no insurance
 - Novation of contracts to new builders

- Termination of contracts
- Organising handover of keys for properties where final payment has been made, or upon final payment being made
- Requests for documentation relating to building certifications and building approvals
- Sourcing and coordination of staff to facilities handover of properties where practical completion payments have been received
- Numerous conversations with Queensland Building and Construction Commission (“QBCC”), Victorian Managed Insurance Authority (“VMIA”) and NSW Fair Trading regarding appointment as Voluntary Administrators
- Fielding numerous queries via email and phone from parties’ interest in taking over certain build contracts. Review of proposals, drafting and issuance of non-disclosure agreements for offers assessed at face value as valid
- Ongoing discussions with Secured Creditor, providing updates on the Administration
- Extensive work in identifying, cataloguing and securing property plant and equipment. Contacting various parties in possession of Company property. Reconciling property against PPSR registers and Company records
- Travel to sites where properties are located to conduct external inspection. Documenting findings of inspection. Liaising with Privium internal team concerning properties. Issuing request for further information to understand complete asset position
- Review of Put & Call Option deeds and associated Variation/Assignment documentation. Extensive communications via email and phone with parties involved with put and call land agreements. Review of contracts and lots associated with contracts. Internal meetings discussing findings of review

We expect there will be further remuneration approval requests, which will be determined once the outcome of the Companies is decided at the Second Meeting of Creditors.

Remuneration sought

Please refer to the report section references detailed in the above table for full details of the calculation and composition of the total remuneration for this appointment we are asking creditors to approve.

Disbursements

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. Details of these amounts are included in the attached Receipts and Payments.

We are required to obtain creditors’ consent for the payment of a disbursement where we, or a related entity, may directly or indirectly obtain a profit.

For more information about disbursements, please refer to the Initial Remuneration Notice sent to you on 18 November 2021

Likely impact on dividends

The Act sets the order for payment of claims against the Company and it provides for remuneration of the Voluntary Administrators to be paid in priority to other claims. This ensures when there are sufficient funds, the Voluntary Administrators' receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds.

Based on:

- realisations to date
- estimated future realisations
- estimated remuneration to complete the Voluntary Administration
- the estimated total of creditor claims based on the Companies' records and claims lodged

The estimated dividend is subject to the outcome of the Second Meeting of Creditors and the quantum of claims admissible. Please refer to **Section 9.1** of the Report to Creditors for further detail

Summary of receipts and payments

A summary of the receipts and payments for the Voluntary Administrations as at 17 November 2021 to 9 December 2021 are **enclosed** at **Appendix 6**.

Queries

Further supporting documentation for our remuneration claim can be provided to creditors on request.

You can also access information which may assist you on the following websites

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for INFO 85).

If you have any queries in relation to the information in this report, please contact my office on (07) 3225 4900 or by email:

Creditor enquiries	PriviumCreditors@fticonsulting.com
Client enquiries (building contracts)	PriviumClients@fticonsulting.com
Other enquiries	PriviumEnquiry@fticonsulting.com

Yours faithfully



John Park

Administrator



Kelly-Anne Trenfield

Administrator



Joanne Dunn

Administrator

Attachments:

Annexure 1 – Privium Group Pty Ltd

Annexure 2 – Privium Investments Pty Ltd

Annexure 3 – Impact Land Pty Ltd

Annexure 4 – Impact Specs Pty Ltd

Annexure 5 – Privium Assets Pty Ltd

Annexure 6 – Privium Developments Pty Ltd

Annexure 7 – Residences on Bass Pty Ltd

Annexure 8 – FTI Consulting schedule of rates

CREDITOR ENQUIRIES

(07) 3225 4900

PriviumCreditors@fticonsulting.com

CLIENT ENQUIRIES

(07) 3225 4900

PriviumClients@fticonsulting.com

OTHER ENQUIRIES

(07) 3225 4900

PriviumEnquiry@fticonsulting.com

FTI Consulting is an independent global business advisory firm dedicated to helping organisations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centres throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities. ©2021 FTI Consulting, Inc. All rights reserved. Connect with us on Twitter (@FTIConsulting), Facebook and LinkedIn. www.fticonsulting.com

EXPERTS WITH IMPACT™



Annexure 1: Privium Group Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$66,531.00	Provided in our IRN dated 18 November 2021	When funds are available
Future work to the second meeting of creditors	6 December 2021 to 21 December 2021	\$71,500.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$138,031.00		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive):

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$341.17
Computer related expense	At cost	\$250.91
Total (exclusive GST)		\$592.08
GST		\$59.21
Total (Inclusive GST)		\$651.29

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$66,531.00	\$71,500
Assets	8.3 hours \$4,720.00	\$5,500
Real Estate	■ Searches conducted on directors and Company concerning potential property interests ■ Internal meetings discussing search results	■ Searches conducted on directors and Company concerning potential property interests ■ Internal meetings discussing search results
Other assets	■ Review Company records and ROCAP to determine existence and quantum of assets held ■ Liaise with Company staff regarding assets listed in Company records ■ Conducted motor vehicle searches in Queensland, Victoria and New South Wales	■ Reviewed Company records regarding intercompany loans receivable and considering likelihood of realisations
Creditors	68.8 hours \$34,858.00	\$44,000
Creditor Enquiries, Requests & Directions	■ Review and prepare initial correspondence to creditors and their representatives ■ Obtaining legal advice on requests ■ Documenting reasons for complying or not complying with requests or directions ■ Compiling information requested by creditors ■ Creating a call and email register to track and log calls and emails received, outstanding requests and responses issued. Regularly updating register as queries received and actioned.	■ Receive and respond to creditor enquiries ■ Maintaining creditor request log ■ Review and prepare initial correspondence to creditors and their representatives ■ Documenting ■ Considering reasonableness of creditor requests ■ Obtaining legal advice on requests

Task area/General description	Work already done	Future work to meeting date
	■ Considering reasonableness of creditor requests	■ Documenting reasons for complying or not complying with requests or directions ■ Compiling information requested by creditors
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation ■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence. ■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Receive initial notification of creditor's intention to claim ■ Draft and issue s509B notices ■ Provision of retention of title claim form to creditor	■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence. ■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Adjudicate retention of title claims ■ Forward correspondence to claimants notifying outcome of adjudication
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment ■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration. Responding to secured creditor's queries	■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claim in administration and details concerning how to lodge a claim in the Voluntary Administration	■ ■ <i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Company ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Company ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of

Task area/General description	Work already done	Future work to meeting date
	insolvency. Formulating an Estimated Statement of Position and estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	insolvency. Formulating an Estimated Statement of Position and estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend ■ Corresponding with OSR and ATO regarding POD when not related to a dividend	■ Receipting and filing POD when not related to a dividend ■ Corresponding with OSR and ATO regarding POD when not related to a dividend
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fieldling queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC ■ Responding to stakeholder queries and questions immediately following meeting	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC ■ Responding to stakeholder queries and questions immediately following meeting
Investigations	19.10 hours \$9,179.00	\$8,000
Conducting investigation	■ Liaising with Company's Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history	■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions

Task area/General description	Work already done	Future work to meeting date
	■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding certain transactions ■ Liaising with directors regarding certain transactions ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding certain transactions ■ Liaising with directors regarding certain transactions ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount
Administration	20.02 hours \$9,572.00	\$6,000
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists	■ Identification of potential issues requiring attention of insurance specialists

Task area/General description	Work already done	Future work to meeting date
	■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statement	■ Preparing Business Activity Statement
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration
Books and records / storage	■ Dealing with records in storage ■ Sending job files to storage	■ Dealing with records in storage ■ Sending job files to storage
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties

Task area/General description	Work already done	Future work to meeting date
Non-Insolvency Tasks	20.60 hours \$8,202.00	\$8,000
Forensics, Litigation and Consulting	■ Conducting a review of Company's accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings and further steps	■ Conducting a review of Company's accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings and further steps
Technology	■ Liaising with Company representatives to arrange for extraction of Company records from internal database ■ Extraction of Company financial data and emails	■ Liaising with Company representatives to arrange for extraction of Company records from internal database

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	5.00	3,600.00	-	-	4.70	3,384.00	-	-	0.30	216.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	3.20	2,304.00	-	-	0.90	648.00	0.10	72.00	2.20	1,584.00
Joanne Dunn	Senior Managing Director	720.00	9.20	6,624.00	-	-	5.20	3,744.00	2.30	1,656.00	1.70	1,224.00
Renee Lobb	Managing Director	660.00	2.60	1,716.00	0.80	528.00	0.60	396.00	0.50	330.00	0.70	462.00
James Rogers	Managing Director	660.00	6.20	4,092.00	4.10	2,706.00	-	-	2.10	1,386.00	-	-
Carla Fairweather	Managing Director	660.00	20.30	13,398.00	1.10	726.00	16.20	10,692.00	0.60	396.00	2.40	1,584.00
Paris Parasadi	Director	530.00	15.40	8,162.00	0.20	106.00	8.30	4,399.00	3.90	2,067.00	3.00	1,590.00
Marco Bozzetto	Senior Consultant II	480.00	3.00	1,440.00	-	-	3.00	1,440.00	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	6.40	3,072.00	-	-	3.90	1,872.00	2.50	1,200.00	-	-
Julian Gowdie	Senior Consultant I	435.00	2.10	913.50	-	-	-	-	-	-	2.10	913.50
Brooke Petersen	Consultant I	360.00	3.70	1,332.00	0.40	144.00	3.00	1,080.00	-	-	0.30	108.00
Nicholas Hawthorne	Consultant I	360.00	1.50	540.00	-	-	1.50	540.00	-	-	-	-
Henry Newton	Associate II	335.00	4.20	1,407.00	-	-	3.30	1,105.50	0.60	201.00	0.30	100.50
Matthew Burns	Associate II	335.00	3.60	1,206.00	-	-	3.00	1,005.00	-	-	0.60	201.00
Sandesh Pereira	Associate II	335.00	3.50	1,172.50	-	-	2.40	804.00	-	-	1.10	368.50
Gus State	Associate I	300.00	7.50	2,250.00	1.70	510.00	0.20	60.00	5.60	1,680.00	-	-
Stephanie Jiang	Associate I	300.00	8.90	2,670.00	-	-	8.90	2,670.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.40	116.00	-	-	-	-	-	-	0.40	116.00
Various Staff	Administration II	220.00	6.30	1,386.00	-	-	1.00	220.00	0.70	154.00	4.60	1,012.00
Various Staff	Administration I	185.00	0.80	148.00	-	-	0.10	18.50	0.20	37.00	0.50	92.50
Total (ex GST)				58,329.00		4,720.00		34,858.00		9,179.00		9,572.00
GST				5,832.90								
Total (Incl GST)				64,161.90								
Total hours				116.40	8.30		68.80		19.10		20.20	
Avg hourly rate (ex GST)				501.11		568.67		506.66		480.58		473.86

The below table sets out work performed by other professional services provided by the firm for the period 17 November 2021 to 5 December 2021:

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Non-Insolvency Services			
					Forensics, Litigation and Consulting		Technology	
					Hrs	\$	Hrs	\$
Sara Gao	Senior Consultant	490.00	3.40	1,666.00	3.40	1,666.00	-	-
Anthony Feldman	Director	380.00	1.00	380.00			1.00	380.00
Brian Duong	Director	380.00	16.20	6,156.00			16.20	6,156.00
Total (ex GST)				8,202.00		1,666.00		6,536.00
GST				820.20				
Total (Incl GST)				9,022.20				
Total hours			20.60		3.40		17.20	
Avg hourly rate (ex GST)				398.16		490.00		380.00

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Privium Group Pty Ltd (Administrators Appointed) ACN 100 923 297, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021 Forensics, Litigation and Consulting Effective 1 June 2021 and Technology Effective 2021), is approved for payment in the amount of \$66,531.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Privium Group Pty Ltd (Administrators Appointed) ACN 100 923 297, their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021, and Forensics, Litigation and Consulting Effective 1 June 2021), is approved for payment in the amount of \$71,500.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”



Annexure 2: Privium Investments Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$27,506.50	Provided in our IRN dated 18 November 2021	When funds are available
Future work to second meeting of creditors	6 December 2021 to 21 December 2021	\$27,500.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$55,006.50		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for *the meeting* provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$30.65
Total (exclusive GST)		\$30.65
GST		\$3.07
Total (Inclusive GST)		\$33.72

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$27,506.50	\$27,500
Assets	3.5 hours \$2,118.00	\$2,000
Deposit boost fund	■ Liaising with Company finance department regarding deposit boost funds held ■ Liaising with responsible entity regarding deposit boost fund ■ Review of documentation concerning fund. Internal meetings to discuss findings	■ Review of documentation concerning fund. Internal meetings to discuss findings ■ Liaising with responsible entity regarding deposit boost fund
Creditors	28.10 hours \$14,106.50	\$17,500
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation ■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence. ■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Receive initial notification of creditor's intention to claim ■ Draft and issue s509B notices ■ Provision of retention of title claim forms to creditor	■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence. ■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Adjudicate retention of title claims ■ Forward correspondence to claimants notifying outcome of adjudication
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment	■ Notifying PPSR registered creditors of appointment

Task area/General description	Work already done	Future work to meeting date
	■ Preparing updates to Bank of New York Mellon (“BNYM”) concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration ■ Review of security position ■ Liaising with lawyers concerning position of secured creditor	■ Preparing updates to Bank of New York Mellon (“BNYM”) concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration ■ Review of security position ■ Liaising with lawyers concerning position of secured creditor
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators’ second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators’ second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Reviewing proof of debt forms for purpose of certain creditors individual insurance policies. Liaising with insurance company concerning outcome of review and requesting further information if required.
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
	■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting	
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting.

Task area/General description	Work already done	Future work to meeting date
		■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC ■ Responding to stakeholder queries and questions immediately following meeting
Investigations	10.80 hours \$5,416.00	\$5,000
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.

Task area/General description	Work already done	Future work to meeting date
Administration	10.60 hours \$4,200.00	\$1,500
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms

Task area/General description	Work already done	Future work to meeting date
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing BAS ■ Completing STP reporting obligations	■ Preparing Business Activity Statement ■ Completing STP reporting obligations
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration
Non-Insolvency Tasks	3.40 hours \$1,666.00	\$1,500
Forensics, Litigation and Consulting	■ Conducting a review of Company's accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings and further steps	■ Conducting a review of Company's accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings and further steps

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	2.50	1,800.00	-	-	2.50	1,800.00	-	-	-	-
Kelly-Anne Trenfield	Senior Managing Director	720.00	1.50	1,080.00	0.30	216.00	0.20	144.00	0.60	432.00	0.40	288.00
Joanne Dunn	Senior Managing Director	720.00	9.10	6,552.00	0.30	216.00	5.10	3,672.00	2.30	1,656.00	1.40	1,008.00
Renee Lobb	Managing Director	660.00	1.10	726.00	0.60	396.00	0.10	66.00	0.30	198.00	0.10	66.00
Carla Fairweather	Managing Director	660.00	3.20	2,112.00	1.60	1,056.00	1.60	1,056.00	-	-	-	-
Paris Parasadi	Director	530.00	11.20	5,936.00	-	-	5.40	2,862.00	3.80	2,014.00	2.00	1,060.00
Marial Kwan	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.70	304.50	-	-	-	-	-	-	0.70	304.50
Brooke Petersen	Consultant I	360.00	3.70	1,332.00	0.40	144.00	3.00	1,080.00	-	-	0.30	108.00
Matthew Burns	Associate II	335.00	2.90	971.50	-	-	2.50	837.50	-	-	0.40	134.00
Sandesh Pereira	Associate II	335.00	0.90	301.50	-	-	0.30	100.50	-	-	0.60	201.00
Gus State	Associate I	300.00	3.80	1,140.00	0.30	90.00	-	-	3.50	1,050.00	-	-
Stephanie Jiang	Associate I	300.00	1.70	510.00	-	-	1.70	510.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	5.00	1,100.00	-	-	1.00	220.00	0.30	66.00	3.70	814.00
Various Staff	Administration I	185.00	0.80	148.00	-	-	0.10	18.50	-	-	0.70	129.50
Total (ex GST)				25,840.50		2,118.00		14,106.50		5,416.00		4,200.00
GST				2,584.05								
Total (Incl GST)				28,424.55								
Total hours				53.00	3.50		28.10		10.80		10.60	
Avg hourly rate (ex GST)				487.56		605.14		502.01		501.48		396.23

The below table sets out work performed by other professional services provided by the firm for the period 17 November 2021 to 5 December 2021 resolution 1 claim.

Employee	Position	\$/hour (excl GST)	Total actual hours	Total \$ (excl GST)	Non-Insolvency Services	
					Forensics, Litigation and Consulting	
					Hrs	\$
Sara Gao	Senior Consultant	490.00	3.40	1,666.00	3.40	1,666.00
Total (ex GST)				1,666.00		1,666.00
GST				166.60		
Total (Incl GST)				1,832.60		
Total hours			3.40		3.40	
Avg hourly rate (ex GST)				490.00		490.00

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Privium Investments Pty Ltd (Administrators Appointed) ACN 145 575 168 , their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021 and Forensics, Litigation and Consulting Effective 1 June 2021), is approved for payment in the amount of \$27,506.50, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2 - Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Privium Investments Pty Ltd (Administrators Appointed) ACN 145 575 168, their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021, and Forensics, Litigation and Consulting Effective 1 June 2021), is approved for payment in the amount of \$27,500.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 3: Impact Land Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$39,076.00	Provided in our IRN dated 18 November 2021	When funds are available
Future work to the second meeting of creditors	6 December 2021 to 21 December 2021	\$39,050.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$78,126.00		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form *for the* meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$110.32
Postage	At Cost	\$143.96
Total (exclusive GST)		\$254.28
GST		\$25.43
Total (Inclusive GST)		\$279.71

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$39,076.00	\$39,050
Assets	28.00 hours \$17,838.00	\$14,000
Put and Call land agreements	■ Review of Put & Call Option deeds and associated Variation/Assignment documentation ■ Extensive communications via email and phone with parties involved with put and call land agreements ■ Review of contracts and lots associated with contracts. Internal meetings discussing findings of review ■ Discussions with parties involved concerning the recovery of deposits relating to put and call options	■ Extensive communications via email and phone with parties involved with put and call land agreements ■ Review of contracts and lots associated with contracts. Internal meetings discussing findings of review ■ Discussions with parties involved concerning the recovery of deposits relating to put and call options
Creditors	28.4 hours \$14,026.50	\$19,550
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation	■ Updating PPSR schedule as required.
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment ■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration	■ Preparing updates to BNYM concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration

Task area/General description	Work already done	Future work to meeting date
	■ Review of security position ■ Liaising with lawyers concerning position of secured creditor	
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
	■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting	
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fieldling queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form

Task area/General description	Work already done	Future work to meeting date
		■ Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting
Investigations	7.10 hours \$2,834.50	\$3,500
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.

Task area/General description	Work already done	Future work to meeting date
Administration	10.10 hours \$4,377.00	\$2,000
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms

Task area/General description	Work already done	Future work to meeting date
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statements	■ Preparing Business Activity Statement
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	2.20	1,584.00	-	-	2.10	1,512.00	-	-	0.10	72.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	6.30	4,536.00	5.30	3,816.00	0.20	144.00	0.10	72.00	0.70	504.00
Joanne Dunn	Senior Managing Director	720.00	7.50	5,400.00	0.60	432.00	4.70	3,384.00	0.70	504.00	1.50	1,080.00
Renee Lobb	Managing Director	660.00	0.80	528.00	0.20	132.00	0.20	132.00	0.30	198.00	0.10	66.00
James Rogers	Managing Director	660.00	17.50	11,550.00	17.50	11,550.00	-	-	-	-	-	-
Carla Fairweather	Managing Director	660.00	0.80	528.00	-	-	0.80	528.00	-	-	-	-
Paris Parasadi	Director	530.00	10.40	5,512.00	-	-	7.30	3,869.00	1.10	583.00	2.00	1,060.00
Jeremy Dalais	Senior Consultant II	480.00	3.10	1,488.00	2.90	1,392.00	0.20	96.00	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	0.90	432.00	-	-	0.90	432.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.70	304.50	-	-	-	-	-	-	0.70	304.50
Brooke Petersen	Consultant I	360.00	4.40	1,584.00	1.10	396.00	3.00	1,080.00	-	-	0.30	108.00
Matthew Burns	Associate II	335.00	2.60	871.00	-	-	2.00	670.00	-	-	0.60	201.00
Sandesh Pereira	Associate II	335.00	1.70	569.50	-	-	0.20	67.00	0.90	301.50	0.60	201.00
Gus State	Associate I	300.00	4.10	1,230.00	0.40	120.00	-	-	3.70	1,110.00	-	-
Stephanie Jiang	Associate I	300.00	1.90	570.00	-	-	1.90	570.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	4.40	968.00	-	-	1.20	264.00	0.30	66.00	2.90	638.00
Various Staff	Administration I	185.00	0.40	74.00	-	-	0.10	18.50	-	-	0.30	55.50
Total (ex GST)				39,076.00		17,838.00		14,026.50		2,834.50		4,377.00
GST				3,907.60								
Total (Incl GST)				42,983.60								
Total hours				73.60	28.00		28.40		7.10		10.10	
Avg hourly rate (ex GST)				530.92		637.07		493.89		399.23		433.37

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Impact Land Pty Ltd (Administrators Appointed) ACN 144 048 993, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$39,076.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Impact Land Pty Ltd (Administrators Appointed) CAN 144 048 993, their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$39,050.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 4: Impact Specs Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$25,291.00	Provided in our IRN dated 18 November 2021	When funds are available
Future work	6 December 2021 to 21 December 2021	\$25,300.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$50,591.00		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$118.46
Staff Travel – Milage	Cents per	\$123.08
Total (exclusive GST)		\$241.54
GST		\$21.15
Total (Inclusive GST)		\$265.69

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$25,291.00	\$25,300
Assets	10.80 hours \$6,480.00	\$5,000
Real Estate	■ Conducting Company search and collating list of property holdings ■ Travel to properties to conduct external inspection. Documenting findings of inspection ■ Liaising with Privium internal team concerning properties. Issuing request for further information to understand complete asset position ■ Internal meetings concerning realisation of assets, and process of same	■ Travel to properties to conduct external inspection. Documenting findings of inspection ■ Liaising with Privium internal team concerning properties. Issuing request for further information to understand complete asset position ■ Internal meetings concerning realisation of assets, and process of same ■ Organise for valuations to be undertaken for the properties
Creditors	24.5 hours \$11,829.50	\$14,800
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation	■ Updating PPSR schedule as required.
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment	
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC
Investigations	7.00 hours \$2,793.50	\$2,500
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions	■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.

Task area/General description	Work already done	Future work to meeting date
	■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	
Administration	10.00 hours \$4,188.00	\$3,000
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name	■ Entering receipts and payments into accounting system

Task area/General description	Work already done	Future work to meeting date
	■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statements	■ Preparing Business Activity Statement
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	2.20	1,584.00	-	-	1.90	1,368.00	-	-	0.30	216.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	0.90	648.00	0.20	144.00	0.20	144.00	0.10	72.00	0.40	288.00
Joanne Dunn	Senior Managing Director	720.00	6.10	4,392.00	-	-	3.90	2,808.00	0.80	576.00	1.40	1,008.00
Renee Lobb	Managing Director	660.00	0.40	264.00	-	-	0.10	66.00	0.30	198.00	-	-
James Rogers	Managing Director	660.00	7.50	4,950.00	7.50	4,950.00	-	-	-	-	-	-
Carla Fairweather	Managing Director	660.00	0.40	264.00	-	-	0.40	264.00	-	-	-	-
Paris Parasadi	Director	530.00	8.40	4,452.00	-	-	5.40	2,862.00	1.00	530.00	2.00	1,060.00
Jeremy Dalais	Senior Consultant II	480.00	2.60	1,248.00	2.40	1,152.00	0.20	96.00	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	0.90	432.00	-	-	0.90	432.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.70	304.50	-	-	-	-	-	-	0.70	304.50
Brooke Petersen	Consultant I	360.00	3.60	1,296.00	0.40	144.00	2.90	1,044.00	-	-	0.30	108.00
Matthew Burns	Associate II	335.00	2.60	871.00	-	-	2.00	670.00	-	-	0.60	201.00
Sandesh Pereira	Associate II	335.00	1.30	435.50	-	-	0.20	67.00	0.70	234.50	0.40	134.00
Gus State	Associate I	300.00	3.90	1,170.00	0.30	90.00	-	-	3.60	1,080.00	-	-
Stephanie Jiang	Associate I	300.00	1.70	510.00	-	-	1.70	510.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	4.60	1,012.00	-	-	1.00	220.00	0.30	66.00	3.30	726.00
Various Staff	Administration I	185.00	0.60	111.00	-	-	0.10	18.50	0.20	37.00	0.30	55.50
Total (ex GST)				25,291.00		6,480.00		11,829.50		2,793.50		4,188.00
GST				2,529.10								
Total (Incl GST)				27,820.10								
Total hours				52.30	10.80		24.50		7.00		10.00	
Avg hourly rate (ex GST)				483.58		600.00		482.84		399.07		418.80

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Impact Specs Pty Ltd (Administrators Appointed) ACN 614 365 258, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$25,291.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Impact Specs Pty Ltd (Administrators Appointed) ACN 614 365 258, their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$25,300.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 5: Privium Assets Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$52,596.50	Provided in our IRN dated 18 November 2021	When funds are available
Future work to the second meeting of creditors	6 December 2021 to 21 December 2021	\$55,000.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$107,596.50		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$30.64
Total (exclusive GST)		\$30.64
GST		\$3.06
Total (Inclusive GST)		\$33.70



Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$52,596.50	\$55,000
Assets	34.10 Hours \$18,870.00	\$20,000
Plant and Equipment	■ Organising for the collection of Company plant and equipment through Lloyds Auctions ("Lloyds") ■ Obtaining valuation report. Review valuations conducted. ■ Extensive communication with Lloyds regarding progress of collection of plant and equipment and fielding queries regarding same ■ Conducting a reconciliation of Company Plant and Equipment against Company asset listing, Lloyds' listing and PPSR search results ■ Reviewing sale agreements to Torsion and HomeCorp and relevant assets included in sale ■ Review and consolidate Torsion purchase list against pre-appointment bank statements and confirm funds received ■ Updating secured creditor on progress of asset valuation and listing	■ Finalise collection of Company plant and equipment through Lloyds Auctions ("Lloyds") ■ Extensive communication with Lloyds regarding progress of collection of plant and equipment and fielding queries regarding same ■ Conducting a reconciliation of Company Plant and Equipment against Company asset listing, Lloyds' listing and PPSR search results ■ Finalise certain asset sales to third parties ■ Organise sale campaigns and online auctions for the sale of Company plant and equipment ■ Updating secured creditor on progress of asset valuation and listing
Motor Vehicles	■ Review of Company asset listing and PPSR records to determine motor vehicles held by the Company, and who they may be assigned to. Locating vehicles and organising return	■ Finalise certain asset sales to third parties ■ Organise sale campaigns and online auctions for the sale of Company motor vehicles
Creditors	41.70 Hours 22,481.00	\$27,000
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations	■ Updating PPSR schedule for further correspondence sent, discharge letters received and other correspondence.

Task area/General description	Work already done	Future work to meeting date
	■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation ■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence. ■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Receive initial notification of creditor's intention to claim ■ Draft s509B notices	■ Dealing with a large volume of queries from Retention of Title claim holders. Corresponding with parties via email and phone. ■ Adjudicate retention of title claim ■ Forward correspondence to claimant notifying outcome of adjudication
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment ■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration ■ Review of security position ■ Liaising with lawyers concerning position of secured creditor	■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation

Task area/General description	Work already done	Future work to meeting date
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Reviewing proof of debt forms for purpose of certain creditors individual insurance policies. Liaising with insurance company concerning outcome of review and requesting further information if required.
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC	<i>Intentionally left blank</i>
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms

Task area/General description	Work already done	Future work to meeting date
		■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC
Investigations	9.70 hours \$4,228.50	\$3,500
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file	■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.

Task area/General description	Work already done	Future work to meeting date
	■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	
Administration	14.10 hours \$7,017.00	\$4,500
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers

Task area/General description	Work already done	Future work to meeting date
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statements	■ Preparing Business Activity Statement
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	6.40	4,608.00	-	-	3.30	2,376.00	-	-	3.10	2,232.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	7.60	5,472.00	5.80	4,176.00	0.70	504.00	0.10	72.00	1.00	720.00
Joanne Dunn	Senior Managing Director	720.00	8.10	5,832.00	0.20	144.00	5.30	3,816.00	0.80	576.00	1.80	1,296.00
Renee Lobb	Managing Director	660.00	5.40	3,564.00	4.90	3,234.00	0.10	66.00	0.40	264.00	-	-
Carla Fairweather	Managing Director	660.00	14.00	9,240.00	2.80	1,848.00	11.20	7,392.00	-	-	-	-
Paris Parasadi	Director	530.00	11.20	5,936.00	-	-	5.80	3,074.00	3.40	1,802.00	2.00	1,060.00
Jeremy Dalais	Senior Consultant II	480.00	17.80	8,544.00	17.80	8,544.00	-	-	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	1.50	720.00	-	-	1.50	720.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.80	348.00	-	-	-	-	-	-	0.80	348.00
Brooke Petersen	Consultant I	360.00	3.70	1,332.00	0.40	144.00	3.00	1,080.00	-	-	0.30	108.00
Nicholas Hawthorne	Consultant I	360.00	2.40	864.00	2.00	720.00	0.40	144.00	-	-	-	-
Matthew Burns	Associate II	335.00	3.00	1,005.00	-	-	2.50	837.50	-	-	0.50	167.50
Sandesh Pereira	Associate II	335.00	2.00	670.00	-	-	0.60	201.00	1.10	368.50	0.30	100.50
Gus State	Associate I	300.00	3.80	1,140.00	0.20	60.00	-	-	3.60	1,080.00	-	-
Stephanie Jiang	Associate I	300.00	2.50	750.00	-	-	2.50	750.00	-	-	-	-
Samuel Dennis	Associate I	300.00	3.00	900.00	-	-	2.60	780.00	-	-	0.40	120.00
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	4.60	1,012.00	-	-	1.10	242.00	0.30	66.00	3.20	704.00
Various Staff	Administration I	185.00	0.50	92.50	-	-	0.10	18.50	-	-	0.40	74.00
Total (ex GST)				52,596.50		18,870.00		22,481.00		4,228.50		7,017.00
GST				5,259.65								
Total (Incl GST)				57,856.15								
Total hours				99.60	34.10		41.70		9.70		14.10	
Avg hourly rate (ex GST)				528.08		553.37		539.11		435.93		497.66

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Privium Assets Pty Ltd (Administrators Appointed) ACN 145 331 120, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$52,596.50, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Privium Assets Pty Ltd (Administrators Appointed) ACN 145 331 120, their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$55,000.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 6: Privium Developments Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$38,939.00	Provided in our IRN dated 18 November 2021	When funds are available
Future work to the second meeting of creditors	6 December 2021 to 21 December 2021	\$41,250.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$80,189.00		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$571.47
Staff Travel – Milage	Cents per	\$39.44
Total (exclusive GST)		\$610.91
GST		\$61.09
Total (Inclusive GST)		\$672.00

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$38,939.00	\$41,250
Assets	23.90 hours \$14,976.00	\$16,000
Real estate	■ Conducting Company search and collating list of property holdings and development sites ■ Travel to properties to conduct external inspection. Documenting findings of inspection ■ Liaising with Privium internal team concerning properties. Issuing request for further information to understand complete asset position ■ Review of documentation concerning properties involved with special purpose vehicles. Internal meetings and discussions regarding same ■ Extensive review of security documents and loan agreements in relation to various properties and developments. Liaising with various parties ■ Internal meetings concerning realisation of assets, and process of same	■ Organise registration of relevant security interests held by the Company ■ Liaising with Privium internal team concerning properties. Issuing request for further information to understand complete asset position ■ Extensive review of security documents and loan agreements in relation to various properties and developments. Liaising with various parties ■ Internal meetings concerning realisation of assets, and process of same ■ Review of documentation concerning properties involved with special purpose vehicles. Internal meetings and discussions regarding same
Creditors	28.30 hours \$13,826.00	\$18,250
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation ■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence.	■ Updating PPSR schedule as required.

Task area/General description	Work already done	Future work to meeting date
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment ■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration ■ Review of security position ■ Liaising with lawyers concerning position of secured creditor	■ Preparing updates to Bank of New York Mellon ("BNYM") concerning progress of administration and estimated statement of position ■ Ongoing correspondence with BNYM, fielding queries regarding aspects of Voluntary Administration
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Reviewing proof of debt forms for purpose of certain creditors individual insurance policies. Liaising with insurance company concerning outcome of review and requesting further information if required.
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
	■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC	
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC

Task area/General description	Work already done	Future work to meeting date
Investigations	6.50 hours \$2,411.00	\$2,000
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.
Administration	12.70 hours \$6,060.00	\$4,000
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties

Task area/General description	Work already done	Future work to meeting date
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews ■ Updating checklists	■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statements ■ Completing STP reporting obligations	■ Preparing Business Activity Statement ■ Completing STP reporting obligations
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration
Non-Insolvency Tasks	3.40 hours	\$1,000

Task area/General description	Work already done	Future work to meeting date
	\$1,666.00	
Forensics, Litigation and Consulting	■ Conducting a review of Company’s accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings, and further steps	■ Conducting a review of Company’s accounting systems. Extracting accounting data ■ Review of pre-appointment bank statements and performing trace of funds in and out of accounts ■ Internal meetings to discuss progress, findings, and further steps

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out worked performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	2.80	2,016.00	-	-	1.40	1,008.00	-	-	1.40	1,008.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	5.00	3,600.00	4.00	2,880.00	0.20	144.00	0.10	72.00	0.70	504.00
Joanne Dunn	Senior Managing Director	720.00	8.60	6,192.00	0.90	648.00	4.90	3,528.00	0.40	288.00	2.40	1,728.00
Renee Lobb	Managing Director	660.00	0.80	528.00	-	-	0.50	330.00	0.30	198.00	-	-
James Rogers	Managing Director	660.00	12.30	8,118.00	12.30	8,118.00	-	-	-	-	-	-
Carla Fairweather	Managing Director	660.00	3.10	2,046.00	1.20	792.00	1.90	1,254.00	-	-	-	-
Paris Parasadi	Director	530.00	8.50	4,505.00	-	-	5.20	2,756.00	1.00	530.00	2.30	1,219.00
Jeremy Dalais	Senior Consultant II	480.00	5.00	2,400.00	4.80	2,304.00	0.20	96.00	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	0.90	432.00	-	-	0.90	432.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.70	304.50	-	-	-	-	-	-	0.70	304.50
Brooke Petersen	Consultant I	360.00	3.60	1,296.00	0.40	144.00	2.90	1,044.00	-	-	0.30	108.00
Matthew Burns	Associate II	335.00	3.10	1,038.50	-	-	2.50	837.50	-	-	0.60	201.00
Sandesh Pereira	Associate II	335.00	0.70	234.50	-	-	0.40	134.00	-	-	0.30	100.50
Gus State	Associate I	300.00	4.00	1,200.00	0.30	90.00	-	-	3.70	1,110.00	-	-
Stephanie Jiang	Associate I	300.00	2.40	720.00	-	-	2.40	720.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	5.30	1,166.00	-	-	1.20	264.00	0.80	176.00	3.30	726.00
Various Staff	Administration I	185.00	0.70	129.50	-	-	0.10	18.50	0.20	37.00	0.40	74.00
Total (ex GST)				37,273.00		14,976.00		13,826.00		2,411.00		6,060.00
GST				3,727.30								
Total (Incl GST)				41,000.30								
Total hours				71.40	23.90		28.30		6.50		12.70	
Avg hourly rate (ex GST)				522.03		626.61		488.55		370.92		477.17

The below table sets out work performed by other professional services provided by the firm for the period 17 November 2021 to 5 December 2021 resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Non-Insolvency Services	
					Forensics, Litigation and Consulting	
					Hrs	\$
Sara Gao	Senior Consultant	490.00	3.40	1,666.00	3.40	1,666.00
Total (ex GST)				1,666.00		1,666.00
GST				166.60		
Total (Incl GST)				1,832.60		
Total hours			3.40		3.40	
Avg hourly rate (ex GST)				490.00		490.00

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Privium Developments Pty Ltd (Administrators Appointed) ACN 169 024 006, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021 and Forensics, Litigation and Consulting Effective 1 June 2021), is approved for payment in the amount of \$38,939.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Privium Developments Pty Ltd (Administrators Appointed) ACN 169 024 006 , their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021 and Forensics, Litigation and Consulting Effective 1 June 2021), is approved for payment in the amount of \$41,250.00 (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 7: Residences on Bass Pty Ltd (Administrators Appointed)

Remuneration sought

The remuneration we are asking creditors to approve is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Work already completed	11 November 2021 to 5 December 2021	\$30,422.00	Provided in our IRN dated 18 November 2021	When funds are available
Future work to the second meeting of creditors	6 December 2021 to 21 December 2021	\$33,000.00	As per the attached hourly rates in Annexure 8	When funds are available
Total		\$63,422.00		

Details of the work already done and future work we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Disbursements

The table below provides a breakdown of the external disbursements claimed in the Voluntary Administration for the period 17 November 2021 to 5 December 2021 (inclusive)

External disbursements claimed	Basis of charge \$ (excl. GST)	Amount \$ (excl GST)
Search fees	At cost	\$89.42
Staff Travel – Milage	Cents per km	\$25.84
Total (exclusive GST)		\$115.26
GST		\$11.53
Total (Inclusive GST)		\$126.79

Creditor Approval is not required in relation to internally or externally provided professional or non-professional costs or disbursements charged at cost. As such, we are not currently seeking approval for any disbursements.

Schedule A – Details of work

Task area/General description	Work already done	Future work to meeting date
Period	17 November 2021 to 5 December 2021	6 December 2021 to 21 December 2021
Amount \$ (excl GST)	\$30,422.00	\$33,000
Assets	18.50 hours \$11,028.00	\$12,000
Real estate	■ Liaising with real estate agents concerning sourcing sale contracts for development. Review of sale contracts. ■ Conduct research on property and development. Travel to site to inspect development. Documenting findings of inspection and internal meetings regarding same ■ Corresponding with numerous interested parties concerning potential sale of development. ■ Responding to queries from prospective townhouse purchasers ■ Engaging with quantity surveyors to seek proposals to provide services in relation to development.	■ Corresponding with numerous interested parties concerning potential sale of development. ■ Engaging with quantity surveyor to carry out work in relation to development, collating and providing requested information. ■ Ongoing discussions, internal and external, relating to property, contracts and realisation of property.
Creditors	24.60 hours \$11,651.00	\$14,500
Retention of Title Claims	■ Conducting a Company search via ACN, ABN and Company name to identify PPSR registrations ■ Collating list of all PPSR registrations identified. Drafting initial correspondence to parties identified advising of appoint of Voluntary Administrators and requesting Retention of Title documentation ■ Creating PPSR schedule and updating for initial correspondence sent, discharge letters received and other correspondence.	■ Updating PPSR schedule as required.

Task area/General description	Work already done	Future work to meeting date
Secured creditor reporting	■ Notifying PPSR registered creditors of appointment ■ Review of security position	■ Liaising with secured creditor as required.
Initial Circular to Creditors	■ Preparation of initial correspondence to creditors, suppliers and clients. Providing details concerning administration process, rights to claims in administration and details concerning how to lodge a claim in the Voluntary Administration	<i>Intentionally left blank</i>
Voluntary Administrators Second Report to creditors	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation	■ Preparation of Voluntary Administrators' second report to creditors. Conducting a review into the history of the company since inception and outlining reasons would lead to the failure of the Companies ■ Conducting a review of the historical financial position and providing commentary on findings. Forming a preliminary view on potential date of insolvency. Formulating an Estimated Statement of Position to calculated estimated return to various tranches of creditors should the Company enter Liquidation ■ Performing investigations into potential recoveries which could be made should the Company enter Liquidation
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend. Review of proof of debt forms and responding to creditors requesting further information if required	■ Reviewing proof of debt forms for purpose of certain creditors individual insurance policies. Liaising with insurance company concerning outcome of review and requesting further information if required.
First Meeting of Creditors	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Saving down and categorising meeting registration forms received for ease of access. Contacting creditors to provide further information for incomplete proof of debt, proxy or meeting registration forms	<i>Intentionally left blank</i>

Task area/General description	Work already done	Future work to meeting date
	■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC	
Second Meeting of Creditors	<i>Intentionally left blank</i>	■ Preparation of meeting notices, proxies and advertisements ■ Forward notice of meeting to all known creditors and clients. ■ Continuous monitoring of inboxes for meeting registration forms. Fielding queries concerning details to include in forms, how to complete meeting registration forms and how to access the virtual meeting of creditors ■ Maintaining meeting registration, proxy and polling workbook to track registrations received and votes placed prior to first meeting of creditors via special proxy forms ■ Preparation of meeting pack, including agenda, attendance register, list of creditors, list of proxies, reports to creditors, advertisement of meeting and draft minutes of meeting. ■ Organising and testing virtual meeting facilities. Creating polling documents for creditors to vote on resolutions ■ Issuing meeting invitation links to creditors who had successfully completed proof of debt form, proxy form and meeting registration form ■ Preparation and lodgement of minutes of meetings with ASIC
Investigations	6.60 hours	\$2,500

Task area/General description	Work already done	Future work to meeting date
	2,609.00	
Conducting investigation	■ Liaising with Companies Chief Financial Officer to obtain access to books and records. Organising collection of company books and records ■ Review and preparation of company nature and history ■ Review of pre appointment bank statements to identify potentially voidable transactions which may be recoverable should the Company enter Liquidation ■ Tracking transactions identified and quantifying value of potential voidable transactions ■ Export of historical financial data from records of the Company. Review accounting data and perform analysis on same ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding same ■ Preparation of investigation file ■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.	■ Ongoing review of all company transactions and dividend payments made. Collating data relating to same and quantifying amount.
Administration	11.50 hours	\$4,000
	\$5,134.00	
Correspondence	■ Initial meeting with director Robert Harder. Review of asset and liability position and understanding main stakeholders ■ Issuing initial correspondence to various parties. Ongoing communications with key stakeholders	■ Ongoing General correspondence with various parties
Document maintenance/file review/checklist	■ Filing of documents ■ File reviews	■ Filing of documents ■ File reviews

Task area/General description	Work already done	Future work to meeting date
Insurance	■ Updating checklists ■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers	■ Updating checklists ■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Issuing correspondence to banks concerning appointment and requesting details of any accounts held in the Company's name ■ Preparing correspondence opening bank accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 484 and 531 ■ Correspondence with ASIC regarding statutory forms ■ Meetings with ASIC concerning appointment	■ Preparing and lodging ASIC forms ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Completing notification of appointment forms ■ Preparing Business Activity Statements ■ Completing STP reporting obligations	■ Preparing Business Activity Statement ■ Completing STP reporting obligations
Planning / Review	■ Discussions regarding status of administration ■ Internal meetings	■ Discussions regarding status of administration

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out work performed to each major task area by staff members working on the Voluntary Administration from 17 November 2021 to 5 December 2021 (inclusive) which is in the resolution 1 claim.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area							
					Assets		Creditors		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
John Park	Senior Managing Director	720.00	2.80	2,016.00	-	-	1.40	1,008.00	-	-	1.40	1,008.00
Kelly-Anne Trenfield	Senior Managing Director	720.00	1.80	1,296.00	1.20	864.00	0.30	216.00	-	-	0.30	216.00
Joanne Dunn	Senior Managing Director	720.00	6.00	4,320.00	-	-	3.90	2,808.00	0.70	504.00	1.40	1,008.00
Renee Lobb	Managing Director	660.00	0.50	330.00	0.10	66.00	0.10	66.00	0.30	198.00	-	-
James Rogers	Managing Director	660.00	10.80	7,128.00	10.80	7,128.00	-	-	-	-	-	-
Carla Fairweather	Managing Director	660.00	0.50	330.00	-	-	0.50	330.00	-	-	-	-
Paris Parasadi	Director	530.00	8.40	4,452.00	-	-	5.10	2,703.00	1.00	530.00	2.30	1,219.00
Jeremy Dalais	Senior Consultant II	480.00	5.70	2,736.00	5.70	2,736.00	-	-	-	-	-	-
Marial Kwan	Senior Consultant II	480.00	0.90	432.00	-	-	0.90	432.00	-	-	-	-
Marco Bozzetto	Senior Consultant II	480.00	1.00	480.00	-	-	1.00	480.00	-	-	-	-
Julian Gowdie	Senior Consultant I	435.00	0.70	304.50	-	-	-	-	-	-	0.70	304.50
Brooke Petersen	Consultant I	360.00	3.60	1,296.00	0.40	144.00	2.90	1,044.00	-	-	0.30	108.00
Nicholas Hawthorne	Consultant I	360.00	0.30	108.00	-	-	0.30	108.00	-	-	-	-
Matthew Burns	Associate II	335.00	2.40	804.00	-	-	1.80	603.00	-	-	0.60	201.00
Sandesh Pereira	Associate II	335.00	1.90	636.50	-	-	0.70	234.50	0.60	201.00	0.60	201.00
Gus State	Associate I	300.00	4.00	1,200.00	0.30	90.00	-	-	3.70	1,110.00	-	-
Stephanie Jiang	Associate I	300.00	2.00	600.00	-	-	2.00	600.00	-	-	-	-
Samuel Dennis	Associate I	300.00	2.60	780.00	-	-	2.60	780.00	-	-	-	-
Zin Thaya Khin	Treasury	290.00	0.30	87.00	-	-	-	-	-	-	0.30	87.00
Various Staff	Administration II	220.00	4.60	1,012.00	-	-	1.00	220.00	0.30	66.00	3.30	726.00
Various Staff	Administration I	185.00	0.40	74.00	-	-	0.10	18.50	-	-	0.30	55.50
Total (ex GST)				30,422.00		11,028.00		11,651.00		2,609.00		5,134.00
GST				3,042.20								
Total (Incl GST)				33,464.20								
Total hours				61.20	18.50		24.60		6.60		11.50	
Avg hourly rate (ex GST)				497.09		596.11		473.62		395.30		446.43

Schedule C – Resolutions

Resolution 1 – Remuneration from 17 November 2021 to 5 December 2021

“That the remuneration of the Voluntary Administrators of Residences on Bass Pty Ltd (Administrators Appointed) ACN 644 584 172, their partners and staff, for the period 17 November 2021 to 5 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$30,422.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 6 December 2021 to 21 December 2021

“That the remuneration of the Voluntary Administrators of Residences on Bass Pty Ltd (Administrators Appointed) ACN644 584 172 , their partners and staff, for the period 6 December 2021 to 21 December 2021 (inclusive), calculated at the hours spent at the rates detailed in the FTI Consulting Standard Rates (Corporate Finance & Restructuring Effective 1 July 2021), is approved for payment in the amount of \$33,000.00, (exclusive of GST), to be drawn from available funds immediately or as funds become available.”

Annexure 8 – FTI Consulting schedule of rates

Corporate Finance & Restructuring Effective 1 July 2021		
Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director/Appointee	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	530	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	480	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	435	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Treasury	290	Typically, qualified accountant and/or bookkeeper working in a treasury function. Undertakes treasury activities and is skilled in all aspects of bookkeeping, funds handling, banking, payroll, tax compliance, accounts receivable and accounts payable.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	180	Undergraduate in the early stage of their university degree.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.

Forensics, Litigation and Consulting rates effective 1 June 2021

Typical Classification	Market \$/hour (excluding GST)
Senior Managing Director	690
Managing Director	650
Senior Director	590
Director	550
Senior Consultant	490
Consultant	390
Associate	290
Junior Associate	190
Administration	140

Technology rates effective 2021

Typical Classification	Standard \$/hour (excluding GST)
Senior Managing Director	680
Managing Director	525
Senior Director	420
Director	380
Senior Consultant	350
Consultant	330
Data Management	300
Digital Forensics	450