

7 November 2024

**Voluntary Administrators' Report to Creditors
Pursuant to Section 75-225 of the Insolvency Practice Rules (Corporations)**

Dear Sir/Madam

**Redflow Limited (Administrators Appointed)
ACN 130 227 271
Redflow R&D Pty Ltd (Administrators Appointed)
ACN 116 992 253
Zcell Australia Pty Ltd (Administrators Appointed)
ACN 613 792 420
Redflow International Pty Ltd (Administrators Appointed)
ACN 128 888 997
(Collectively, the Companies)**

I advise that we, David Orr and Richard Hughes, were appointed Joint and Several Administrators (**Administrators**) of the Companies on 23 August 2024, pursuant to Section 436A of the Corporations Act 2001 (Cth) (**the Act**).

Please find attached a report for your information that details progress of the administration, information about the Companies' business, property and financial affairs and our opinion of what would be in the best interests of creditors for the future of the Companies. The future of the Companies' is to be decided upon by the creditors at a meeting being held on **Friday, 15 November 2024 at 10:30AM (AEST)** as detailed in the attached notice of meeting.

Should you have any queries regarding this report or the administration in general, please contact email Sam Williams at redflow@deloitte.com.au.

Yours faithfully



David Orr
**Joint & Several
Administrator**



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Redflow Limited (Administrators Appointed) ACN 130 227 271

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Glossary

Administrators	David Orr and Richard Hughes
ARITA	Australian Restructuring Insolvency & Turnaround Association
ASIC	The Australian Securities & Investments Commission
ASX	Australian Stock Exchange
ATO	Australian Taxation Office
Committee	Committee of Inspection
Court	Federal Court or Supreme Court
Companies or Redflow	Redflow Limited (Administrators Appointed) ACN 130 227 271 Redflow R&D Pty Ltd (Administrators Appointed) ACN 116 992 253 Zcell Australia Pty Ltd (Administrators Appointed) ACN 613 792 420 Redflow International Pty Ltd (Administrators Appointed) ACN 128 888 997
Deloitte	Deloitte SRT Pty Ltd
DIRRI	Declaration of Independence and Relevant Relationships and Indemnities
DOCA	Deed of Company Arrangement
ERV	Estimated Realisable Value
FY	Financial Year Ended
FEG	Fair Entitlements Guarantee Scheme
IPR	Insolvency Practice Regulations of the Corporations Act 2001
IP	Intellectual Property
IPS	Insolvency Practice Rules of the Corporations Act 2001
Management	Management of Redflow
Pooling Orders	Orders from the Court to combine the Companies' assets and liabilities together
R&D Refund	Research and Development Tax Incentive Refund
Redflow Europe	Redflow Europe GmbH
Redflow International	Redflow International Pty Ltd (Administrators Appointed) (ACN 128 888 997)
Redflow Limited	Redflow Limited (Administrators Appointed) (ACN 130 227 271)
Redflow USA	Redflow LLC
Redflow Thailand	Redflow (Thailand) Limited
Redflow R&D	Redflow R&D Pty Ltd (Administrators Appointed) (ACN 116 992 253)
ROCAP	Report on company activities and property
Relation back day	The date of appointment of administrators
The Act	Corporations Act 2001 (Cth)
The Court	The Federal Court of Australia or any of the state Supreme Courts
The Regulations	Corporations Regulations 2001
Zcell	Zcell Australia Pty Ltd (Administrators Appointed) (ACN 613 792 420)

1 Executive summary

1.1 Appointment

On 23 August 2024 we, David Orr and Richard Hughes, were appointed joint and several voluntary administrators of Redflow Limited, Redflow International Pty Ltd, Redflow R&D Pty Ltd and Zcell Australia Pty Ltd by the directors of those entities pursuant to Section 436A of the Act.

Our appointment as administrators was ratified by creditors at the first meeting of creditors held on 4 September 2024.

A committee of inspection was not formed at that meeting.

1.2 Conduct of administration

Upon appointment we took immediate steps to control the Companies' assets and continued to trade on the Companies' core business operations.

We immediately commenced a campaign calling for expressions of interest for a sale and/or a recapitalisation of the business and assets of the Companies as a going concern. Advertisements appeared in the Australian Financial Review and The Australian on 27 August 2024 and the Wall Street Journal on 3 September 2024, calling for urgent expressions of interest by 5 September 2024. The urgent sale and marketing campaign was undertaken by the Administrators to preserve the value of the business in order to obtain the best possible return to all creditors.

As part of our attempts to ensure the best return for creditors (including pursuant to the sale and marketing campaign) we sought - and obtained – from the Federal Court of Australia an extension of time within which to convene this second meeting of creditors to 20 November 2024.

However, as attempts to sell the business as a going concern were unsuccessful, a sale of the Companies' and assets was commenced in October 2024. Further details regarding the sale are included in Section 6.1 of this report.

A total of \$1,292,303 in pre-appointment priority employee entitlements has been paid during the period 23 August 2024 to 1 November 2024 (inclusive), in accordance with Section 556(1)(e) of the Act.

Further details regarding the employee entitlement position for the Companies is outlined in Section 5.1.8.

1.3 Investigation, offences, voidable transactions

Our investigations to date have not revealed any offences or voidable transactions.

1.4 Deed of Company Arrangement (DOCA)

No proposal for a Deed of Company Arrangement proposal has been received for the Companies after our sale campaign to sell the business' as a going concern.

Efforts have been redirected to sell the assets of Redflow via auction and sale agreements. Further information on the sale campaign can be found at Section 6.1 of this report.

1.5 Dividend

Estimated distribution details for each creditor class and entity is provided below. However, these estimates are subject to finalisation of the sale of the IP and assets of the Companies. If the Companies are placed into liquidation at the second meeting of creditors (discussed at Section 1.7), the liquidators will provide a further update once the sale has been finalised.

Creditor Class	Pooled Group		Redflow Limited		Redflow International		Redflow R&D		Zcell	
	High	Low	High	Low	High	Low	High	Low	High	Low
Secured	100c/\$	N/A	N/A	N/A	100c/\$	N/A	N/A	N/A	N/A	N/A
Priority	100c/\$	100c/\$	100c/\$	100c/\$	100c/\$	-	N/A	N/A	N/A	N/A
Unsecured	100c/\$	18.7c/\$	100c/\$	100c/\$	18.3c/\$	-	14.0c/\$	-	-	-

All priority employee entitlements are expected to be paid before the second meeting of creditors. In total, we expect to have paid \$1,770,130 in full satisfaction of those entitlements and therefore priority dividend estimates may be irrelevant at that time of any distribution.

In addition, some creditors have advised they are a creditor of one entity while the books and records show them listed in another entity. The Liquidators will consider making an application to Court for Pooling Orders, which could impact the dividend payable to unsecured creditors. If the Liquidators were to make an application to Court, then all creditors would receive notice prior to that application. Further discussion on Pooling Orders is provided at Section 8.2 of this report.

The pooled group columns are provided to give an indication on how creditors would be treated if the Companies were subject to pooling orders. Further discussion on pooling orders is provided at Section 8.2.

1.6 Administrators' opinion

It is our opinion that the Companies be placed in liquidation as no Deed of Company Arrangement has been proposed at the date of this report and the Companies are insolvent.

1.7 Second meeting of creditors

The second meeting of creditors has been called for **15 November 2024 at 10:30AM (AEST)**. The meeting will be held virtually.

Further details can be found in Sections 2.4.

2 Introduction

2.1 Purpose of the appointment and report

The purpose of the appointment of administrators is to allow for independent insolvency practitioners to take control of and investigate the affairs of insolvent companies. Creditors' claims are put on hold as at the date of the administrators' appointment and remain so for the duration of the administration.

We are required to provide creditors with sufficient information and recommendations to assist them in making an informed decision on the Companies' future. The purpose of this report is to provide that information and recommendations, including:

- background information about the Companies
- the results of our investigations
- the estimated returns to creditors
- the options available to creditors and our opinion on each of these options.

2.2 First meeting of creditors

On Wednesday, 4 September 2024 a meeting of creditors of the Companies was held in accordance with Section 436E of the Act. At this meeting, our appointment as joint and several administrators was confirmed.

Also at that meeting, we advised that we would undertake a preliminary investigation into the affairs of the Companies while we pursued both restructuring strategies and a sale process. Since the first meeting of creditors, we have held extensive discussions with interested parties regarding the potential to sell the Companies and their business as a going concern and/or separate asset sale/s. Further information on the sale process can be found at Section 6.1.

No committee of inspection was formed at the first meeting of creditors.

2.3 Extension of convening period

Administrators are required by the Act to convene a second meeting of creditors within five business days either side of the end of the *convening period*. The convening period is 20 business days after the date of appointment of administrators, unless extended by the Court.

The regulation period was too short, given the nature of the actions we were seeking to undertake to maximise the return for creditors, particularly the sale of the business. Accordingly – and as noted above - we applied to the Federal Court of Australia on 16 September 2024 for an order extending the length of the convening period. A notice dated 18 September 2024 was forwarded to all creditors advising that the extension had been awarded and that the Court had extended the convening period to 20 November 2024. A copy of the notice was also lodged with ASIC.

2.4 Second meeting of creditors

Pursuant to Section 439A of the Act a second meeting of creditors is to be held virtually on **Friday, 15 November 2024 at 10:30AM** for the Companies. Details are set out in the notice of meeting at [Appendix A](#).

At this meeting creditors will be asked to decide, by passing a resolution, in respect of options that are available to them. We have recommended in this report that the Companies be wound up.

We have detailed the reasons as to why we consider this the best option for creditors in Section 10 of this report.

At the meeting creditors will be asked to approve the remuneration of the Administrators from 23 August 2024 to 28 October 2024 in the following amounts:

Company	Amount (Excl. GST)
	\$
Redflow Limited	207,886.00
Redflow International	1,310,357.80
Redflow R&D	41,706.50
ZCell	13,617.60
Total	1,573,567.90

The Administrators will also be seeking approval of remuneration from 29 October 2024 to the conclusion of the administration to the below capped amounts:

Company	Amount (Excl. GST)
	\$
Redflow Limited	30,000.00
Redflow International	160,000.00
Redflow R&D	5,000.00
ZCell	5,000.00
Total	200,000.00

Creditors will also be asked to approve the future remuneration of the liquidators from commencement to completion to the below capped amounts:

Company	Amount (Excl. GST) \$
Redflow Limited	40,000.00
Redflow International	340,000.00
Redflow R&D	10,000.00
ZCell	10,000.00
Total	400,000.00

Full details of the remuneration claims are found in the attached remuneration approval report.

2.5 Administrators' independence, relationships and indemnities

In accordance with Section 436DA of the Act, a Declaration of Independence, Relevant Relationships, and Indemnities (DIRRI) was provided with the first report to creditors dated 27 August 2024 and was also tabled at the first meeting of creditors.

We are required to update the DIRRI in the event it becomes out of date. As advised at the first meeting of creditors we made changes to the DIRRI as it came to our attention that the Companies entered into a non-exclusive agreement with Deloitte Emissions Solutions Pty Ltd in April 2024 to explore possible collaborative opportunities. However no work was undertaken in respect of this agreement. The DIRRI now incorporates information and disclosures regarding this relationship between the Companies and Deloitte Emissions Solutions Pty Ltd and the updated DIRRI is attached for your information at [Appendix B](#). A copy was lodged with ASIC in accordance with our obligations under the Act.

2.6 Electronic communication

The Act allows for the Administrators to make reports, notices and other communications available for creditors to access electronically, such as via a creditor's portal. The Administrators' however must notify creditors when information is made available electronically and provide instructions on how it can be accessed. If a creditor has nominated an email address, the Administrators can also send reports, notices and other communications by email, otherwise, they must be sent by post.

Electronic communication is quick, cost effective and reduces the expenses of an administration. Creditors have already been notified of their unique password and instructions to access information, including this report and its attachments via our creditor portal. The creditor portal also enables creditors to lodge their claim against the Companies and upload supporting documentation as well as provide bank account details to facilitate EFT payments if/when a dividend becomes payable.

If you would like to access any of our communications, register your claim or amend your claim, please use the below link to our Halo platform:

<https://aurestructuring.deloitte-halo.com/service/website/Redflow>

Alternatively, if you do not have access to the internet and would like to receive future correspondence by post, please inform us.

3 Background information

3.1 Incorporation and registered office

A search of the ASIC database disclosed the Companies were incorporated as follows:

Company	State of Registration	Date of Registration	Registered Office
Redflow Limited	QLD	18 March 2008	Unit 1, 27 Counihan Road Seventeen Mile Rocks, QLD 4073
Redflow R&D Pty Ltd	QLD	4 November 2005	Unit 1, 27 Counihan Road Seventeen Mile Rocks, QLD 4073
Zcell Australia Pty Ltd	QLD	21 July 2016	27 Counihan Road Seventeen Mile Rocks, QLD 4073
Redflow International Pty Ltd	QLD	12 December 2007	Unit 1, 27 Counihan Road Seventeen Mile Rocks, QLD 4073

3.2 Shareholders, officers and security interests

3.2.1 Shareholders

The Companies are limited by shares. The ASIC database records Redflow International Pty Ltd, Redflow R&D Pty Ltd and Zcell Australia Pty Ltd as wholly-owned subsidiaries of Redflow Limited.

Redflow Limited is a public company listed on the Australia Stock Exchange (ASX) under the ticker *RFX*. According to Redflow's Share Registry as at 23 August 2024, the largest shareholders are:

Company	Shareholder	Class	Number	%
Redflow Limited	Hackett Cp Nominees Pty Ltd	Ordinary	7,923,959	3.00
	HSBC Custody Nominees (Australia) Limited	Ordinary	7,070,530	2.68
	Citicorp Nominees Pty Limited	Ordinary	5,150,636	1.95
	MFS Fund Pty Ltd	Ordinary	3,875,000	1.47
	Mr Werner Josef Gallautz	Ordinary	3,300,054	1.25
	Mr Simon Mark Fagg	Ordinary	3,300,000	1.25
	Dowling Properties Pty Ltd	Ordinary	3,153,000	1.19
	Kidsklubs Kariong Pty Ltd	Ordinary	2,486,000	0.94
	BNP Paribas Nominees Pty Ltd	Ordinary	2,442,505	0.92
	Mr Anthony Boyd Milic	Ordinary	2,101,410	0.80
	BNP Paribas Nominees Pty Ltd	Ordinary	2,090,081	0.79
	666 Pty Ltd	Ordinary	2,076,666	0.79
	UBS Nominees Pty Ltd	Ordinary	1,696,741	0.64
	Mr John Richard Serisier & Mrs Shelley Ann Serisier	Ordinary	1,650,000	0.62
	Mr John Richard Holden & Mrs Christine Ann Holden	Ordinary	1,520,835	0.58
	Mr Brenton Mark Madden	Ordinary	1,506,474	0.57
	Qana Investments Pty Ltd	Ordinary	1,466,743	0.55
	Dr Christopher Turner & Dr Mary Ambrose	Ordinary	1,450,000	0.55
	Mr Christopher Lister Lawrance & Mrs Colleen Allison Lawrance	Ordinary	1,392,000	0.53
	Nurturing Evolutionary Development Pty Ltd	Ordinary	1,244,945	0.47
	<i>All Other</i>	Ordinary	207,386,827	78.47
	Total		264,284,406	100.00

Redflow International Pty Ltd, Redflow R&D Pty Ltd and Zcell Australia Pty Ltd are wholly-owned subsidiaries of Redflow Limited. Historical Company Extracts for these companies discloses the following shareholder information:

Current Shareholdings

Company	Shareholder	Class	Number	%
Redflow International Pty Ltd	Redflow Limited	Ordinary	1	100.00
Redflow R&D Pty Ltd	Redflow Limited	Ordinary	143,060	100.00
Zcell Australia Pty Ltd	Redflow Limited	Ordinary	100	100.00

Historical Shareholdings

Company	Previous Shareholder	Class	Number	%
Redflow International Pty Ltd	Christopher Hans Winter	Ordinary	1	100.00
	Christopher Hans Winter	Ordinary	60,000	41.94
	Alexander Rudolf Winter	Ordinary	60,000	41.94
Redflow R&D Pty Ltd	Iain Charles Smith	Ordinary	16,250	11.36
	Polvran Investments Pty. Ltd.	Ordinary	3,405	2.38
	Disa Company Pty Ltd	Ordinary	3,405	2.38
Zcell Australia Pty Ltd	N/A	N/A	N/A	N/A

3.2.2 Officers

The ASIC database indicates that during the 12-month period prior to the administrators' appointment the Companies' directors and officers were:

Company	Name	Position	Appointed	Ceased
Redflow Limited	Adele Wendy Fraser	Director	23/02/2023	18/10/2024
	David James Brant	Director	19/10/2018	18/10/2024
	John Sands Lindsay	Director	11/09/2018	18/10/2024
	Timothy Paul Harris	Director	02/07/2018	-
	Brett Stuart Johnson	Director	27/09/2017	18/10/2024
	Adam John Gallagher	Secretary	13/11/2023	-
Redflow International Pty Ltd	Brett Stuart Johnson	Director	19/09/2019	-
	Timothy Paul Harris	Director	02/07/2018	-
	Adam John Gallagher	Secretary	13/11/2023	-
	Trudy Anne Walsh	Director	19/09/2019	20/05/2024
Redflow R&D Pty Ltd	Trudy Anne Walsh	Secretary	28/08/2018	23/11/2023
	Brett Stuart Johnson	Director	19/09/2019	-
	Timothy Paul Harris	Director	02/07/2018	-
	Adam John Gallagher	Secretary	13/11/2023	-
	Trudy Anne Walsh	Director	19/09/2019	23/11/2023
	Trudy Anne Walsh	Secretary	28/08/2018	23/11/2023
Zcell Australia Pty Ltd	Brett Stuart Johnson	Director	19/09/2019	-
	Timothy Paul Harris	Director	02/07/2018	-
	Adam John Gallagher	Secretary	13/11/2023	-
	Trudy Anne Walsh	Director	19/09/2019	23/11/2023
	Trudy Anne Walsh	Secretary	28/08/2018	23/11/2023

3.2.3 Security interests

A search of the Personal Property Securities Register (PPSR) revealed the following perfected security interests:

Company	Secured Party	Circulating or Non-Circulating	PMSI Y/N	Date Perfected
Redflow Limited	Ricoh Australia Pty Ltd	Non-circulating	Y	TBC
Redflow International	Duromer Products Pty Ltd	Circulating	Y	TBC

Ricoh Australia Pty Ltd (**Ricoh**) provided Redflow with printer equipment located at Redflow’s Brisbane head office and Duromer Products Pty Ltd (**Duromer**) appears to have delivered stock to Redflow Thailand just prior to appointment.

It is possible that both Ricoh and Duromer have perfected registrations and in both cases will allow them to collect the goods supplied to Redflow and have any shortfall (if any) claimed as an unsecured claim.

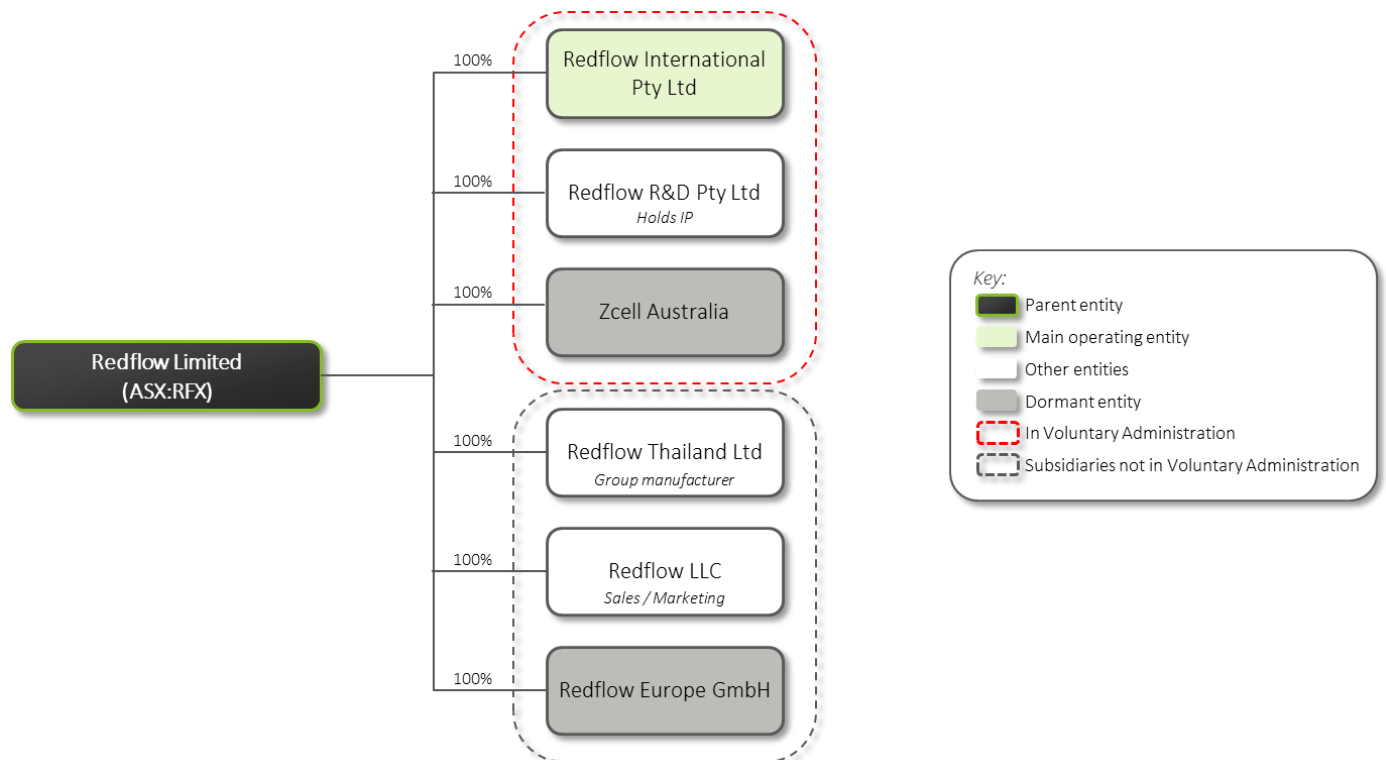
Further investigations are required to confirm the validity of their registrations.

3.2.4 Winding up applications

There were no winding up applications on foot as at the date of our appointment.

3.3 History of the Companies

Redflow Limited was incorporated in 2005 and listed on the ASX in December 2010. It is the listed holding company and parent of six local and overseas wholly-owned subsidiaries, as outlined in the below table.



Redflow International was the Australian operating entity. Redflow R&D was incorporated to hold Redflow’s IP (i.e. patents) related to its battery systems. ZCell Australia is a dormant entity. Redflow’s manufacturing was conducted by Redflow Thailand. The principal activity of Redflow USA and Redflow Europe was marketing and sales of Redflow’s products in those regions. The international subsidiaries are not subject to any external administration process to our knowledge.

Since the commencement of operations in 2005, Redflow focused on undertaking research and development activities to commercialise its long-duration zinc-bromine flow batteries for stationary commercial, industrial and utility applications. Redflow was looking to develop a low cost, efficient and reliable electricity storage system to support the growth of

renewable energy. Since the commencement of production of its first-generation battery in 2008, Redflow has been working on updated generations of its energy storage technology for commercial, industrial and telco energy storage.

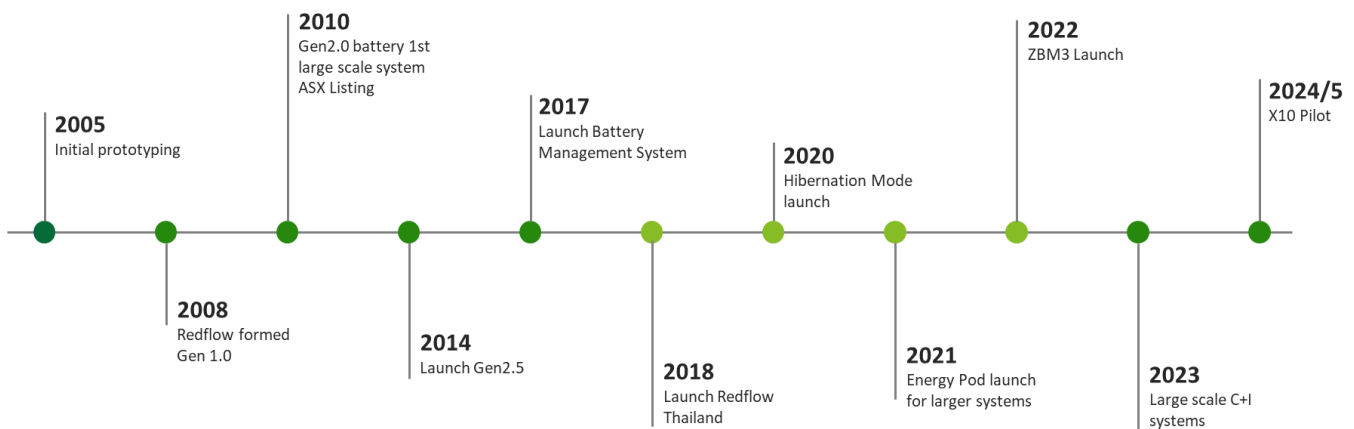
In 2016, Redflow looked to provide a product for the residential energy storage sector and created the ZCell brand. The following year as part of a strategic review, Redflow identified that competition, cost sensitivity and commoditisation were limiting the segment’s growth opportunities and it ultimately phased out this product.

Redflow continued to focus on the development of its commercial products with its battery management system in 2017. This allowed Redflow to monitor and manage batteries deployed in the field. Redflow initially outsourced its manufacturing process to a contractor in Mexico, however due to several cost and scaling issues, established a wholly owned manufacturing facility in Thailand in 2018.

Redflow continued to experience manufacturing issues at its Thailand facility and the production process was materially impacted by quality issues, specifically with its glass-filled HDPE sheets. The sheets did not meet specification and multiple batches failed quality checks. As a result, Redflow’s operations were affected by intermittent production, delaying projects and revenues.

Redflow developed a strategic plan to develop a larger scale X10 battery, targeted at larger megawatt hour scale projects. Redflow received significant commercial interest in the X10 battery, and was proposing a new factory be built and commissioned in Queensland to manufacture the X10 batteries. Redflow identified that \$5m capital was required to be raised from investors by September 2024, for it to obtain the first tranche of a matched funding arrangement with the Queensland Government. Unfortunately, Redflow was only able to secure \$3.1m from its intended capital raising. As this amount was insufficient to allow the business to continue, the directors resolved to appoint us as Administrators.

The below is an illustration of the key events in the history of the Companies:



4 Historical financial performance

4.1 Financial statements

Financial statements were last prepared to 30 June 2023 and were audited by PricewaterhouseCoopers.

We had access to the MYOB management accounts for the following entities: Redflow Limited, Redflow International and Redflow R&D.

4.2 Profit & loss

The consolidated profit and loss statements for the financial years FY21 to FY25 (YTD) are summarised as follows:

\$'000	FY21 Audited	FY22 Audited	FY23 Audited	FY24 Mgmt*	FY25 (YTD) Mgmt**
INCOME					
Revenue from contracts with customers	2,230	1,627	1,236	629	948
Other income	2,686	1,488	3,637	2,678	195
Total Income	4,916	3,115	4,873	3,308	1,143
EXPENSES					
Raw materials and consumables used	(5,128)	(4,578)	(6,433)	(9,141)	(925)
Other expenses from ordinary activities					
Administrative expenses	(518)	(802)	(949)	(1,774)	(350)
Depreciation and amortisation	(565)	(489)	(550)	(750)	(57)
Interest and finance expense	(9)	(20)	(12)	(2)	12
Business development	(75)	(169)	(264)	(160)	(13)
Travel and accommodation	(65)	(213)	(342)	(383)	(64)
Professional fees	(836)	(1,842)	(1,130)	(1,907)	(257)
Payroll expenses	(6,305)	(7,719)	(8,473)	(7,976)	(1,198)
Impairment for credit loss	61	-	-	(23)	-
Fair value gain/(loss) on financial instruments	-	(404)	-	-	-
Other expenses	(995)	(113)	(344)	(121)	(0)
Total Expenses	(14,435)	(16,349)	(18,498)	(22,236)	(2,851)
Loss before income tax expense	(9,519)	(13,234)	(13,625)	(18,929)	(1,708)
Income Tax Expense	(26)	(13)	(39)	-	-
Loss after income tax expense for the year	(9,545)	(13,247)	(13,664)	(18,929)	(1,708)
Other comprehensive income/(loss)					
Other comprehensive income/(loss) for the year, net of tax	(50)	(8)	48	-	-
Total comprehensive loss for the year	(9,595)	(13,255)	(13,616)	(18,929)	(1,708)

* These amounts have been calculated using separate figures contained within the MYOB Management Accounts for each of Redflow Limited, Redflow International and Redflow R&D. We have not audited the MYOB Management Accounts for accuracy of the data contained therein.

** These figures relate to the period 1 July 2024 to 23 August 2024 and are calculated in the same fashion as the FY24 figures, using the unaudited MYOB Management Accounts for each of Redflow Limited, Redflow International and Redflow R&D.

We provide the following preliminary analysis and commentary on the Companies' profit and loss statements:

- Redflow recorded increasing losses for each financial year between FY21 to FY24
- in FY24, Redflow recorded a loss of \$18.9m, an increase of 39% from the FY23 period, largely due to a significant increase in raw materials, operating costs and without a corresponding increase in revenue and/or other income
- the main factors increasing raw materials and operating costs between FY23 to FY24 are replacements and repairs (\$2,700k increase), Thailand factory costs (\$532k increase) and material purchases (\$517k increase)
- other income (which was predominantly R&D refunds and grants), accounted for a substantial portion of total income. The decline between FY24 and FY25 reflects reduced grant-based inflows
- despite relatively low revenue from contracts, expenses continued to climb between \$2m-\$4m in the most recent financial years, which appears to be heavily related to costs of raw materials and consumables – predominantly replacements and repairs, Thailand factory costs and material purchases.

The profit and loss statement for the financial year FY24 compared to budget was:

\$'000	Actual FY24	Budget FY24	Variance
INCOME			
Revenue	629	14,125	(13,496)
Other income	2,678	3,562	(884)
Total Income	3,308	17,687	(14,380)
EXPENSES			
Raw materials and consumables used	(9,141)	(11,848)	2,707
Administrative expenses	(1,774)	(1,239)	(535)
Depreciation and amortisation	(750)	(732)	(18)
Interest and finance expense	(2)	(9)	7
Business development	(160)	(1,194)	1,033
Other operating expenses	(383)	(2,335)	1,953
Professional fees	(1,907)	(1,358)	(549)
Payroll expenses	(7,976)	(11,545)	3,569
Impairment for credit loss	(23)	0	(23)
Other expenses	(121)	(766)	645
Total Expenses	(22,236)	(31,026)	8,790
Profit / (Loss)	(18,929)	(13,339)	(5,590)

The above information was sourced from the Companies' management accounts and has not been audited for accuracy.

We provide the following commentary on the Companies' actual performance against budget:

- actual revenue for FY24 was only 4.4% of the FY24 budget, due to delays in the X10 program and sales pipelines for other products not being realised
- actual expenses for FY24 were about \$9m less than budget, due to payroll, material purchases and other manufacturing costs being reduced due to low product demand
- the FY24 budget appears to have been prepared on the basis that customer revenue was going to significantly increase and therefore allowed for increased expenses to accommodate the expected increase in demand. The anticipated increase in demand did not eventuate and in contrast, customer revenue was its lowest in recent years
- Professional fees were higher than budget because of increased fund-raising attempts after public funding targets were not met in FY24.

4.3 Balance sheet

The balance sheets for FY21 to FY25 (YTD) were:

\$'000	FY21	FY22	FY23	FY24	FY25 (YTD)
	Audited	Audited	Audited	Mgmt*	Mgmt**
Current Assets	15,764	15,218	11,520	17,552	16,245
Non-Current Assets	1,109	1,881	2,384	2,155	2,336
Total Assets	16,873	17,099	13,904	19,707	18,581
Current Liabilities	7,831	6,952	4,465	10,192	10,713
Non-Current Liabilities	112	367	324	0	0
Total Liabilities	7,944	7,319	4,789	10,192	10,713
Net Assets / (Deficiency)	8,929	9,780	9,115	9,515	7,869

* These amounts have been calculated using separate figures contained within the MYOB Management Accounts for each of Redflow Limited, Redflow International and Redflow R&D. We have not audited the MYOB Management Accounts for accuracy of the data contained therein.

** These figures are calculated as at 23 August 2024 in the same fashion as the FY24 figures, using the unaudited MYOB Management Accounts for each of Redflow Limited, Redflow International and Redflow R&D.

We provide the following preliminary analysis and commentary on the Companies' balance sheet:

- current assets were predominantly cash and inventory, being approximately 52% and 34%, respectively, over the period
- non-current assets primarily consisted of PP&E and capital work in progress. As of our appointment date, approximately 80% of the total PP&E had been depreciated, indicating that the Companies' fixed assets are approaching the end of their useful lives and likely required capital expenditure to continue operations
- current liabilities increased over the period, primarily driven by a material increase in warranty provisions. As of the appointment date, warranty provisions represented approximately 41% of total current liabilities. The provision is based on a percentage of total revenue and factors in the likelihood of battery replacements. With revenue remaining stagnant and declining from FY24 onwards, the increasing warranty provision reflected a higher level of product issues and the associated costs
- high inventory levels were driven by raw materials and finished goods as the business stocked up to meet contracted sales. Raw materials and finished goods fluctuated between \$4m and \$4.6m from 2021 to 2023 and significantly increased in 2024 to \$6.6m
- high inventory balances also reflect an inherent challenge in bringing the product to market due to lead times associated with material sourcing and manufacturing
- from FY21 to FY23 trade creditors, accrued expenses and contract liability incrementally increased from \$1.5m to \$1.8. In FY24, trade creditors, accrued expenses, contract liability increased by 130% to \$4.2m.
- there was no debt funding used by Redflow. This is typical of an operation in its startup phases. Further discussion on the capital raising activities is provided at Section 4.4.

4.4 Capital raising summary:

The graph below details Redflow Limited's major capital raising activities from FY18 onwards. This graph highlights the amount raised against the target amount. In total, Redflow raised c.\$85.2m, with c.\$4.1m in capital raising costs, resulting in a net amount of c.\$81.1m between FY18 to the date of our appointment. Redflow were highly dependent on equity funding, as they did not reach the stage of being able to generate sufficient free cash flow to fund ongoing operations. This is typical of a business in this stage of development.



The funding rounds included various types of offerings including rights issues, placements, and share purchase plans. Notable capital raisings include c.\$14.5m in FY17 and c.\$18.1m in FY18, both with significant contributions to Redflow's capital pool. The table below outline how each round contributed to the Companies' financial growth and operational expansion, with a steady increase in funds raised over time. The capital was used to support business initiatives such as scaling production, product development, and international market expansion.

Summary of funds raising activities from FY17 to the date of appointment

Date	Intended \$m	Actual \$m	Costs \$m	Net \$m
July 2017	10.5	14.5	(0.6)	13.9
April 2018	18.1	18.1	(1.1)	17.0
April 2019	15.0	8.4	(0.2)	8.2
July –October 2020	6.3	6.9	(0.2)	6.7
June – August 2021	17.7	15.8	(0.3)	15.5
August - September 2022	5.0	5.5	(0.3)	5.2
February 2023	2.5	0.1	-	0.1
August 2023	18.9	11.7	(0.7)	11.0
February 2024	1.1	1.1	(0.1)	1.0
May 2024	13.6	3.1	(0.4)	2.7
Total	108.7	85.2	(4.1)	81.1

Redflow was successful in securing the required funding throughout its history but encountered increasing difficulty in meeting funds raising targets from FY23 to the date of appointment.

Redflow was only able to secure \$3.1m equity funding from an intended capital raising amount of \$13.6m at its latest capital raise which was the main reason the directors attributed to Redflow's need to appoint administrators.

4.5 Working capital deficiency and liquidity ratio

Working capital is a financial measure which demonstrates the operating liquidity available to a company. Net working capital is calculated as current assets minus current liabilities. Detailed below is a comparison of the working capital in FY21 to the date of our appointment for the consolidated Redflow group.

The liquidity ratio (sometimes referred to as the current ratio) below is a measure that is also used to determine companies' ability to pay its short-term debt obligations. It shows working capital in a ratio format. If there is a working capital deficiency, the ratio is less than 1. If the ratio is 1 or greater, the higher the value, the more able companies are to meet their short-term debts.

Working capital \$'000	FY21 Audited	FY22 Audited	FY23 Audited	FY24 Mgmt*	FY25 Mgmt**
Total current assets	15,764	15,218	11,520	17,552	16,245
Total current liabilities	7,831	6,952	4,465	10,192	10,713
Working capital	8,929	9,780	9,115	9,515	7,869
Liquidity ratio	2.01	2.19	2.58	1.72	1.52

* These are aggregated figures from the unaudited MYOB Management Accounts of Redflow Limited, Redflow International and Redflow R&D.

** These are aggregated figures calculated as at 23 August 2024 from the unaudited MYOB Management Accounts for Redflow Limited, Redflow International and Redflow R&D.

The overseas entities are not considered in the FY24 and FY25 figures.

Negative working capital and a liquidity ratio of less than 1 are both indicators of cash flow difficulties.

We provide the following comments in respect to the Companies' working capital:

- the Companies had positive working capital at the end of each reporting period prior to our appointment. The most significant current asset was cash which was mainly received from capital raising activities noted in Section 4.4

- while working capital levels remained adequate, the liquidity ratio dropped from FY23 to FY24 and further during FY25. This is predominantly as a result of the sharp increase in current liabilities (228% increase from FY23 to FY24) and indicates there was less working capital available for the increased size of the operations (but still a positive ratio)
- The main increases in current liabilities between FY23 and FY24 were related to increases in warranty provision (\$2,682k) and trade creditors (\$1,646k).

4.6 Movement of funds

Provided at **Appendix H** are cash flow statements for FY23 and FY24. This shows the source and application of funds for these respective periods. The FY24 figures are presented in a different format as the audit had not yet been completed. When we asked for this data to be consolidated, there were some variances that were unable to be reconciled at the date of this report.

Summary of cashflows for Redflow

\$'000	FY23 Audited	FY24 Mgmt*
Cash Flow from Operating Activities	(12,701)	(10,370)
Cash Flow from Investing Activities	(720)	(61)
Cash Flow from Financing Activities	9,875	14,196
Net Increase/(Decrease) for the period	(3,547)	3,765
Cash at the Beginning of the period	9,050	5,444
Cash at the End of the period	5,513	9,209

* These are aggregated figures from the unaudited MYOB Management Accounts of Redflow Limited, Redflow International and Redflow R&D.

5 Directors' reports on company activities and property (ROCAP)

5.1 Summary

Under Section 438B of the Act, the directors are required to provide a ROCAP for the Companies as at the date of our appointment within five business days of receipt of the request from the Administrators or such longer period as the we allow.

The directors provided their respective ROCAPs on 9 September 2024, after a short extension was granted by us.

The ROCAPs, together with the respective accompanying schedules have been lodged and a copy may be obtained from ASIC. Alternatively, it may be inspected by emailing redflow@deloitte.com.au, however this report reviews and incorporates much of the information disclosed in the ROCAPs.

The ROCAPs represents a snapshot of the asset and liability position of the Companies on a going concern and forced asset realisation basis, as prepared by the directors. We provide a comparison of these values to the estimated realisable amounts for the benefit of creditors.

We have also commissioned and received an independent valuation of the assets of the Companies however have not provided details in this report due to commercial sensitivity of the ongoing sale campaign.

The book values shown in the ROCAPs do not reflect actual returns to creditors.

The directors' ROCAPs are summarised below.

\$'000	Note	Redflow Limited		Redflow International		Redflow R&D		Zcell		Total	
		Book Value	ERV	Book Value	ERV	Book Value	ERV	Book Value	ERV	Book Val*	ERV*
Assets											
Interest in land	5.1.1	-	-	-	-	-	-	-	-	-	-
Sundry debtors	5.1.2	-	-	2	2	-	-	-	-	2	2
Cash on hand and at bank	5.1.3	1,128	1,128	3,359	3,359	-	-	-	-	3,359	4,487
Stock	5.1.4	<i>Redacted due to commercial sensitivity</i>									
Plant & equipment	5.1.5	<i>Redacted due to commercial sensitivity</i>									
Related Entity Loans	5.1.10	2,078	-	6,713	-	-	-	-	-	8,791	-
Other assets	5.1.6	<i>Redacted due to commercial sensitivity</i>									
Investment in Related Entities	5.1.6	-	-	-	-	-	-	-	-	-	-
R&D Tax Incentive Refund	5.1.6	-	2,430	-	-	-	-	-	-	-	2,430
Sub Total		<i>Redacted due to commercial sensitivity</i>									
Assets subject to security interests	5.1.7	-	-	-	-	-	-	-	-	-	-
Less amounts owing security interests	5.1.7	-	-	-	-	-	-	-	-	-	-
Total		<i>Redacted due to commercial sensitivity</i>									
Liabilities											
Less: Priority creditors											
Employee entitlements	5.1.8	(693)	(693)	(1,259)	-	-	-	-	-	(1,952)	(693)
Less: Secured creditors	5.1.9	-	-	-	-	-	-	-	-	-	-
Total		(693)	(693)	(1,259)	-	-	-	-	-	(1,952)	(693)
Available to unsecured creditors		<i>Redacted due to commercial sensitivity</i>									
Unsecured creditors	5.1.10	(9)	(9)	(2,306)	(2,306)	-	-	-	-	(2,315)	(2,315)
Excluded Employee Entitlements	5.1.8	-	-	-	-	-	-	-	-	-	-
Related Party Creditors	5.1.10	-	-	(6,006)	(6,006)	(6,712)	(6,712)	(1)	(1)	(12,719)	(12,719)
Contingent Assets	5.1.11	-	-	-	-	-	-	-	-	-	-
Contingent Liabilities	5.1.12	-	-	-	-	-	-	-	-	-	-
Surplus/(Shortfall)		<i>Redacted due to commercial sensitivity</i>									

We comment on the estimated realisable values included in the ROCAPs in the sections overleaf.

5.1.1 Interest in Land

The Companies do not own any land.

5.1.2 Debtors

The directors ROCAPs did not disclose the amount of trade debtors.

We have determined the balance of trade debtors using the Companies' books and records, as well as the values that have been collected to date.

Debtor days	Balance \$'000	Collected \$'000	Collected %
Current	971	969	99
30 days	Nil	Nil	Nil
60 days	Nil	Nil	Nil
90 days plus	540	< 1	< 1
TOTAL	1,511	969	64

We received \$969k from debtors to date and anticipate an additional debtor payment of \$2k. Two debtors totalling \$383k have invoices aged beyond one year and are not expected to be recoverable. The remaining \$157k relates to goods that were not dispatched and therefore is not recoverable.

5.1.3 Cash on hand and at bank

The ROCAP discloses the value of cash held at appointment of:

Account name	ROCAP amount		Administrators' value	
	\$'000	Currency	\$'000	Currency
Redflow International Pty Ltd	57	AUD	57	AUD
Redflow International Pty Ltd	2,127 / 3,302*	USD / AUD	2,127/ 3,302*	USD / AUD
Redflow Limited	0.9	AUD	0.9	AUD
Redflow Limited	1,127	AUD	1,123	AUD
Total	4,487	AUD	4,483	AUD

*These amounts have been converted from USD to AUD at the conversion date of 1:1.55 being the exchange rate published by the Reserve Bank of Australia for the date of the Administrators' appointment (23 August 2024).

All of the above accounts were held with Commonwealth Bank of Australia.

Redflow International also held petty cash of at the date of appointment of \$965.

The above amounts were transferred to the administration bank accounts shortly after our appointment and have been used to fund ongoing operations and costs of the administration during the trading and sale campaign.

5.1.4 Stock on hand

Values related to stock are subject to commercial sensitivity, however creditors are advised that the Companies held a small amount of saleable stock on appointment.

5.1.5 Plant & equipment

The directors' ROCAPs disclosed plant and equipment owned by Redflow International and Redflow R&D. We arranged a formal valuation of the plant and equipment however, values contained in the ROCAPs and valuation reports are not disclosed in this report due to the commercial sensitivity.

5.1.6 Other assets

The ROCAP discloses the following other assets:

Other assets	Amount \$'000
Redflow Limited - investments in related companies	Nil
R&D Refund	2,430
Patents and Trademarks	<i>Redacted due to commercial sensitivity</i>
Net Pre-appointment Tax Refund (PAYG & GST)	50
Total	<i>Redacted due to commercial sensitivity</i>

Investments in related companies

The directors disclosed in the Redflow Limited ROCAP that they expected Redflow Limited's realisable value of its shareholdings in Redflow International, Redflow R&D, Redflow Europe and Redflow Thailand to be nil. This is likely due to the insolvency appointments to the Australian subsidiaries and the overseas entities' reliance on funding from the Companies. The shareholdings will not be realisable in liquidation unless asset realisations of the respective entities exceed creditor balances and external administration costs.

R&D refund

We estimate the total R&D Refund to be received for FY24 and FY25 YTD to be between \$2m and \$2.8m. The administrators are currently liaising with BDO (the pre-appointment R&D advisor) to make the necessary lodgements to realise this asset.

Patents and Trademarks

The value disclosed by the directors for the patents and trademarks held in Redflow R&D has been redacted due to commercial sensitivity.

There are 10 patents and 3 trademarks, which are registered internationally and subject to ongoing sale negotiations (discussed at Section 6.1 of this report).

Net tax refund (PAYG & GST)

Redflow International's books and records indicate that it may be eligible for a refund when its most recent pre-appointment business activity statement is lodged. The records indicate that it will result in a net refund of \$49,964. We are taking steps to lodge this BAS as soon as practicable.

5.1.7 Assets subject to specific charges

Approximately \$47k of stock that has been delivered to Redflow Thailand is subject to the specific security interest of Duromer. The stock is not expected to be realisable for the benefit of the Australian Redflow entities in any event and we do not intend to take any action to keep the stock. We are liaising with Duromer regarding their intention to recover the stock from Thailand.

5.1.8 Employee entitlements

The directors' ROCAPs disclosed employee entitlements of \$1,952,359, however the directors included redundancy and payment in lieu of notice entitlements as an unknown contingent liability. The amounts disclosed in the ROCAPs are summarised below:

Employee entitlement	Redflow Limited \$	Redflow International \$	Total \$
Wages	-	-	-
Holiday pay (annual leave)	132,874	249,188	382,062
Long service leave	-	197,787	197,787
Payment in lieu of notice	-	-	-
Redundancy	560,434	812,076	1,372,509
Total	693,309	1,259,051	1,952,359

Prior to and during our appointment, all employees were being paid by Redflow International, despite some employees being employed by Redflow Limited and Redflow R&D according to their employment contracts. In calculating the entitlements liability we have allocated liability of employees to the respective entity they contracted with in their respective employment agreements.

We completed our review of the entitlements of all employees of the Companies. A summary of the entitlement position at the date of our appointment, payments made by the administrators, and the balance of entitlements as at 1 November 2024 are set out in the table overleaf.

[This section has intentionally been left blank]

Employee entitlements as at 1 November 2024 (inclusive)

Employee entitlement	Redflow Limited			Redflow International			Redflow R&D			Total		
	Liability \$	Paid \$	Balance \$	Liability \$	Paid \$	Balance \$	Liability \$	Paid \$	Balance \$	Liability \$	Paid \$	Balance \$
Annual Leave	92,685	(11,035)	81,651	239,257	(207,799)	31,458	15,192	(15,192)	-	347,134	(234,025)	113,109
Long Service Leave	-	-	-	153,912	(131,044)	22,868	81,809	(81,809)	-	235,721	(212,853)	22,868
PILN	205,750	(62,500)	143,250	258,482	(228,747)	29,735	32,200	(32,200)	-	496,432	(323,447)	172,985
Super on PILN	22,154	(7,188)	14,966	29,725	(26,306)	3,420	3,703	(3,703)	-	55,582	(37,196)	18,386
Redundancy	99,115	-	99,115	451,309	(399,945)	51,363	83,336	(83,336)	-	633,761	(483,282)	150,479
Capped director claims	1,500	(1,500)	-	-	-	-	-	-	-	1,500	(1,500)	0
Total priority claims	421,205	(82,222)	338,983	1,132,686	(993,842)	138,844	216,239	(216,239)	-	1,770,130	(1,292,303)	477,827
Unsecured claim - directors excl. claim	266,458	-	266,458	-	-	-	-	-	-	266,458	-	266,458
Total employee claims	687,663	(82,222)	605,441	1,132,686	(993,842)	138,844	216,239	(216,239)	-	2,036,588	(1,292,303)	744,285

We expect that make payment of the balance of priority entitlements of \$477,827 in the ordinary course.

Redundancy and PILN have been calculated as crystallised liabilities as no DOCA has been received. As a result, all employees are expected to eventually be terminated.

The claims of the employees represent a priority claim pursuant to Section 556 of the Act and subject to the normal adjudication process that may result in changes to the above amounts.

Directors and their relatives are classified as *Excluded Employees* under Section 556 of the Act. Consequently, any Directors (and relatives) that were employed by Redflow in the 12 months prior to appointment will have the priority treatment of their entitlements capped in the following manner:

Entitlement Type	Priority Claim	Unsecured Claim
Wages	\$2,000	Remainder
Superannuation	(Combined)	
Annual Leave	\$1,500	Remainder
Long Service Leave	(Combined)	
PILN	Nil	Full Entitlement
Redundancy	Nil	Full Entitlement

5.1.9 Secured creditors

The directors' ROCAPs did not record any secured creditors as having security over the whole of the Companies (together or separately). Our investigations have not discovered any registrations either. However, there are two specific securities, we discuss at Section 3.2.3.

5.1.10 Unsecured creditors

The directors' ROCAPs disclosed unsecured creditors of:

Debtor entity	# of Creditors	Total claim \$'000
Redflow Limited	1	9
Redflow International	99	8,312
Redflow R&D	1	6,712
Zcell	1	0.7
Total	102	15,033

Included in the above amounts are unsecured claims to related entities of the Companies in the following amounts:

Debtor entity	Related creditor name	Amount \$'000
Redflow Limited	N/A	-
Redflow International	Redflow Limited	2,078
	Redflow Europe	41
	Redflow USA	3,089
	Redflow Thailand	798
	Total	6,006
Redflow R&D	Redflow International	6,712
Zcell	Redflow International	0.7

The preliminary unsecured creditor amounts owing, using the books and records and creditor claims lodged for the respective entities of the Redflow Group are:

Debtor entity	Related company creditors		Ordinary unsecured creditors		Aggregate	
	No.	\$'000	No.	\$'000	No.	\$'000
Redflow Limited	-	-	19	1,037	19	1,037
Redflow International	4	6,006	104	1,794	108	7,800
Redflow R&D	1	6,712	1	26	2	6,738
Zcell	1	0.7	0	0	1	0.7
Total	6	12,719	124	2,857	128	15,577

The above values include excluded employee entitlements discussed at Section 5.1.8 and lease liabilities, which are discussed below.

Lease liabilities

Redflow International entered into a leasing agreement for their head office premises for 6 months commencing 1 August 2024. The arrangement required Redflow to pay \$15,100 plus GST per month, in advance. As the administrators occupied the premises for trading purposes, rent was paid up to 31 October 2024 and total rent remaining on the lease is \$49,830.00 (incl. GST). The balance of the lease agreement is an unsecured claim against Redflow International.

The landlord has a duty to mitigate its losses, if possible. If they are successful in doing so, the claim against Redflow International for unpaid rent will be reduced accordingly.

Related Creditors

Related creditors (which are principally international subsidiaries of Redflow) are eligible for dividend distributions as they receive the same treatment as ordinary unsecured creditors in their respective liquidations. Pooling orders may impact how related company creditors are treated.

Unsecured creditor claims have not been adjudicated on at the date of this report and therefore may be subject to change. Further, as previously mentioned, we note that there is some uncertainty amongst creditors as to which entity they are a creditor.

5.1.11 Contingent assets

The directors' ROCAPs did not disclose any contingent assets. We have not discovered any during the course of the administration.

5.1.12 Contingent liability

The directors' ROCAPs did not disclose any contingent liabilities however, our investigations have determined the following contingent liabilities may arise:

- the potential shortfall on equipment leases to lessors, after realisation of assets
- the potential shortfall on premises leases may arise from make good costs and other costs
- potential warranty claims.

Equipment leases

Redflow Limited had an equipment lease agreement with Ricoh on appointment for printers at head office. Ricoh can collect its equipment and submit an unsecured claim for the balance of any rent and expenses associated with the arrangement. Any potential claim by Ricoh is immaterial.

Premises lease

There may be other costs with respect to the lease agreement for the head office as discussed at Section 5.1.10, particularly in relation to the costs associated to make good the property. The landlord holds \$49,830 (equivalent to three month's rent) as security and it is likely that it will apply that security to losses for unpaid rent and these make good liabilities.

Warranty claims

Additional warranty claims from customers are expected to be incurred in relation to batteries that have been sold that have failed (or fail in the future). However, the amount of potential warranty claims is currently unknown.

Claims from overseas related entities

Redflow Thailand was provided with a letter of support by Redflow International for a period of 12 months commencing after the signing date of its 2023 financial statements. This was effective from 30 September 2023. Given this support, Redflow Thailand appears to have a claim against Redflow International. This will likely increase above the amount that is recorded in the intercompany account (which is set out in Section 5.1.10 of this report).

5.2 Explanations for difficulties

5.2.1 Directors' explanation

The directors advised that the reasons for Redflow's financial difficulties were:

"Redflow has traded with negative cashflow since listing. Capital has been raised from existing and new shareholders. A plan was developed to design a new large battery and automated factory in Queensland. This plan required significant capital. Redflow had numerous discussions with State and Federal Government bodies and was advised that funding should be available. Specifically, the Queensland Government agreed to lend Redflow \$15m to undertake the required X10 development work. A condition of that funding was

Redflow raising matching funding. The first \$5m tranche of the loan required matching equity funding. Redflow's external financial advisor was confident that these funds could be raised from the Australian Institutional market and a number of positive meetings were held with potential investors. During August 2024, it became apparent that these institutions were not willing to invest in Redflow. The final potential investor withdrew on 21 August and the Directors resolved to appoint Voluntary Administrators on 23 August 2024."

5.2.2 Administrators' opinion

Whilst there are several entities within the Redflow group structure (and the Administrators have only been appointed to those that are in Australia), Redflow reported on a consolidated basis and essentially worked together as one business. On that basis, we believe it appropriate to provide our opinion of what happened to Redflow at a consolidated level rather than at the individual entity level. It should however be noted that we have undertaken analysis of individual companies within the group where consolidated figures were not available or required confirmation.

Redflow commenced business as a start-up that differentiated itself to most common battery producers in the market by providing long-duration zinc-bromine batteries. As zinc-bromine batteries were considered to have the lowest environmental impact of commercially produced batteries as well as less hazardous risk profiles. It was assumed that the batteries would be successful in the market, especially given the increased global focus on environmental impact.

For Redflow to raise capital to fund the development of the zinc-bromine battery it listed on the ASX in 2010. From 2017 to the date of appointment, Redflow secured more than \$85m through various capital raising methods. In addition to its capital raising, Redflow was also able to secure grants from Government and environmental agencies and received R&D refunds to support the continuation of its operations.

A review of Redflow's financial records, which include both audited financial statements and internal management accounts, show that there was a pattern of securing funding to continue its operations. Over Redflow's history, as cash levels fell below \$5m there would be a need to secure further funding for future trading. Whilst capital raises were on foot, Redflow would slow spending. It was successful in raising further funding until May 2024 when it found that the market had changed and it could not find adequate support for its capital raising.

The books and records available to us indicate there was intention to increase Redflow's operations and sales to a level where it was no longer reliant on external funding. Revenue was increasing at some points however, it was not enough for Redflow to sustain operations without external funding.

In May 2024 Redflow was in advanced negotiations to secure a grant from the Queensland Government for \$15m. As negotiations progressed with the Queensland Government, there were requirements required which meant that Redflow would need to secure matching funding from other investors for the first \$5m tranche of funding, before funds could flow from this grant. Redflow sought to raise this first tranche, but after extended negotiations was ultimately unable to secure it. The directors resolved to appoint us as administrators shortly thereafter. The matching funding that was required to proceed with the arrangement and the Directors ROCAP indicated that the final investor that was to form part of the matching funding arrangement withdrew their interest only days prior to the administrators' appointment and was the ultimate reason for Redflow being placed into voluntary administration.

In our opinion, the failure of Redflow came from its inability to raise the necessary funding from external sources to release up the funding from Queensland Government. In this respect, we agree with the directors' opinion for Redflow's failure.

6 The Administrators' actions to date

Following our appointment, we took control of the operations and affairs of the Companies. Immediate operational and statutory actions were taken by us for the conduct of the Voluntary Administration.

6.1 Sale of business

Shortly after our appointment we advertised the business for sale as a going concern on the following dates:

Publication	Date
The Australian	27 August 2024
Australian Financial Review	27 August 2024
Wall Street Journal	3 September 2024

We received expressions of interest from 51 parties. We asked all interested parties to execute a confidentiality agreement prior to receiving an information memorandum.

Of these interested parties, 30 were provided an information memorandum (having executed the confidentiality agreement). The information memorandum was released on 5 September 2024.

Six non-binding indicative offers (NBIO's) were received from this process. All of which were subject to further due diligence. Two parties' bids were inadequate and they were notified that their bids would not progress in the process, unless they would revise their NBIO. Both chose not to do so.

As a result, four parties were shortlisted and invited to the data room and to participate in management interviews.

After feedback from parties, and considering the status of the administration, we provided a short extension for the submission of the final offers and signing / completion of a purchase agreement. The main discussion with all parties was a requirement that they would need to fund the operations of Redflow during an interim period until settlement.

We then required final binding offers to be lodged by 14 October 2024. We received one offer, but unfortunately, it had terms including a lack of funding and lengthy settlement periods that were unacceptable and put the funds available to creditors at too much risk.

After a few days of further discussion it became clear that no going concern sale was going to be viable. We then made the decision to cease operations in Australia on 18 October 2024.

We then immediately commenced a process to sell assets individually, including Redflow's IP and assets. The new campaign was advertised in The Australian and Australian Financial Review on 22 October 2024.

Meetings have been held with parties interested in the business' IP and assets and at the date of this report we are continuing to liaise with parties interested in buying the IP and assets. Given that negotiations are fluid and ongoing we are unable to provide guidance on valuation of those assets at this time.

6.2 Administrators' trading performance and receipts and payments

6.2.1 Business trading

We make the following comments regarding the trading performance of the Companies during the initial period of the administration, from 23 August 2024 to 28 October 2024:

- There were no product sales during the above period. Previous generations of the product have suffered from production issues which means that the sale of inventory is difficult.
- pre-appointment debtors of \$969k has been received;
- Local operating expenses were approximately \$966k, mostly for wages and superannuation (\$786k);
- Overseas operations expenses were \$540k during the period, which again were mostly payroll;
- Priority employee entitlements for both the pre-appointment and post-appointments periods of \$1.3m has been paid during the period;

- Staff were incrementally terminated throughout the administration. When attempts to sell the business as a going concern were unsuccessful, most of the staff employed by the Companies were terminated to reduce ongoing expenditure.
- We ceased support for the overseas subsidiaries after making the decision to close down operations following the conclusion of the going concern sale process.
- Some key personnel have been retained on contract to assist us with asset realisations.

6.2.2 Administrators' receipts and payments

The table below provides a summary of the receipts and payments during the period 23 August 2024 to 28 October 2024. A detailed list of receipts and payments is attached at [Appendix C](#).

Receipts and payments (\$'000)	Redflow Limited	Redflow International	Redflow R&D	Zcell	Consolidated
Receipts total	1,261	3,523	-	-	4,785
Less: Expenses					
Aus. Operating Payments	(35)	(939)	(12)	-	(986)
International Ops. Payments	(284)	(256)	-	-	(540)
VA Costs	(103)	(35)	-	-	(138)
Creditor Payments	-	(346)	-	-	(346)
Payments Total	(422)	(1,230)	(12)	-	(1,664)
Net Intercompany cash flow	(333)	321	12	-	-
Crystallised foreign Currency Gain / (Loss)*	-	(21)	-	-	(21)
Net Receipts and Payments	506	2,593	-	-	3,100

This summary does not include accruals for liabilities incurred but not paid as at 28 October 2024.

7 Investigations

7.1 Introduction

Section 438A(a) of the Act provides that as soon as practicable after an administration begins the administrators must investigate the company's business, property, affairs and financial circumstances.

Pursuant to Section 75-225 of the IPR the administrators are also required to investigate and report on any possible recovery actions that may be available to a liquidator should creditors resolve that the company be wound up.

An explanation of the possible offences by a director and insolvent and voidable transactions that a liquidator could pursue is attached at [Appendix D](#). This information sheet has been prepared by ARITA and is intended to reduce the amount of generic information included as part of the body of this report. Creditors who are not familiar with the nature of offences and liquidator actions should refer to the appendix for explanations. If further explanation is required of the material contained in the ARITA information sheet or of our investigations, creditors should contact us.

7.2 Overview of investigation

In the time available to us, we have undertaken the following investigations to prepare this report and formulate our opinions:

- ASIC and real property searches
- PPSR searches
- review of books and records of the Companies
- discussions and questionnaires completed by the directors
- discussions with management and staff
- discussions with creditors
- review of the financial report of the Companies;

Due to the time constraints imposed under the voluntary administration regime there was insufficient time to undertake the following:

- review of the financial position of Redflow's overseas subsidiaries
- to obtain or prepare a consolidated statement of cash flows.

However, in our opinion the above matters have not prevented us from being able to provide sufficient, meaningful information in this report or from being able to form an opinion on what is in the creditors' best interests.

Whilst we have no reason to doubt any information contained in this report, we reserve the right to alter our conclusions should the underlying data prove to be inaccurate or materially change from the date of this report.

7.3 Offences by the Directors

7.3.1 Overview

We are required to complete and lodge a report pursuant to Section 438D of the Act with ASIC where it appears that a past or present officer of the Companies may have been guilty of an offence in relation to the Companies and in other limited circumstances. Any report lodged pursuant to Section 438D is not available for public access and we will not necessarily be informed of what, if any, compliance or enforcement action ASIC might consider as a consequence of that report.

We have undertaken a preliminary investigation of the affairs of the Companies in relation to suspected contraventions of Section 180 to 184 of the Act regarding the general duties of directors and officers.

From our investigations to date we have not found that the directors have acted dishonestly or fraudulently in the exercise of their powers and discharge of their duties. To date, there has been no evidence that the directors have used their powers other than in the Companies' interest.

Whilst we will continue to investigate any potential breaches of director's duties, at the time of writing this report it is unlikely that there will be actions against the directors for breach of statutory duties.

7.3.2 Books and records

Pursuant to Section 286 of the Act, a company must keep written financial records that correctly record and explain its transactions, financial position and performance and would enable true and fair financial statements to be prepared and presented in accordance with the accounting standards.

Failure by the Companies to maintain books and records in accordance with Section 286 of the Act provides a rebuttable presumption of insolvency of the Companies; however, this only applies in respect of a liquidator's application for compensation for insolvent trading and other actions for recoveries pursuant to part 5.7B of the Act from related entities.

In our opinion, the books and records have been maintained in accordance with Section 286 of the Act.

7.4 Voidable transactions

The Act requires an administrator to specify whether there are any transactions that appear to be voidable transactions in respect of which money, property or other benefits may be recoverable by a liquidator under Part 5.7B of the Act.

This issue is relevant to creditors if they are being asked to choose between a DOCA and liquidation, because voidable transactions are only able to be recovered if liquidation occurs.

Voidable transactions include:

- Unfair preferences (Section 588FA)
- Uncommercial transactions (Section 588FB)
- Unfair loans to a company (Section 588FD)
- Arrangements to avoid employee entitlements (Section 596AB)
- Unreasonable director-related transactions (Section 588FDA)
- Creditor-defeating dispositions (Section 588FDB)
- Transactions with the purpose of defeating creditors (Section 588FE(5))
- Voidable security interests (Section 588FJ).

Some transactions are only voidable if they are *insolvent* transactions of one of the Companies. A transaction is an insolvent transaction if it occurred at a time when the Companies were insolvent. The onus is on the liquidator to prove the respective Companies were insolvent at the time to succeed in voiding (recovering) any such transaction.

Generally legal actions are expensive. As such, should there be inadequate funds available, or the liquidators consider it uncommercial or not in the creditors' best interests, recovery actions may not be commenced by a liquidator (if appointed).

In these circumstances, creditors wishing to fund any actions may do so. Should funds be recovered from these actions, the creditors providing the funding may be entitled to receive their contribution in priority to other creditors.

Alternatively, a liquidator may assign any right to sue to any interested third party pursuant to Section 100-5 of the IPS. In practice, the liquidator would require payment in exchange for the assignment of the right to sue and this enables a liquidator to quickly realise funds for the benefit of the creditors without the time, cost and risks associated with pursuing the legal action. Any person to whom the right to sue is assigned is free to pursue the legal action at their own expense and will receive the full benefit of any court order that may result.

Litigation funding may also be available to fund actions. However, such funding is generally only available where legal advice indicates that there is a strong potential for success.

7.4.1 Unfair preferences payments (Section 588FA)

We have not identified any payments that may be unfair preferences within the six months prior to our appointment.

However, our investigations are only preliminary, and we are seeking further information on the identified transactions.

In the event of liquidation, a liquidator will need to prove that creditors knew or should have known that the Companies was insolvent at the time the payments were made. There would need to be significant investigative work undertaken to establish whether:

- the Companies was insolvent at the time the transaction occurred

- the party that received the preference was aware that the Companies was insolvent or likely to become insolvent at that time
- the recipient has sufficient assets to settle any successful claims
- the cost of undertaking the action is greater than the possible return
- there are sufficient funds available (subject to the approval of creditors) to undertake any proposed preference recovery action.

Given that we have not identified any potential preference payments at the date of this report, we have not included any recovery of preference payments in our estimate of expected returns to creditors in liquidation.

7.4.2 Unfair loans (Section 588FD)

Our preliminary investigations of the Companies' books and records did not reveal the Companies had made or received any loans from or to any parties which committed any of the Companies to extortionate terms.

7.4.3 Uncommercial transactions (Section 588FE)

Our preliminary review of the Companies records has not identified any transactions that would constitute an uncommercial transaction.

7.4.4 Discharging a debt of a related entity (Section 588FH)

Our preliminary investigations have not identified any transactions that would constitute a claim under Section 588FH of the Act.

7.4.5 Unreasonable director-related transactions (Section 588FDA)

Our preliminary investigations have not to date identified any unreasonable director related transactions.

7.4.6 Creditor-defeating dispositions (Sections 588FDB, 588GSB & 588GAC)

Our preliminary investigations have not identified any potential creditor-defeating dispositions.

7.4.7 Arrangements to avoid employee entitlements (Section 596AB)

We have not identified any transactions of this nature at the date of this report.

7.4.8 Transactions with the purpose of defeating creditors (Section 588FE(5))

We have conducted a review of the transactions of the Companies for the six months prior to the relation-back day to identify any transactions that may have been entered into with the purpose of defeating creditors.

We have not identified any transactions undertaken for the purposes of defeating creditors that would be recoverable by a liquidator, at the date of this report.

7.4.9 Circulating security interests created within six months (Section 588FJ)

A search of the Personal Property Securities Register reveals that there was one security interest registered over Redflow International in the six months prior to the relation-back day however, the secured party does not appear to have any outstanding liability.

7.5 Insolvent trading (section 588G)

Directors have a positive duty to prevent a company from trading whilst it is insolvent (Section 588G). If a director is found to have contravened Section 588G they may be ordered to pay an amount of compensation to the company equal to the amount of loss or damage suffered by creditors because of the contravention.

Information about possible insolvent trading is relevant to creditors when deciding about the future of the Companies as directors of the Companies may only be pursued for insolvent trading if the Companies are in liquidation.

As with the voidable transaction analysis above, creditors must assess the advantage to them of a DOCA, which cannot include proceeds from insolvent trading actions, compared to the likely return in a liquidation, which could include the proceeds of any successful insolvent trading action.

Our investigations have been extensive, but are preliminary. Whilst there are indicators of insolvency present from early on in its inception as a result of continuing losses, cycles of low working capital and high cash burn rates this is offset by the fact that substantial funding was secured year to year, making cash available to settle liabilities as and when they fell due.

Solvency concerns increase in May 2024 because of the capital raise shortfall – Redflow secured \$3m instead of the expected \$13m. Financial prospects further deteriorated by 22 August 2024 when the final investor that was required to obtain matching funding for a necessary Government funding arrangement pulled out. This meant that a recovery from the capital raise shortfall was unlikely and directors then resolved to appoint us.

It is likely that Redflow became insolvent on or around the date of our appointment, when the immediate cash requirements of the overseas entities are considered. Without the overseas entities being considered, Redflow was solvent at appointment, however, was likely to become insolvent within 2 months after appointment if trading continued at ordinary levels. This very much limits the likely available insolvent trading and other claims that Redflow might have in liquidation.

There is unlikely to be insolvent trading claims available for pursuit by a liquidator due to timing of solvency, and the fact that there appears to be a defence based upon the history of capital raising and grants to fund operations. In addition there is likely a potential defence if date of insolvency is established to be earlier in August 2024 given the safe harbour arrangements in place, see section 7.6 for further details.

A liquidator would investigate further the possibility of taking action against the Companies' directors for breaches of their duties to prevent insolvent trading. If it is established that a director has breached his or her duties to prevent the Companies from incurring debts whilst it was insolvent, a liquidator could recover from those directors an amount equal to the loss that has been suffered by the creditors whose debts remain unpaid.

If a liquidator chooses to pursue an insolvent trading action, creditors are prevented from taking their own action against the directors for compensation. If a liquidator does not choose to take any action in this regard, a creditor may commence proceedings on its own behalf but only with the consent of the liquidator or the Court.

On the information made available to date we have not identified any other breaches or causes of action. Accordingly, we do not believe the presumption of insolvency afforded to a liquidator under Section 588E(4) of the Act would be available if the Companies were liquidated.

7.6 Safe harbour

Creditors should be aware that the directors engaged Thomson Geer as their safe harbour advisor and appeared to have implemented a plan by August 2024.

A review of documentation for the arrangement indicates that the directors were more than likely protected under the Safe Harbour legislation from mid-August 2024 to the date of appointment. A breakdown of the criteria required to be eligible for safe harbour protections is summarised below as well as whether activities were undertaken to meet the specified criteria:

Safe harbour eligibility criteria	Criteria met?	Act Reference
Were the directors properly informing themselves of the Companies' financial position?	Yes	588GA(2)(a)
Were the directors taking appropriate steps to prevent misconduct by officers or employees of the Companies which might adversely affect the Companies' ability to pay all their debts?	Yes	588GA(2)(b)
Were the Directors taking appropriate steps to ensure the Companies were keeping appropriate financial records consistent with the size and nature of the Companies?	Yes	588GA(2)(c)
Were the Directors obtaining advice from an appropriately qualified entity who was given sufficient information to give appropriate advice?	Yes	588GA(2)(d)
Were the Directors developing or implementing a plan for restructuring the Companies to improve their financial position?	Yes	588GA(2)(e)
Did the Companies meet their employee entitlement obligations? This includes wages, leave entitlements and superannuation.	Yes	588GA(2)(a)(i)
Did the Companies comply with their tax reporting obligations?	Yes	588GA(2)(a)(ii)
Includes returns, notices, statements, applications or other documents required by taxation laws (within the meaning of the <i>Income Tax Assessment Act 1997 (Cth)</i>)		

As part of the plan, the Companies were to undertake several steps to obtain funding at various points in time. When the funding did not eventuate in accordance with the plan, the Companies made the decision to appoint administrators within a few days. When a plan ceases to be able secure a better return to creditors than an immediate insolvency appointment, the Safe Harbour protections are no longer available and directors are at risk of personal liability. We believe this was a motivating factor for the directors in making the decision to place the Companies into voluntary administration.

8 Estimated return from a winding up

8.1 Introduction

We have prepared an analysis of the likely realisation under liquidation on two bases. Both bases, optimistic and pessimistic, are outlined below. Both scenarios involve:

- closure of the Companies business and wind down of operations (which has already commenced during the voluntary administration)
- sale of the Companies' assets by the liquidator in a distressed realisation scenario
- costs involved in undertaking the sale of the Companies assets including the administrators' and liquidators' fees, administration trading costs and sale expenses.

A valuation has been provided by Pickles Auctions Pty Limited ("Pickles") for Redflow's workshop and office equipment located at the Brisbane head office. As detailed above, we attempted to sell the business as a going concern. Feedback received during the going concern sale process has also informed our assumptions in considering the likely outcome for creditors.

The valuers' reports provided assessments of the value of the assets of Redflow on a going concern and a forced sale or auction basis. Forced sale or auction basis are interchangeable terms.

The Administrators have also obtained a valuation on Plant and Equipment at Redflow (Thailand) Limited due to it being a subsidiary of Redflow Limited and part of the business operations. However, we are not appointed to this entity and the Australian entities will only see a recovery from Redflow Thailand in the event that there is a surplus after its liabilities are paid in full. Given the liabilities of Redflow Thailand compared to the valuation we had Pickles conduct, we are of the opinion that it is unlikely that there will be any funds coming from Redflow Thailand to the Companies.

8.2 Pooling Orders

As a result of the difficulty in allocating the asset pool amongst the Companies (and given they essentially operated together) a subsequently appointed liquidator may opt to make an application to the Court to pool the assets and creditors together for a uniform treatment.

If pooling orders are required, the liquidators would notify creditors accordingly.

8.3 Comparative scenarios

Below is a comparison of possible estimated realisations should the Companies go into liquidation. We have separated these into high (optimistic) and low (pessimistic) scenarios. Some figures have been redacted due to the commercial sensitivity of the ongoing sale process.

[This section has intentionally been left blank]

Estimated statement of position (ESOP) in liquidation

\$ (excl. GST)	Report reference	POOLED GROUP		REDFLOW LIMITED		REDFLOW INTERNATIONAL		REDFLOW R&D		ZCELL	
		High	Low	High	Low	High	Low	High	Low	High	Low
Non-circulating assets											
Property, plant & equipment, motor vehicles	5.1.5										
Intangibles, IP & Software	5.1.6										
Stock subject to specific security interest	5.1.7	45	-	-	-	45	-	-	-	-	-
Total non-circulating assets (before costs)											
Circulating assets											
Cash on appointment	5.1.3	4,778	4,778	1,255	1,255	3,523	3,523	-	-	-	-
Inventory	5.1.4										
Pre-appointment trade debtors	5.1.2	0	0	-	-	0	0	-	-	-	-
Net Pre-appointment Tax Asset (PAYG & GST)	5.1.6	50	50	-	-	50	50	-	-	-	-
R&D refund	5.1.6	2,800	2,000	2,800	2,000	-	-	-	-	-	-
Other receipts		7	7	6	6	0	0	-	-	-	-
Interco receivables (dividend receipts in liquidation)	5.1.10	Not Applicable		361	-	949	-	-	-	-	-
Total circulating assets (before costs)											
Less: costs											
Trading costs	*	(2,136)	(2,310)	(852)	(969)	(1,293)	(1,395)	(20)	25	29	29
VA remuneration	11.1	(1,774)	(1,774)	(238)	(238)	(1,470)	(1,470)	(47)	(47)	(19)	(19)
VA disbursements	11.1	(5)	(5)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Actual VA costs to 28/10/24	**	(138)	(138)	(103)	(103)	(35)	(35)	-	-	-	-
Future VA Costs	***	(258)	(458)	-	-	(258)	(458)	-	-	-	-
Liquidators' Remuneration	11.2	(400)	(400)	(40)	(40)	(340)	(340)	(10)	(10)	(10)	(10)
Total assets available											
Less: Secured Creditor	5.1.7	(45)	-	-	-	(45)	-	-	-	-	-
Total available for priority employee entitlements											
Priority employee entitlements	5.1.8	(1,770)	(1,770)	(421)	(421)	(1,133)	(1,133)	(216)	(216)	-	-
Less: Entitlements paid during VA	5.1.8	1,292	1,292	82	82	994	994	216	216	-	-
Priority employee entitlements balance	5.1.8	(402)	(402)	(296)	(296)	(106)	(106)	-	-	-	-
Surplus / (shortfall) available to unsecured creditors											

Unsecured Employee Claim	5.1.8, 5.1.10	(266)	(266)	(266)	(266)	-	-	-	-	-	-
Lease liabilities	5.1.10	(50)	(50)	-	-	(50)	(50)	-	-	-	-
Ordinary Unsecured Creditors (excl. Related Party Creditors)	5.1.10	(2,541)	(2,541)	(771)	(771)	(1,744)	(1,744)	(26)	(26)	-	-
Related Party Creditors											
Redflow Limited	5.1.10	Not Applicable		-	-	(2,078)	(2,078)	-	-	-	-
Redflow International	5.1.10	Not Applicable		-	-	-	-	(6,712)	(6,712)	(1)	(1)
Redflow R&D	5.1.10	Not Applicable		-	-	-	-	-	-	-	-
Zcell	5.1.10	Not Applicable		-	-	-	-	-	-	-	-
Redflow Europe	5.1.10	(41)	(41)	-	-	(41)	(41)	-	-	-	-
Redflow Thailand	5.1.10	(798)	(798)	-	-	(798)	(798)	-	-	-	-
Redflow USA	5.1.10	(3,089)	(3,089)	-	-	(3,089)	(3,089)	-	-	-	-
Total Related Party Creditor Claims		(3,928)	(3,928)	-	-	(6,006)	(6,006)	(6,712)	(6,712)	(1)	(1)
Contingent Creditor Claims	5.1.12	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
Total Unsecured Creditor Claims	5.1.10	(6,786)	(6,786)	(1,037)	(1,037)	(7,800)	(7,800)	(6,738)	(6,738)	(1)	(1)
Surplus / (deficit) after unsecured creditors											
Return to secured creditor (\$'000)											
Return to secured creditor (c/\$)		100.0c	-	-	-	100.0c	-	-	-	-	-
Return to priority employee creditors (\$'000)											
Return to priority employee creditors (c/\$)		100.0c	100.0c	100.0c	100.0c	100.0c	-	-	-	-	-
Return to unsecured creditors (\$'000)											
Return to unsecured creditors (c/\$)		100.0c	18.7c	100.0c	100.0c	18.3c	-	14.0c	-	-	-
Return to Shareholders (Yes/No)		Yes		Yes	Yes						

Notes:

*Trading costs are comprised of actual trading costs to 28 October 2024 (inclusive) and future estimated trading costs.

** Actual VA costs consist of legal, valuation and marketing costs paid to 28 October 2024 (inclusive).

*** Future VA costs consist of legal, valuation and marketing costs that have been incurred but are unpaid at 28 October 2024 (inclusive), combined with future estimates for same.

High (Optimistic) scenario

These values assume that there is an increased recovery above the pessimistic scenario. Where there are two estimates of the value of an asset, the higher value has been used in the optimistic scenario. Achieving these values is subject to a number of factors that may arise during the realisation process. These include various market forces affecting the value of assets, including the interest in each asset and the general economic status at the time of sale.

Low (Pessimistic) scenario

The values included in this scenario are assumed to be the lower possible values recoverable from the specific assets of the Companies. These amounts have been calculated by either discounting for a reduced return or where two values were provided for an asset, the lower value was included.

Again, the realisations will be subject to costs and fluctuations in various other factors outlined in the previous section.

Pooled Group

Figures provided in the pooled group columns represent the expected treatment of claims and dividends if pooling orders (discussed at Section 8.2) are obtained by the liquidators.

Employee creditors should refer to Section 8.8 for details on the treatment of their claim in liquidation, noting that \$1,292,303 of pre-appointment entitlements has already been paid during the administration and further payments are also expected to be made, such that there is unlikely to be amounts outstanding when the Companies go into liquidation.

8.4 Unencumbered plant & equipment

This relates to plant and equipment owned by the Companies, which is unencumbered by other claims of ownership.

Due to the ongoing sale process which includes the Companies' plant and equipment, the valuation figures attributable to plant and equipment have not been disclosed in this report.

Any plant and equipment located at Redflow's overseas subsidiaries is expected to be unrealisable as set out above.

8.5 Overall realisations in Liquidation scenarios

Creditors are referred to the table at Section 8.3 for estimated returns in both high (optimistic) and low (pessimistic) scenarios. Actual returns are subject to actual asset realisations of the Companies in the course of the voluntary administration and/or liquidation and will likely differ from these amounts.

Prior to the payment of priority creditors, all of the costs of the administration and the subsequent liquidation of the companies will be deducted.

8.6 Effect on employees

Section 5.1.8 provides a breakdown of employee entitlements by company. The below table provides a summary of the priority entitlements that have been paid to date in the ordinary course as well as future payments expected to be made.

Entity	Priority claims \$	Paid at 1/11/24 \$	Expected future payments* \$	Remaining \$
Redflow Limited	421,205	(82,222)	(338,983)	-
Redflow International	1,132,686	(993,842)	(138,844)	-
Redflow R&D	216,239	(216,239)	-	-
Total	1,770,130	(1,292,303)	(477,827)	-

*Creditors should note that expected future payments are subject to asset realisation efforts.

Should there be inadequate funds in the liquidation for the payment of employee entitlements, employees may be entitled to apply to the federally funded employee safety net, Fair Entitlements Guarantee (“FEG”). The FEG scheme is not available for employees if the Companies were to enter a DOCA. FEG may cover successful applicants for outstanding wages, annual leave and termination notice. However, FEG does not cover outstanding superannuation entitlements, nor excluded employees, including the directors of the Companies. The liquidators, if appointed, would assist employees in applying to FEG via their online portal. At this stage, we do not expect that employees will need to access the FEG scheme.

8.7 Conclusion

Whilst some information is not available to creditors, we provide estimated returns to creditors of each class of creditor in the below table:

Creditor Class	Pooled Group		Redflow Limited		Redflow International		Redflow R&D		Zcell	
	High	Low	High	Low	High	Low	High	Low	High	Low
Secured	100c/\$	N/A	N/A	N/A	100c/\$	N/A	N/A	N/A	N/A	N/A
Priority	100c/\$	100c/\$	100c/\$	100c/\$	100c/\$	-	N/A	N/A	N/A	N/A
Unsecured	100c/\$	18.7c/\$	100c/\$	100c/\$	18.3c/\$	-	14.0c/\$	-	-	-

Actual realisation outcomes may vary from this and will impact the dividend distribution to creditors of the Companies.

Depending on the progress of the asset realisations, the administrators may provide an update of potential returns to creditors at the second meeting of creditors.

9 Deed of Company Arrangement (“DOCA”)

We have not received a proposal for a DOCA as at the date of this report. We do not expect to receive a proposal prior to the second meeting but should that change creditors will be updated either prior to or at that meeting.

10 Administrators' opinion

10.1 Introduction

The following options are available to creditors regarding the future of the Companies:

- the Companies execute a deed of company arrangement; or
- the administration end; or
- the Companies be wound up

Our opinions on each option and our reasons for our opinions are discussed below.

10.2 The Companies execute a DOCA

As we have not received a DOCA proposal, we cannot recommend this course of action.

10.3 The administration should end

Based on our analysis, the Companies are presently insolvent and unable to pay their debts as and when they fall due. Ending the administration would result in control of the Companies being passed back to the directors. There are no

reliable plans in place to address the Companies' financial difficulties. Further, this would expose the directors to the possibility of liability for insolvent trading. Accordingly, we cannot recommend that the administration end and control be returned to the directors.

10.4 The Companies be wound up

As there is no proposed DOCA and we do not recommend the administration ends, it would be in the creditors best interests that the Companies be wound up.

10.5 Recommendation

In our opinion, creditors would be best served if the Companies are wound up.

We reserve the right to change our recommendation if a DOCA proposal is received after the date of this report.

10.5.1 Other Material Information

We are not aware of any other information that is materially relevant to creditors being able to make an informed decision on the Companies' future.

11 Remuneration

Creditors are directed to the Information Sheet – Approving Fees: a guide for Creditors, a copy of which is attached at [Appendix F](#). Also attached at [Appendix G](#) is our remuneration approval report. Creditors will be asked to approve our remuneration at the forthcoming creditors meeting and this report contains sufficient details and information regarding our time and costs to assist you in making an informed decision.

11.1 Voluntary administration

The Administrators' remuneration is based on the firm's hourly rates which were disclosed in our initial remuneration notice sent at the commencement of this administration (and still available to download from the creditors portal should you wish to revisit it). Creditor approval for fees will be sought at the second meeting of creditors. The proposed resolutions and detailed fee breakdowns of work performed by our staff for this voluntary administration are set out in the remuneration approval report, but can be summarised as follows:

Company	Work already completed for the period 23/08/24 to 28/10/24	Expected future work for the period 29/10/24 to 13/11/24	Voluntary Administration Total (excludes GST)
Redflow Limited	207,886.00	30,000.00	237,886.00
Redflow International	1,310,357.80	160,000.00	1,470,357.80
Redflow R&D	41,706.50	5,000.00	46,706.50
Zcell	13,617.60	5,000.00	18,617.60
Total	1,573,567.90	200,000.00	1,773,567.90

Note, remuneration approvals for future fees are estimates and are expressed as a capped amount. However, we are only entitled to remuneration for time actually incurred, which may be less than the cap and we will be unable to draw fees until the work has been completed. If our actual time exceeds the cap, we are unable to draw the excess unless we seek additional approval from the creditors. We will advise creditors if we need to seek further approvals.

Details of the disbursement approval sought by the administrators is detailed at Appendix F – Remuneration approval report (RAR).

11.2 Liquidation

If the creditors vote in favour of liquidation, we will instead seek approval for the future remuneration as the proposed liquidators. Detailed estimates of those future fees are included in the remuneration approval report, but can be summarised as follows:

Company	Amount (Excl. GST)
	\$
Redflow Limited	40,000.00
Redflow International	340,000.00
Redflow R&D	10,000.00
ZCell	10,000.00
Total	\$400,000.00

Note, remuneration approvals for future fees are estimates only and are expressed as a capped amount. However, we are only entitled to remuneration for time actually incurred, which may be less than the cap and we will be unable to draw fees until the work has actually been completed. If our actual time exceeds the cap, we are unable to draw the excess unless we seek additional approval from the creditors. We will advise creditors in due course should we need further approvals.

12 Meeting

We attached a notice convening the second meeting of creditors to be held on **13 November 2024** at 10:30AM (AEST) using virtual meeting technology (see Form 529 enclosed as [Appendix A](#)).

At this meeting creditors will be asked to resolve, amongst other things, whether:

- the Companies execute a deed of company arrangement; or
- the administration end; or
- the Companies be wound up

Attendance at this meeting is not compulsory. Creditors may attend and vote in person (attendance using virtual meeting technology is deemed to be in-person attendance), by proxy or by attorney. We attached a guide on how to register a claim and vote at the meeting of creditors at [Appendix H](#).

A special proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with the Administrators prior to the commencement of the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with the Administrators within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting. Note, you can lodge a special proxy online via the creditor portal. Simply log in using the password and login information previously supplied to you and, from the landing page, scroll down to “options” and select the “vote” button. Follow the prompts from there.

A creditor is required to lodge a proof of debt or claim to be entitled to vote at the second meeting of creditors. A creditor will not be able to vote at the meeting unless a proof of debt or claim is lodged with me prior to the commencement of the meeting. It is quicker and more efficient to lodge your claim via the creditor portal (from the landing page under *My Creditor Details*, select *Submit Claim*). If you have already lodged a claim via the portal the claim button will instead read *View/Resubmit Claim*. If you are unable to lodge your claim via the portal, you should instead submit a paper/manual claim by completing the proof of debt form that is available to download from the portal. If you would like us to post/email a proof of debt form to you, please contact Sam Williams of this office on (07) 3003 8227 or redflow@deloitte.com.au. Please ensure supporting documentation is included with your claim (you can upload documents and excel spreadsheets via the portal as part of the claim process).

If you have already lodged a claim, you do not need to lodge another one unless you wish to submit an amended claim.

We trust creditors find this report informative and useful. In the event you have any queries regarding the contents of this report, or the liquidation in general, please do not hesitate to contact Sam Williams of this office on (07) 3003 8227.

Yours faithfully

A handwritten signature in black ink, appearing to read 'David Orr', with a stylized flourish at the end.

David Orr
**Joint & Several
Administrator**

Appendix A – Notice of meeting

FORM 529

CORPORATIONS ACT 2001

Section 439A

Insolvency Practice Rules (Corporations)

75-10, 75-15, 75-225

Notice of Meeting of Creditors

Redflow Limited (Administrators Appointed) ACN 130 227 271
Redflow R&D Pty Ltd (Administrators Appointed) ACN 116 992 253
Zcell Australia Pty Ltd (Administrators Appointed) ACN 613 792 420
Redflow International Pty Ltd (Administrators Appointed) ACN 128 888 997
(Collectively, the Companies)

Notice is given under *Insolvency Practice Rules (Corporations) (IPR)* Section 75-225 that a virtual concurrent second meeting of creditors of the Companies (the **Meeting**) will be held:

Place: Deloitte
Date: Friday, 15 November 2024
Time: 10:30AM (AEST)
URL: <https://aurestructuring.deloitte-halo.com/service/website/Redflow>

Due to geographical spread of creditors for each of the Companies, a virtual concurrent meeting will be held. All creditors are expected to attend by electronic means and no place of physical place of meeting will be made available.

Agenda

The purpose of the meeting is:

1. to receive a Report on the Companies' business, property, affairs and financial circumstances; and
2. for creditors to resolve:
 - a. that the administrations should end; or
 - b. that the Companies be wound up.

At the meeting, creditors may also, by resolution:

1. consider approval of the Voluntary Administrators' remuneration and disbursements
2. if the Companies are wound up, consider approval of the Liquidators' remuneration and disbursements, appointing a Committee of Inspection and early destruction of Companies' books and records.

Votes to be taken on a poll

Any votes taken at the Meeting will be taken on a poll. This means that, to calculate the outcome of each resolution, the Administrators must calculate the number and dollar value of each vote in favour together with the number and dollar value of each vote against. A resolution is taken to have passed if a majority in both number and dollar value have voted in favour.

Attendance at this meeting is not compulsory.

Creditors may access electronic proofs of debt via the Deloitte Halo platform at <https://aurestructuring.deloitte-halo.com/service/website/Redflow>. Electronic proxy forms will also be available to creditors in the Deloitte Halo platform.

Proofs of debt must be lodged on the Deloitte Halo Platform by **5:00PM (AEST) on Thursday, 14 November 2024**.

Creditors may attend virtually and vote in person electronically, by proxy or attorney. The appointment of a proxy must be in the approved form. A special proxy can be lodged confirming approval or rejection of each resolution. Proxy forms must be lodged through the Halo platform not later than **5:00PM (AEST) on Thursday, 14 November 2024**. An attorney of the creditor must show the instrument by which they are appointed to the Chairperson of the meeting, prior to the commencement of the meeting.

Please note under IPR section 75-25 if you wish to participate in the meeting using such facilities you must give the convenor not later than **5:00PM (AEST) on Thursday, 14 November 2024** a written statement, lodged via the Deloitte Halo platform, setting out:

- i. the name of the person and of the proxy or attorney (if any); and
- ii. an email address to which notices to the person, proxy or attorney may be sent; and
- iii. a method by which the person, proxy or attorney may be contacted for the purposes of the meeting.

Upon receipt of the above-mentioned statement of participation, a link for the virtual meeting will be displayed at **10:30AM (AEST) on Friday, 15 November 2024** after you log onto the Deloitte Halo platform.

Please note that additional guides on the process of lodging a claim and registering/voting for the meeting can be found in the Halo platform here: <https://aurestructuring.deloitte-halo.com/service/website/Redflow>.

DATED this 7th day of November 2024.



David Orr
Administrator

Appendix B – DIRRI (updated)

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

Redflow Limited (Administrators Appointed)
ACN 130 227 271

Redflow International Pty Ltd (Administrators Appointed)
ACN 128 888 997

Redflow R&D Pty Ltd (Administrators Appointed)
ACN 116 992 253

Zcell Australia Pty Ltd (Administrators Appointed)
ACN 613 792 420
(Collectively, Redflow Group)

This document requires the Practitioners appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - (i) the circumstances of the appointment;
 - (ii) any relationships with the company and others within the previous 24 months;
 - (iii) any prior professional services for the company within the previous 24 months;
 - (iv) that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of ourselves, our partners and Deloitte Financial Advisory Pty Limited (Deloitte).

A. Independence

We, Richard Hughes and David Orr, of Deloitte, have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as administrators of the Redflow Group in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

i. Circumstances of appointment

Deloitte was approached by Redflow Group's legal representatives, Thomson Geer, to provide our qualifications and hourly rates on 5 August 2024. We provided this information on 7 August 2024 to Thomson Geer. We subsequently had two meetings on 22 August 2024 with Redflow Group's officers.

The first meeting was in person with Tim Harris, CEO and Michael Hipwood, CFO of respectively, of the Redflow Group (with the Chair, Brett Johnson, joining via teams later in the meeting) at the Redflow Group's principal place of business. This meeting was for the purposes of:

- us obtaining background about the Redflow Group in order for us to assess whether to accept the appointments; and
- Provide general information to the CEO, CFO and Chair on the voluntary administration process and its consequences for the Redflow Group.

The CEO and CFO subsequently provided specific documents via email to allow us to further consider the appointments.

The second meeting was held at approx. 5pm that day. At that meeting, we provided our consents to act and the board resolved to appoint us administrators of the Redflow Group early the following day.

We received no remuneration for our time in attending these meetings or reviewing the documents provided to us.

In our opinion these communications do not affect our independence for the following reasons:

- these meetings were in the nature of a pre-appointment discussion and were limited to the financial position of the Redflow Group.
- during these meetings advice was limited to verbal discussions regarding the options available.
- it is our opinion that these meetings do not present a conflict or impediment as we do not consider ourselves to be bound to provide services to the Redflow Group in relation to this matter or in any way obligated to deliver a favourable outcome to any party, nor will the advice provided be subject to review and challenge during the course of the voluntary administration.
- the Courts and the ARITA's Code of Professional Practice specifically 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 impediment to accepting the appointment.

We have provided no other information or advice to the Redflow Group, its directors or its advisors prior to our appointment beyond that outlined in this DIRRI.

ii. Relevant Relationships (excluding Professional Services to the Companies)

Name	Nature of relationship	Reasons why this relationship does not result in a conflict of interest
Non-exclusive collaboration agreement Deloitte Emissions Solutions Pty Ltd	The parties entered into a non-exclusive agreement to work together and explore business opportunities which may include undertaking	No work has been undertaken by either party under this agreement since it was entered. This agreement resulted in no work or undertakings with the Companies, and would therefore not be subject to nor affect any

<p>RedFlow Limited</p>	<p>activities such as understanding each Party's capabilities, developing strategies and identifying opportunities to supply the Company's products and services with Deloitte's services and associated deliverables in the energy storage and microgrids market in Australia.</p> <p>The agreement was entered in April 2024.</p> <p>No work has been undertaken in respect to this agreement.</p>	<p>investigations in the event of the Group's liquidation.</p>
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iii. Prior Professional services to the Companies

Neither we, nor our firm, have provided any professional services to the Redflow Group in the previous 24 months.

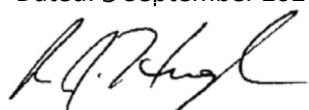
iv. No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Redflow Group, an associate of the Redflow Group, a former insolvency practitioner appointed to the Redflow Group or any person or entity that has security over the whole or substantially whole of the Redflow Group's property that should be disclosed.

C. Indemnities and up-front payments

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute, and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated: 3 September 2024



Richard Hughes
Administrator



David Orr
Administrator

Note:

1. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.
2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.

Appendix C – Receipts and payments in the voluntary administration to 28 October 2024

Receipts and payments (\$'000)	Redflow Limited	Redflow International	Redflow R&D	Zcell	Consolidated
VA Receipts					
Cash at Bank on Appointment	1,255	3,523	-	-	4,778
Pre-Appointment Debtors	-	0	-	-	0
Other receipts	6	0	-	-	7
Receipts Total	1,261	3,523	-	-	4,785
VA Expenses					
Base Salaries	-	(728)	-	-	(728)
Superannuation	-	(58)	-	-	(58)
Workcover	-	(16)	-	-	(16)
Employee Reimbursements	-	(9)	-	-	(9)
Rent	-	(33)	-	-	(33)
Insurance	(35)	(15)	-	-	(49)
Ransom Creditors	-	(20)	-	-	(20)
Other Aus. Trading Costs	(1)	(61)	(12)	-	(73)
Aus. Operating Payments	(35)	(939)	(12)	-	(986)
International Operations					
RFT (Thailand) - Payroll	-	(131)	-	-	(131)
RFT (Thailand)	(284)	(37)	-	-	(321)
LLC (USA)	-	(88)	-	-	(88)
International Ops. Payments	(284)	(256)	-	-	(540)
Voluntary Administration Costs					
Legal Fees	(52)	-	-	-	(52)
Valuers	-	(35)	-	-	(35)
Marketing	(51)	-	-	-	(51)
VA Costs	(103)	(35)	-	-	(138)
Creditor Payments					
Priority entitlements	-	(346)	-	-	(346)
Creditor Payments	-	(346)	-	-	(346)
Payments Total	(422)	(1,230)	(12)	-	(1,664)
Intercompany transfers					
Redflow Limited	-	321	12	-	-
Redflow International	(321)	-	-	-	-
Redflow R&D	(12)	-	-	-	-
Zcell	-	-	-	-	-
Net Intercompany cash flow	(333)	321	12	-	-
Crystallised foreign Currency Gain / (Loss)*	-	(21)	-	-	(21)
Net Receipts and Payments**	506	2,593	-	-	3,100

*This represents a loss as a result unfavourable foreign currency movement which crystallised when monies were transferred from RFI's USD account, to its AUD account.

Appendix D – ARITA Information Sheet on Offences, Recoverables and Insolvent Trading

Voluntary Administration Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

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.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Queries about the voluntary administration should be directed to the administrator's office.

Appendix E – ASIC information sheet – approving remuneration

Information sheet: Approving remuneration of an external administrator

If you are a creditor in a liquidation, voluntary administration or deed of company arrangement you may be asked to approve the external administrator's remuneration. An external administrator can be a liquidator, voluntary administrator or deed administrator. The process for approving the remuneration for each of these is the same.

This information sheet gives general information to help you understand the process of approving an external administrator's remuneration and your rights in this process. The following topics are covered in this information sheet:

- About external administrations
- External administrator's remuneration and costs
- Calculating remuneration
- Information you will receive
- Approving remuneration
- Who may approve remuneration
- Deciding if remuneration is reasonable
- What can you do if you decide the remuneration is unreasonable?
- Reimbursement of out of pocket costs
- Queries and complaints
- More information.

About external administrations

If a company goes into liquidation, voluntary administration or enters into a deed of company arrangement, an independent person is appointed to oversee the administration. They are called an external administrator and include a liquidator, voluntary administrator and deed administrator, depending on the type of administration involved. In this information sheet they are simply referred to as an external administrator.

The duties of an external administrator are specified in legislation and they must adhere to certain standards while conducting the administration.

All external administrators are required by law to undertake certain tasks which may not benefit creditors directly (e.g. investigating whether any offences have been committed and reporting to the Australian Securities and Investments Commission (ASIC)).

External administrator's remuneration and costs

External administrators are entitled to be paid for the necessary work they properly perform in the administration.

An external administrator is entitled:

- to be paid reasonable remuneration, for the work they perform, once this remuneration has been approved,
- to be paid for internal disbursements they incur in performing their role (these costs do need approval), and
- to be reimbursed for out-of-pocket costs incurred in performing their role (these costs do not need approval).

Common internal disbursements are stationery, photocopying and telephone costs.

Commonly reimbursed out-of-pocket costs include:

- legal fees
- a valuer's, real administration agent's and auctioneer's fees
- postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the amount of an external administrator's remuneration and costs, as these will generally be paid from the administration before any payments are made to creditors.

Remuneration and internal disbursements must be approved in accordance with the Corporations Act and Insolvency Practice Rules (Corporations) before it can be paid.

If there is a shortfall between the external administrator's remuneration and the assets available from the administration, in certain circumstances the external administrator may arrange for a third party to pay the shortfall. As a creditor, you will be provided details of any such arrangement.

If there are not enough assets to pay the external administrator's remuneration and costs, and there is no third party payment arrangement, the external administrator remains unpaid.

Calculating remuneration

An external administrator may calculate their remuneration using one (or a combination) of a number of methods, such as:

- on the basis of time spent working on the administration, according to hourly rates
- a quoted fixed fee, based on an estimate of the costs
- a percentage (usually of asset realisations), or
- a contingent basis on a particular outcome being achieved.

Charging on the basis of time spent is the most common method used. External administrators have a set of hourly rates that they will seek to charge. These rates are set to reflect the seniority, skills and experience of staff and, where applicable, the complexity and risks of the bankruptcy. They cover staff costs and overheads.

If remuneration is being charged on a time basis, the external administrator must keep time sheets noting the number of hours spent on the tasks performed.

Creditors have a right to question the external administrator about the remuneration and the rates to be charged. They also have a right to question the external administrator about the fee calculation method used and how the calculation was made. The external administrator must justify why the chosen fee calculation method is appropriate for the administration.

Information you will receive

There are different types of remuneration reports that you may receive during the course of an external administration. The following table details the reports and when you might receive them.

Document	Information it contains	When you will receive it
Initial Remuneration Notice (IRN)	<ul style="list-style-type: none"> • A brief explanation of the types of methods that may be used to calculate fees. • The external administrator's chosen fee calculation method(s) and why it is appropriate. • Details of the external administrator's rates, including hourly rates if time spent basis is used. • An estimate of the external administrator's remuneration. • The method that will be used to calculate disbursements. 	<p>Voluntary Administration – with the notice of first meeting.</p> <p>Creditors' voluntary liquidation – within 10 business days of appointment.</p> <p>Court liquidation – within 20 business days of appointment.</p>
Remuneration Approval Report (RAR)	<ul style="list-style-type: none"> • A summary description of the major tasks performed, or likely to be performed. • The costs associated with each of those major tasks and the method of calculation. • The periods at which the external administrator proposes to withdraw funds from the administration for remuneration. • An estimated total amount, or range of total amounts, of the external administrator's remuneration. • An explanation of the likely impact of that remuneration on the dividends (if any) to creditors. • Where internal disbursements are being claimed, the external administrator will report to creditors on the amount and method of calculation of these disbursements. 	<p>Sent at the same time as:</p> <ul style="list-style-type: none"> • the notice to creditors of the meeting at which approval of remuneration will be sought; or • the notice to creditors of the proposal without a meeting by which approval of remuneration will be sought <p>If approval of remuneration is not being sought, a RAR will not be provided.</p>

Approving remuneration

The meeting of creditors (or committee of inspection) gives a chance for those participating to ask questions about the external administrator's remuneration. Fees are then approved by a vote of the creditors. Alternatively, the external administrator may seek approval of remuneration via a proposal without a meeting. Whichever method is used, the external administrator must provide the same report to creditors about their remuneration (Remuneration Approval Report).

Creditors may be asked to approve remuneration for work already performed and/or remuneration estimate for work not yet carried out. If the work is yet to be carried out, the external administrator must set a maximum limit (cap) on the future remuneration approval. For example, 'future remuneration is approved, calculated on hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X'.

If the remuneration for work done then exceeds this figure, the external administrator will have to ask the creditors to approve a further amount of remuneration, after accounting for the amount already incurred.

If an external administrator can't get the creditors' approval, an application can be made to the Court to determine their remuneration.

When there are limited funds available in the administration, or the external administrator's remuneration is below a statutory threshold, an external administrator is entitled to draw a one-off amount of up to that threshold plus GST, without creditor approval. This amount is currently \$5,000 (indexed).

Who may approve remuneration?

Committee of inspection approval

A committee of inspection will generally only be established where there are a large number of creditors and/or complex matters which make having a committee desirable. Committee members are chosen by a vote of all creditors and work with the external administrator to represent the creditors' interests.

If there is a committee, the external administrator will ask it to approve the remuneration. A committee makes its decision by a majority in number of its members present in person at a meeting, but it can only vote if a majority of its members attend.

In approving the remuneration, it is important that committee members understand that they represent all the creditors, not just their own individual interests.

Creditors' approval

Creditors approve remuneration by passing a resolution at a creditors' meeting. Creditors may vote according to their individual interests.

To approve an external administrator's remuneration, a resolution is put to the meeting to be decided on the voices or by a 'poll' (if requested by the external administrator or a person participating and entitled to vote at the meeting). A poll requires a count of each vote and its value to be taken and recorded for each creditor present and voting.

A proxy is a document whereby a creditor appoints someone else to represent them at a creditors' meeting and to vote on their behalf. A proxy can be either a general proxy or a special proxy. A general proxy allows the person holding the proxy to vote how they want on a resolution, while a special proxy directs the proxy holder to vote in a particular way.

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator is only able to vote on remuneration if they hold a special proxy.

There are provisions for a resolution to be passed by creditors without a meeting. This still requires a majority in value and number of creditors voting to vote in favour of the resolution. Creditors representing at least 25% in value of those responding to the external administrator's proposal can object to the proposal being resolved without a meeting of creditors.

Deciding if remuneration is reasonable

If you are asked to approve an external administrator's remuneration, your task is to decide if the amount of remuneration is reasonable, given the work carried out in the administration and the results of that work.

You may find the following information from the external administrator useful in deciding if the remuneration claimed is reasonable:

- the method used to calculate remuneration
- the major tasks that have been performed, or are likely to be performed, for the remuneration
- the remuneration/estimated remuneration (as applicable) for each of the major tasks
- the size and complexity (or otherwise) of the administration
- the amount of remuneration (if any) that has previously been approved
- if the remuneration is calculated, in whole or in part, on a time basis:
 - the period over which the work was, or is likely to be performed
 - if the remuneration is for work that has already been carried out, the time spent by each level of staff on each of the major tasks
 - if the remuneration is for work that is yet to be carried out, whether the remuneration is capped.

ARITA's Code of Professional Practice ('the Code') outlines the steps external administrators should take to make sure they fulfil their responsibilities to creditors when asking creditors to approve remuneration, including when those creditors are acting in their capacity as committee members. The Code is available on the ARITA website at www.arita.com.au.

If you need more information about remuneration than is provided in the external administrator's report, you should let them know before the meeting at which remuneration will be voted on.

What can you do if you think the remuneration is unreasonable?

If you think the remuneration being claimed is unreasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve remuneration. You may also choose to not vote on the resolution (abstain).

You also have the power to put a resolution to the meeting. For example, you could put forward a resolution to change the way the external administrator charges for remuneration, or the periods at which the external administrator may withdraw funds. Any amending resolution must occur before the vote being taken on the resolution to approve remuneration. If the amended proposal is passed, the resolution is binding on the external administrator. However, such an amendment may result in the external administrator seeking to be replaced by another external administrator.

If the external administrator is seeking approval of remuneration via a resolution without a meeting and more than 25% in value of the creditors responding object using the form provided by the external administrator, the proposal will not pass. If the external administrator wants the proposal passed, a meeting will need to be convened and any creditor entitled to participate in the meeting has the right, before the vote is taken, to put a resolution to the meeting as mentioned above.

A creditor may apply to Court for a review of an external administrator's remuneration. Creditors also have the power to appoint, by resolution, a reviewing liquidator to review any remuneration approved within the six months and any disbursements incurred in the 12 months before the reviewing liquidator's appointment. The cost of a reviewing liquidator is paid from the assets of the external administration. An individual creditor may also appoint a reviewing liquidator with the external administrator's consent. An individual creditor seeking the appointment of a reviewing liquidator must pay the cost of the reviewing liquidator.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the administration; as careful as if they were incurring the expenses on their own behalf. Their report on remuneration sent to creditors must also include information on the out-of-pocket costs of the administration (disbursements).

Where these out-of-pocket costs are internal disbursements paid to the external administrator's firm (for example photocopying and phone calls) the external administrator must request creditor approval of these amounts. The external administrator may also ask for approval of internal disbursements in advance. If they do so, they will set the rates for those disbursements and a cap on the maximum amount that can be drawn.

If you have questions about any of these costs, you should ask the external administrator and, if necessary, bring it up at a creditors' or committee meeting. If you are still concerned, you have the right to seek the appointment of a reviewing liquidator (refer above).

Queries and complaints

You should first raise any queries or complaints with the external administrator or their firm.

If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with ARITA at www.arita.com.au or with ASIC at www.asic.gov.au. ARITA is only able to deal with complaints in respect of their members.

More information

The [ARITA website](http://www.arita.com.au) contains the ARITA Code of Professional Practice which is applicable to all its members. ARITA also provides general information to assist creditors at www.arita.com.au/creditors.

ASIC includes information on its website which may assist creditors. Go to www.asic.gov.au and search for 'insolvency information sheets'.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Appendix F – Remuneration approval report

Remuneration Approval Report

The report contains the following information:

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1. Introduction

This remuneration report dated 6 November 2024 covers the following four (4) administrations (All Administrators Appointed) (**Companies**):

Entity	Date of appointment	ACN
Redflow International Pty Ltd	23-Aug-2024	128 888 997
Redflow Limited	23-Aug-2024	130 227 271
Redflow R&D Pty Ltd	23-Aug-2024	116 992 253
ZCell Australia Pty Ltd	23-Aug-2024	613 792 420

While this report covers the Companies, creditors should note that our remuneration will be reported on each of the Administrations separately and resolutions for the approval of fees and disbursements will also be detailed separately.

Creditors must prove in the relevant entity to be eligible to vote on our fees and disbursements approval requests for that entity.

2. Summary

We are asking creditors to approve the following remuneration and disbursements (GST exclusive) noting that we will only seek approval of the resolution for the liquidation if creditors vote to place the company into liquidation.

Redflow International resolutions

Redflow International	Schedule number	Resolution	Amount \$ (Excl GST)
Voluntary Administration (VA)			
Actual: 23 August 2024 to 28 October 2024	1.1 & 1.2	RFI-1	\$1,310,357.80
Future: 29 October 2024 to the completion of the VA	2.1 & 2.2	RFI-2	\$160,000.00
Total – VA remuneration			\$1,470,357.80
Actual: Disbursements 23 August 2024 to 28 October 2024		RFI-4	\$600.00
Future: Disbursements 29 October 2024 to completion of the VA		RFI-5	\$600.00
Total – VA disbursements			\$1,200.00
Total – VA remuneration and disbursements			\$1,471,557.80
If Liquidation is resolved			
Future: Commencement of liquidation to finalisation of liquidation	3.1 & 3.2	RFI-3	\$340,000.00
Total – Liquidation			\$340,000.00

Redflow Limited resolutions

Redflow Limited	Schedule number	Resolution	Amount \$ (Excl GST)
Voluntary Administration (VA)			
Actual: 23 August 2024 to 28 October 2024	4.1 & 4.2	RFL-1	\$207,886.00
Future: 29 October 2024 to the completion of the VA	5.1 & 5.2	RFL-2	\$30,000.00
Total – VA remuneration			\$237,886.00
Actual: Disbursements 23 August 2024 to 28 October 2024		RFL-4	\$600.00
Future: Disbursements 29 October 2024 to completion of the VA		RFL-5	\$600.00
Total – VA disbursements			\$1,200.00
Total – VA remuneration and disbursements			\$239,086.00
If Liquidation is resolved			
Future: Commencement of liquidation to finalisation of liquidation	6.1 & 6.2	RFL-3	\$40,000.00
Total – Liquidation			\$40,000.00

Redflow R&D resolutions

Redflow R&D	Schedule number	Resolution	Amount \$ (Excl GST)
Voluntary Administration (VA)			
Actual: 23 August 2024 to 28 October 2024	4.1 & 4.2	RFRD-1	\$41,706.50
Future: 29 October 2024 to the completion of the VA	5.1 & 5.2	RFRD-2	\$5,000.00
Total – VA remuneration			\$46,706.50
Actual: Disbursements 23 August 2024 to 28 October 2024		RFRD-4	\$600.00
Future: Disbursements 29 October 2024 to completion of the VA		RFRD-5	\$600.00
Total – VA disbursements			\$1,200.00
Total – VA remuneration and disbursements			\$47,906.50
If Liquidation is resolved			
Future: Commencement of liquidation to finalisation of liquidation	6.1 & 6.2	RFRD-3	\$10,000.00
Total – Liquidation			\$10,000.00

ZCell resolutions

ZCell	Schedule number	Resolution	Amount \$ (Excl GST)
Voluntary Administration (VA)			
Actual: 23 August 2024 to 28 October 2024	10.1 & 10.2	ZCE-1	\$13,617.60
Future: 29 October 2024 to the completion of the VA	11.1 & 11.2	ZCE-2	\$5,000.00
Total – VA remuneration			\$18,617.60
Actual: Disbursements 23 August 2024 to 28 October 2024		ZCE-4	\$600.00
Future: Disbursements 29 October 2024 to completion of the VA		ZCE-5	\$600.00
Total – VA disbursements			\$1,200.00
Total – VA remuneration and disbursements			\$19,817.60
If Liquidation is resolved			
Future: Commencement of liquidation to finalisation of liquidation	12.1 & 12.2	ZCE-3	\$10,000.00
Total – Liquidation			\$10,000.00

Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the administrations. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.

Details of remuneration and disbursements can be found in **Sections 4-6** of this report.

Creditors will be asked to pass resolutions at the meeting on 15 November 2024.

We estimate the total cost of the voluntary administration per entity (excl GST) is as follows.

Entity	Remuneration from 23 August 2024 to 28 October 2024	Remuneration from 29 October to completion of VA	Estimated total for VA
Redflow International	\$1,310,357.80	\$160,000.00	\$1,470,357.80
Redflow Limited	\$207,886.00	\$30,000.00	\$237,886.00
Redflow R&D	\$41,706.50	\$5,000.00	\$46,706.50
ZCell	\$13,617.60	\$5,000.00	\$18,617.60
Total	\$1,573,567.90	\$200,000.00	\$1,773,567.90

We did not receive any DOCA proposal from the directors or any interested parties before the date of the report.

We will only seek approval of the resolutions for the liquidation fees if creditors vote to place the Companies into liquidation.

If creditors vote to place the Companies into liquidation, we estimate the total cost of the liquidation per entity (excl. GST) is as follows:

Entity	Period	Estimated Total for Liquidation
Redflow International	Commencement of liquidation to conclusion	\$340,000.00
Redflow Limited	Commencement of liquidation to conclusion	\$40,000.00
Redflow R&D	Commencement of liquidation to conclusion	\$10,000.00
ZCell	Commencement of liquidation to conclusion	\$10,000.00
Total		\$400,000.00

3. Declaration

We, David Orr and Richard Hughes have undertaken an assessment of the remuneration and disbursement claims for our appointment as Joint and Several Administrators of the Companies in accordance with the law and applicable professional standards. We are satisfied the remuneration and disbursements claimed are necessary and proper. We have reviewed the work in progress report for the Administration to ensure that remuneration is only being claimed for necessary and proper work performed and no adjustment was necessary.

4. Remuneration sought

Remuneration method chosen and hourly rates

For the reasons outlined in our Initial Remuneration Notice (IRN) dated 27 August 2024 we propose that our remuneration be calculated on a time basis. The rates for our remuneration calculation which were provided in our IRN are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the VAs and the role they undertake. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description	Hourly Rate (Excl GST)
Appointee / Partner	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$850
Principal/ Consultant	Typically, CA or CPA qualified with in excess of 10 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee but otherwise responsible for all aspects of an administration. Capable of controlling all aspects of an administration. May be appropriately qualified to take appointments in his/her own right.	\$825
Director	Typically, CA or CPA qualified with in excess of 7 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee but otherwise responsible for all aspects of an administration. Capable of controlling all aspects of an administration. May be appropriately qualified to take appointments in his/her own right.	\$780
Associate Director / Senior Manager	Typically, CA or CPA qualified with in excess of 5 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee and responsible for material aspects of an administration. Experienced in and capable of controlling most aspects of an administration.	\$680
Manager	Typically, CA or CPA qualified with 5 to 8 years' experience working on insolvency matters. Will have experience conducting administrations and directing a number of staff.	\$630
Senior Analyst	Typically completed or near completion of CA or CPA qualifications with 3 to 6 years insolvency experience. Assists in planning and control of smaller matters as well as performing some more difficult tasks on larger matters.	\$520
Analyst	Typically studying towards CA or CPA qualification with 1 to 4 years insolvency experience. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$460
Graduate	Junior staff member who has completed a university degree with less than one year's experience working on insolvency matters. Works under supervision of more senior staff in performing day-to-day fieldwork. This may include staff located in other offices of Deloitte overseas. These staff work under the supervision of Australian staff with insolvency experience.	\$350
Secretary	Advanced secretarial skills.	\$315
Other Clerical	Support secretarial and administrative skills.	\$315
Other Junior	Junior staff member who has not yet completed a university degree with less than one year's experience working on insolvency matters. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$250

Remuneration resolutions

Creditors will be asked to pass the following resolutions to approve our remuneration. Details to support these resolutions are included in each of the respective schedules listed below.

In respect of the estimated future remuneration resolutions, should a lesser amount be incurred, only the incurred amount will be charged and drawn. Should a greater amount be incurred, only the capped amount approved by creditors will be charged, but we may seek further approval of the additional fees incurred at a later time.

There is no DOCA proposal in the Companies' administrations. Should the creditors resolve to place the Companies into liquidation, only the liquidation resolutions will be sought with respect to the future conduct of the external administrations.

Redflow International resolutions

Resolution RFI-1: Remuneration from 23 August 2024 to 28 October 2024

"That the remuneration of the Joint and Several Administrators, for the period of the administration from 23 August 2024 to 28 October 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, is approved for payment in the sum of \$1,310,357.80 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration immediately or as required."

Resolution RFI-2: Remuneration from 29 October 2024 to completion of the VA

"That the future remuneration of the Joint and Several Administrators from 29 October 2024 to completion of the VA is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$160,000.00 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration on a monthly basis or as required."

Resolution RFI-3: Remuneration from commencement to conclusion of liquidation

"That the future remuneration of the Joint and Several Liquidators from the commencement of the liquidation to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Joint and Several Liquidators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$340,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration on a monthly basis or as required."

Redflow Limited resolutions

Resolution RFL-1: Remuneration from 23 August 2024 to 28 October 2024

"That the remuneration of the Joint and Several Administrators, for the period of the administration from 23 August 2024 to 28 October 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, is approved for payment in the sum of \$207,886.00 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration immediately or as required."

Resolution RFL-2: Remuneration from 29 October 2024 to completion of the VA

"That the future remuneration of the Joint and Several Administrators from 29 October 2024 to completion of the VA is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$30,000.00 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration on a monthly basis or as required."

Resolution RFL-3: Remuneration from commencement to conclusion of liquidation

“That the future remuneration of the Joint and Several Liquidators from the commencement of the liquidation to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Joint and Several Liquidators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$40,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration on a monthly basis or as required.”

Redflow R&D resolutions

Resolution RFRD-1: Remuneration from 23 August 2024 to 28 October 2024

“That the remuneration of the Joint and Several Administrators, for the period of the administration from 23 August 2024 to 28 October 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, is approved for payment in the sum of \$41,706.50 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration immediately or as required.”

Resolution RFRD-2: Remuneration from 29 October 2024 to completion of the VA

“That the future remuneration of the Joint and Several Administrators from 29 October 2024 to completion of the VA is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$5,000.00 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration on a monthly basis or as required.”

Resolution RFRD-3: Remuneration from commencement to conclusion of liquidation

“That the future remuneration of the Joint and Several Liquidators from the commencement of the liquidation to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Joint and Several Liquidators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$10,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration on a monthly basis or as required.”

ZCell resolutions

Resolution ZCE-1: Remuneration from 23 August 2024 to 28 October 2024

“That the remuneration of the Joint and Several Administrators, for the period of the administration from 23 August 2024 to 28 October 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, is approved for payment in the sum of \$13,617.60 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration immediately or as required.”

Resolution ZCE-2: Remuneration from 29 October 2024 to completion of the VA

“That the future remuneration of the Joint and Several Administrators from 29 October 2024 to completion of the VA is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$5,000.00 exclusive of GST, and that the Joint and Several Administrators can draw the remuneration on a monthly basis or as required.”

Resolution ZCE-3: Remuneration from commencement to conclusion of liquidation

“That the future remuneration of the Joint and Several Liquidators from the commencement of the liquidation to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Joint and Several Liquidators and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice of 27 August 2024, up to a capped amount of \$10,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration on a monthly basis or as required.”

Total remuneration reconciliation

In our IRN dated 27 August 2024, we estimated the cost of the VA for the Companies to be approximately \$700,000 (excluding GST, legal fees and disbursements).

The initial estimate provided on 27 August 2024 was an estimate only and at a very early stage of the administration. It was based on our understanding of the administration at that point and incorporated certain assumptions and our thinking around how the administration was to be conducted. However, due to the way in which the matter unfolded the actual scenario was more complex and consequently substantially more work was required to be undertaken.

As set out in the above tables, the total VA remuneration we are seeking approval for in this report is for the sum of \$1,773,567.90. This has increased compared to our initial estimated range primarily because of the extension of the convening period which has significantly increased the time allowed for a sale of business and now sale of assets. The initial estimate of our fees did not include an extension of the convening period, but this was highlighted that if the timeframe were to increase then the fees would also increase in line with this. Significant work was also involved in:

- managing the Companies' Australian operations, including meeting with key stakeholders namely directors, landlord, critical suppliers and employees, the stand up and maintenance of a purchase order tracker, arranging payments to various trade suppliers, undertaking wage payments to staff, preparing employee termination notices and casual contracts, liaising with senior management
- the accelerated sale campaign undertaken to sell the business and or assets including preparation of due diligence materials, facilitation of the due diligence process, questions and answers and negotiating all key transaction terms, including the extension of the due diligence period
- extensive correspondence with legal counsel regarding guidance on various aspects of the administration, including application for the extension of the convening period
- communications with secured creditors to collect information on assets subject to security registrations on the Personal Property Securities Register (PPSR)
- assessing recoverability of domestic and international assets
- calculation of all employee entitlements and payment of same throughout the administration. This is normally a task that would be undertaken during the Liquidation period
- liaising with key management personnel to assist furthering research and development tax incentive claim for the pre-appointment period.

Please refer to the reference schedules listed in the tables in **Section 2** for full details of the calculation and composition of the remuneration approval sought, categorised by each major task area by staff member.

Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the administration of the respective company. Should additional work be necessary beyond what is contemplated, further approval may be sought.

Details of remuneration and disbursements can be found in **Sections 5 and 6** of this report.

As previously noted, we will only seek approval of the resolution for the liquidation if creditors vote to place the company into liquidation.

5. Details of remuneration sought

Redflow International

Voluntary Administration period

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Work we have already done	23 August 2024 to 28 October 2024	\$1,310,357.80	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Future work	29 October 2024 to completion of the VA	\$160,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Voluntary Administration total		\$1,470,357.80		

If the creditors vote to place the company in liquidation

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Future work (Liquidation)	Commencement to conclusion of liquidation	\$340,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available
Liquidation total		\$340,000.00		

Redflow Limited

Voluntary Administration period

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Work we have already done	23 August 2024 to 28 October 2024	\$207,886.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Future work	29 October 2024 to completion of the VA	\$30,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Voluntary Administration total		\$237,886.00		

If the creditors vote to place the company in liquidation

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Future work (Liquidation)	Commencement to conclusion of liquidation	\$40,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available
Liquidation total		\$40,000.00		

Redflow R&D

Voluntary Administration period

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Work we have already done	23 August 2024 to 28 October 2024	\$41,706.50	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Future work	29 October 2024 to completion of the VA	\$5,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Voluntary Administration total		\$46,706.50		

If the creditors vote to place the company in liquidation

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Future work (Liquidation)	Commencement to conclusion of liquidation	\$10,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available
Liquidation total		\$10,000.00		

ZCell

For the Voluntary Administration period

For	Period	Amount	Rates to apply	When it will be drawn
Work we have already done	23 August 2024 to 28 October 2024	\$13,617.60	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Future work	29 October 2024 to completion of the VA	\$5,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available or at the end of the voluntary administration
Voluntary Administration total		\$18,617.60		

If the creditors vote to place the company in liquidation

For	Period	Amount (excluding GST)	Rates to apply	When it will be drawn
Future work (Liquidation)	Commencement to conclusion of liquidation	\$10,000.00	As provided in my IRN sent to creditors on 27 August 2024	Immediately, when funds are available
Liquidation total		\$10,000.00		

Details of the work already done and future work that we intend to do are included in the schedules listed in **Section 11**, including a breakdown of time spent by each resource level on each major task for the work we have already done.

6. Disbursements sought

Disbursements are divided into three types:

- **External professional services:** These are recovered at cost. An example is legal fees. It does not include insolvency services as insolvency services are claimed as remuneration.
- **External non-professional costs:** These are recovered at cost. Examples include travel, accommodation, and search fees.
- **Internal disbursements (firm non-professional costs):** Such as photocopying, printing and postage. These costs, if charged to the administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

6.1 Externally provided disbursements

A number of services (both professional and non-professional) have been supplied by external providers. These are paid by two different methods:

- professional and non-professional services usually paid out of the Administration account at cost (for e.g. legal fees). Details of these amounts are included in the summary of Receipts and Payments which are summarised in **Appendix C** of the Report to Creditors dated 6 November 2024.
- non-professional services paid by Deloitte Financial Advisory Pty Ltd and reimbursed. These disbursements are detailed below.

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.

We have undertaken a proper assessment of disbursements claimed in accordance with the law and applicable professional standards. We are satisfied that the disbursements claimed are necessary and proper.

Details of the disbursements incurred to 28 October 2024 are included in the table below.

External disbursements	Basis	Redflow International	Redflow Limited	Redflow R&D	ZCell	Total
Ground travel	At cost	1,046.84	-	216.70	-	1,263.54
Taxi / rideshare	At cost	979.19	-	94.16	-	1,073.35
IT equipment ¹	At cost	11,050.93	-	-	-	11,050.93
Equipment supplies ²	At cost	434.55	-	-	-	434.55
Searches	At cost	95.40	185.04	85.86	19.08	385.38
Total disbursements (VA to current)		13,606.91	185.04	396.72	19.08	14,207.75

Notes

1. Included payment for the continued supply of third-party IT software to sustain interim trade operations.
2. Included the purchase of an air compressor at cost from Bunnings to sustain trade operations.

6.2 Internal disbursements

6.2.1 Disbursement claim resolutions

The internal disbursements we are asking creditors to approve are as follows:

Redflow International	Disbursement	Amount \$ (Excl GST)
Disbursements		
Actual: 23 August 2024 to 28 October 2024	Administration fee*	\$600.00
Future: 29 October 2024 to completion of the VA	Administration fee*	\$600.00
Total disbursements		\$1,200.00

Redflow Limited	Disbursement	Amount \$ (Excl GST)
Disbursements		
Actual: 23 August 2024 to 28 October 2024	Administration fee*	\$600.00
Future: 29 October 2024 to completion of the VA	Administration fee*	\$600.00
Total disbursements		\$1,200.00

Redflow R&D	Disbursement	Amount \$ (Excl GST)
Disbursements		
Actual: 23 August 2024 to 28 October 2024	Administration fee*	\$600.00
Future: 29 October 2024 to completion of the VA	Administration fee*	\$600.00
Total disbursements		\$1,200.00

ZCell	Disbursement	Amount \$ (Excl GST)
Disbursements		
Actual: 23 August 2024 to 28 October 2024	Administration fee*	\$600.00
Future: 29 October 2024 to completion of the VA	Administration fee*	\$600.00
Total disbursements		\$1,200.00

* This fee contributes towards costs incurred by our firm in the administration of the engagement. Such costs include, amongst other things, variable levies incurred when certain notices are lodged with ASIC or advertised on the ASIC public notice website pursuant to The ASIC Supervisory Cost Recovery Levy Act 2017, the licensing and use of insolvency software to assist with the creation, preparation and maintenance of proper administration records, telephone calls and internal photocopying and printing. Based upon internal analysis of average costs incurred, \$600 is, in our opinion a reasonable commercial claim.

Redflow International

Resolution RFI-4: Current Joint and Several Administrators' disbursements from 23 August 2024 to 28 October 2024

“That the disbursements of the Administration from 23 August 2024 to 28 October 2024, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 August 2024 are approved for payment in the sum of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Resolution RFI-5: Future Joint and Several Administrators’ disbursements from 29 October 2024 to the completion of the VA

“That the future disbursements of the Administration from 29 October 2024 to the completion of the VA, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 March 2024 is capped at the amount of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Redflow Limited

Resolution RFL-4: Current Joint and Several Administrators’ disbursements from 23 August 2024 to 28 October 2024

“That the disbursements of the Administration from 23 August 2024 to 29 October 2024, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 August 2024 are approved for payment in the sum of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Resolution RFL-5: Future Joint and Several Administrators’ disbursements from 29 October 2024 to the completion of the VA

“That the future disbursements of the Administration from 29 October 2024 to the completion of the VA, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 March 2024 is capped at the amount of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Redflow R&D

Resolution RFRD-4: Current Joint and Several Administrators’ disbursements from 23 August 2024 to 28 October 2024

“That the disbursements of the Administration from 23 August 2024 to 28 October 2024, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 August 2024 are approved for payment in the sum of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Resolution RFRD-5: Future Joint and Several Administrators’ disbursements from 29 October 2024 to the completion of the VA

“That the future disbursements of the Administration from 29 October 2024 to the completion of the VA, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 March 2024 is capped at the amount of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

ZCell

Resolution ZCE-4: Current Joint and Several Administrators’ disbursements from 23 August 2024 to 28 October 2024

“That the disbursements of the Administration from 23 August 2024 to 28 October 2024, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 August 2024 are approved for payment in the sum of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

Resolution ZCE-5: Future Joint and Several Administrators’ disbursements from 29 October 2024 to the completion of the VA

“That the future disbursements of the Administration from 29 October 2024 to the completion of the VA, calculated at the rates as detailed in the Initial Remuneration Notice dated 27 March 2024 is capped at the amount of \$600 exclusive of GST and that the Administrators may draw the disbursements immediately or as required.”

7. Likely impact on dividends

The Act sets the order for payment of claims against the Companies, and it provides for remuneration of the Administrators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Administrators receive payment for the work done to recover assets, investigate the Companies' affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve our remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

Since our appointment, we have focused on maximising the recoverable value of the assets of the Companies, which includes pursuing a sale of the business and assets of the Companies. The continuation of the business would have preserved jobs of employees and could have provided a better return to creditors. While the focus has been on prioritising tasks relating to the realisation of assets, we are also required to perform a number of tasks which do not relate to the preservation of business, for example responding to creditors enquiries, undertaking statutory tasks, investigations and assisting with employee queries and calculating entitlements.

Any dividend to creditors will be impacted not just by our fees and disbursements, but also by the amount of assets that we are able to recover, and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors, such as employees.

For further information regarding estimated return to creditors, please refer to **Section 8** of the Report to Creditors pursuant to section 75-225 of the Insolvency Practice Rules (Corporations).

8. Summary of receipts and payments

A summary of the receipts and payments for the administrations from 23 August 2024 to 28 October 2024 is set out in **Appendix C** of the Report to Creditors dated 6 November 2024. We note the receipts and payments are on a cash basis and do not account for the significant accruals that are still to be paid primarily in respect to on costs for employees .

9. Queries

If you have any queries in relation to the information in this report, please email us at redflow@deloitte.com.au.

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).

Further supporting documentation for our remuneration claim can be provided to creditors on request.

10. Attachments

Entity	Schedule	Resolution	Description
Redflow International (RFI)	1.1 & 1.2	RFI-1	Time charged to each major task Detailed description of tasks
	2.1 & 2.2	RFI-2	Time charged to each major task Detailed description of tasks
	3.1 & 3.2	RFI-3	Time charged to each major task Detailed description of tasks
Redflow Limited (RFL)	4.1 & 4.2	RFL-1	Time charged to each major task Detailed description of tasks
	5.1 & 5.2	RFL-2	Time charged to each major task Detailed description of tasks
	6.1 & 6.2	RFL-3	Time charged to each major task Detailed description of tasks
Redflow R&D (RFRD)	7.1 & 7.2	RFRD-1	Time charged to each major task Detailed description of tasks
	8.1 & 8.2	RFRD-2	Time charged to each major task Detailed description of tasks
	9.1 & 9.2	RFRD-3	Time charged to each major task Detailed description of tasks
ZCell (ZCE)	10.1 & 10.2	ZCE-1	Time charged to each major task Detailed description of tasks
	11.1 & 11.2	ZCE-2	Time charged to each major task Detailed description of tasks
	12.1 & 12.2	ZCE-3	Time charged to each major task Detailed description of tasks

Schedule 1.1: Time charged to each major task

Redflow International

RFI-1: Remuneration from 23 August 2024 to 28 October 2024

Employee	Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area											
					Assets		Creditors		Employees		Trade On		Investigations		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Hughes, Richard	Partner	850.00	137.6	116,960.00	79.3	67,405.00	-	-	13.7	11,645.00	32.8	27,880.00	-	-	11.8	10,030.00
Orr, David	Partner	850.00	121.3	103,105.00	15.2	12,920.00	-	-	-	-	80.0	68,000.00	-	-	26.1	22,185.00
Lombe, David	Partner	850.00	3.1	2,635.00	-	-	-	-	-	-	-	-	-	-	3.1	2,635.00
Williams, Neil	Director	780.00	101.3	79,014.00	-	-	-	-	-	101.3	79,014.00	-	-	-	-	-
Green, Russell	Director	780.00	203.9	159,003.00	203.9	159,003.00	-	-	-	-	-	-	-	-	-	-
Kufflik, Lea	Director	780.00	66.8	52,104.00	-	-	-	-	38.8	30,264.00	27.2	21,216.00	-	-	0.8	624.00
Bayard, Harry	Associate Director	680.00	198.2	134,762.40	36.6	24,915.20	20.4	13,872.00	27.1	18,441.60	103.2	70,176.00	-	-	10.8	7,357.60
Tam, Connie	Associate Director	680.00	107.9	73,392.40	0.9	612.00	9.3	6,324.00	83.6	56,814.00	0.3	204.00	-	-	13.9	9,438.40
Fiorentino, Camilla	Associate Director	680.00	116.5	79,220.00	-	-	32.4	22,032.00	1.9	1,292.00	10.9	7,412.00	40.0	27,200.00	31.3	21,284.00
Green, Ryan	Manager	630.00	88.7	55,849.50	-	-	24.8	15,592.50	-	-	16.1	10,143.00	-	-	47.8	30,114.00
Carroll, Declan	Manager	630.00	58.5	36,823.50	-	-	-	-	-	-	58.5	36,823.50	-	-	-	-
Dwyer, Sarah	Manager	630.00	2.4	1,512.00	-	-	-	-	-	-	-	-	-	-	2.4	1,512.00
Clarkin, Hash	Senior Analyst	520.00	92.8	48,256.00	-	-	-	-	85.6	44,512.00	1.6	832.00	0.1	52.00	5.5	2,860.00
Monsour, Jordy	Senior Analyst	520.00	0.7	364.00	-	-	-	-	-	-	-	-	-	-	0.7	364.00
Winterbottom, Max	Senior Analyst	520.00	194.6	101,192.00	20.7	10,764.00	-	-	-	-	165.7	86,164.00	-	-	8.2	4,264.00
Peachey, Ben	Senior Analyst	520.00	11.2	5,824.00	-	-	11.2	5,824.00	-	-	-	-	-	-	-	-
Tay, Adam	Senior Analyst	520.00	143.1	74,386.00	-	-	-	-	-	-	-	-	143.1	74,386.00	-	-
Flynn, Marushka	Senior Analyst	520.00	3.2	1,664.00	-	-	-	-	-	-	-	-	-	-	3.2	1,664.00
Lim, Ancella	Senior Analyst	520.00	3.7	1,924.00	-	-	-	-	-	-	-	-	-	-	3.7	1,924.00
King, Vikki	Senior Analyst	520.00	5.1	2,652.00	-	-	-	-	-	-	-	-	-	-	5.1	2,652.00
Cairns, Reagan	Analyst	460.00	28.4	13,064.00	-	-	17.5	8,050.00	2.9	1,334.00	-	-	-	-	8.0	3,680.00
Latin, Alyssa	Analyst	460.00	221.6	101,936.00	221.6	101,936.00	-	-	-	-	-	-	-	-	-	-
Williams, Sam	Graduate	350.00	184.9	64,715.00	7.1	2,485.00	48.8	17,080.00	-	-	63.0	22,050.00	-	-	66.0	23,100.00
TOTAL			2,095.3	1,310,357.8	585.3	380,040.20	164.4	88,774.50	253.6	164,302.60	660.6	429,914.50	183.2	101,638.00	248.4	145,688.00
GST				131,035.78												
TOTAL (including GST)				1,441,393.58												
Average hourly rate						649.32		540.16		647.96		650.84		554.94		586.51

Schedule 1.2: Detailed description of tasks performed

Redflow International

RFI-1: Remuneration from 23 August 2024 to 28 October 2024

		Work completed
Period		23 August 2024 to 28 October 2024
Amount (ex. GST)		\$1,310,357.80
Task area	General description	Includes
Assets	Subtotal	585.3 hours \$380,040.20
	Sale of business	<ul style="list-style-type: none"> • Developing a strategy for the sale of business and designing the transaction parameters • Identifying interested parties for purchasing the business • Preparing, reviewing, and amending the data available for interested parties • Preparing short-form sale teaser document and comprehensive information memorandum • Preparing and placing EOI advertisements in national newspapers in Australia and the United States of America • Gathering and reviewing documents to be uploaded to the data room • Issuing and entering non-disclosure agreements with interested parties • Internal team meetings to discuss sale process design and inclusions • Monitoring the data room and directing incoming questions from interested parties to the appropriate SME • Responding to interested party queries and requests for information • Discussions and negotiations with interested parties, bidders, and their respective financial and legal advisors • Undertaking site visits with interested parties and their advisors • Analysing the non-binding indicative offers received. This includes the proposed transaction structure and considering any concerns associated with the timing of sale completion • Shortlisting three interested parties and notifying those parties who were unsuccessful • Internal discussions to finalise key employee details, employee entitlement count, asset listings, leases for inclusion in sale due diligence • Ongoing meetings and addressing Q&A in respect of priority financial, operational and commercial due diligence undertaken by interested parties • Reviewing key legal documentation with legal advisors • Notifying shortlisted parties of the conclusion of the going concern sale process and transition to asset sale process • Notifying previously interested parties of the sale campaign for the intellectual property and assets

		<ul style="list-style-type: none"> • Holding meetings with parties that are interested in the intellectual property and assets • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
	Plant and equipment	<ul style="list-style-type: none"> • Searches of public registers (incl. motor vehicle registry, Personal Property Securities Register (PPSR)) to identify assets of the company • Reviewing management asset records, including fixed assets located in Australia and Thailand and register of intellectual property • Updating asset schedules • Site visits where practicable to locate and sight assets • Discussions with creditors regarding specific plant and equipment • Strategy meetings to discuss realisation of plant and equipment • Arranging valuation of assets, including appointment of Pickles Advisory to inspect and prepare detailed asset listings and valuations • Liaising with Pickles in relation to asset location, contacts and asset split per site • Liaising with Pickles to attend the factory located in Thailand for valuation of assets owned by the Australian companies • Preparation of master asset listings and reconciliation with PPSR registrations • Internal meetings with Administrators' staff, Redflow management and external parties regarding various plant and equipment matters, locations and additional information requirements • Attending internal planning meetings regarding sale strategy for Redflow's assets
	Assets subject to specific charges	<ul style="list-style-type: none"> • Reviewing asset listings and secured asset position • Corresponding with Redflow key management regarding assessment of keep/disclaim secured assets • Liaising with secured creditors and all other tasks associated with realising charged assets
	Inventory and materials	<ul style="list-style-type: none"> • Identifying circulating assets with Redflow team including locations, amounts paid and estimated costs to realise • Reviewing stocktake • Liaising with internal team and Redflow staff regarding asset information request for sale • Attending to Retention of Title claims by suppliers
	Other assets	<ul style="list-style-type: none"> • Tasks associated with realising other assets • Liaise with Redflow key management regarding ongoing staff requirements, documentation, and site issues • Maintaining file note of all Company assets including recoverability details and correspondence issued
Creditors	Subtotal	164.4 hours \$88,774.50
	General creditor enquiries	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries

	<ul style="list-style-type: none"> • Reviewing and preparing correspondence to creditors and their representatives via Halo, email and post • Compiling information requested by creditors • Compiling master creditor listing • Internal meetings and discussions regarding workstreams • Setting up creditor management platform (Halo) and preparation of claim forms, proxies for voting and live poll platform • Processing “return to sender” correspondence
Secured creditor reporting	<ul style="list-style-type: none"> • Searching the PPSR register • Notifying all PPSR registered creditors of administrators’ appointment • Responding to secured creditors’ queries • Reviewing validity of registered claims • Communicating with legal representatives regarding security interests • Communicating with suppliers with registered security interests to collect information on material and equipment provided • Preparing PPSR registration checklist • Reviewing PPSR registrations and updating secured asset register • Maintaining PPSR schedule of confirmed discharges, ROT claims, ongoing equipment hire and validity of claims • Drafting notices of intention not to exercise rights • Communication with secured creditors regarding their security
Creditor reports	<ul style="list-style-type: none"> • Preparing initial notice to creditors • Preparing updates and circulars to creditors • Drafting section 75-225 report, which includes reporting on: <ul style="list-style-type: none"> ○ Statutory information to creditors ○ The affairs of Redflow preceding the administration and the Administrators’ investigations ○ The actions taken by the Administrators in respect of the sale of business / recapitalisation process ○ The options available for the future of Redflow and the Administrators’ recommendation for the future of the Companies • Preparing annexures to 75-225 report • Processing return to sender correspondence
DOCA considerations	<ul style="list-style-type: none"> • Corresponding with prospective purchasers regarding DOCA proposals and related documents • Working with prospective purchasers and their advisors to discuss DOCA proposals and structure
Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of PODs through Halo platform • Communication with creditors regarding submitted PODs • Admitting PODs for voting purposes for the first meeting of creditors

		<ul style="list-style-type: none"> • Preparing various user guides, FAQs and other materials to support creditor use of Halo platform • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding use or information in the Halo creditor platform • Preparing various communications to creditors regarding Halo creditor platform
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing first meeting notices, DIRRI, proxies, initial remuneration notice and advertisements • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the first meeting, including agenda, attendance register, list of creditors, advertisement of meeting and draft minutes of meeting • Holding the first meeting of creditors via Microsoft Teams • Preparing and lodging minutes of meetings with ASIC • Responding to stakeholder queries and questions immediately following meeting • Liaising with solicitors regarding the extension of the convening period for the second meeting of creditors • Preparing the affidavit and application to Court for the extension of the convening period for the second meeting of creditors • Reviewing affidavit and organising with the team to provide supporting documentation to be exhibited with the affidavit
Employees	Subtotal	253.6 hours \$164,302.60
	Employee enquiries	<ul style="list-style-type: none"> • Receiving and reviewing employee enquiries • Reviewing and preparing correspondence to employees via telephone, email and Halo • Attendance on site to meet employees, discuss concerns, answer questions and explain strategy • Assist employees with various queries regarding the Halo creditor platform and their employee entitlements • Updating employee contact details in Halo
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
	Calculation of entitlements	<ul style="list-style-type: none"> • Preparing fortnightly wages and reconciling payroll tax • Calculating and reviewing of employee entitlements, including bonuses / retentions, outstanding salary sacrifice, annual leave, leave loading, long serve leave, PILN and redundancy • Reviewing employment contracts, agreements, awards • Liaising with solicitors regarding legal employing entities and entitlements • Prepare and issue letters to employees advising of their entitlements • Further correspondence with employees regarding entitlement calculations • Correspondence to staff whose positions have been made redundant including termination notices and separation certificates

	Correspondence to staff whose positions had been made redundant or where staff had been requested not to serve out the remainder of their notice period	<ul style="list-style-type: none"> • Correspondence to staff whose positions will be made redundant including: notice of their redundancy; FAQ; details of support and a separation certificate • Communications with solicitors regarding the review of the pro-forma documents to be issued to staff where their positions have been made redundant or where staff have been requested not to serve out the remainder of their notice period • Correspondence with Centrelink regarding notification of redundancies • Correspondence with each state's respective workers compensation insurers in relation to redundancies and the recovery of any outstanding reimbursements
	Employee distribution	<ul style="list-style-type: none"> • Correspondence with employees regarding distribution • Preparing distribution
	Other employee issues	<ul style="list-style-type: none"> • Correspondence with Services Australia
Trade on	Subtotal	660.6 hours \$429,914.50
	Suppliers and service providers	<ul style="list-style-type: none"> • Drafting and issuing initial correspondence to suppliers and service providers regarding continuation of supply and services • Regularly corresponding with suppliers via phone and email • Liaising with suppliers regarding terms and negotiating new agreements • Maintaining and processing purchase orders for goods and services • Regular review and monitoring of purchase order register • Review and authorisation of purchase orders • Preparation and review and update of payments schedule tracker • Review and reconciliation of pre and post appointment supplier payments • Reviewing payment requests and arranging required approvals from Administrators

	Leasing	<ul style="list-style-type: none"> • Liaising with lease holders (both used and occupied) regarding the voluntary administration and statutory moratorium on debts and lease payments pursuant to Section 443B of the Act • Discussing lease requirements with management and internal staff • Reviewing lease documents for leased premises • Liaising with lessors regarding specific occupation issues • Communication with lessors regarding the extension of the decision period regarding leases pursuant to section 443B of the Corporations Act • Preparing and maintaining lease register • Ad-hoc administrative tasks associated with maintaining the lease, including the review of rental charges and the raising of purchase orders for the administration period • Liaising with internal team to confirm equipment on hire not registered on the PPSR, preparing a summary of same, and requesting agreements • Creation and maintenance of master leased equipment register 	
	Processing receipts and payments	<ul style="list-style-type: none"> • Preparing and authorising payments • Entering receipts and payments into accounting system • Reviewing supplier payments • Liaison with the bank regarding transfers 	
	Cashflow funding and trading	<ul style="list-style-type: none"> • Attending site and taking control of all data, assets and services upon appointment • Reviewing Redflow's budgets and financial statements • Preparing, maintaining, and reviewing cash flow forecasts • Liaising with key stakeholders and management regarding cash flow forecasts • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular meetings to discuss cash flow and trading position • Preparation, review and regular updates of ESOP model • Preparation, review and daily updates of cash flow models • Regular meetings to discuss trading position • Management of bank accounts 	
	Information technology	<ul style="list-style-type: none"> • Ensured individual access is maintained to the external data hosting system 	
Investigation	Subtotal		183.2 hours \$101,638.00
	Conducting investigation	<ul style="list-style-type: none"> • Collecting and listing Redflow books and records • Arranging access to Redflow accounting software for Deloitte staff • Reviewing and preparing Redflow's nature and history • Conducting and summarising statutory searches 	

		<ul style="list-style-type: none"> • Conducting meetings and interviews with management and staff regarding affairs of Redflow and preparing file notes • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing Redflow's books and records and other information to identify key events leading to voluntary administration • Considering solvency of Redflow and directors' conduct • Preparing investigation file • Conducting financial analysis of management accounts and financial statements • Reviewing CFO reports, Board reports, Board minutes and other communications to identify key events leading to voluntary administration and date of solvency • Insolvent trading investigations, including review of Safe Harbour reports and modelling • Reviewing taxation records • Conducting aged payables, cash and debtor analysis • Understanding intercompany loan matrix
Administration	Subtotal	248.4 hours \$145,688.00
	Correspondence	<ul style="list-style-type: none"> • Managing Redflow VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Filing of documents and emails • Setting up matter in Core IPS • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
	Insurance	<ul style="list-style-type: none"> • Providing initial notification of the appointment to our insurance brokers • Identification of potential issues requiring attention of insurance specialists • Correspondence with insurance brokers regarding initial and ongoing insurance requirements • Reviewing pre-existing insurance policies • Liaising with insurance brokers in relation to Professional Indemnity (PI) insurance requirements and options for post-appointment trading • Preparation, collation and issuing of information to insurance brokers • Discussion with key stakeholders and legal advisors in relation to PI insurance requirements • Liaising with legal advisors in relation to insurance notifications • Reviewing and discussing post-appointment PI options and costs with insurance brokers, legal advisors and key stakeholders / clients • Facilitating WHS inspection for insurance purposes

Bank account administration	<ul style="list-style-type: none"> • Preparing correspondence to open bank accounts • Requesting bank statements • Reconciling transaction reports with receipts and payments recorded in Core IPS • Correspondence with regard to specific transfers requiring further information • Liaising with bank regarding status of pre-appointment account funds transfer
ASIC forms and lodgements	<ul style="list-style-type: none"> • Discussing the ROCAP with the management team • Preparing and lodging ASIC forms including 505, 507, 5011, etc • Preparing and lodging DIRRI • Corresponding with ASIC regarding statutory forms and other ad hoc matters of attention including court hearings, creditors meeting, creditor listings
ATO and other statutory reporting	<ul style="list-style-type: none"> • Notification of appointment • Correspondence with the ATO regarding CAC numbers for the period, and BAS lodgement issue • Preparing and lodging BAS • Completing STP reporting obligations • Preparing ASIC PNWs
Planning / review	<ul style="list-style-type: none"> • Attending to all engagement set up matters • Holding regular team meetings regarding status and planning of the administration • Various discussions regarding status of the administration with senior management • Internal meetings providing progress updates to engagement team • Creation and maintenance of actions / issues log and liaise with workstream leads with respect to same • Review and identification of ROCAP outstanding requirements
Project / engagement management	<ul style="list-style-type: none"> • Project management of team including facilitation of meetings, onboarding new staff, management of team sites and liaison with workstream leads, engagement setup and structure • Set up file sharing on Teams, structure and email saving mechanism • Oversight and maintenance of data room access for sale process • Request for information management • Facilitation of work stream meetings
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files
Legal matters	<ul style="list-style-type: none"> • Assisting solicitors with information requests, corresponding with solicitors with respect to all Court matters • Strategy meetings and briefing to solicitors

Schedule 2.1: Time to be charged to each major task

Redflow International

RFI-2: Remuneration from 29 October 2024 to completion of the VA

Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Trade On		Investigations		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	18.80	15,980.00	2.80	2,380.00	4.70	3,995.00	3.80	3,230.00	3.8	3,230.00	1.9	1,615.00	1.8	1,530.00
Director	780.00	41.10	32,058.00	6.20	4,836.00	10.30	8,034.00	8.20	6,396.00	8.2	6,396.00	4.1	3,198.00	4.1	3,198.00
Associate Director	680.00	47.10	32,028.00	7.10	4,828.00	11.80	8,024.00	9.40	6,392.00	9.4	6,392.00	4.7	3,196.00	4.7	3,196.00
Manager	630.00	25.30	15,939.00	3.80	2,394.00	6.30	3,969.00	5.10	3,213.00	5.1	3,213.00	2.5	1,575.00	2.5	1,575.00
Senior Analyst	520.00	61.50	31,980.00	9.20	4,784.00	15.40	8,008.00	12.30	6,396.00	12.3	6,396.00	6.2	3,224.00	6.1	3,172.00
Analyst	460.00	34.80	16,008.00	5.20	2,392.00	8.70	4,002.00	7.00	3,220.00	7.0	3,220.00	3.5	1,610.00	3.4	1,564.00
Graduate	350.00	45.70	16,007.00	6.90	2,415.00	11.40	3,990.00	9.10	3,185.00	9.1	3,185.00	4.6	1,610.00	4.6	1,622.00
TOTAL		274.3	160,000.00	41.2	24,029.00	68.6	40,022.00	54.9	32,032.00	54.9	32,032.00	27.5	16,028.00	27.2	15,857.00
GST			16,000.00												
TOTAL (including GST)			176,000.00												
<i>Average hourly rate</i>					<i>583.23</i>		<i>583.41</i>		<i>583.46</i>		<i>583.46</i>		<i>582.84</i>		<i>582.98</i>

Schedule 2.2: Detailed description of tasks to be performed

Redflow International

RFI-2: Remuneration from 29 October 2024 to completion of the VA

		Future work
Period		29 October 2024 to completion of the VA
Amount (ex. GST)		\$160,000.00
Task area	General description	Includes
Assets	Subtotal	41.2 hours \$24,029.00
	Sale of assets and intellectual property	<ul style="list-style-type: none"> • Ongoing internal meetings regarding the asset and IP sale campaign • Ongoing meetings with interested parties and addressing Q&A in respect of the business asset and IP sale • Reviewing key legal documentation with legal advisors • Holding meetings with parties that are interested in the intellectual property and assets • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties • Completing the auction process for fixed assets at Brisbane premises • Tasks to complete the sale of business assets and IP
	Other assets	<ul style="list-style-type: none"> • Maintain and update secured asset tracker • Tasks associated with realising other assets • Maintain file note of all company assets including recoverability details and correspondence issued
Creditors	Subtotal	68.6 hours \$40,022.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform • Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post • Maintaining creditor request log via Halo platform • Considering reasonableness of creditor requests • Compiling information requested by creditors • Documenting reasons for complying or not complying with requests or directions • Processing 'return to sender' correspondence
	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditors' queries • Liaising with secured creditors in relation to the sale of assets and intellectual property • Maintaining secured asset register

	Creditor reports	<ul style="list-style-type: none"> Finalising and issuing section 75-225 report Further update to creditors following second meeting of creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> Maintaining register of PODs through Halo platform Communication with creditors regarding submitted PODs Creditor data management including processing updates to creditor information in Halo platform Attending to creditor queries regarding information in the Halo creditor platform and submitted PODs Creditor data management including processing updates to creditor information in Halo platform Admitting PODs for voting purposes for the second meeting of creditors
	Meeting of creditors	<ul style="list-style-type: none"> Preparing second meeting notice, proxies and advertisements for second meeting of creditors Forwarding notice of second meeting to all known creditors Discussing requirements for virtual meeting with internal IT support Preparing meeting file for the second meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Holding the second meeting of creditors Preparing and lodging minutes of second meeting with ASIC Responding to stakeholder queries and questions following second meeting
Employees	Subtotal	54.9 hours \$32,032.00
	Employee enquiries	<ul style="list-style-type: none"> Receiving and reviewing employee enquiries Reviewing and preparing correspondence to employees via telephone, email and Halo Assist employees with various queries regarding the Halo creditor platform and their employee entitlements Updating employee contact details in Halo
	ATO	<ul style="list-style-type: none"> Corresponding with the ATO regarding STP lodgements for the post appointment Correspondence to resolve STP and CAC reporting issues
	Payroll	<ul style="list-style-type: none"> Updates to cash flow and cost analysis for revised run rate of staff being employed during the administration period Reviewing and lodging STP reports Liaising with respective state offices regarding payroll tax Calculate, review and arrangement payment of employee termination payments and associated correspondence
	Calculation of entitlements	<ul style="list-style-type: none"> Review of employee entitlements, including bonuses / retentions; annual leave; leave loading; long serve leave; PILN and redundancy Payment of superannuation for the post appointment period Maintain and review outstanding employee entitlement balances calculated

		<ul style="list-style-type: none"> • Prepare and issue letters to employees advising of their entitlements and options available • Receiving and preparing correspondence in response to employee's objections to leave entitlements • Preparing fortnightly wages and reconciling payroll tax
	Department of Employment and Workplace Relations (DEWR)	<ul style="list-style-type: none"> • Providing updates to DEWR regarding the status of the VA and the likely crystallised liabilities that will be required to be paid pursuant to the FEG Scheme in the event that the entity is placed into liquidation
Trade on	Subtotal	54.9 hours \$32,032.00]
	Suppliers	<ul style="list-style-type: none"> • Corresponding with suppliers via phone and email • Maintaining purchase order registry and facilitating payments to critical suppliers • Preparation and review and update of payments schedule tracker • Review and reconciliation of pre and post appointment supplier payments • Reviewing payment requests and arranging required approvals from Administrators
	Leasing	<ul style="list-style-type: none"> • Ad hoc and administrative tasks associated with maintaining leases, including reviewing rental charges and raising purchase orders for the Administration period
	Processing receipts and payments	<ul style="list-style-type: none"> • Preparing and authorising payments • Entering receipts and payments into accounting system • Reviewing supplier payments • Liaising with the bank on all bank accounts
	Cash flow funding and trading	<ul style="list-style-type: none"> • Reviewing budgets and financial statements • Maintaining and reviewing ESOP model • Maintaining and reviewing cashflow model • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular meetings to discuss trading position • Daily reconciliation of pre-appointment and post-appointment bank accounts
Investigations		27.5 hour \$16,028.00
	Conducting investigation	<ul style="list-style-type: none"> • Considering solvency and directors' conduct • Preparing and finalising investigation file • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation • Liaising with solicitors regarding recovery actions

	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Liaising with ASIC 	
Administration	Subtotal		27.2 hours \$15,857.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining Redflow's VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders 	
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> • Administrator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements 	
	Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker and other workers compensation insurance providers regarding any ongoing queries 	
	Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Closing bank accounts as required 	
	ASIC Forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention 	
	ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs 	
	Planning / Review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the administration 	
	Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records • Maintenance, integration, and separation of data in relation to the sale 	
	Legal matters	<ul style="list-style-type: none"> • Liaising with solicitors concerning various aspects of the VA and employee entitlements 	
	Finalisation of VA	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Finalising WIP for VA period • Preparing and lodging End of Administration Return (Form 5603) and other statutory form with ASIC 	

Schedule 3.1: Time to be charged to each major task

Redflow International

RFI-3: Commencement to conclusion of liquidation

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Investigations		Dividend		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	40.00	34,000.00	6.00	5,100.00	10.00	8,500.00	4.00	3,400.00	10.00	8,500.00	6.00	5,100.00	4.00	3,400.00
Director	780.00	43.60	34,008.00	6.50	5,070.00	10.90	8,502.00	4.40	3,432.00	10.90	8,502.00	6.50	5,070.00	4.40	3,432.00
Associate Director	680.00	100.00	68,000.00	15.00	10,200.00	25.00	17,000.00	10.00	6,800.00	25.00	17,000.00	15.00	10,200.00	10.00	6,800.00
Manager	630.00	53.90	33,957.00	8.10	5,103.00	13.50	8,505.00	5.40	3,402.00	13.50	8,505.00	8.10	5,103.00	5.30	3,339.00
Senior Analyst	520.00	130.80	68,016.00	19.60	10,192.00	32.70	17,004.00	13.10	6,812.00	32.70	17,004.00	19.60	10,192.00	13.10	6,812.00
Analyst	460.00	74.00	34,040.00	11.10	5,106.00	18.50	8,510.00	7.40	3,404.00	18.50	8,510.00	11.10	5,106.00	7.40	3,404.00
Graduate	350.00	194.20	67,979.00	29.10	10,185.00	48.60	17,010.00	19.40	6,790.00	48.60	17,010.00	29.10	10,185.00	19.40	6,799.00
TOTAL		636.5	340,000.00	95.4	50,956.00	159.2	85,031.00	63.7	34,040.00	159.2	85,031.00	95.4	50,956.00	63.6	33,986.00
GST			34,000.00												
TOTAL (including GST)			374,000.00												
Average hourly rate					534.13		534.11		534.38		534.11		534.13		534.37

Schedule 3.2: Detailed description of tasks to be performed

Redflow International

RFI-3: Commencement to conclusion of liquidation

		Future work
Period		Commencement to conclusion of liquidation
Amount (ex. GST)		\$340,000.00
Task area	General description	Includes
Assets	Subtotal	95.4 hours \$50,956.00
	Sale of business assets and intellectual property	<ul style="list-style-type: none"> • Ongoing internal meetings regarding the asset and IP sale campaign • Ongoing meetings with interested parties and addressing Q&A in respect of the asset and IP sale process • Reviewing key legal documentation with legal advisors • Holding meetings with parties that are interested in the intellectual property and assets • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties • Tasks to complete the sale of business and IP through to settlement
	Plant and equipment	<ul style="list-style-type: none"> • Arranging sales of assets with Pickles • Completing the auction process for fixed assets at the Brisbane premises • Determining options (if any) to realise fixed assets located in Thailand owned by Australian entities
	Other assets	<ul style="list-style-type: none"> • Internal meetings to discuss R&D claim • All other tasks associated with realising the R&D claim
Creditors	Subtotal	159.2 hours \$85,031.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform • Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post • Maintaining creditor request log via Halo platform • Considering reasonableness of creditor requests • Compiling information requested by creditors • Documenting reasons for complying or not complying with requests or directions • Managing the Halo Help inbox to assist creditors with technical Halo queries • Maintaining the claims and voting dashboards in Halo

	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditors' queries • Ongoing communications with PPSR creditors • Further reviewing PPSR registrations and updating secured asset register • Maintaining PPSR schedule of confirmed discharges, ROT claims, ongoing equipment hire and validity of claims • Drafting and issuing notices disclaiming contracts no longer required
	Creditor reports	<ul style="list-style-type: none"> • Preparing updates and circulars to creditors • Prepare and issue Liquidators' statutory report • Processing 'Return to sender' correspondence • Attending to creditor enquiries regarding the Liquidators' reports to creditors • Preparation, review and issue of any supplementary reports to creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of proofs of debt through Halo platform • Communication with creditors in relation to proofs of debt received • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding information in the Halo creditor platform and submitted proofs of debt • Admitting creditor claims for voting purposes
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing meeting notice, proxies and advertisements for meeting of creditors (where applicable) • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting • Facilitation and conduct of creditors meeting(s) • Preparing and lodging minutes of meeting with ASIC • Responding to stakeholder queries and questions following the meeting

Employees	Subtotal	63.7 hours \$34,040.00
	Employee enquiries	<ul style="list-style-type: none"> • Receiving and reviewing employee enquiries • Reviewing and preparing correspondence to employees via telephone, email and Halo • Assist employees with various queries regarding the Halo creditor platform and their employee entitlements • Updating employee contact details in Halo • Assisting the purchaser with transition issues relating to employees
	FEG	<ul style="list-style-type: none"> • Ongoing correspondence with FEG (if required)
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
	Payroll	<ul style="list-style-type: none"> • Reviewing and lodging STP reports • Liaising with superannuation funds • Remittance of Child Support deductions • Reviewing superannuation payment contributions and arranging required approvals • Reviewing and arranging payment of employee termination payments and associated correspondence • Liaising with the respective state offices regarding payroll tax issues
	Calculation of entitlements	<ul style="list-style-type: none"> • Calculate and review of employee entitlements, including bonuses / retentions, outstanding salary sacrifice, annual leave, leave loading, long serve leave, PILN and redundancy • Reviewing employment contracts, agreements, awards • Maintain and review outstanding employee entitlement balances calculated • Prepare and issue letters to employees advising of their entitlements and options available • Receiving and preparing correspondence in response to employee's objections to leave entitlements
	Ongoing planning and strategy	<ul style="list-style-type: none"> • Internal discussions and meetings with employee workstream regarding status, key issues and next steps • Maintaining employee dashboard regarding status of employees across the business
	Correspondence to staff whose positions had been made redundant or where staff had been requested not to serve out the remainder of their notice period	<ul style="list-style-type: none"> • Correspondence to staff whose positions will be made redundant including: notice of their redundancy; FAQ; details of support and a separation certificate • Communications with solicitors regarding the review of the Liquidators' pro-forma documents to be issued to staff where their positions have been made redundant or where staff have been requested not to serve out the remainder of their notice period • Correspondence with Centrelink regarding notification of redundancies • Correspondence with each state's respective workers compensation insurers in relation to redundancies and the recovery of any outstanding reimbursements
	Workers compensation claims (if any arise)	<ul style="list-style-type: none"> • Review insurance policies • Receipt of claim

		<ul style="list-style-type: none"> • Liaising with claimant • Liaising with insurers and solicitors regarding claims • Identification of potential issues requiring attention of insurance specialists • Correspondence with insurer regarding initial and ongoing workers compensation insurance requirements • Correspondence with previous brokers
	Other employee issues	<ul style="list-style-type: none"> • Correspondence with Services Australia and Centrelink
Investigation	Subtotal	159.2 hours \$85,031.00
	Conducting investigation	<ul style="list-style-type: none"> • Further review of the company's books and records • Updating company nature and history • Reviewing board reports, minutes, and other communications • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding the affairs of the company • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing and determining potential voidable transactions which may be recoverable in the liquidation • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required
	Examinations	<ul style="list-style-type: none"> • Internal meetings to discuss possible examinations, if required • Preparing brief to solicitor • Liaising with solicitors regarding potential examinations • Liaising with potential litigation funders with respect to potential examinations • Preparation for examinations including liaising with solicitors and reviewing proposed examination questions • Attendance at examination • Reviewing examination transcripts • Liaising with solicitors regarding outcome of examinations and further actions available
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Preparing brief to solicitors (if applicable) • Liaising with solicitors regarding recovery actions & litigation funding

		<ul style="list-style-type: none"> • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions • Attending to negotiations and any mediations Attending to settlement matters
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC
Dividend	Subtotal	95.4 hours \$50,956.00
	Dealing with PODs	<ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting lodgement of POD • Receipt of POD • Maintain POD register • Adjudicating POD • Request further information from claimants regarding POD • Preparation of correspondence to claimant advising outcome of adjudication
	Declare and pay dividend	<ul style="list-style-type: none"> • Preparation of correspondence to creditors advising of intention to declare dividend • Advertisement of intention to declare dividend • Obtain clearance from ATO to allow distribution of company's assets • Preparation of dividend calculation • Preparation of correspondence to creditors announcing declaration of dividend • Advertise announcement of dividend • Preparation of distribution • Preparation of dividend file • Preparation of payment vouchers to pay dividend • Preparation of correspondence to creditors enclosing payment of dividend
Administration	Subtotal	63.6 hours \$33,986.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining general inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Liquidator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
	Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker regarding any ongoing queries

Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Opening and closing bank accounts as required
ASIC forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
Planning / review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the liquidation
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records
Project management	<ul style="list-style-type: none"> • Oversight of data room access • Request for information management • Facilitation of work stream meetings
Legal matters	<ul style="list-style-type: none"> • Assisting solicitors with information requests, corresponding with solicitors with respect to all Court matters • Strategy meetings and briefing to solicitors • Liaising with solicitors regarding various legal matters, including those relating to active and legacy projects, insurance claims, stay of proceedings, potential recoveries and court applications concerning various aspects of the VA/ Liquidation • Maintaining tracker of legal issues
Finalisation of liquidation	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Preparing and lodging relevant forms with ASIC in relation to the finalisation • Finalising WIP for liquidation period • Preparing and lodging End of Administration Return (Form 5603) with ASIC

Schedule 4.1: Time charged to each major task

Redflow Limited

RFL-1: Remuneration from 23 August 2024 to 28 October 2024

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area											
					Assets		Creditors		Employees		Trade On		Investigations		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Hughes, Richard	Partner	850.00	4.2	3,570.00	2.9	2,465.00	-	-	-	-	1.0	850.00	-	-	0.3	255.00
Orr, David	Partner	850.00	12.2	10,370.00	-	-	-	4.5	3,825.00	-	-	-	-	-	7.7	6,545.00
Williams, Neil	Director	780.00	33.7	26,286.00	-	-	-	-	-	33.7	26,286.00	-	-	-	-	-
Green, Russell	Director	780.00	37.7	29,367.00	37.7	29,367.00	-	-	-	-	-	-	-	-	-	-
Coghill, Claire	Director	780.00	5.7	4,446.00	-	-	5.7	4,446.00	-	-	-	-	-	-	-	-
Bayard, Harry	Associate Director	680.00	37.1	25,204.20	6.9	4,671.60	3.8	2,601.00	5.1	3,457.80	19.4	13,158.00	-	-	1.9	1,315.80
Tam, Connie	Associate Director	680.00	5.9	4,012.00	-	-	1.1	748.00	4.5	3,060.00	-	-	-	-	0.3	204.00
Fiorentino, Camilla	Associate Director	680.00	71.6	48,688.00	-	-	9.0	6,120.00	-	-	-	-	56.4	38,352.00	6.2	4,216.00
Green, Ryan	Manager	630.00	13.2	8,284.50	-	-	3.8	2,362.50	-	-	2.4	1,512.00	-	-	7.0	4,410.00
Carroll, Declan	Manager	630.00	8.4	5,298.30	-	-	-	-	-	-	8.4	5,298.30	-	-	-	-
Dwyer, Sarah	Manager	630.00	0.3	189.00	-	-	-	-	-	-	-	-	-	-	0.3	189.00
Winterbottom, Max	Senior Analyst	520.00	3.6	1,872.00	-	-	-	-	-	-	-	-	-	-	3.6	1,872.00
Tay, Adam	Senior Analyst	520.00	7.5	3,900.00	-	-	-	-	-	-	-	-	7.5	3,900.00	-	-
Flynn, Marushka	Senior Analyst	520.00	1.2	624.00	-	-	-	-	-	-	-	-	-	-	1.2	624.00
Lim, Ancella	Senior Analyst	520.00	0.5	260.00	-	-	-	-	-	-	-	-	-	-	0.5	260.00
Cairns, Reagan	Analyst	460.00	10.2	4,692.00	-	-	-	-	-	-	-	-	-	-	10.2	4,692.00
Latin, Alyssa	Analyst	460.00	43.8	20,148.00	43.8	20,148.00	-	-	-	-	-	-	-	-	-	-
Williams, Sam	Graduate	350.00	30.5	10,675.00	1.5	525.00	8.1	2,835.00	-	-	10.7	3,745.00	-	-	10.2	3,570.00
TOTAL			327.2	207,886.00	92.7	57,176.60	31.5	19,112.50	14.1	10,342.80	75.6	50,849.30	63.9	42,252.00	49.4	28,152.80
GST				20,788.60												
TOTAL (including GST)				228,674.60												
Average hourly rate					603.53	597.16	597.16	667.29	661.22	563.67						

Schedule 4.2: Detailed description of tasks performed

Redflow Limited

RFL-1: Remuneration from 23 August 2024 to 28 October 2024

		Work completed
Period		23 August 2024 to 28 October 2024
Amount (ex. GST)		\$207,886.00
Task area	General description	Includes
Assets	Subtotal	92.7 hours \$57,176.60
	Sale of business	<ul style="list-style-type: none"> • Developing a strategy for the sale of business and designing the transaction parameters • Identifying interested parties for purchasing the business • Preparing, reviewing, and amending the data available for interested parties • Preparing short-form sale teaser document and comprehensive information memorandum • Organising and placing EOI advertisements in national newspapers in Australia and USA • Gathering and reviewing documents to be uploaded to the data room • Issuing and entering non-disclosure agreements with interested parties • Internal team meetings to discuss sale process design and inclusions • Monitoring the data room and directing incoming questions from interested parties to the appropriate SME • Responding to interested party queries and requests for information • Discussions and negotiations with interested parties, bidders, and their respective financial and legal advisors • Undertaking site visits with interested parties and their advisors • Analysing the non-binding indicative offers received. This includes the proposed transaction structure and considering any concerns associated with the timing of sale completion • Shortlisting three interested parties and notifying those parties who were unsuccessful • Internal discussions to finalise key employee details, employee entitlement count, asset listings, leases for inclusion in sale due diligence • Ongoing meetings and addressing Q&A in respect of priority financial, operational and commercial due diligence undertaken by interested parties • Reviewing key legal documentation with legal advisors • Notifying shortlisted parties of the conclusion of the going concern sale process and transition to asset sale process • Notifying previously interested parties of the sale campaign for the intellectual property and assets • Holding meetings with parties that are interested in the intellectual property and assets

		<ul style="list-style-type: none"> • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
	Leasing	<ul style="list-style-type: none"> • Reviewing lease documents • Liaise with lease holders regarding the voluntary administration and statutory moratorium on debts and lease payments pursuant to Section 443B of the Act • Discuss lease requirements with management • Reviewing lease documents for leased premises • Engagement with landlord, and discussions regarding potential sale of the business operations at premises
	Other assets	<ul style="list-style-type: none"> • Tasks associated with realising other assets • Liaise with Redflow key management regarding ongoing staff requirements, documentation, and site issues • Maintaining file note of all company assets including recoverability details and correspondence issued
Creditors	Subtotal	31.5 hours \$19,112.50
	General creditor enquiries	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries • Reviewing and preparing correspondence to creditors and their representatives via Halo, email and post • Compiling information requested by creditors • Compiling master creditor listing • Internal meetings and discussions regarding workstreams • Setting up creditor management platform (Halo) and preparation of claim forms, proxies for voting and live poll platform • Processing 'return to sender' correspondence
	Secured creditor reporting	<ul style="list-style-type: none"> • Searching the PPSR register • Notifying all PPSR registered creditors of Administrators' appointment • Responding to secured creditors' queries • Reviewing validity of registered claims • Communicating with legal representatives regarding security interests • Communicating with suppliers with registered security interests to collect information on material and equipment provided • Preparing PPSR registration checklist • Reviewing PPSR registrations and updating secured asset register • Maintaining PPSR schedule of confirmed discharges, ROT claims, ongoing equipment hire and validity of claims • Drafting notices of intention not to exercise rights • Communication with secured creditors regarding their security

	Creditor reports	<ul style="list-style-type: none"> • Preparing initial notice to creditors • Preparing updates and circulars to creditors • Drafting section 75-225 report, which includes reporting on: <ul style="list-style-type: none"> ○ Statutory information to creditors ○ The affairs of Redflow preceding the administration and the Administrators' investigations ○ The actions taken by the Administrators in respect of the sale of business / recapitalisation process ○ The options available for the future of Redflow and the Administrators' recommendation for the future of the Companies • Preparing annexures to 75-225 report
	DOCA considerations	<ul style="list-style-type: none"> • Corresponding with prospective purchasers regarding DOCA proposals and related documents • Working with prospective purchasers and their advisors to discuss DOCA proposals and structure
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of PODs through Halo platform • Communication with creditors regarding submitted PODs • Admitting PODs for voting purposes for the first meeting of creditors • Preparing various user guides, FAQs and other materials to support creditor use of Halo platform • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding use or information in the Halo creditor platform • Preparing various communications to creditors regarding Halo creditor platform
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing first meeting notices, DIRRI, proxies, initial remuneration notice and advertisements • Forwarding notice of meeting to all known creditors • Lodgement of ASX announcements regarding status of companies • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the first meeting, including agenda, attendance register, list of creditors, advertisement of meeting and draft minutes of meeting • Holding the first meeting of creditors via Microsoft Teams • Preparing and lodging minutes of meetings with ASIC • Responding to stakeholder queries and questions immediately following meeting • Liaising with solicitors regarding the extension of the convening period for the second meeting of creditors • Preparing the affidavit and application to Court for the extension of the convening period for the second meeting of creditors • Reviewing affidavit and organising with the team to provide supporting documentation to be exhibited with the affidavit
Employees	Subtotal	14.1 hours \$10,342.80
	Employee enquiries	<ul style="list-style-type: none"> • Attendance on site to meet employees, discuss concerns, answer questions and explain strategy

		<ul style="list-style-type: none"> • Assist employees with various queries regarding the Halo creditor platform and their employee entitlements • Updating employee contact details in Halo
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
	Calculation of entitlements	<ul style="list-style-type: none"> • Calculating and reviewing of employee entitlements, including bonuses / retentions, outstanding salary sacrifice, annual leave, leave loading, long serve leave, PILN and redundancy • Reviewing employment contracts, agreements, awards • Liaising with solicitors regarding true employing entity and entitlements • Prepare and issue letters to employees advising of their entitlements • Correspondence to staff whose positions made redundant including notice of their redundancy and separation certificate
Trade on	Subtotal	75.6 hours \$50,849.30
	Suppliers and service providers	<ul style="list-style-type: none"> • Drafting and issuing initial correspondence to suppliers and service providers regarding continuation of supply and services • Regularly corresponding with suppliers via phone and email • Liaising with suppliers regarding terms and negotiating new agreements • Maintaining and processing purchase orders for goods and services • Regular review and monitoring of purchase order register • Review and authorisation of purchase orders • Preparation and review and update of payments schedule tracker • Review and reconciliation of pre and post appointment supplier payments • Reviewing payment requests and arranging required approvals from Administrators
	Leasing	<ul style="list-style-type: none"> • Liaise with lease holders (both used and occupied) regarding the voluntary administration and statutory moratorium on debts and lease payments pursuant to Section 443B of the Act • Discussing lease requirements with management and internal staff • Liaising with lessors regarding specific occupation issues • Communication with lessors regarding the extension of the decision period regarding leases pursuant to section 443B of the Corporations Act • Preparing and maintaining lease register • Ad-hoc administrative tasks associated with maintaining the lease, including the review of rental charges and the raising of purchase orders for the administration period • Liaising with internal team to confirm equipment on hire not registered on the PPSR, preparing a summary of same, and requesting agreements

	Processing receipts and payments	<ul style="list-style-type: none"> • Preparing and authorising payments • Entering receipts and payments into accounting system • Reviewing supplier payments • Liaison with the bank regarding transfers
	Cash flow funding and trading	<ul style="list-style-type: none"> • Attending site and taking control of all data, assets and services upon appointment • Reviewing Redflow's budgets and financial statements • Preparing, maintaining, and reviewing cash flow forecasts • Liaising with key stakeholders and management regarding cash flow forecasts • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular meetings to discuss cash flow and trading position • Preparation, review and regular updates of ESOP model • Preparation, review and daily updates of cash flow models • Regular meetings to discuss trading position • Management of bank accounts
	Information technology	<ul style="list-style-type: none"> • Ensured individual access is maintained to the external data hosting system
Investigation	Subtotal	63.9 hours \$42,252.00
	Conducting investigation	<ul style="list-style-type: none"> • Collecting and listing Redflow books and records • Arranging access to Redflow accounting software for Deloitte staff • Reviewing and preparing company nature and history • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding affairs of Redflow and preparing file notes • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing Redflow's books and records and other information to identify key events leading to voluntary administration • Considering solvency of Redflow and directors' conduct • Preparing investigation file • Conducting financial analysis of management accounts and financial statements • Reviewing CFO reports, Board reports, Board minutes and other communications to identify key events leading to voluntary administration and date of insolvency • Insolvent trading investigations and modelling • Reviewing taxation records • Conducting aged payables, restricted cash and debtor analysis

		<ul style="list-style-type: none"> Understanding intercompany loan matrix 	
Administration	Subtotal		49.4 hours \$28,152.80
	Correspondence	<ul style="list-style-type: none"> Managing Redflow VA general email inbox Preparing general correspondence including letters, telephone calls and emails to various stakeholders 	
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> Filing of documents and emails Setting up matter in Core IPS Updating Core IPS checklists Testing and uploading receipts and payments to IPS for reporting purposes and statutory lodgements 	
	Insurance	<ul style="list-style-type: none"> Providing initial notification of the appointment to our insurance brokers Identification of potential issues requiring attention of insurance specialists Correspondence with insurance brokers regarding initial and ongoing insurance requirements Reviewing pre-existing insurance policies Liaising with insurance brokers in relation to Professional Indemnity (PI) insurance requirements and options for post-appointment trading Preparation, collation and issuing of information to insurance brokers Discussion with key stakeholders and legal advisors in relation to PI insurance requirements Liaising with legal advisors in relation to insurance notifications Reviewing and discussing post-appointment PI options and costs with insurance brokers, legal advisors and key stakeholders / clients Facilitating WHS inspection for insurance purposes 	
	Bank account administration	<ul style="list-style-type: none"> Preparing correspondence to open bank accounts Requesting bank statements Reconciling transaction reports with receipts and payments recorded in Core IPS Correspondence with regarding specific transfers requiring further information Liaising with bank regarding status of pre-appointment account funds transfer 	
	ASIC forms and lodgements	<ul style="list-style-type: none"> Discussing the ROCAP with the management team Preparing and lodging ASIC forms including 505, 507, 5011, etc Preparing and lodging DIRRI Corresponding with ASIC regarding statutory forms and other ad hoc matters of attention including court hearings, creditors meeting, creditor listings 	

	ATO and other statutory reporting	<ul style="list-style-type: none"> • Notification of appointment • Correspondence with the ATO regarding CAC numbers for the period, and BAS lodgement issue • Preparing and lodging BAS • Completing STP reporting obligations • Preparing ASIC PNWs
	Planning / review	<ul style="list-style-type: none"> • Attending to all engagement set up matters • Holding regular team meetings regarding status and planning of the administration • Various discussions regarding status of the administration with senior management • Internal meetings providing progress updates to engagement team • Creation and maintenance of actions / issues log and liaise with workstream leads with respect to same • Review and identification of ROCAP outstanding requirements
	Project / engagement management	<ul style="list-style-type: none"> • Project management of team including facilitation of meetings, onboarding new staff, management of team sites and liaison with workstream leads, engagement setup and structure • Set up file sharing on Teams, structure and email saving mechanism • Oversight and maintenance of data room access for sale process • Request for information management • Facilitation of work stream meetings
	Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files
	Legal matters	<ul style="list-style-type: none"> • Assisting solicitors with information requests, corresponding with solicitors with respect to all Court matters • Strategy meetings and briefing to solicitors

Schedule 5.1: Time to be charged to each major task

Redflow Limited

RFL-2: Remuneration from 29 October 2024 to completion of the VA

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Trade On		Investigations		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	3.50	2,975.00	0.50	425.00	0.90	765.00	0.70	595.00	0.7	595.00	0.4	340.00	0.3	255.00
Director	780.00	7.60	5,928.00	1.20	936.00	1.90	1,482.00	1.50	1,170.00	1.5	1,170.00	0.8	624.00	0.7	546.00
Associate Director	680.00	8.80	5,984.00	1.30	884.00	2.20	1,496.00	1.80	1,224.00	1.8	1,224.00	0.9	612.00	0.8	544.00
Manager	630.00	4.80	3,024.00	0.70	441.00	1.20	756.00	1.00	630.00	1.0	630.00	0.5	315.00	0.4	252.00
Senior Analyst	520.00	11.50	5,980.00	1.70	884.00	2.90	1,508.00	2.30	1,196.00	2.3	1,196.00	1.2	624.00	1.1	572.00
Analyst	460.00	6.50	2,990.00	1.00	460.00	1.60	736.00	1.30	598.00	1.3	598.00	0.7	322.00	0.6	276.00
Graduate	350.00	8.90	3,119.00	1.30	455.00	2.10	735.00	1.70	595.00	1.7	595.00	0.9	315.00	1.2	424.00
TOTAL		51.6	30,000.00	7.7	4,485.00	12.8	7,478.00	10.3	6,008.00	10.3	6,008.00	5.4	3,152.00	5.1	2,869.00
GST			3,000.00												
TOTAL (including GST)			33,000.00												
Average hourly rate					582.47		584.22		583.30		583.30		583.70		562.55

Schedule 5.2: Detailed description of tasks to be performed

Redflow Limited

RFL-2: Remuneration from 29 October 2024 to completion of the VA

		Future work
Period		29 October 2024 to completion of the VA
Amount (ex. GST)		\$30,000.00
Task area	General description	Includes
Assets	Subtotal	7.7 hours \$4,485.00
	Sale of business assets and intellectual property	<ul style="list-style-type: none"> • Holding meetings with parties that are interested in the intellectual property and assets • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
	Other assets	<ul style="list-style-type: none"> • Maintain and update secured asset tracker • Maintain file note of all companies' assets including recoverability details and correspondence issued
Creditors	Subtotal	12.8 hours \$7,478.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform • Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post • Maintaining creditor request log via Halo platform • Considering reasonableness of creditor requests • Compiling information requested by creditors • Documenting reasons for complying or not complying with requests or directions • Processing 'return to sender' correspondence
	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditors' queries • Liaising with secured creditors in relation to the sale of assets and intellectual property • Maintaining secured asset register
	Creditor reports	<ul style="list-style-type: none"> • Finalising and issuing section 75-225 report, which includes: reporting on the affairs of Companies, the Administrators' investigations, actions taken by the Administrators, the sale of assets and intellectual property, the Administrators' recommendation for the future of Companies, notification of the second meeting of creditors, and remuneration report • Further update to creditors following second meeting of creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of PODs through Halo platform

		<ul style="list-style-type: none"> • Communication with creditors regarding submitted PODs • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding information in the Halo creditor platform and submitted PODs • Creditor data management including processing updates to creditor information in Halo platform • Admitting PODs for voting purposes for the second meeting of creditors
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing second meeting notice, proxies and advertisements for second meeting of creditors • Forwarding notice of second meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the second meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting • Holding the second meeting of creditors • Preparing and lodging minutes of second meeting with ASIC • Responding to stakeholder queries and questions following second meeting
Employees	Subtotal	10.3 hours \$6,008.00
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements for the post appointment • Correspondence to resolve STP and CAC reporting issues
	Payroll	<ul style="list-style-type: none"> • Updates to cash flow and cost analysis for revised run rate of staff being employed during the administration period • Reviewing and lodging STP reports • Liaising with respective state offices regarding payroll tax • Calculate, review and arrangement payment of employee termination payments and associated correspondence
	Calculation of entitlements	<ul style="list-style-type: none"> • Review of employee entitlements, including bonuses / retentions; annual leave; leave loading; long serve leave; PILN and redundancy • Payment of superannuation for the post appointment period • Maintain and review outstanding employee entitlement balances calculated • Prepare and issue letters to employees advising of their entitlements and options available • Receiving and preparing correspondence in response to employee's objections to leave entitlements • Preparing fortnightly wages and reconciling payroll tax
Trade on	Subtotal	10.3 hours \$6,008.00

	Suppliers	<ul style="list-style-type: none"> • Corresponding with suppliers via phone and email • Maintaining purchase order registry and facilitating payments to critical suppliers • Preparation and review and update of payments schedule tracker • Review and reconciliation of pre and post appointment supplier payments • Reviewing payment requests and arranging required approvals from Administrators
	Leasing	<ul style="list-style-type: none"> • Ad hoc and administrative tasks associated with maintaining leases, including reviewing rental charges and raising purchase orders for the Administration period
	Processing receipts and payments	<ul style="list-style-type: none"> • Preparing and authorising payments • Entering receipts and payments into accounting system • Reviewing supplier payments • Liaising with the bank on all bank accounts
	Cash flow funding and trading	<ul style="list-style-type: none"> • Reviewing budgets and financial statements • Maintaining and reviewing ESOP model • Maintaining and reviewing cash flow model • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular meetings to discuss trading position • Daily reconciliation of pre-appointment and post-appointment bank accounts
Investigations		5.4 hours \$3,152.00
	Conducting investigation	<ul style="list-style-type: none"> • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Liaising with solicitors regarding recovery actions & litigation funding • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions if required
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC
Administration	Subtotal	5.1 hours \$2,869.00

Correspondence	<ul style="list-style-type: none"> • Maintaining Redflow VA general email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
Document maintenance/file review/checklist	<ul style="list-style-type: none"> • Administrator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker and other workers compensation insurance providers regarding any ongoing queries
Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Closing bank accounts as required
ASIC Forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
Planning / Review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the administration
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records • Maintenance, integration, and separation of data in relation to the sale
Legal matters	<ul style="list-style-type: none"> • Liaising with solicitors concerning various aspects of the VA and employee entitlements
Finalisation of VA	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Finalising WIP for VA period • Preparing and lodging End of Administration Return (Form 5603) and other statutory form with ASIC

Schedule 6.1: Time to be charged to each major task

Redflow Limited

RFL-3: Commencement to conclusion of liquidation

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Investigations		Dividend		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	4.70	3,995.00	0.70	595.00	1.20	1,020.00	0.50	425.00	1.2	1,020.00	0.7	595.00	0.4	340.00
Director	780.00	5.20	4,056.00	0.80	624.00	1.30	1,014.00	0.50	390.00	1.3	1,014.00	0.8	624.00	0.5	390.00
Associate Director	680.00	11.70	7,956.00	1.80	1,224.00	2.90	1,972.00	1.20	816.00	2.9	1,972.00	1.8	1,224.00	1.1	748.00
Manager	630.00	6.40	4,032.00	1.00	630.00	1.60	1,008.00	0.60	378.00	1.6	1,008.00	1.0	630.00	0.6	378.00
Senior Analyst	520.00	15.20	7,904.00	2.30	1,196.00	3.80	1,976.00	1.50	780.00	3.8	1,976.00	2.3	1,196.00	1.5	780.00
Analyst	460.00	8.80	4,048.00	1.30	598.00	2.20	1,012.00	0.90	414.00	2.2	1,012.00	1.3	598.00	0.9	414.00
Graduate	350.00	22.80	8,009.00	3.40	1,190.00	5.70	1,995.00	2.30	805.00	5.7	1,995.00	3.4	1,190.00	2.3	834.00
TOTAL		74.8	40,000.00	11.3	6,057.00	18.7	9,997.00	7.5	4,008.00	18.7	9,997.00	11.3	6,057.00	7.3	3,884.00
GST			4,000.00												
TOTAL (including GST)			44,000.00												
<i>Average hourly rate</i>					536.02		534.60		534.40		534.60		536.02		532.05

Schedule 6.2: Detailed description of tasks to be performed

Redflow Limited

RFL-3: Commencement to conclusion of liquidation

		Future work
Period		Commencement to conclusion of liquidation
Amount (ex. GST)		\$40,000.00
Task area	General description	Includes
Assets	Subtotal	11.3 hours \$6,057.00
	Sale of business assets and intellectual property	<ul style="list-style-type: none"> • Ongoing meetings and addressing Q&A in respect of due diligence undertaken by interested parties • Holding meetings with parties that are interested in the intellectual property and assets • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
	Other assets	<ul style="list-style-type: none"> • Internal meetings to discuss R&D claim • All other tasks associated with realising the R&D claim
Creditors	Subtotal	18.7 hours \$9,997.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform • Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post • Maintaining creditor request log via Halo platform • Considering reasonableness of creditor requests • Compiling information requested by creditors • Documenting reasons for complying or not complying with requests or directions • Managing the Halo Help inbox to assist creditors with technical Halo queries • Maintaining the claims and voting dashboards in Halo

	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditors' queries • Ongoing communications with PPSR creditors • Maintaining secured asset register • Liaising with secured creditors in relation to the sale of business • Further reviewing PPSR registrations and updating secured asset register • Maintaining PPSR schedule of confirmed discharges, ROT claims, ongoing equipment hire and validity of claims • Reviewing validity of registered claims • Communication with secured creditors regarding the sale of secured assets • Drafting and issuing notices of intention not to exercise rights • Reviewing and maintaining secured asset register 	
	Creditor reports	<ul style="list-style-type: none"> • Preparing updates and circulars to creditors • Prepare and issue Liquidators' statutory report • Processing 'Return to sender' correspondence • Attending to creditor enquiries regarding the Liquidators' reports to creditors • Preparation, review and issue of any supplementary reports to creditors 	
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of proofs of debt through Halo platform • Communication with creditors in relation to proofs of debt received • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding information in the Halo creditor platform and submitted proofs of debt • Admitting creditor claims for voting purposes 	
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing meeting notice, proxies and advertisements for meeting of creditors (where applicable) • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting • Facilitation and conduct of creditors meeting(s) • Preparing and lodging minutes of meeting with ASIC • Responding to stakeholder queries and questions following the meeting 	
Employees	Subtotal		7.5 hours \$4,008.00
	Employee enquiries	<ul style="list-style-type: none"> • Assist employees with various queries regarding the Halo creditor platform and their employee entitlements 	

		<ul style="list-style-type: none"> • Updating employee contact details in Halo • Assisting the purchaser with transition issues relating to employees
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
	Payroll	<ul style="list-style-type: none"> • Reviewing and lodging STP reports • Liaising with superannuation funds • Remittance of Child Support deductions • Reviewing superannuation payment contributions and arranging required approvals • Reviewing and arranging payment of employee termination payments and associated correspondence • Updating cash flow and cost analysis for revised run rate of staff being employed during the Liquidation period • Liaising with the respective state offices regarding payroll tax issues
	Ongoing planning and strategy	<ul style="list-style-type: none"> • Internal discussions and meetings with employee workstream regarding status, key issues and next steps • Maintaining employee dashboard regarding status of employees across the business
	Correspondence to staff whose positions had been made redundant or where staff had been requested not to serve out the remainder of their notice period	<ul style="list-style-type: none"> • Correspondence to staff whose positions will be made redundant including: notice of their redundancy; FAQ; details of support and a separation certificate • Communications with solicitors regarding the review of the Liquidators' pro-forma documents to be issued to staff where their positions have been made redundant or where staff have been requested not to serve out the remainder of their notice period • Correspondence with Centrelink regarding notification of redundancies • Correspondence with each state's respective workers compensation insurers in relation to redundancies and the recovery of any outstanding reimbursements
	Workers compensation claims (if any arise)	<ul style="list-style-type: none"> • Review insurance policies • Receipt of claim • Liaising with claimant • Liaising with insurers and solicitors regarding claims • Identification of potential issues requiring attention of insurance specialists • Correspondence with insurer regarding initial and ongoing workers compensation insurance requirements • Correspondence with previous brokers
Investigation	Subtotal	18.7 hours \$9,997.00
	Conducting investigation	<ul style="list-style-type: none"> • Further review of the company's books and records • Updating company nature and history • Reviewing board reports, minutes, and other communications

		<ul style="list-style-type: none"> • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding the affairs of the company • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing and determining potential voidable transactions which may be recoverable in the liquidation • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required 	
	Examinations	<ul style="list-style-type: none"> • Internal meetings to discuss possible examinations, if required • Preparing brief to solicitor • Liaising with solicitors regarding potential examinations • Liaising with potential litigation funders with respect to potential examinations • Preparation for examinations including liaising with solicitors and reviewing proposed examination questions • Attendance at examination • Reviewing examination transcripts • Liaising with solicitors regarding outcome of examinations and further actions available 	
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Preparing brief to solicitors • Liaising with solicitors regarding recovery actions & litigation funding • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions • Attending to negotiations and any mediations 	
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC 	
Dividend			11.3 hours \$6,057.00

	Dealing with PODs	<ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting lodgement of POD • Receipt of POD • Maintain POD register • Adjudicating POD • Request further information from claimants regarding POD • Preparation of correspondence to claimant advising outcome of adjudication
	Declare and pay dividend	<ul style="list-style-type: none"> • Preparation of correspondence to creditors advising of intention to declare dividend • Advertisement of intention to declare dividend • Obtain clearance from ATO to allow distribution of company's assets • Preparation of dividend calculation • Preparation of correspondence to creditors announcing declaration of dividend • Advertise announcement of dividend • Preparation of distribution • Preparation of dividend file • Preparation of payment vouchers to pay dividend • Preparation of correspondence to creditors enclosing payment of dividend
Administration	Subtotal	7.3 hours \$3,884.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining the Redflow general inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Liquidator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
	Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker regarding any ongoing queries
	Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Opening and closing bank accounts as required
	ASIC forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
	ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
	Planning / review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the liquidation
	Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records

	Project management	<ul style="list-style-type: none"> • Oversight of data room access • Request for information management • Facilitation of work stream meetings
	Legal matters	<ul style="list-style-type: none"> • Assisting solicitors with information requests, corresponding with solicitors with respect to all Court matters • Strategy meetings and briefing to solicitors • Liaising with solicitors regarding various legal matters, including those relating to active and legacy projects, insurance claims, stay of proceedings, potential recoveries and court applications concerning various aspects of the VA/ Liquidation • Maintaining tracker of any legal issues
	Finalisation of liquidation	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Preparing and lodging relevant forms with ASIC in relation to the finalisation • Finalising WIP for liquidation period • Preparing and lodging End of Administration Return (Form 5603) with ASIC

Schedule 7.1: Time charged to each major task

Redflow R&D

RFRD-1: Remuneration from 23 August 2024 to 28 October 2024

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area											
					Assets		Creditors		Employees		Trade On		Investigations		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Hughes, Richard	Partner	850.00	2.9	2,465.00	2.0	1,700.00	-	-	-	-	0.7	595.00	-	-	0.2	170.00
Orr, David	Partner	850.00	9.0	7,650.00	-	-	-	-	3.5	2,975.00	-	-	-	-	5.5	4,675.00
Green, Russell	Director	780.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bayard, Harry	Associate Director	680.00	12.4	8,401.40	2.3	1,557.20	1.3	867.00	1.7	1,152.60	6.5	4,386.00	-	-	0.6	438.60
Tam, Connie	Associate Director	680.00	4.5	3,060.00	-	-	0.5	340.00	3.7	2,516.00	-	-	-	-	0.3	204.00
Fiorentino, Camilla	Associate Director	680.00	2.5	1,700.00	-	-	-	-	-	-	-	-	1.1	748.00	1.4	952.00
Green, Ryan	Manager	630.00	5.4	3,370.50	-	-	1.0	630.00	-	-	1.0	630.00	-	-	3.4	2,110.50
Carroll, Declan	Manager	630.00	1.8	1,146.60	-	-	-	-	-	-	1.8	1,146.60	-	-	-	-
Dwyer, Sarah	Manager	630.00	0.3	189.00	-	-	-	-	-	-	-	-	-	-	0.3	189.00
Tay, Adam	Senior Analyst	520.00	11.5	5,980.00	-	-	-	-	-	-	-	-	11.5	5,980.00	-	-
Flynn, Marushka	Senior Analyst	520.00	0.1	52.00	-	-	-	-	-	-	-	-	-	-	0.1	52.00
Winterbottom, Max	Senior Analyst	520.00	1.0	520.00	1.0	520.00	-	-	-	-	-	-	-	-	-	-
Cairns, Reagan	Analyst	460.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Williams, Sam	Graduate	350.00	9.3	3,882.00	0.8	280.00	2.8	980.00	-	-	-	-	-	-	5.7	2,622.00
Appleton, Jack	Graduate	350.00	9.4	3,290.00	3.5	1,225.00	-	-	-	-	2.7	945.00	-	-	3.2	1,120.00
TOTAL			70.0	41,706.50	9.6	5,282.20	5.6	2,817.00	8.9	6,643.60	12.7	7,702.60	12.6	6,728.00	20.7	12,533.10
GST				4,170.65												
TOTAL (including GST)				45,877.15												
Average hourly rate						384.91		410.70		410.70		495.68		533.97		624.21

Schedule 7.2: Detailed description of tasks performed

Redflow R&D

RFRD-1: Remuneration from 23 August 2024 to 28 October 2024

		Work completed
Period		23 August 2024 to 28 October 2024
Amount (ex. GST)		\$41,706.50
Task area	General description	Includes
Assets	Subtotal	9.6 hours \$5,282.00
	Sale of business	<ul style="list-style-type: none"> • Developing a strategy for the sale of business and designing the transaction parameters • Identifying interested parties for purchasing the business • Preparing, reviewing, and amending the data available for interested parties • Preparing short-form sale teaser document and comprehensive information memorandum • Organising and placing EOI advertisements in national newspapers in Australia and the United States of America • Gathering and reviewing documents to be uploaded to the data room • Issuing and entering non-disclosure agreements with interested parties • Internal team meetings to discuss sale process design and inclusions • Monitoring the data room and directing incoming questions from interested parties to the appropriate SME • Responding to interested party queries and requests • Discussions and negotiations with interested parties, bidders, and their respective advisors • Undertaking site visits with interested parties and their advisors • Analysing the non-binding indicative offers received. This includes the proposed transaction structure and considering any concerns associated with the timing of sale completion • Shortlisting three interested parties and notifying those parties who were unsuccessful • Internal discussions to finalise key employee details, employee entitlement count, asset listings, leases for inclusion in sale due diligence • Ongoing meetings and addressing Q&A in respect of priority financial, operational and commercial due diligence undertaken by interested parties • Reviewing key legal documentation with legal advisors • Notifying shortlisted parties of the conclusion of the going concern sale process and transition to asset sale process • Notifying previously interested parties of the sale campaign for the intellectual property and assets

		<ul style="list-style-type: none"> • Holding meetings with parties that are interested in the intellectual property and assets • Gathering and reviewing documents to be provided to interest parties for intellectual property • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
	Other assets	<ul style="list-style-type: none"> • Tasks associated with realising other assets • Tasks to preserve and maintain Australian and international patents registered to the company • Maintaining file note of all company assets including recoverability details and correspondence issued
Creditors	Subtotal	5.6 hours \$2,817.00
	General creditor enquiries	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries • Reviewing and preparing correspondence to creditors and their representatives via Halo, email and post • Compiling master creditor listing • Setting up creditor management platform (Halo) and preparation of claim forms, proxies for voting and live poll platform • Processing 'return to sender' correspondence
	Secured creditor reporting	<ul style="list-style-type: none"> • Searching the PPSR register
	Creditor reports	<ul style="list-style-type: none"> • Preparing initial notice to creditors • Preparing updates and circulars to creditors • Drafting section 75-225 report, which includes reporting on: <ul style="list-style-type: none"> ○ Statutory information to creditors ○ The affairs of Redflow preceding the administration and the Administrators' investigations ○ The actions taken by the Administrators in respect of the sale of business / recapitalisation process ○ The options available for the future of Redflow and the Administrators' recommendation for the future of the Companies • Preparing annexures to 75-225 report
	DOCA considerations	<ul style="list-style-type: none"> • Corresponding with prospective purchasers regarding DOCA proposals and related documents • Working with prospective purchases and their advisors to discuss DOCA proposals, structure and execution
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of PODs through Halo platform • Communication with creditors regarding submitted PODs • Admitting PODs for voting purposes for the first meeting of creditors • Preparing register of PODs received in Administrators' email inboxes for the purposes of uploading information into Halo system • Preparing various user guides, FAQs and other materials to support creditor use of Halo platform • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding use or information in the Halo creditor platform

		<ul style="list-style-type: none"> • Preparing various communications to creditors regarding Halo creditor platform
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing first meeting notices, DIRRI, proxies, initial remuneration notice and advertisements • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the first meeting, including agenda, attendance register, list of creditors, advertisement of meeting and draft minutes of meeting • Holding the first meeting of creditors via Microsoft Teams • Preparing and lodging minutes of meetings with ASIC • Responding to stakeholder queries and questions immediately following meeting • Liaising with solicitors regarding the extension of the convening period for the second meeting of creditors • Preparing the affidavit and application to Court for the extension of the convening period for the second meeting of creditors • Reviewing affidavit and organising with the team to provide supporting documentation to be exhibited with the affidavit
Employees	Subtotal	8.9 hours \$6,643.60
	Employee enquiries	<ul style="list-style-type: none"> • Attendance on site to meet employees, discuss concerns, answer questions and explain strategy
	Calculation of entitlements	<ul style="list-style-type: none"> • Calculating and reviewing of employee entitlements, including bonuses / retentions, outstanding salary sacrifice, annual leave, leave loading, long serve leave, PILN and redundancy • Reviewing employment contracts, agreements, awards • Liaising with solicitors regarding legal employing entities and entitlements
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
Trade on	Subtotal	12.7 hours \$7,702.60
	Suppliers and service providers	<ul style="list-style-type: none"> • Drafting and issuing initial correspondence to suppliers and service providers regarding continuation of supply and services • Corresponding with suppliers via and email • Maintaining and processing purchase orders for goods and services • Preparation and review and update of payments schedule tracker • Reviewing payment requests and arranging required approvals from Administrators

	Cash flow funding and trading	<ul style="list-style-type: none"> • Attending site and taking control of all data, assets and services upon appointment • Reviewing Redflow's budgets and financial statements • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular meetings to discuss cash flow and trading position • Preparation, review and regular updates of ESOP model • Preparation, review and daily updates of cash flow models • Management of bank accounts
	Information technology	<ul style="list-style-type: none"> • Ensured individual access is maintained to the external data hosting system
Investigation	Subtotal	12.6 hours \$6,728.00
	Conducting investigation	<ul style="list-style-type: none"> • Collecting and listing Redflow books and records • Arranging access to Redflow accounting software for Deloitte staff • Reviewing and preparing company nature and history • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding affairs of Redflow and preparing file notes • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing Redflow's books and records and other information to identify key events leading to voluntary administration • Considering solvency of Redflow and directors' conduct • Preparing investigation file • Conducting financial analysis of management accounts and financial statements • Reviewing CFO reports, Board reports, Board minutes and other communications to identify key events leading to voluntary administration and date of insolvency • Insolvent trading investigations and modelling • Reviewing taxation records • Conducting aged payables, restricted cash and debtor analysis • Understanding intercompany loan matrix
Administration	Subtotal	20.7 hours \$12,533.10
	Correspondence	<ul style="list-style-type: none"> • Managing Redflow VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders

Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Filing of documents and emails • Setting up matter in Core IPS • Updating Core IPS checklists • Testing and uploading receipts and payments to IPS for reporting purposes and statutory lodgements
Insurance	<ul style="list-style-type: none"> • Providing initial notification of the appointment to our insurance brokers • Identification of potential issues requiring attention of insurance specialists • Correspondence with insurance brokers regarding initial and ongoing insurance requirements • Reviewing pre-existing insurance policies • Preparation, collation and issuing of information to insurance brokers
Bank account administration	<ul style="list-style-type: none"> • Preparing correspondence to open bank accounts • Requesting bank statements • Reconciling transaction reports with receipts and payments recorded in Core IPS • Correspondence with regarding specific transfers requiring further information • Liaising with bank regarding status of pre-appointment account funds transfer
ASIC forms and lodgements	<ul style="list-style-type: none"> • Discussing the ROCAP with the management team • Preparing and lodging ASIC forms including 505, 507, 5011, etc • Preparing and lodging DIRRI • Corresponding with ASIC regarding statutory forms and other ad hoc matters of attention including court hearings, creditors meeting, creditor listings
ATO and other statutory reporting	<ul style="list-style-type: none"> • Notification of appointment • Correspondence with the ATO regarding CAC numbers for the period, and BAS lodgement issue • Preparing and lodging BAS • Completing STP reporting obligations • Preparing ASIC PNWs
Planning / review	<ul style="list-style-type: none"> • Attending to all engagement set up matters • Holding regular team meetings regarding status and planning of the administration • Various discussions regarding status of the administration with senior management • Internal meetings providing progress updates to engagement team • Creation and maintenance of actions / issues log and liaise with workstream leads with respect to same • Review and identification of ROCAP outstanding requirements
Project / engagement management	<ul style="list-style-type: none"> • Project management of team including facilitation of meetings, onboarding new staff, management of team sites and liaison with workstream leads, engagement setup and structure • Set up file sharing on Teams, structure and email saving mechanism • Oversight and maintenance of data room access for sale process • Request for information management

	Books and records / storage	• Maintaining electronic and hard copy files
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Schedule 8.1: Time to be charged to each major task

Redflow R&D

RFRD-2: Remuneration from 29 October 2024 to completion of the VA

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Trade On		Investigations		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	0.50	425.00	0.10	85.00	0.10	85.00	0.10	85.00	0.1	85.00	0.1	85.00	-	-
Director	780.00	1.30	1,014.00	0.20	156.00	0.30	234.00	0.30	234.00	0.3	234.00	0.1	78.00	0.1	78.00
Associate Director	680.00	1.40	952	0.20	136.00	0.40	272.00	0.30	204.00	0.3	204.00	0.1	68.00	0.1	68.00
Manager	630.00	0.90	567.00	0.10	63.00	0.20	126.00	0.20	126.00	0.2	126.00	0.1	63.00	0.1	63.00
Senior Analyst	520.00	2.00	1,040.00	0.30	156.00	0.50	260.00	0.40	208.00	0.4	208.00	0.2	104.00	0.2	104.00
Analyst	460.00	1.10	506.00	0.20	92.00	0.30	138.00	0.20	92.00	0.2	92.00	0.1	46.00	0.1	46.00
Graduate	350.00	1.40	496.00	0.20	70.00	0.40	140.00	0.30	105.00	0.3	105.00	0.1	35.00	0.1	41.00
TOTAL		8.6	5,000.00	1.3	758.00	2.2	1,255.00	1.8	1,054.00	1.8	1,054.00	0.8	479.00	0.7	400.00
GST			500.00												
TOTAL (including GST)			5,500.00												
<i>Average hourly rate</i>					<i>583.08</i>		<i>570.45</i>		<i>585.56</i>		<i>585.56</i>		<i>598.75</i>		<i>571.43</i>

Schedule 8.2: Detailed description of tasks to be performed

Redflow R&D

RFRD-2: Remuneration from 29 October 2024 to completion of the VA

		Future work
Period		29 October 2024 to completion of the VA
Amount (ex. GST)		\$5,000.00
Task area	General description	Includes
Assets	Subtotal	1.3 hours \$758.00
	Other assets	<ul style="list-style-type: none"> Maintain file note of all companies' assets including recoverability details and correspondence issued
Creditors	Subtotal	2.2 hours \$1,255.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post Processing 'return to sender' correspondence
	Creditor reports	<ul style="list-style-type: none"> Finalising and issuing section 75-225 report, which includes: reporting on the affairs of Companies, the Administrators' investigations, actions taken by the Administrators, the sale of assets and intellectual property, the Administrators' recommendation for the future of Companies, notification of the second meeting of creditors, and remuneration report Further update to creditors following second meeting of creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> Maintaining register of PODs through Halo platform Communication with creditors regarding submitted PODs Creditor data management including processing updates to creditor information in Halo platform Attending to creditor queries regarding information in the Halo creditor platform and submitted PODs Creditor data management including processing updates to creditor information in Halo platform Admitting PODs for voting purposes for the second meeting of creditors
	Meeting of creditors	<ul style="list-style-type: none"> Preparing second meeting notice, proxies and advertisements for second meeting of creditors Forwarding notice of second meeting to all known creditors Discussing requirements for virtual meeting with internal IT support Preparing meeting file for the second meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Holding the second meeting of creditors

		<ul style="list-style-type: none"> • Preparing and lodging minutes of second meeting with ASIC • Responding to stakeholder queries and questions following second meeting 	
Employees	Subtotal		1.8 hours \$1,054.00
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements for the post appointment • Correspondence to resolve STP and CAC reporting issues 	
Trade on	Subtotal		1.8 hours \$1,054.00
	Suppliers	<ul style="list-style-type: none"> • Corresponding with suppliers via phone and email • Review and reconciliation of pre and post appointment supplier payments • Reviewing payment requests and arranging required approvals from Administrators 	
	Cashflow funding and trading	<ul style="list-style-type: none"> • Maintaining and reviewing ESOP model • Maintaining and reviewing cashflow model • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Regular reconciliation of pre-appointment and post-appointment bank accounts 	
Investigation	Subtotal		0.8 hour \$479.00
	Conducting investigation	<ul style="list-style-type: none"> • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required 	
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Liaising with solicitors regarding recovery actions & litigation funding • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions if required 	
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC 	
Administration	Subtotal		0.7 hours \$400.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining the Redflow VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders 	

Document maintenance/file review/checklist	<ul style="list-style-type: none"> • Administrator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker and other workers compensation insurance providers regarding any ongoing queries
Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Closing bank accounts as required
ASIC Forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
Planning / Review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the administration
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records • Maintenance, integration, and separation of data in relation to the sale
Legal matters	<ul style="list-style-type: none"> • Liaising with solicitors concerning various aspects of the VA and employee entitlements
Finalisation of VA	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Finalising WIP for VA period • Preparing and lodging End of Administration Return (Form 5603) and other statutory form with ASIC

Schedule 9.1: Time to be charged to each major task

Redflow R&D

RFRD-3: Commencement to conclusion of liquidation

Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area											
				Assets		Creditors		Employees		Investigations		Dividend		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	1.30	1,105.00	0.20	170.00	0.30	255.00	0.10	85.00	0.3	255.00	0.2	170.00	0.2	170.00
Director	780.00	1.20	936.00	0.20	156.00	0.30	234.00	0.10	78.00	0.3	234.00	0.2	156.00	0.1	78.00
Associate Director	680.00	2.80	1,904.00	0.40	272.00	0.70	476.00	0.30	204.00	0.7	476.00	0.4	272.00	0.3	204.00
Manager	630.00	1.60	1,008.00	0.20	126.00	0.40	252.00	0.20	126.00	0.4	252.00	0.2	126.00	0.2	126.00
Senior Analyst	520.00	4.00	2,080.00	0.60	312.00	1.00	520.00	0.40	208.00	1.0	520.00	0.6	312.00	0.4	208.00
Analyst	460.00	2.10	966.00	0.30	138.00	0.50	230.00	0.20	92.00	0.5	230.00	0.3	138.00	0.3	138.00
Graduate	350.00	5.70	2,001.00	0.90	315.00	1.40	490.00	0.60	210.00	1.4	490.00	0.9	315.00	0.5	181.00
TOTAL		18.7	10,000.00	2.8	1,489.00	4.6	2,457.00	1.9	1,003.00	4.6	2,457.00	2.8	1,489.00	2.0	1,105.00
GST			1,000.00												
TOTAL (including GST)			11,000.00												
<i>Average hourly rate</i>					<i>531.79</i>		<i>534.13</i>		<i>527.89</i>		<i>534.13</i>		<i>531.79</i>		<i>552.50</i>

Schedule 9.2: Detailed description of tasks to be performed

Redflow R&D

RFRD-3: Commencement to conclusion of liquidation

		Future work
Period		Commencement to conclusion of liquidation
Amount (ex. GST)		\$10,000.00
Task area	General description	Includes
Assets	Subtotal	2.8 hours \$1,489.00
	Sale of business	<ul style="list-style-type: none"> • Holding meetings with parties that are interested in the intellectual property and assets • Documentation of the sale process and outcomes for creditors and external stakeholders • Ongoing engagement with interested parties
Creditors	Subtotal	4.6 hours \$2,457.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform • Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post • Maintaining creditor request log via Halo platform • Considering reasonableness of creditor requests • Compiling information requested by creditors • Documenting reasons for complying or not complying with requests or directions • Managing the Halo Help inbox to assist creditors with technical Halo queries • Maintaining the claims and voting dashboards in Halo
	Creditor reports	<ul style="list-style-type: none"> • Preparing updates and circulars to creditors • Prepare and issue Liquidators' statutory report • Processing 'Return to sender' correspondence • Attending to creditor enquiries regarding the Liquidators' reports to creditors • Preparation, review and issue of any supplementary reports to creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of proofs of debt through Halo platform • Communication with creditors in relation to proofs of debt received • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding information in the Halo creditor platform and submitted proofs of debt • Admitting creditor claims for voting purposes

	Meeting of creditors	<ul style="list-style-type: none"> • Preparing meeting notice, proxies and advertisements for meeting of creditors (where applicable) • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting • Facilitation and conduct of creditors meeting(s) • Preparing and lodging minutes of meeting with ASIC • Responding to stakeholder queries and questions following the meeting
Employees	Subtotal	1.9 hours \$1,003.00
	ATO	<ul style="list-style-type: none"> • Corresponding with the ATO regarding STP lodgements
	Other employee issues	<ul style="list-style-type: none"> • Correspondence with Services Australia (if required)
Investigation	Subtotal	4.6 hours \$2,457.00
	Conducting investigation	<ul style="list-style-type: none"> • Further review of the company's books and records • Updating company nature and history • Reviewing board reports, minutes, and other communications • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding the affairs of the company • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing and determining potential voidable transactions which may be recoverable in the liquidation • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required
	Examinations	<ul style="list-style-type: none"> • Internal meetings to discuss possible examinations, if required • Preparing brief to solicitor • Liaising with solicitors regarding potential examinations • Liaising with potential litigation funders with respect to potential examinations • Preparation for examinations including liaising with solicitors and reviewing proposed examination questions

		<ul style="list-style-type: none"> • Attendance at examination • Reviewing examination transcripts • Liaising with solicitors regarding outcome of examinations and further actions available
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Preparing brief to solicitors • Liaising with solicitors regarding recovery actions & litigation funding • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions • Attending to negotiations and any mediations Attending to settlement matters
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC
Dividend	Subtotal	2.8 hours \$1,489.00
	Dealing with PODs	<ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting lodgement of POD • Receipt of POD • Maintain POD register • Adjudicating POD • Request further information from claimants regarding POD • Preparation of correspondence to claimant advising outcome of adjudication
	Declare and pay dividend	<ul style="list-style-type: none"> • Preparation of correspondence to creditors advising of intention to declare dividend • Advertisement of intention to declare dividend • Obtain clearance from ATO to allow distribution of company's assets • Preparation of dividend calculation • Preparation of correspondence to creditors announcing declaration of dividend • Advertise announcement of dividend • Preparation of distribution • Preparation of dividend file • Preparation of payment vouchers to pay dividend • Preparation of correspondence to creditors enclosing payment of dividend
Administration	Subtotal	2.0 hours \$1,105.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining General inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders

Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Liquidator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker regarding any ongoing queries
Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Opening and closing bank accounts as required
ASIC forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
Planning / review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the liquidation
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records
Project management	<ul style="list-style-type: none"> • Oversight of data room access • Request for information management • Facilitation of work stream meetings
Finalisation of liquidation	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Preparing and lodging relevant forms with ASIC in relation to the finalisation • Finalising WIP for liquidation period • Preparing and lodging End of Administration Return (Form 5603) with ASIC

Schedule 10.1: Time charged to each major task

ZCell

ZCE-1: Remuneration from 23 August 2024 to 28 October 2024

Employee	Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area										
					Assets		Creditors		Trade On		Investigations		Administration		
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	
Orr, David	Partner	850.00	0.5	425.00	-	-	-	-	-	-	-	-	-	0.5	425.00
Fiorentino, Camilla	Associate Director	680.00	1.6	1,088.00	-	-	-	-	-	-	1.6	1,088.00	-	-	
Green, Ryan	Manager	630.00	5.2	3,276.00	-	-	1.0	630.00	1.1	693.00	-	-	3.1	1,953.00	
Carroll, Declan	Manager	630.00	1.0	642.60	-	-	-	-	1.0	642.60	-	-	-	-	
Dwyer, Sarah	Manager	630.00	0.3	189.00	-	-	-	-	-	-	-	-	0.3	189.00	
Flynn, Marushka	Senior Analyst	520.00	0.1	52.00	-	-	-	-	-	-	-	-	0.1	52.00	
Tay, Adam	Senior Analyst	520.00	5.0	2,600.00	-	-	-	-	-	-	5.0	2,600.00	-	-	
Winterbottom, Max	Senior Analyst	520.00	0.7	364.00	-	-	0.7	364.00	-	-	-	-	-	-	
Cairns, Reagan	Analyst	460.00	3.6	1,656.00	-	-	-	-	-	-	-	-	3.6	1,656.00	
Williams, Sam	Graduate	350.00	9.5	3,325.00	0.8	280.00	2.8	980.00	2.7	945.00	-	-	3.2	1,120.00	
TOTAL			27.5	13,617.60	0.8	280.00	4.5	1,974.00	4.8	2,280.60	6.6	3,688.00	10.8	5,395.00	
GST				1,361.76											
TOTAL (including GST)				14,979.36											
Average hourly rate						350.00		436.40		478.48		558.79		494.20	

Schedule 10.2: Detailed description of tasks performed

ZCell

ZCE-1: Remuneration from 23 August 2024 to 28 October 2024

		Work completed
Period		23 August 2024 to 28 October 2024
Amount (ex. GST)		\$13,617.60
Task area	General description	Includes
Assets	Subtotal	0.8 hours \$280.00
	Other assets	<ul style="list-style-type: none"> • Tasks associated with realising other assets • Maintaining file note of all Company assets including recoverability details and correspondence issued
Creditors	Subtotal	4.5 hours \$1,974.00
	General creditor enquiries	<ul style="list-style-type: none"> • Receiving and responding to creditor enquiries • Compiling master creditor listing • Setting up creditor management platform (Halo) and preparation of claim forms, proxies for voting and live poll platform • Processing 'return to sender' correspondence
	Secured creditor reporting	<ul style="list-style-type: none"> • Searching the PPSR register
	Creditor reports	<ul style="list-style-type: none"> • Preparing initial notice to creditors • Preparing updates and circulars to creditors • Drafting section 75-225 report, which includes reporting on: <ul style="list-style-type: none"> ○ Statutory information to creditors ○ The affairs of Redflow preceding the administration and the Administrators' investigations ○ The actions taken by the Administrators in respect of the sale of business / recapitalisation process ○ The options available for the future of Redflow and the Administrators' recommendation for the future of the Companies • Preparing annexures to 75-225 report • Processing 'return to sender' correspondence
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Maintaining register of PODs through Halo platform • Communication with creditors regarding submitted PODs • Admitting PODs for voting purposes for the first meeting of creditors

		<ul style="list-style-type: none"> • Preparing register of PODs received in Administrators' email inboxes for the purposes of uploading information into Halo system • Preparing various user guides, FAQs and other materials to support creditor use of Halo platform • Creditor data management including processing updates to creditor information in Halo platform • Attending to creditor queries regarding use or information in the Halo creditor platform • Preparing various communications to creditors regarding Halo creditor platform
	Meeting of creditors	<ul style="list-style-type: none"> • Preparing first meeting notices, DIRRI, proxies, initial remuneration notice and advertisements • Forwarding notice of meeting to all known creditors • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the first meeting, including agenda, attendance register, list of creditors, advertisement of meeting and draft minutes of meeting • Holding the first meeting of creditors via Microsoft Teams • Preparing and lodging minutes of meetings with ASIC • Responding to stakeholder queries and questions immediately following meeting • Liaising with solicitors regarding the extension of the convening period for the second meeting of creditors • Preparing the affidavit and application to Court for the extension of the convening period for the second meeting of creditors • Reviewing affidavit and organising with the team to provide supporting documentation to be exhibited with the affidavit
Trade on	Subtotal	4.8 hours \$2,280.60
	Cash flow funding and trading	<ul style="list-style-type: none"> • Attending site and taking control of all data, assets and services upon appointment • Reviewing Redflow's budgets and financial statements • Preparing, maintaining, and reviewing cash flow forecasts • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Preparation, review and regular updates of ESOP model • Management of bank accounts
	Information technology	<ul style="list-style-type: none"> • Ensured individual access is maintained to the external data hosting system
Investigation	Subtotal	6.6 hours \$3,688.00
	Conducting investigation	<ul style="list-style-type: none"> • Collecting and listing Redflow books and records • Arranging access to Redflow accounting software for Deloitte staff • Reviewing and preparing company nature and history • Conducting and summarising statutory searches

		<ul style="list-style-type: none"> • Conducting meetings and interviews with management and staff regarding affairs of Redflow and preparing file notes • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing Redflow's books and records and other information to identify key events leading to voluntary administration • Considering solvency of Redflow and directors' conduct • Preparing investigation file • Conducting financial analysis of management accounts and financial statements • Reviewing CFO reports, Board reports, Board minutes and other communications to identify key events leading to voluntary administration and date of insolvency • Insolvent trading investigations and modelling • Reviewing taxation records • Understanding intercompany loan matrix
Administration	Subtotal	10.8 hours \$5,395.00
	Correspondence	<ul style="list-style-type: none"> • Managing Redflow VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Filing of documents and emails • Setting up matter in Core IPS • Updating Core IPS checklists • Entering receipts and payments to IPS for reporting purposes and statutory lodgements
	Insurance	<ul style="list-style-type: none"> • Providing initial notification of the appointment to our insurance brokers • Correspondence with insurance brokers regarding initial and ongoing insurance requirements
	Bank account administration	<ul style="list-style-type: none"> • Preparing correspondence to open bank accounts • Requesting bank statements • Reconciling transaction reports with receipts and payments recorded in Core IPS • Correspondence with regarding specific transfers requiring further information
	ASIC forms and lodgements	<ul style="list-style-type: none"> • Discussing the ROCAP with the management team • Preparing and lodging ASIC forms including 505, 507, 5011, etc • Preparing and lodging DIRRI • Corresponding with ASIC regarding statutory forms and other ad hoc matters of attention including court hearings, creditors meeting, creditor listings

	ATO and other statutory reporting	<ul style="list-style-type: none"> • Notification of appointment • Correspondence with the ATO regarding CAC numbers for the period, and BAS lodgement issue • Preparing and lodging BAS • Completing STP reporting obligations • Preparing ASIC PNWs
	Planning / review	<ul style="list-style-type: none"> • Attending to all engagement set up matters • Holding regular team meetings regarding status and planning of the administration • Internal meetings providing progress updates to engagement team • Review and identification of ROCAP outstanding requirements
	Project / engagement management	<ul style="list-style-type: none"> • Project management of team including facilitation of meetings, onboarding new staff, management of team sites and liaison with workstream leads, engagement setup and structure • Set up file sharing on Teams, structure and email saving mechanism
	Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files

Schedule 11.1: Time to be charged to each major task

ZCell

ZCE-2: Remuneration from 29 October 2024 to completion of the VA

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area									
				Assets		Creditors		Trade On		Investigations		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	0.60	510.00	0.10	85.00	0.20	170.00	0.1	85.00	0.1	85.00	0.1	85.00
Director	780.00	1.30	1,014.00	0.30	234.00	0.40	312.00	0.3	234.00	0.1	78.00	0.2	156.00
Associate Director	680.00	1.30	884	0.30	204.00	0.40	272.00	0.3	204.00	0.1	68.00	0.2	136.00
Manager	630.00	0.90	567.00	0.20	126.00	0.20	126.00	0.2	126.00	0.1	63.00	0.2	126.00
Senior Analyst	520.00	2.00	1,040.00	0.40	208.00	0.60	312.00	0.4	208.00	0.2	104.00	0.4	208.00
Analyst	460.00	1.00	460.00	0.20	92.00	0.30	138.00	0.2	92.00	0.1	46.00	0.2	92.00
Graduate	350.00	1.40	525.00	0.30	105.00	0.40	140.00	0.3	105.00	0.1	35.00	0.3	140.00
TOTAL		8.5	5,000.00	1.8	1,054.00	2.5	1,470.00	1.8	1,054.00	0.8	479.00	1.6	943.00
GST			500.00										
TOTAL (including GST)			5,500.00										
<i>Average hourly rate</i>					<i>585.56</i>		<i>588.00</i>		<i>585.56</i>		<i>598.75</i>		<i>589.38</i>

Schedule 11.2: Detailed description of tasks to be performed

ZCell

ZCE-2: Remuneration from 29 October 2024 to completion of the VA

		Future work
Period		29 October 2024 to completion of the VA
Amount (ex. GST)		\$5,000.00
Task area	General description	Includes
Assets	Subtotal	1.8 hours \$1,054.00
	Other assets	<ul style="list-style-type: none"> Maintain file note of all companies' assets including recoverability details and correspondence issued
Creditors	Subtotal	2.5 hours \$1,470.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post Processing 'return to sender' correspondence
	Creditor reports	<ul style="list-style-type: none"> Finalising and issuing section 75-225 report, which includes: reporting on the affairs of Companies, the Administrators' investigations, actions taken by the Administrators, the sale of assets and intellectual property, the Administrators' recommendation for the future of Companies, notification of the second meeting of creditors, and remuneration report Further update to creditors following second meeting of creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> Maintaining register of PODs through Halo platform Communication with creditors regarding submitted PODs Creditor data management including processing updates to creditor information in Halo platform Attending to creditor queries regarding information in the Halo creditor platform and submitted PODs Creditor data management including processing updates to creditor information in Halo platform Admitting PODs for voting purposes for the second meeting of creditors
	Meeting of creditors	<ul style="list-style-type: none"> Preparing second meeting notice, proxies and advertisements for second meeting of creditors Forwarding notice of second meeting to all known creditors Discussing requirements for virtual meeting with internal IT support Preparing meeting file for the second meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Holding the second meeting of creditors

		<ul style="list-style-type: none"> • Preparing and lodging minutes of second meeting with ASIC • Responding to stakeholder queries and questions following second meeting 	
Trade on	Subtotal		1.8 hours \$1,054.00
	Cash flow funding and trading	<ul style="list-style-type: none"> • Maintaining and reviewing ESOP model • Maintenance of receipts and payments made by the Administrators • Preparation and lodgement of BAS • Ongoing reconciliation of pre-appointment and post-appointment bank accounts 	
Investigation	Subtotal		0.8 hours \$479.00
	Conducting investigation	<ul style="list-style-type: none"> • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required 	
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and if required • Liaising with solicitors regarding recovery actions & litigation funding • Preparation review and issue of Court proceedings and attendance to all directions issued by the Court with respect to any litigated actions if required 	
	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC 	
Administration	Subtotal		0.7 hours \$400.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining Redflow VA General email inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders 	
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> • Administrator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements 	
	Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Closing bank accounts as required 	

ASIC Forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
Planning / Review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the administration
Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records • Maintenance, integration, and separation of data in relation to the sale
Legal matters	<ul style="list-style-type: none"> • Liaising with solicitors concerning various aspects of the VA and employee entitlements
Finalisation of VA	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Finalising WIP for VA period • Preparing and lodging End of Administration Return (Form 5603) and other statutory form with ASIC

Schedule 12.1: Time to be charged to each major task

ZCell

ZCE-3: Commencement to conclusion of liquidation

Position	\$ /hour (ex GST)	Total actual hours	Total (\$)	Task Area									
				Assets		Creditors		Investigations		Dividend		Administration	
				Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Partner	850.00	1.30	1,105.00	0.20	170.00	0.40	340.00	0.4	340.00	0.2	170.00	0.1	85.00
Director	780.00	1.30	1,014.00	0.20	156.00	0.40	312.00	0.4	312.00	0.2	156.00	0.1	78.00
Associate Director	680.00	2.80	1,904.00	0.40	272.00	0.90	612.00	0.9	612.00	0.4	272.00	0.2	136.00
Manager	630.00	1.50	945.00	0.20	126.00	0.50	315.00	0.5	315.00	0.2	126.00	0.1	63.00
Senior Analyst	520.00	3.90	2,028.00	0.60	312.00	1.20	624.00	1.2	624.00	0.6	312.00	0.3	156.00
Analyst	460.00	2.20	1,012.00	0.30	138.00	0.70	322.00	0.7	322.00	0.3	138.00	0.2	92.00
Graduate	350.00	5.70	1,992.00	0.90	315.00	1.70	595.00	1.7	595.00	0.9	315.00	0.5	172.00
TOTAL		18.7	10,000.00	2.8	1,489.00	5.8	3,120.00	5.8	3,120.00	2.8	1,489.00	1.5	782.00
GST			1,000.00										
TOTAL (including GST)			11,000.00										
<i>Average hourly rate</i>					<i>531.79</i>		<i>537.93</i>		<i>537.93</i>		<i>531.79</i>		<i>521.33</i>

Schedule 12.2: Detailed description of tasks to be performed

ZCell

ZCE-3: Commencement to conclusion of liquidation

		Future work
Period		Commencement to conclusion of liquidation
Amount (ex. GST)		\$10,000.00
Task area	General description	Includes
Assets	Subtotal	2.8 hours \$1,489.00
	Other assets	<ul style="list-style-type: none"> Maintain file note of all companies' assets including recoverability details and correspondence issued
Creditors	Subtotal	5.8 hours \$3,120.00
	Creditor enquiries, requests and directions	<ul style="list-style-type: none"> Receiving and responding to creditor enquiries via inboxes, telephone and Halo platform Reviewing and preparing correspondence to creditors and their representatives via Halo platform, email and post Maintaining creditor request log via Halo platform Considering reasonableness of creditor requests Compiling information requested by creditors Documenting reasons for complying or not complying with requests or directions Managing the Halo Help inbox to assist creditors with technical Halo queries Maintaining the claims and voting dashboards in Halo
	Creditor reports	<ul style="list-style-type: none"> Preparing updates and circulars to creditors Prepare and issue Liquidators' statutory report Processing 'Return to sender' correspondence Attending to creditor enquiries regarding the Liquidators' reports to creditors Preparation, review and issue of any supplementary reports to creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> Maintaining register of proofs of debt through Halo platform Communication with creditors in relation to proofs of debt received Creditor data management including processing updates to creditor information in Halo platform Attending to creditor queries regarding information in the Halo creditor platform and submitted proofs of debt Admitting creditor claims for voting purposes
	Meeting of creditors	<ul style="list-style-type: none"> Preparing meeting notice, proxies and advertisements for meeting of creditors (where applicable) Forwarding notice of meeting to all known creditors

		<ul style="list-style-type: none"> • Discussing requirements for virtual meeting with internal IT support • Preparing meeting file for the meeting, including agenda and slide deck, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting • Facilitation and conduct of creditors meeting • Preparing and lodging minutes of meeting with ASIC • Responding to stakeholder queries and questions following the meeting
Investigation	Subtotal	5.8 hours \$3,120.00
	Conducting investigation	<ul style="list-style-type: none"> • Further review of the company's books and records • Updating company nature and history • Reviewing board reports, minutes, and other communications • Conducting and summarising statutory searches • Conducting meetings and interviews with management and staff regarding the affairs of the company • Reviewing specific transactions and liaising with directors and management regarding these transactions • Reviewing and determining potential voidable transactions which may be recoverable in the liquidation • Considering solvency and directors' conduct • Preparing and finalising investigation file • Arranging review of investigation file by lawyers • Reviewing and updating financial position and performance of the company • Reviewing taxation records • Preparation and lodgement of supplementary reports with ASIC, if required
	Examinations	<ul style="list-style-type: none"> • Internal meetings to discuss possible examinations, if required • Preparing brief to solicitor • Liaising with solicitors regarding potential examinations • Liaising with potential litigation funders with respect to potential examinations • Preparation for examinations including liaising with solicitors and reviewing proposed examination questions • Attendance at examination • Reviewing examination transcripts • Liaising with solicitors regarding outcome of examinations and further actions available
	Litigation / recoveries	<ul style="list-style-type: none"> • Internal meetings to discuss possible litigation and (if required) • Preparing brief to solicitors

	ASIC reporting	<ul style="list-style-type: none"> • Preparing statutory investigation reports • Preparing affidavits seeking non-lodgement assistance (if applicable) • Liaising with ASIC
Dividend	Subtotal	2.8 hours \$1,489.00
	Dealing with PODs	<ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting lodgement of POD • Receipt of POD • Maintain POD register • Adjudicating POD • Request further information from claimants regarding POD • Preparation of correspondence to claimant advising outcome of adjudication
	Declare and pay dividend	<ul style="list-style-type: none"> • Preparation of correspondence to creditors advising of intention to declare dividend • Advertisement of intention to declare dividend • Obtain clearance from ATO to allow distribution of company's assets • Preparation of dividend calculation • Preparation of correspondence to creditors announcing declaration of dividend • Advertise announcement of dividend • Preparation of distribution • Preparation of dividend file • Preparation of payment vouchers to pay dividend • Preparation of correspondence to creditors enclosing payment of dividend
Administration	Subtotal	1.5 hours \$782.00
	Correspondence	<ul style="list-style-type: none"> • Maintaining General inbox • Preparing general correspondence including letters, telephone calls and emails to various stakeholders
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> • Liquidator reviews • Filing of documents and emails • Updating Core IPS checklists • Uploading receipts and payments to IPS for reporting purposes and statutory lodgements
	Insurance	<ul style="list-style-type: none"> • Liaising with insurance broker regarding any ongoing queries
	Bank account administration	<ul style="list-style-type: none"> • Liaising with bank regarding sweeps and transfers • Bank account reconciliations • Opening and closing bank accounts as required

	ASIC forms and lodgements	<ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 5011s • Corresponding with ASIC regarding statutory forms and other ad-hoc matters of attention
	ATO and other statutory reporting	<ul style="list-style-type: none"> • Corresponding with the ATO regarding general taxation matters • Preparing and lodging BASs
	Planning / review	<ul style="list-style-type: none"> • Holding team meetings regarding status and planning of the liquidation
	Books and records / storage	<ul style="list-style-type: none"> • Maintaining electronic and hard copy files • Dealing with records
	Project management	<ul style="list-style-type: none"> • Oversight of data room access • Request for information management • Facilitation of work stream meetings
	Finalisation of liquidation	<ul style="list-style-type: none"> • Notifying ATO of finalisation • Completing checklists • Preparing and lodging relevant forms with ASIC in relation to the finalisation • Finalising WIP for liquidation period • Preparing and lodging End of Administration Return (Form 5603) with ASIC

Appendix G – Statements of Cash Flows

Redflow Limited
Consolidated statement of cash flows
For the year ended 30 June 2023

	Note	30 June 2023	30 June 2022
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,185,955	2,600,407
Payments to suppliers and employees (inclusive of GST)		(16,481,026)	(13,947,241)
Grants/R&D tax incentive received		2,443,591	1,465,082
Interest received		174,358	17,730
Interest and bank charges paid		(19,904)	(19,597)
Income taxes paid		(4,267)	(12,974)
Net cash used in operating activities	33	(12,701,293)	(9,896,593)
Cash flows from investing activities			
Payments for property, plant and equipment (inclusive of GST)		(598,289)	(1,070,336)
Payments for intangible assets (inclusive of GST)		(131,664)	(110,112)
Proceeds from sale of property, plant and equipment (inclusive of GST)		9,602	-
Net cash used in investing activities		(720,351)	(1,180,448)
Cash flows from financing activities			
Proceeds from capital raising		10,621,600	10,859,804
Transaction costs from capital raising (inclusive of GST)		(578,605)	(357,832)
Principal elements of lease payments		(168,456)	(172,861)
Net cash from financing activities		9,874,539	10,329,111
Net decrease in cash and cash equivalents		(3,547,105)	(747,930)
Cash and cash equivalents at the beginning of the financial year		9,049,762	9,808,283
Effects of exchange rate changes on cash and cash equivalents		10,199	(10,591)
Cash and cash equivalents at the end of the financial year	11	5,512,856	9,049,762

The above Consolidated statement of cash flows should be read in conjunction with the accompanying notes

Statement of Cash Flows for Redflow Limited

	\$
Cash Flow from Operating Activities	
Net Income	(16,437,959.42)
Net Cash Flow from Operating Activities	(16,437,959.42)
Cash Flow from Investing Activities	
Net Cash Flow from Investing Activities	-
Cash Flow from Financing Activities	
Capital Investment	13,923,714.67
Share Based Payment Reserve	272,044.53
Net Cash Flow from Financing Activities	14,195,759.20
Net Increase/Decrease for the period	(2,242,200.22)
Cash at the Beginning of the period	5,413,538.54
Cash at the End of the period	3,171,338.32

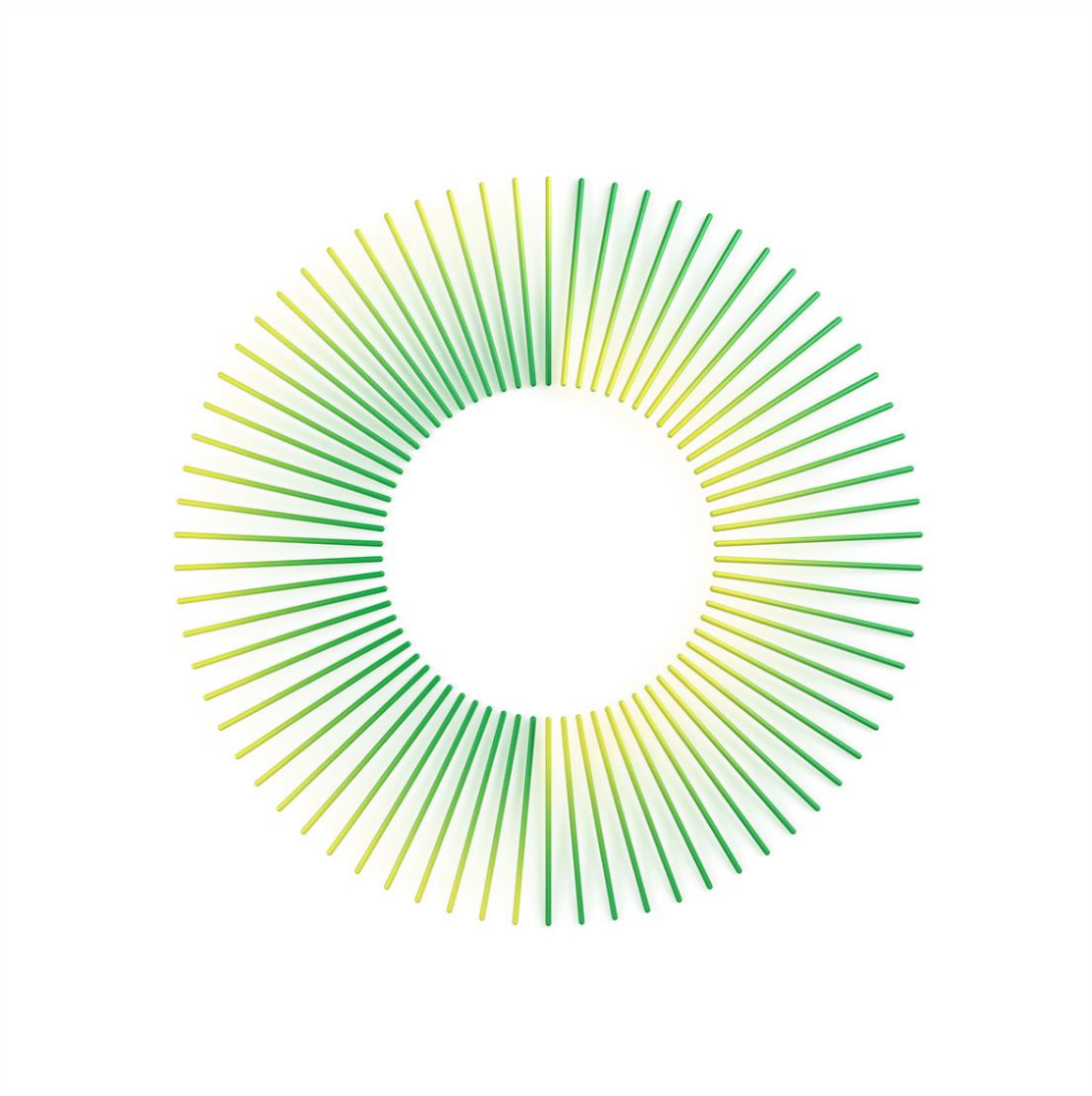
Statement of Cash Flows for Redflow R&D

	\$
Cash Flow from Operating Activities	
Net Income	(56,425.21)
Accrued Expenses	2,125.60
RFInt - RF R&D Inter Company	115,199.11
Net Cash Flow from Operating Activities	60,899.50
Cash Flow from Investing Activities	
Patent & Trade Marks - At Cost	(115,293.92)
Patent & Trade Marks - Amort	54,394.42
Net Cash Flow from Investing Activities	(60,899.50)
Cash Flow from Financing Activities	
Net Cash Flow from Financing Activities	-
Net Increase/Decrease for the period	-
Cash at the Beginning of the period	-
Cash at the End of the period	-

Statement of Cash Flows for Redflow International

	\$
Cash Flow from Operating Activities	
Net Income	(\$2,434,541.71)
RFIL CBA US Bank Account Exchange	\$160,541.37
Petty Cash Foreign Currencies	\$0.88
Trade Debtors	(\$308,951.22)
Trade Debtors Exchange	\$8,691.37
Contract Asset	\$78,474.00
Prepaid Expenses	(\$11,324.61)
Raw Materials	\$94,729.28
Provision for Stock Losses	\$554,831.46
Fishbowl - Raw Materials	(\$2,372,624.38)
Fishbowl - Finished Goods	(\$192,857.08)
Plant & Equipment at Cost	(\$678,949.26)
Plant & Equipment Accum Dep	\$536,946.48
Office Equip at Cost	(\$3,299.56)
Office Equip Accum Dep	\$29,779.54
Leasehold Improvements - COS	(\$12,500.00)
Leasehold Improvement Acc Dep	\$26,797.12
Software - Amort	\$4,040.02
Right of Use Asset Accum Dep	\$152,251.18
Capital Work in Progress	\$77,860.39
Trade Creditors	\$1,651,542.82
Trade Creditors Exchange	(\$5,292.27)
Warranty Provision	\$2,682,373.95
Accrued Expenses	\$144,295.69
Contract Liability	\$387,502.37
Lease Liabilities	(\$170,148.81)
GST/VAT Collected	(\$5,268.65)
GST/VAT Paid	(\$24,930.97)
Superannuation Liability	\$1,213.08
PAYG Withholding Payable	\$4,020.00
Payroll Tax Liability	\$6,684.45
Wages Clearing Account	\$845,467.00
Annual Leave Provisions	(\$296.48)
Long Service Leave Provisions	(\$8,060.58)
RFInt - RF R&D Inter Company	(\$115,199.11)
RFIL_ RF Europe GmbH Intercompany	(\$829.15)
RFIL_ RFT BAHT Intercompany	(\$28,770.65)
RFIL_ LLC Intercompany	\$4,932,560.67
Net Cash Flow from Operating Activities	\$6,006,758.63
Cash Flow from Investing Activities	
Net Cash Flow from Investing Activities	\$0.00
Cash Flow from Financing Activities	
Net Cash Flow from Financing Activities	\$0.00
Net Increase/Decrease for the period	\$6,006,758.63
Cash at the Beginning of the period	\$30,837.67
Cash at the End of the period	\$6,037,596.30

Appendix H – Halo Guide (Proxy Nomination & Voting)



Halo Guide
(Proxy Nomination & Voting)

i Overview

The Voluntary Administrators of Redflow Limited, Redflow International Pty Ltd, Redflow R&D Pty Ltd and Zcell Australia Pty Ltd will be using Deloitte's Halo platform as the primary tool for communicating with creditors and managing claims (known as proofs of debt).

The Voluntary Administrators have prepared this guide to assist you as a creditor or potential creditor to understand the steps that must occur to ensure you are appropriately registered and have lodged your claim in Halo. The next three pages set out an overview of these steps. Refer to the later sections of this guide for further details of the specific actions, screens in Halo and FAQs for each of these steps.

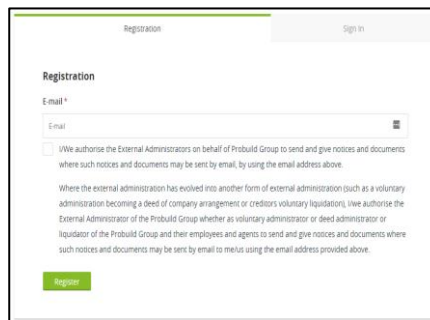
These are the key dates in relation to voting in Halo:

- Deadline for registering and submitting a claim in Halo **Thursday, 14 November 2024, 5:00pm (AEST)**
- Deadline for submitting proxy **Thursday, 14 November 2024, 5:00pm (AEST)**
- Meeting of creditors held **Friday, 15 November 2024, 10:30am (AEST)**
- Voting closes **Live during the meeting of creditors**

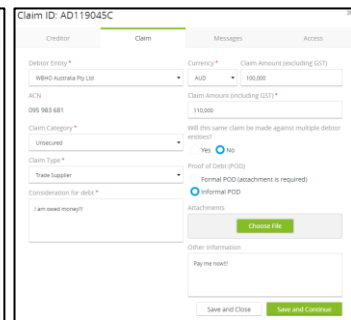
1 Register in Halo

You'll need an email address and basic contact information to register at this page:

<https://aurestructuring.deloitte-halo.com/service/website/Redflow?Pg=1>



The screenshot shows the 'Registration' form in Halo. It includes a 'Registration' tab and a 'Sign In' tab. The form has an 'Email *' field with a placeholder 'Email'. Below the field is a checkbox for authorizing the External Administrators to send notices and documents. A green 'Register' button is at the bottom.



The screenshot shows the 'Claim' form in Halo. It includes a 'Claim ID: AD119045C' at the top. The form has tabs for 'Creditor', 'Claim', 'Messages', and 'Access'. The 'Claim' tab is active. It includes fields for 'Debtor Entity *' (WBHD Australia Pty Ltd), 'Currency *' (AUD), 'Claim Amount (including GST)' (100,000), 'ACN' (095 983 681), 'Claim Category *' (Unsecured), 'Claim Type *' (Trade Supplier), and 'Consideration for debt *' (I am owed money!). There are also checkboxes for 'Payee now?' and 'I am owed money?'. A green 'Choose File' button is visible. At the bottom, there are 'Save and Close' and 'Save and Continue' buttons.

2 Add a claim

Adding a claim in Halo requires basic details of your claim, including:

- the company that owes you money;
- the claim type (e.g. financier, employee, subcontractor, trade supplier); and
- a description of the amount you are owed.

You can also upload additional documentation to support your claim for consideration by the Voluntary Administrators (e.g. copy of invoice). **Please only lodge 1 claim against the Company which you are a creditor of and attach all invoices to that claim.**

3 Be admitted for voting

Based on the nature of your claim, the Voluntary Administrators will evaluate your claim for admission for voting. This may include reviewing the details of your claim submitted, assessing supporting documentation submitted (if any) and asking you further questions about your claim (if necessary).

You will be notified by email when you have been admitted for voting. Otherwise you can check your admission status in the Halo system in the 'My Claims' dashboard in Halo at any time.

4 Appoint a proxy (required for organisational creditors, optional for individuals)

Once your claim has been admitted for voting, you can appoint a proxy. If you are not sure whether or not you need to appoint a proxy, refer to the FAQs at Section 4 of this guide.

You will need to have your proxy nomination completed by **Thursday, 14 November 2024, 5:00pm(AEST)**.

When appointing a proxy, you are appointing either (1) the Chairperson, (2) yourself or (3) someone else to vote on behalf of the creditor. If selecting someone else to represent you, you will need their email address so they can be registered in the Halo system. Selecting the **proxy option** is the first step of appointing a proxy.

You will also need to decide the **type of proxy** you are appointing. This is either (a) General Proxy or (b) Special Proxy. Refer to FAQs at Section 4 of this guide for further information on Proxy types.

To appoint a proxy, click 'Vote or Select Proxy' on your dashboard. If you are an organisation, the Proxy page will be displayed. If you are an individual, you will need to click the 'Nominate Proxy (Optional)' button. Here you will select the **proxy option** and the **type of proxy**. If selecting a Special proxy (displayed above), you will submit your vote (Step 5) with the nomination of your proxy and click 'Submit' to appoint your Proxy.

Nominate Proxy
 Chairperson Self Other proxy (enter email address below)

Type of Proxy
 General Proxy Special Proxy

Resolutions

Please vote 'For' one resolution below. In voting 'For' a resolution, you will be voting 'Against' the other resolutions proposed in the resolution group. Your vote cannot be submitted if you do not vote 'For' a resolution.

RESOLUTION GROUP #1 ANSWER
[Resolution Group #1]

RESOLUTION #2 ANSWER
[Resolution #2]

5 Cast your vote

If your claim has been admitted for voting, you can log into Halo and click **'Select Proxy or Vote'** on your 'My Claims' dashboard at this time. Once the voting event has started in Halo, there will be a yellow banner on your 'My Claims' dashboard which will say **'Select Proxy or Vote'**.

To vote, select the tick box for the creditor you are voting for, and click the **'Select Vote'** button. Choose your answer to the displayed resolution(s) and click **'Submit'**.

Voting will close during the meeting of creditors.

If you have been assigned a General proxy vote, the Vote will appear on your **'My Proxy'** Dashboard and will need to be actioned in order to vote. Please follow the above steps except click 'Start Voting' on your 'My Proxy dashboard' instead of 'My Claims dashboard'.

Resolutions

Please vote 'For' one resolution below. In voting 'For' a resolution, you will be voting 'Against' the other resolutions proposed in the resolution group. Your vote cannot be submitted if you do not vote 'For' a resolution.

RESOLUTION GROUP #1 ANSWER
[Resolution Group #1]

RESOLUTION #2 ANSWER
[Resolution #2]

When votes are successfully submitted, the voting status is now displayed as **'Voted'**, the appointment of a general proxy is displayed as **'Proxy Selected'**, and the appointment of a special proxy is displayed as **'Proxy Voted'**. Once the general Proxy has exercised their vote, the voting status will change to **'Proxy Voted'**

<input type="checkbox"/>	V1213594C	Creditor 8	Entity A	Unsecured Customer	AUD 150,000.00	Admitted for [150,000.00]	VOTED
<input type="checkbox"/>	V1213596C	Creditor 10	Entity A	Unsecured Other	AUD 150,000.00	Admitted for [150,000.00]	PROXY VOTED
<input type="checkbox"/>	V1128018C	Creditor 10	Entity B	Unsecured Other	AUD 4,577.75	Admitted for [4,577.75]	PROXY SELECTED

Note:

This guide will only focus on how to nominate a proxy and cast your vote in the Halo platform.

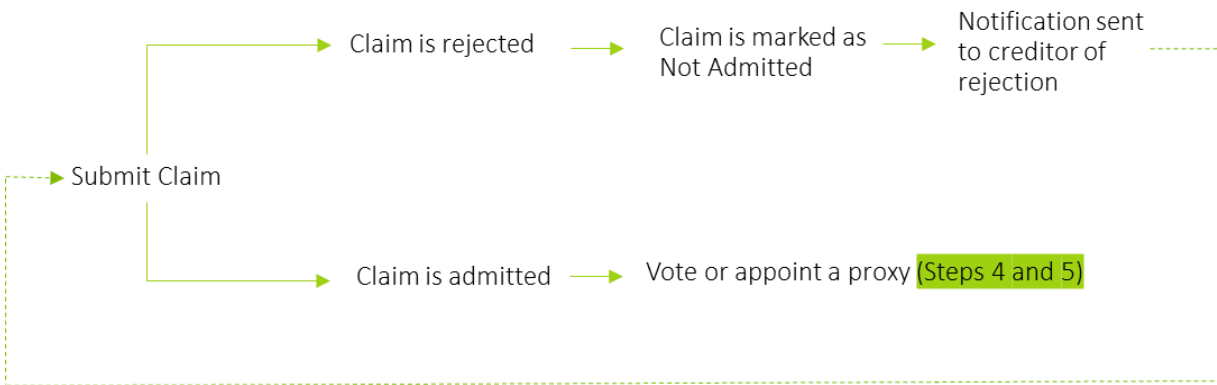
If you are looking for detailed guidance on registering as a user or lodging your claim, please refer to the Registration and Claim Lodgement Guide here: <https://aurestructuring.deloitte-halo.com/service/website/Redflow?Pg=4>.

If you encounter any issues with the Halo platform, please contact our team at redflow@deloitte.com.au.

3 Be admitted for voting

Based on the nature of your claim, the Voluntary Administrators will evaluate your claim for admission for voting. This will include reviewing the details of your claim submitted, assessing supporting documentation submitted (if any) and asking you further questions about your claim (if necessary).

Admission Process



Note – you are able to submit your vote even if the Administrators have not yet admitted your claim.

You will be notified by email when the Voluntary Administrators have evaluated your submitted claim(s) and the admitted status of your submitted claims has changed. Otherwise, you can check your admission status in the Halo system in the 'My Claims' dashboard at any time.

Admissions Statuses

Claims are presented in Halo with three admission statuses (labelled 1 to 3 in the image and described on next page):

<input type="checkbox"/>	VI213587C	Creditor 1	Number 1 Pty Ltd	Unsecured Trade Supplier	AUD 200,000.00	Submitted	1
<input type="checkbox"/>	VI213587C	Creditor 2	Number 1 Pty Ltd	Unsecured Trade Supplier	AUD 200,000.00	Admitted for [200,000.00]	2
<input type="checkbox"/>	VI213587C	Creditor 2	Number 2 Pty Ltd	Unsecured Trade Supplier	AUD 200,000.00	Not Admitted	3

1. **Submitted:** This status indicates that your claim has been registered in Halo and is under review for admission by the Voluntary Administrators. The Administrators may contact you via the Halo communication functions to ask you further details about your claim (if necessary) or request further supporting documentation in relation to your claims (if necessary).
2. **Admitted:** This status indicates that your claim has been reviewed and admitted for voting. The amount for which the claim has been admitted for voting will be displayed. Once admitted, the details of your claim (e.g. amount) cannot be changed until after the voting event.
3. **Not admitted:** The Voluntary Administrators may reject (not admit) your claim for voting purposes for a number of reasons including but not limited to the following:
 - The amount you have claimed is higher than the amount recorded as owing to you in the books and records of the Group and you have provided insufficient evidence to support your claim.
 - Where your claim includes amounts, which have been incurred post appointment and you have not provided sufficient supporting documentation to support this portion of your claim such as a contract with relevant terms. In such circumstances, the Voluntary Administrators may only admit your claim for the portion which relates to the period prior to the date of appointment until further supporting documentation is provided.
 - Your claim does not match the supporting evidence provided.
 - Your claim is not owed by any of the companies in the Group.
 - Your claim is a duplicate of another claim received by the Voluntary Administrators.
 - Your claim has been submitted after the claim submission deadline of **5:00pm (AEST) on Thursday, 14 November 2024**.

Once the status of your claim has been changed to Not Admitted, you will not be able to change the details of your claim (e.g. amount).

However, you can continue to communicate with the Voluntary Administrators to understand the reasons for your claim not being admitted and, if time allows prior to the claim submission deadline, resubmit your claim or provide further information or documentation which may allow your claim to be admitted.

4 Appoint a proxy

Prior to voting you can appoint a proxy. A proxy is a document containing instructions to the Voluntary Administrators on who you want to represent you.

You aren't required to appoint a proxy unless the creditor you are representing is a company or organisation:

- A company needs to appoint a proxy as they need to appoint someone to vote on behalf of the company.
- If you are an individual and you want to give someone else your right to vote (e.g. a union representative or chairperson), you can appoint a proxy but it is not required in order for you to vote.

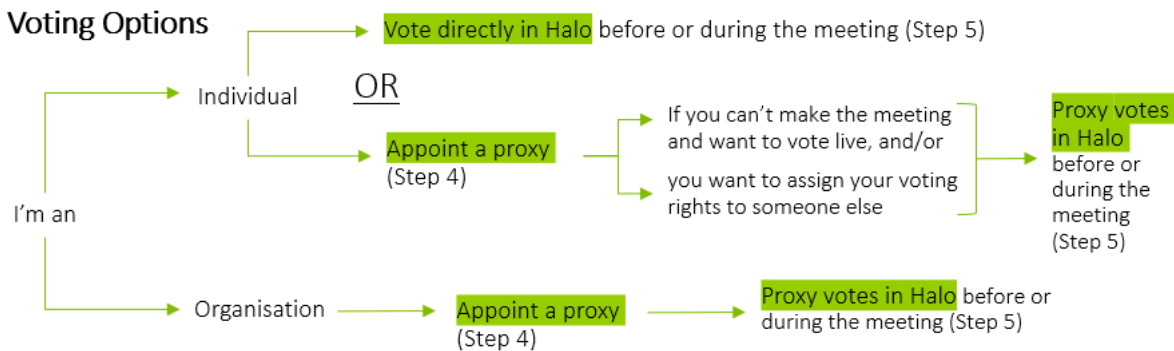
The following sets out the process for submitting a proxy, types of proxies (including some types of proxies which include your voting instructions) and how.

The deadline for submitting a proxy nomination in Halo is Thursday, 14 November, 5:00pm (AEST).

If you do not need to appoint a proxy (for example you are an employee or individual), you can skip to instruction at Step 5 to cast your vote.

Creditors will be notified when proxy forms become available to them in Halo.

Once you have been admitted, there will be different pathways for you to nominate your proxy (if required) and lodge your vote in Halo:



When appointing a proxy, you will need to consider both the type of proxy you are nominating and your options as to who you can select as your proxy:

Type of proxy

There are two kinds of proxies available, a general proxy and a special proxy:

- **General proxy** - allows the person holding the proxy to vote as they wish on a resolution and therefore you won't need to specify the answers to the resolutions. In Halo, nomination of a general proxy practically means that the voting for that creditor will be transferred or attached to the user account of the general proxy. As such, those who are appointed general proxies will need to vote as outlined in Step 5.
- **Special proxy** - directs the proxy holder to vote in a particular way. If appointing a special proxy, you will need to select and submit your vote with the proxy nomination.

Proxy options (who)

In terms of your options on who to select as your proxy, Halo has three options (1) the Chairperson, (2) yourself or (3) someone else to vote on behalf of the creditor:

1. **The Chairperson** – if you would like to assign the Chairperson your vote, you are able to do this by selecting 'Chairperson' as your proxy option. The Chairperson will be one of the Voluntary Administrators. Part of their role is deciding whether to accept your claim for voting purposes, estimate the value of your claim (if required) and, if necessary, exercise their casting vote.
2. **Yourself** – if the creditor is a company and you are a duly authorised officer of the company (e.g. a director) you can appoint yourself as the proxy. If the 'Yourself' option is chosen, the details and email with which you signed up with Halo will be used.
3. **Someone else** - if you would like to appoint someone else as the proxy, you can enter the email of the person you would like to appoint in the field which appears when you click 'Other' as the proxy type. If you are selecting someone else to represent you, you will need their email address so they can be registered in the Halo system:
 - If that person is already registered on Halo, their registered Halo details will appear.
 - If they are not registered in Halo, an email invitation will be sent to them to register.

Please note that proxies are nominated at the creditor level. If there are multiple claims that have been registered in Halo under one creditor name, the proxy nominated will be applied to all of those claims.

If you have made an error in the nomination of your proxy, please contact the team at redflow@deloitte.com.au so they can assist you in resetting your proxy nomination. Once reset, you can re-nominate your proxy.

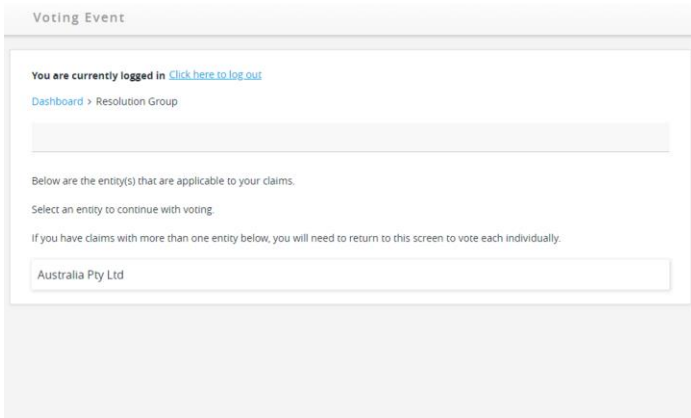
Appoint a proxy – the process

- ✓ To appoint a proxy, click 'Vote or Select Proxy' on your 'My Claims' dashboard.

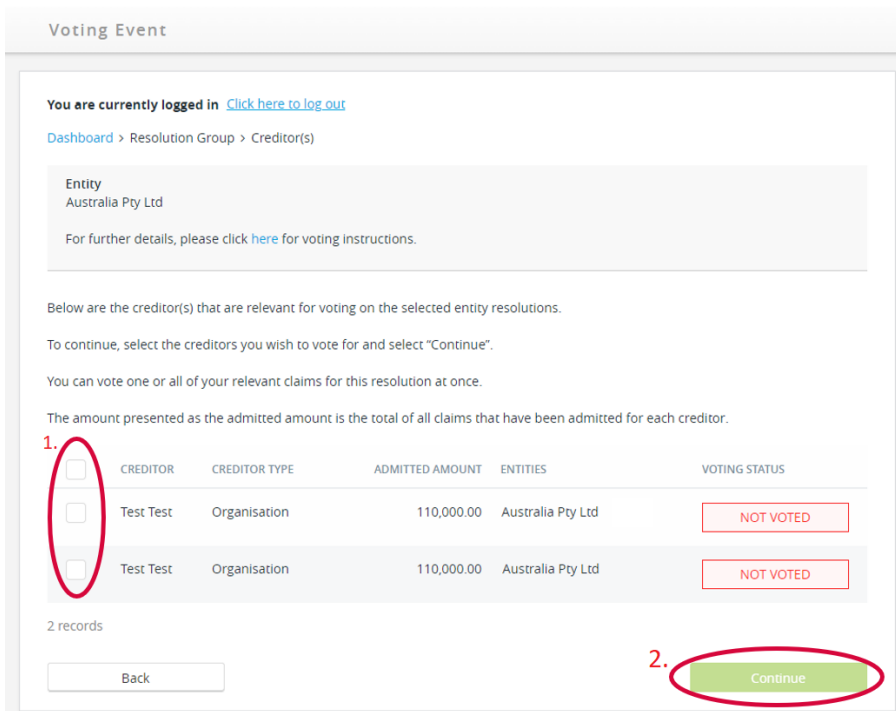
The screenshot shows the 'My Claims Dashboard' interface. At the top, there are navigation tabs: 'User Profile', 'My Meeting Dashboard', and 'My Claims Dashboard'. Below the tabs is a yellow informational banner with the text: 'You must submit a claim to vote at the first meeting of creditors.', 'Voting will close live during the first meeting of creditors.', 'You will be notified by email when voting has opened in the Halo platform.', and 'Click [here](#) for an overview of voting process.' A button labeled 'Vote or Select Proxy' is circled in red. Below the banner is a search bar for 'Search Claim, Creditor' and two buttons: 'Grant Access' and 'Add Claim'. At the bottom, there is a table with 2 records.

CLAIM ID	CREDITOR	DEBTOR ENTITY	CATEGORY TYPE	AMOUNT (EXCL GST)	STATUS	VOTING STATUS
AD119045C	Test	Test Pty Ltd	Unsecured Trade Supplier	AUD 100,000.00	AUD110,000.00 admitted for voting	NOT VOTED
AD119128C	Test	Test Pty Ltd	Secured Financier	AUD 100,000.00	AUD110,000.00 admitted for voting	NOT VOTED

- ✓ If you have multiple creditors who have claims in different companies, you will need to cast a vote / appoint a proxy per company. Please select the companies to appoint a proxy for first.



- ✓ Select the relevant creditor(s) to Nominate a proxy for and click 'Continue'.



- ✓ If you are an individual, click 'Nominate Proxy (Optional)' to be redirected to the 'Assign Proxy' page. If you are representing an organisation you will automatically be on the 'Assign Proxy' page.

Resolutions	Nominate Proxy (Optional)
-------------	---------------------------

You will then be directed to the following screen:

Voting Event

You are currently logged in [Click here to log out](#)

[Dashboard](#) > [Resolution Group](#) > [Creditor\(s\)](#) > [Vote/Proxy](#)

Entity Australia Pty Ltd	Selected Creditors Test Test
-----------------------------	---------------------------------

Example Resolutions:

Resolution 1 - That the meeting be held concurrently

It is proposed that the meetings of the Group be held concurrently for convenience and efficiency as otherwise separate meetings would be required. As a consequence of the corporate structure, there are common interests between some creditors which support holding these meetings concurrently.

Resolution 2- That a Committee of Inspection be appointed

At the first meeting, creditors will consider whether a Committee of Inspection (COI) should be appointed for each of the Companies. The role of the COI is to consult with the Administrators about matters relevant to the administration and receive and consider reports from the Administrator. It may also approve the Administrators' fees. At times, the Administrator may call upon a COI for assistance. **It is a voluntary role and the COI are not remunerated for their time.**

All creditors that have a just estimate of their claim, as well as employees, are entitled to stand for COI membership to represent the interests of all creditors. However, to operate efficiently, the COI should not be too large. Further information regarding the COI is provided in the [ARITA Information Sheet: Committees of Inspection](#).

A 'proxy' is where a creditor authorises someone else to represent them at a Creditors' meeting and vote on their behalf. Refer to voting guide for more information on the role of proxies and proxy types.

Nominating a proxy is mandatory for creditors that are organisations and optional for creditors that are individuals.

There are two kinds of proxies, a General proxy and a Special proxy. A general proxy allows the person holding the proxy to vote how they want on a resolution, whereas a special proxy directs the proxy holder to vote in a particular way.

Nominate Proxy

Chairperson Self Other proxy (enter email address below)

Type of Proxy

General Proxy Special Proxy

Resolutions

RESOLUTION #1

"That the first meeting of creditors be held concurrently."

RESOLUTION #2

"That a committee of inspection of the company be formed"

Example resolutions only – the actual resolutions may differ to those in the above image.

- ✓ Select your 'Proxy Option' of either: 'Chairperson', 'Self', or 'Other proxy'. If you are an individual, the 'Self' option will not be available.

Nominate Proxy

Chairperson Self Other proxy (enter email address below)

- ✓ If selecting 'Other Proxy', please enter the person you are appointing's email in the designated field. If the email is registered in Halo, their details will appear. If they are not registered, they will receive an email notifying them to register as they have been appointed as a Proxy.

- ✓ Select your 'Type of Proxy' of either 'General Proxy' or 'Special Proxy'.

Type of Proxy

General Proxy Special Proxy

- ✓ If selecting 'Special Proxy', choose the answers to the displayed resolution(s).

Nominate Proxy

Chairperson Self Other proxy (enter email address below)

Proxy email address *

Example.Email@Outlook.com

✓ Proxy is registered.

Proxy Profile

First Name
Surname
Email
Representing an organization?
Organisation

Type of Proxy

General Proxy Special Proxy

Resolutions

RESOLUTION #1

ANSWER

RESOLUTION #2

ANSWER

- ✓ After reviewing, click 'Submit' to finalise your proxy.

- ✓ After submitting, the relevant claims on your 'My Claims' dashboard will be displayed as 'Proxy Voted' for a Special Proxy, or 'Proxy Selected' for a General Proxy. After a General Proxy exercises their vote, the status too will change to 'Proxy Voted'.

<input type="checkbox"/>	VI213596C	Creditor 10	Entity A	Unsecured Other	AUD 150,000.00	Admitted for [150,000.00]	PROXY VOTED
<input type="checkbox"/>	VI128018C	Creditor 10	Entity B	Unsecured Other	AUD 4,577.75	Admitted for [4,577.75]	PROXY SELECTED

- ✓ To **view** your Proxy nomination, click 'Vote or Select proxy' on your 'My Claims Dashboard'



- ✓ Find the creditor which you want to view the Proxy for and click the 'Proxy Voted' or 'Proxy Selected' box to view your vote. The selected votes will then be displayed.

Creditor 11	Individual	150,000.00	Number 1 Pty Ltd	PROXY VOTED
Creditor 10	Individual	150,000.00	Number 1 Pty Ltd	PROXY SELECTED

FAQs on appointing a proxy

What is a proxy?

A proxy is a formal authorisation by a creditor, authorising someone else to represent them and vote on their behalf.

Do I need a proxy?

You don't need to appoint a proxy unless the creditor you are representing is a company or organisation. A company needs to appoint a proxy as they need to appoint an individual who is an authorised officer to vote on behalf of the company. If you are an individual and you want to give someone else your right to vote (e.g. a union, chairperson), you can appoint a proxy.

What is the difference between a special proxy and a general proxy?

There are two kinds of proxies, a general proxy and a special proxy. A general proxy allows the person holding the proxy to vote how they wish on a resolution, whereas a special proxy directs the proxy holder to vote in a particular way.

Can I change my proxy?

If you have made an error, please contact the team at redflow@deloitte.com.au and they will be able to assist you in resetting and then re-selecting your proxy.

I'm an employee, do I need a proxy?

Employee creditors are individual creditors (i.e. not representing an organisation) so they are not required to nominate a proxy.

However, employees may wish to nominate their union representative, the Chairman, or another person as their special or general proxy.

What happens if I have not nominated a proxy by the deadline of Thursday, 14 November 2024, 5:00pm(AEST)?

If you are a creditor that is a company or organisation, unfortunately you will not be able to cast your as a proxy is required.

If you are an individual creditor, you will still be able to submit your vote as proxies are not required for individual creditors.

I have been assigned as a proxy, what do I do?

If you have been assigned as a proxy, you will need to cast the vote as in Step 5 Cast your Vote. If you have been assigned a proxy, the proxy(s) you have been nominated for will be displayed on **'My proxy'** dashboard as opposed to **'My Claims'** dashboard. If you have been assigned a special proxy, no action is required by you.

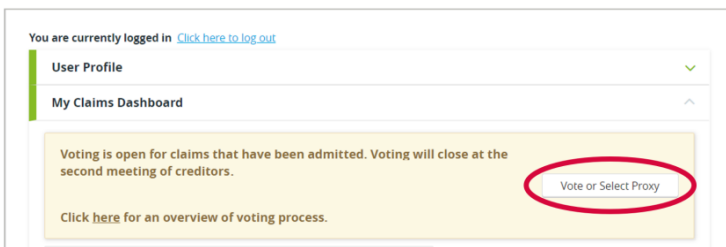
5 Cast your vote

Once the voting event has started in Halo, there will be a yellow banner on your **'My Claims'** dashboard which will say **'Start Voting'**. If your claim is admitted for voting, you can log into Halo and click **'Start Voting'** on your claims dashboard.

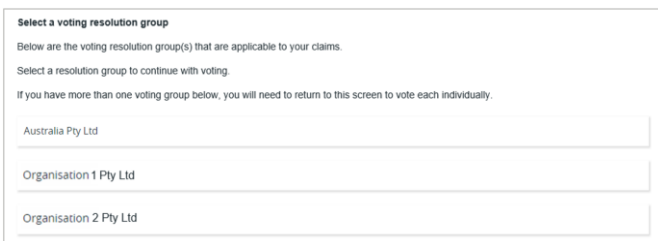
Creditors will be notified when voting opens.

Cast your vote – the process

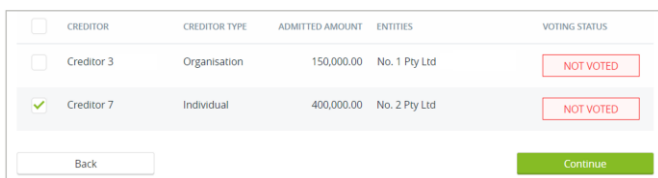
- ✓ To cast your vote, click **'Vote or Select Proxy'** on your **'My Claims'** dashboard. If you have been appointed as a Proxy and need to cast a vote, you will click **'Vote'** on your **'My Proxy'** dashboard



- ✓ If you are voting for multiple creditors under multiple entities, select the relevant Resolution Group or single company you would like to vote for first.



- ✓ Select the creditor(s) you would like to cast a vote for and click **'Continue'**. You can vote all creditors at once for ease.



- ✓ Choose your answer to the displayed resolution(s) and click **'Submit'**. A warning message will appear explaining that once a vote is submitted, it cannot be changed.

The screenshot shows a voting interface titled 'Resolutions'. At the top right, there is a green button labeled 'Nominate Proxy (Optional)'. Below the title, there is a paragraph of instructions: 'Please vote 'For' one resolution below. In voting 'For' a resolution, you will be voting 'Against' the other resolutions proposed in the resolution group. Your vote cannot be submitted if you do not vote 'For' a resolution.' The interface is divided into two sections: 'RESOLUTION GROUP #1' and 'RESOLUTION #2'. Each section has a large grey box for the resolution text and a set of three buttons: 'For' (green), 'Against' (red), and 'Abstain' (grey). The 'For' button in the second group is highlighted. At the bottom left is a 'Back' button and at the bottom right is a green 'Submit' button.

- ✓ Voting status will now be **'Voted'** on relevant claims on your **'My Claims'** dashboard.

<input type="checkbox"/>	VI213594C	Creditor 8	Entity A	Unsecured Customer	AUD 150,000.00	Admitted for [150,000.00]	VOTED
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- ✓ To **view** your vote, click **'Vote'** or **Select proxy'** on your **'My Claims Dashboard'**

The screenshot shows the 'My Claims Dashboard' with a yellow banner. The banner contains the text: 'Voting is open for claims that have been admitted. Voting will close at the second meeting of creditors.' and a button labeled 'Vote or Select Proxy'. Below the banner, there is a link: 'Click here for an overview of voting process.'

- ✓ Find the creditor which you want to view the vote for and click the **'Voted'** box to view your vote. The selected votes will then be displayed.

Employee 5	Employee	50,000.00	Australia Pty Ltd	VOTED
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- ✓ If you are voting for multiple Resolution Groups, you will need to click **'Vote or Select Proxy'** when returned to the **'My Claims'** dashboard from the first vote. If you have been appointed as a Proxy and need to cast another vote in another Resolution Group, you will click **'Vote'** on your **'My Proxy'** dashboard.

This screenshot is identical to the previous one, showing the 'My Claims Dashboard' with the yellow banner and the 'Vote or Select Proxy' button highlighted.

- ✓ Select the next relevant Resolution Group or single company you would like to vote for, then select creditors and resolution voting as per first Resolution Group above.



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