



Level 38 Tower Three
300 Barangaroo Avenue
SYDNEY NSW 2000

ABN: 51 194 660 183
Telephone: +61 2 9335 7000
Facsimile: +61 2 9335 7001

PO Box H67
Australia Square
SYDNEY NSW 1215
Australia

www.kpmg.com.au

4 August 2020

Circular to Shareholders

McWilliam's Wines Group Ltd ACN 000 024 108 (MWG) Mount Pleasant Wines Pty Ltd ACN 000 024 813 (MTP) (Both Administrators Appointed) (Collectively referred to as 'the Group')

We refer to the appointment of Tim Mableson, Ryan Eagle and myself, Gayle Dickerson, as the joint and several Administrators of the Group pursuant to Section 436A of the *Corporations Act 2001* (Cth) (**the Act**).

At the second meeting of creditors of the Group held on 24 July 2020, creditors resolved that MWG and MTP execute a Deed of Company Arrangement (**DOCA**) and Creditors' Trust Deed proposed by MCW BidCo Pty Ltd (ACN 642 488 524) an entity owned through interposed entities by Prcstnt Asset Management Pty Ltd (ACN 637 001 702).

We confirm that the DOCA was executed on 3 August 2020 and lodged with the Australian Securities and Investments Commission (**ASIC**) on 4 August 2020. We, Gayle Dickerson, Tim Mableson and Ryan Eagle, now act as Joint and Several Deed Administrators of the Group (**Deed Administrators**).

Control of the Group will continue to be with the Deed Administrators throughout the Deed Administration Process. We will continue to trade the business during this period and it is not presently envisaged that there be any changes to trading terms.

ASIC Relief

As McWilliam's Wines Group is subject to the takeovers prohibitions in section 606 of the Act, the Deed Administrators are required as a condition of the DOCA to seek and obtain from ASIC relief from section 606 of the Act in order for the shares to be transferred to MCW BidCo Pty Ltd. This will likely require the Deed Administrators to commission the preparation of an Independent Expert Report (**IER**) for the purpose of the section 444GA application set out below.

Application pursuant to section 444GA of the Act

As Deed Administrators we are also required pursuant to the terms of the DOCA to make an application to Court to seek orders for the transfer of the shares in McWilliam's Wines Group Ltd to the new owner of the business (**Section 444GA Application**). We will commence this process in early September 2020 once the IER been prepared.

Further correspondence will be separately sent to shareholders regarding the Section 444GA Application once it is filed with the Court, including making available to shareholders a copy of the Section 444GA Application (together with all supporting information) and inviting shareholders to appear at the hearing of the application should they wish to be heard or otherwise oppose it.

Next steps following ASIC Relief and Section 444GA Application

It is anticipated that completion of the Deed Administration Process (including the transfer of shares to MCW BidCo Pty Ltd) will occur by early October 2020, but it must occur by the end of November 2020 (being the sunset date for the DOCA). Upon Completion, control of the Group will be transferred to MCW BidCo Pty Ltd. The Deed Administrators will become the Trustees of the Creditors' Trust and creditors who are owed money from prior to the voluntary administration on 8 January 2020 will become beneficiaries of the proposed Creditors' Trust.

Once the Creditors' Trust commences, creditors of the Group will be invited to submit their final claims for adjudication by the Trustees of the Creditors' Trust. Assuming there are no delays in the adjudication process of creditor claims, it is estimated that a first and final distribution to admitted creditors will be paid prior to the end of December 2020 following the creation of the Creditor's Trust. To the extent that surplus funds remain following payment of creditors in full, such funds will be distributed to shareholders.

Should you have any questions, please contact Irene Tang on (02) 9273 5594 or via email at mcwilliams@kpmg.com.au.

Yours faithfully



Gayle Dickerson
Deed Administrator