

21 June 2023

TO THE CREDITORS

Dear Sir/Madam

Sun Cable Pty Ltd
(Administrators Appointed) (the Company or Sun Cable)
ACN 623 991 006

I refer to my appointment as Administrator of the Company on 10 January 2023 and my prior correspondence to creditors dated 27 January 2023.

As previously advised, on 25 January 2023 the Administrators obtained an order from the Supreme Court of New South Wales (**the Court**) extending the convening period for the second meeting of creditors of the Company to 30 June 2023, pursuant to section 439A(6) of the *Corporations Act 2001* (Cth) (**the Act**). This order allowed the Administrators to continue to trade the Sun Cable business throughout the course of the Voluntary Administration period, whilst an accelerated sale of business campaign was undertaken.

The Administrators are pleased to confirm that this sale campaign concluded on or about 23 May 2023, and shortly afterwards, an Asset Sale Agreement was entered into on 26 May 2023 (**the Sale Agreement**) with Helietta Holdings 1 Pty Ltd (**the Purchaser**), being an entity affiliated with Grok Ventures. Pursuant to the Sale Agreement, the Purchaser will acquire substantially all of the Company's assets, including the shares in all of Sun Cable's subsidiaries. Based on the key terms of the Sale Agreement, the Administrators currently anticipate that following the successful completion of the transaction, sufficient funds will be released to provide for the repayment of unsecured creditor claims in full, based on known outstanding claims as at the date the Sale Agreement was executed.

Completion of the transaction is conditional upon the novation of certain material contracts, counterparty consents and Government authorisations to the Purchaser, along with various administrative matters, which are customary for a transaction of this nature. The Administrators are currently working with the Purchaser to complete the sale transaction, with completion currently expected to occur on or before 26 July 2023.

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In light of the above and with a view to ensuring there is sufficient time for the Sale Agreement to complete, the Administrators intend to apply to the Court for a further extension of the convening period, being to 31 August 2023, pursuant to section 439A(6) of the Act (**the Application**).

This further extension of the convening period will enable the Administrators to continue to work with the Purchaser to obtain the relevant counterparty consents and Government authorisations, along with the transition of the Sun Cable business and its associated operations to the Purchaser and allow the Administrators to manage the completion process, ideally without seeking a further extension of the convening period, in the event that there are delays to this timetable.

However, based on current information, I note that it is the Administrators' current intention to seek to achieve completion of the transaction on or before 26 July 2023 and, as soon as possible thereafter to:

- report to creditors providing a recommendation as to the future of the Company; and
- convene the second meeting of creditors.

The Administrators consider that making the Application for further extension orders is necessary and is in the best interests of the Company's creditors, given it will allow for Sun Cable to complete the Sale Agreement. Completion of the Sale Agreement will result in the receipt of transaction proceeds from the Purchaser, currently anticipated to provide for creditors to be repaid in full.

The Application has been listed for hearing in the Supreme Court of New South Wales, Sydney Registry located at Law Courts Building, 184 Phillip Street, Sydney, **on Friday, 23 June 2023 at 2.00pm.**

The Administrators will provide a further update to creditors along with any associated Court orders within two business days of the Court hearing detailed above.

Any creditor wishing to raise an objection to the proposed application or to raise any further queries, should contact our office on (02) 8247 8000 or by email to: SunCable@fticonsulting.com.

Yours faithfully



David McGrath
Joint and Several Administrator