

2 April 2024

CIRCULAR TO CREDITORS

Dear Sir/Madam

BIZPAY GROUP LIMITED (RECEIVERS AND MANAGERS APPOINTED) (SUBJECT TO DEED OF COMPANY ARRANGEMENT) ACN 633 797 627 ("THE COMPANY")

We refer to our prior appointment as Joint and Several Administrators of the Company on 23 November 2023.

We note that at the resumed second creditors meeting held 29 February 2024, the creditors resolved that the Company should execute a Deed of Company Arrangement ("DOCA"). We advise that, on 21 March 2024, the Company executed the DOCA, and we were appointed Joint and Several Deed Administrators that day. Attached as **Annexure "1"** is a Form 509E notice for creditors' reference. A copy of the DOCA has been lodged with ASIC and can also be downloaded from our website.

We also confirm that, as a condition precedent for the DOCA, a Retirement of the Receivers and Managers ("R&M") & Release of Security Deed was entered into between the Company and BP Fiduciary Pty Limited ("BP Fiduciary"). That deed, amongst other matters, requires the following to occur prior to Completion (being the transfer of the shareholdings in the Company):

- ▶ The Accounts Receivable and Loan Book to be sold by the R&M;
- ▶ The proceeds applied to BP Fiduciary, subject to the payment of priority claims from circulating asset recoveries as required by law;
- ▶ The Receivers and Managers to resign; and
- ▶ BP Fiduciary's security to be released.

Payment of Deed Fund Contribution

The DOCA required that the Deed Proponents contribute \$550,000 to the Deed Fund upon execution of the DOCA, of which \$30,000 had already been paid to the R&M. We confirm that the Deed Fund contribution have been received in full in the Deed Administration account.

Novabrif Pty Ltd Trading as BRI Ferrier ABN 61 643 013 610
Chartered Accountants
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BRI Ferrier is an association of independent accounting firms.
Each of the member firms is a separate and independent entity operating under the name 'BRI Ferrier' or related names.

Court Application

Pursuant to the DOCA, we will work towards making a Court application under Section 444GA of the Corporations Act (“the Act”) for all shares on issue by the Company to be transferred to the Deed Proponents or their nominee(s), without consideration being paid to the transferor shareholders. We expect the Deed Proponents will need to seek a waiver from ASIC in respect of exemptions from the takeover provisions under Section 606 of the Act, which involves an independent expert to provide a report on the proposed transfer and the existing share values.

The timing of the share transfer is subject to the Court’s availability and completion of the work required (such as notification to shareholders and the independent expert’s report). We estimate this may take around six (6) months to complete. During this time, the control of the Company remains with us, as Deed Administrators, however it will not trade. The R&M must retire and BP Fiduciary release their security prior to the share transfer.

We note that this is a critical term of the DOCA and our costs incurred seeking the transfer of the shares via Court application are to be paid from the Deed Fund. Our enquiries indicate that the application appears achievable, however if we form the view that the application is not likely to succeed, then we may seek to vary or terminate the DOCA.

Outstanding Matters

The following matters will be attended to during the course the Deed Administration:

- Seek waiver from ASIC for takeover provisions, including engaging independent expert to prepare report;
- Make Court application for orders pursuant to Section 444GA of the Act; and
- With the assistance of the Directors, arrange for the completion of the Company’s outstanding tax lodgements, and seek a “tax clearance” from the Australian Taxation Office.

Dividend to Creditors

Assuming the R&M discharge the priority creditor claims in full and the Court grants the orders pursuant to Section 444GA of the Act as required, we anticipate that there should be sufficient funds to declare a dividend to the participating creditors. Based on our previous estimates, the participating unsecured creditors may receive a return of around 2-18 cents in the dollar. However, the actual dividend rate will not be determined until the adjudication of the participating creditor claims is complete and the costs are discharged.

Attached as **Annexure “2”** is a blank Proof of Debt form for creditors to complete in due course. Please note that you do not need to file another proof of debt if you have already done so, unless you wish to submit a revised claim against the Company. Creditors will be given formal notice if a dividend process is commenced.

Should you have any queries, please contact Mr Frane Babic of this office on (02) 8263 2333 or via email at fbabic@brifnsw.com.au.

Yours faithfully

BIZPAY GROUP LIMITED

(RECEIVERS AND MANAGERS APPOINTED) (SUBJECT TO DEED OF COMPANY ARRANGEMENT)

A handwritten signature in black ink, appearing to read 'Jonathon Keenan', written in a cursive style.

JONATHON KEENAN

Joint and Several Deed Administrator

Encl.

The logo for BRI Ferrier features the text "BRI Ferrier" in a white, sans-serif font. The text is positioned on a dark grey rectangular background. To the right of the text, there is a green triangular graphic element pointing downwards and to the right.

BRI Ferrier

**BizPay Group Limited
(Receivers and Managers
Appointed) (Subject to Deed of
Company Arrangement)
ACN 633 797 627
ABN 69 633 797 627**

**Annexure "1"
Form 509E Notice to Creditors
of Execution of
A Deed of Company Arrangement**

FORM 509E

Paragraph 450B(a)

CORPORATIONS ACT 2001

NOTICE TO CREDITORS OF EXECUTION OF A DEED OF
COMPANY ARRANGEMENT

BIZPAY GROUP LIMITED
(RECEIVERS AND MANAGERS APPOINTED) (SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 633 797 627
("the Company")

TO CREDITORS OF THE COMPANY

- ▲ Notice is given under Section 450B that the Company executed a Deed of Company Arrangement on 21 March 2024.
- ▲ A copy of the Deed may be inspected at the offices of BRI Ferrier, Level 26, 25 Bligh Street, Sydney NSW 2000.

DATED this 2nd of April 2024.



JONATHON KEENAN
JOINT AND SEVERAL DEED ADMINISTRATOR

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey background, with a green triangle pointing upwards and to the right.

BRI Ferrier

**BizPay Group Limited
(Receivers and Managers
Appointed) (Subject to Deed of
Company Arrangement)
ACN 633 797 627
ABN 69 633 797 627**

**Annexure "2"
Formal Proof of Debt Form**

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint and Several Deed Administrators of BizPay Group Limited (Receivers and Managers Appointed) (Subject to Deed of Company Arrangement) ACN 633 797 627

1. This is to state that the company was, on 23 November 2023 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$.....dollars and.....cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾ <small>state how the debt arose</small>	Amount \$	GST included \$	Remarks ⁽⁴⁾ <small>include details of voucher substantiating payment</small>

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount \$ c	Due Date

I am **not** a related creditor of the Company ⁽⁵⁾

I am a related creditor of the Company ⁽⁵⁾
relationship:

3A.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

3B.^{(6)*} I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

The External Administrators' (whether as Voluntary Administrators/Deed Administrators/Liquidators) will send and give electronic notification of documents. Please provide your email address below:

Contact Name:

Email Address:

DATED this.....day of.....2024

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation.....

Address.....

OFFICE USE ONLY

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) - Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per CRA/RATA	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.