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10 December 2020

## Circular to Shareholders

### **McWilliam's Wines Group Ltd ACN 000 024 108 ('McWilliam's') Mount Pleasant Wines Pty Ltd ACN 000 024 813 (Both Subject to Deed of Company Arrangement) (Collectively referred to as "the Companies" or "the Group")**

We refer to the appointment of Gayle Dickerson, Tim Mablesen and Ryan Eagle as Administrators of the Group and subsequent appointment as Deed Administrators on 3 August 2020.

#### **1.1 Non-completion of DOCA**

As you are aware the Group and MCW BidCo Pty Ltd (**MCW**) executed a Deed of Company Arrangement (**DOCA**) on 3 August 2020.

Under the executed DOCA, there was a sunset date of 30 November 2020 for completion of the Conditions Precedent under the DOCA. The Conditions Precedent were satisfied by the Deed Administrators on 27 November 2020 and MCW had a period of 5 business days after 27 November 2020 to take the implementation steps required by the DOCA (including payment of the amounts payable by MCW to the Deed Administrators' account in accordance with the terms of the DOCA) in order to complete the DOCA. This was unable to be achieved with MCW requesting an extension to 5pm on 8 December 2020, which was granted after consultation with McWilliam's Committee of Inspection. MCW requested a further extension to 5pm on 15 December 2020 (**Further Extension**).

After consultation with the Committee of Inspection, the Deed Administrators granted the Further Extension on the following conditions:

1. a non-refundable amount of \$500,000 was paid by MCW to the Deed Administrators by close of business, Wednesday 9 December 2020; and
2. MCW provided the Deed Administrators with unequivocal evidence in writing from its investors that funds were immediately available to make payment of the amounts payable by MCW to the Deed Administrators' account in accordance with the terms DOCA by close of business, Wednesday 9 December 2020.

MCW failed to adhere to the conditions set out in 1 and 2 above.

Accordingly, we regret to advise that the DOCA has not been able to be completed as per the terms of the DOCA.

We advise that the Deed Administrators were willing and able to complete the DOCA on 27 November 2020 and have been since that date.

#### **1.2 Continued trading and sale of business**

The Deed Administrators are currently assessing the options available including sale of the business while continuing to trade the business. Accordingly, the trading of the business will continue under the supervision of the Deed Administrators.

### 1.3 Next Steps

The Deed Administrators are currently determining the future of the DOCA and will be calling a meeting of creditors shortly.

We will provide updates when it is appropriate and meaningful to do so.

Should you have any questions, please contact Irene Tang of this office on (02) 9273 5594 or via email at [mcwilliams@kpmg.com.au](mailto:mcwilliams@kpmg.com.au).

Yours faithfully



**Gayle Dickerson**  
Deed Administrator