

20 March 2019

UPDATE TO SHAREHOLDERS

Re: SurfStitch Group Limited ACN 602 288 004
SurfStitch Holdings Pty Limited ACN 601 114 603 (A wholly owned subsidiary of SGL)
(each Subject to Deed of Company Arrangement) (Collectively "the Companies")

On 18 April 2018, SurfStitch Group Limited ("SGL") and SurfStitch Holdings Pty Limited ("SHPL") both executed separate Deeds of Company Arrangements ("SGL DOCA" and "SHPL DOCA" respectively, together "DOCAs") and John Park, Quentin Olde and myself, Joseph Hansell, were appointed Deed Administrators.

INFORMATION REQUIRED BY FORM 5602 ANNUAL ADMINISTRATION RETURN

Further to our ASX announcement on 18 March 2019, we attach the financial information that ASIC requires us to disclose as a condition of extending the time to hold the 2018 AGM.

The disclosed information is for the period 18 April 2018 to 25 February 2019 inclusive.

Should you have any queries, please contact this office on (07) 3225 4900 or *surfstitch_enquiries@fticonsulting.com*.

Yours faithfully The Companies

Joseph Hansell
Deed Administrator

Enc.

Australian Securities & Investments Commission

Forms Manager

Form being prepared

Date/time: 18-03-2019 10:37:57 Reference Id: 124017021

Form 5602

Corporations Act 2001

411(9)(a), 422B

Schedule 2 - Insolvency Practice Schedule (Corporations)

70-

Annual administration return

Liquidator details	Registered liquidator	number
		479192
	Registered liquidator	name
		JOSEPH RONALD HANSELL
Company details	Company name	
	5 cm, pany commo	Surfstitch Group Limited
	ACN/ABN	-
		602 288 004
1 Details of appointment		
	Date you first began	to be an external administrator of the company
		18-04-2018
	Period covered by the annual return	
	18-04-2018 to 25-02-2019	
·	Type of appointment	
		Deed administrator
Details of the appointee(s)		
	Date of appointment	
		18-04-2018
	Name	
		PARK JOHN RICHARD
	Address	
		'FTI CONSULTING' LEVEL 20 345 QUEEN STREET BRISBANE QLD 4000 AUSTRALIA
	Liquidator number	

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1	フ	v.	J	J	o

Date of appointment

18-04-2018

Name

OLDE QUENTIN JAMES

Address

LEVEL 15 50 PITT STREET SYDNEY NSW

2000 AUSTRALIA

Liquidator number

277099

Date of appointment

18-04-2018

Name

HANSELL JOSEPH RONALD

Address

LEVEL 15 50 PITT STREET SYDNEY NSW

2000 AUSTRALIA

Liquidator number

479192

2 Details of assets

State your estimate of the future gross value of the company's assets realisations?

	Low	High
Gross realisations to date	\$3,265,972.00	\$3,265,972.00
Future realisations	\$1,688,053.00	\$2,058,053.00
Estimated total realisations	\$4,954,025.00	\$5,324,025.00

3 Details of remuneration

Type of appointment	Amount of remuneration determined/fixed by creditors, committee or court (inc. GST)	Remuneration paid to Disk date (inc. GST)	oursements paid to date (inc. GST)
Administrator	\$1,304,608.00	\$1,281,279.00	\$55,301.00
Deed administrator	\$547,800.00	\$291,506.00	\$2,436.00

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4 Details of liabilities

Your estimate of creditors in this administration at the date of this return

Category	Estimated number of creditors	Estimated value
Priority - Wages & Super incl SGC	3	\$17,867.26
Priority - Leave of absence	0	\$0.00
Priority - Retrenchment	0	\$0.00
Secured	0	\$0.00
Unsecured	19	\$1,007,580.15
Deferred	3000	\$85,000,000.00

Note: Claims exclude the impact of dividends paid to date.

5 Summary receipts and payments

Receipts:

Total amounts you received before the period of this return

Total amounts you received during the period of this return

\$0.00
\$6,635,072.56

Total receipts \$6,635,072.56

Payments:

Total amounts you paid before the period of this return

Total amounts you paid during the period of this return

\$4,209,591.68

Total payments \$4,209,591.68

Cash at bank at the period end for this return \$2,425,480.88

6 Payments under Fair entitlement guarantee scheme

What is the amount paid during the period to employees under the Fair entitlement guarantee scheme or GEERS?

Wages \$0.00 Leave of absence \$0.00 Retrenchment \$0.00

7 Details of dividends

Estimate of dividends to be paid and actual since your appointment and to the date of this account

Category	Current estimate of total rate of dividend	Cumulative rate of dividend paid	Total paid
Priority - Wages & Super incl SGC Unsecured	100.00%	100.00%	\$17,867.26
	100.00%	98.83%	\$995,885.28

8 Completion

Estimated completion date

06/2021

Details of causes which may delay the termination of your appointment

Future asset realisations

Receive dividend from the DOCA of Surfstitch Holdings Pty Ltd (Subject to Deed of Company Arrangement)

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Litigation

Settlement Approval of Class Actions

Payment of dividend

Adjudication of Subordinated Creditor claims and payment of dividend to Subordinated Creditors (if available).

Authentication

This form has been authenticated by Name JOSEPH RONALD HANSELL

This form has been submitted by Name Date

For more help or information

 Web
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 Ask a question?
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 Telephone
 1300 300 630

Annexure A - Summary of receipts and payments

Summary account of receipts & payments for 12 month period from 18-04-2018 to 25-02-2019

Total receipts for prior periods brought forward

Receipts

\$0.00

Amount

Bank Charges	\$40.00
Cash at Bank (Coupon Select)	\$852,906.16
Cash at Bank (Westpac - Prem)	\$192,477.42
Cash at Bank (Westpac)	\$293,534.84
Fixed Rate Term Deposit #1	\$350,539.45
Fixed Rate Term Deposit #2	\$50,000.00
Group Trapped Cash	\$1,249,737.27
GST Control: GST Paid (Received)	\$267,808.00
Insurance Claims	\$148,952.21
Intercompany Loan Accounts	\$1,500,000.00
Intercompany Loan Accounts: MTC	\$85,930.93
Interest Income	\$8,461.29
PAYG Control (Non-Trading): PAYG Paid (Received)	-\$6,164.00
Statutory Fees	\$3,408.00
Statutory Interest Repaid	\$854.04
Suspense	\$110,251.02
Working Capital Adjustment	\$1,526,335.93
Total receipts for the current period	\$6,635,072.56
Total receipts from commencement to the end of the report	\$6,635,072.56
Total payments for prior periods brought forward	\$0.00
Payments	Amount
Appointee Disbursements	\$10,079.33
Bank Charges	\$100.00
Fees: Appointee Fees	\$548,066.09
Group Trapped Cash	\$1,253,445.61
IT Expense	\$2,247.52
Legal Fees	\$893,716.89
Motor Vehicle Expenses	\$552.25
PAYG Control (Non-Trading): PAYG Withheld (Priority Dividend)	-\$6,164.00
Payroll Processing	\$591.64
Priority Creditors (Employees and SGC): Wages	\$17,867.26
Registry Services	\$120,852.47
Statutory Fees	\$32,256.93
Statutory Interest	\$1,241.41
Statutory Interest	\$69,193.56
Subcontractor	\$153,698.42
Superannuation Control (Non-Trading): Superannuation Paid (Received)	\$3,207.72
Suspense	\$110,251.02
Unsecured Creditors	\$981,582.52
Unsecured Creditors: Employees	\$14,302.76
Virtual Data Room Fees	\$2,502.28
Total payments for the current period	\$4,209,591.68

Total payments from commencement to the end of the report	\$4,209,591.68
Balance in hand Bank Accounts	\$2,425,480.88

Annexure B - Detailed receipts and payments

Account of receipts and payments for the period - 18-04-2018 to 25-02-2019 Surfstitch Group Limited

Receipts

Date	Receipts from	Amount
Bank Charges		
01-05-2018	Westpac Banking Corporation	\$10.00
01-06-2018	Westpac Banking Corporation	\$10.00
02-07-2018	Westpac Banking Corporation	\$10.00
03-09-2018	Westpac Banking Corporation	\$10.00
Total Bank Ch	arges :	\$40.00
Cash at Bank	(Coupon Select)	
18-04-2018	Transfer from Administrator	\$852,906.16
Total Cash at I	Bank (Coupon Select) :	\$852,906.16
Cash at Bank	(Westpac - Prem)	
18-04-2018	Transfer from Administrator	\$192,477.42
Total Cash at I	Bank (Westpac - Prem) :	\$192,477.42
Cash at Bank	(Westpac)	
18-04-2018	Transfer from Administrator	\$293,534.84
Total Cash at I	Bank (Westpac) :	\$293,534.84
Fixed Rate Te		
18-04-2018	Transfer from Administrator	\$350,539.45
Total Fixed Ra	te Term Deposit #1 :	\$350,539.45
Fixed Rate Te		
18-04-2018	Transfer from Administrator	\$50,000.00
Total Fixed Ra	te Term Deposit #2 :	\$50,000.00
Group Trappe		
24-05-2018	Surfstitch Pty Ltd	\$1,249,737.27
Total Group Ti	rapped Cash :	\$1,249,737.27
GST Control:	GST Paid (Received)	
10-05-2018	Australian Taxation Office	\$37,956.00
06-12-2018	Australian Taxation Office	\$86,868.00
06-12-2018	Australian Taxation Office	\$44,602.00
06-12-2018	Australian Taxation Office	\$98,382.00
Total GST Cor	ntrol: GST Paid (Received) :	\$267,808.00
Insurance Cla 22-06-2018	ims Chubb Insurance Company of Australia	\$148,952.21

Date	Payments to	Amount
Payments		
Total Receipts		\$6,635,072.56
Total Working C	capital Adjustment :	\$1,526,335.93
Working Capita 30-05-2018 30-05-2018 30-05-2018	I Adjustment Surfstitch Pty Ltd Surfstitch Pty Ltd Surfstitch Pty Ltd	\$631,199.62 \$849,699.80 \$45,436.51
Total Suspense	:	\$110,251.02
Suspense 27-04-2018 27-04-2018	FTI Consulting (Strategic Communications) FTI Consulting (Strategic Communications)	\$1,217.92 \$109,033.10
Total Statutory	nterest Repaid :	\$854.04
Statutory Intere		\$854.04
Total Statutory	Fees:	\$3,408.00
Statutory Fees 23-01-2019	ASIC	\$3,408.00
Total PAYG Cor	trol (Non-Trading): PAYG Paid (Received) :	-\$6,164.00
PAYG Control (06-12-2018	Non-Trading): PAYG Paid (Received) Australian Taxation Office	-\$6,164.00
Total Interest In	come:	\$8,461.29
11-07-2018 06-12-2018 06-12-2018	Westpac Banking Corporation Westpac Banking Corporation Australian Taxation Office Australian Taxation Office	\$6,534.45 \$571.98 \$887.70
Interest Income 30-04-2018 23-05-2018	Westpac Banking Corporation Westpac Banking Corporation	\$465.95 \$1.21
Total Intercomp	any Loan Accounts: MTC :	\$85,930.93
Intercompany L 14-05-2018	.oan Accounts: MTC MetCentral Limited	\$85,930.93
Total Intercomp	any Loan Accounts :	\$1,500,000.00
Intercompany L 04-07-2018	oan Accounts Surfstitch Holdings Pty Limited	\$1,500,000.00
Total Insurance	Claims :	\$148,952.21

Appointee Disbu		\$4.470.40
22-05-2018	FTI Consulting	\$4,178.46
24-05-2018	FTI Consulting	\$3,465.30
24-07-2018	FTI Consulting	\$330.03
21-08-2018	FTI Consulting	\$1,317.79
22-10-2018	FTI Consulting	\$474.15
31-01-2019	FTI Consulting	\$313.60
Total Appointee	Disbursements :	\$10,079.33
Bank Charges		
01-05-2018	Westpac Banking Corporation	\$20.00
01-06-2018	Westpac Banking Corporation	\$10.00
	·	
02-07-2018	Westpac Banking Corporation	\$10.00
03-09-2018	Westpac Banking Corporation	\$10.00
01-10-2018	Westpac Banking Corporation	\$10.00
01-11-2018	Westpac Banking Corporation	\$10.00
03-12-2018	Westpac Banking Corporation	\$10.00
02-01-2019	Westpac Banking Corporation	\$10.00
01-02-2019	Westpac Banking Corporation	\$10.00
Total Bank Charg	ges:	\$100.00
Face: Annaintea	Food	
Fees: Appointee		\$404 CCO FO
22-05-2018	FTI Consulting	\$191,660.58
24-05-2018	FTI Consulting	\$64,900.00
24-07-2018	FTI Consulting	\$75,353.85
21-08-2018	FTI Consulting	\$105,743.55
22-10-2018	FTI Consulting	\$58,795.56
26-10-2018	FTI Consulting	\$962.50
31-01-2019	FTI Consulting	\$50,650.05
Total Fees: Appo	pintee Fees :	\$548,066.09
Group Trapped (Cash	
24-05-2018	Surfstitch Pty Ltd	\$350,539.45
24-05-2018	· · · · · · · · · · · · · · · · · · ·	
	Surfstitch Pty Ltd	\$50,000.00 \$853,006.16
24-05-2018	Surfstitch Pty Ltd	\$852,906.16
Total Group Trap	pped Cash:	\$1,253,445.61
IT Expense		
19-04-2018	Rush Hour Creative Solutions	\$935.85
31-07-2018	Rush Hour Creative Solutions	\$327.92
31-07-2018	Rush Hour Creative Solutions	\$983.75
Total IT Expense	·:	\$2,247.52
Logal Food		
Legal Fees 24-05-2018	King & Wood Mallosons	¢202 764 40
	King & Wood Mallesons	\$202,764.10 \$55.15
24-05-2018	King & Wood Mallesons	\$55.15 \$4.01.830.48
24-05-2018	King & Wood Mallesons	\$161,839.48
24-05-2018	King & Wood Mallesons	\$4,452.04
24-05-2018	King & Wood Mallesons	\$30.00
13-06-2018	King & Wood Mallesons	\$131,420.85
13-06-2018	King & Wood Mallesons	\$3,715.15
13-06-2018	King & Wood Mallesons	\$850.00
06-07-2018	King & Wood Mallesons	\$32,324.05

06-07-2018	Bridges Lawyers	\$6,379.45
06-07-2018	King & Wood Mallesons	\$61.95
08-08-2018	King & Wood Mallesons	\$113,428.15
08-08-2018	King & Wood Mallesons	\$15,733.18
08-08-2018	King & Wood Mallesons	\$510.24
09-08-2018	King & Wood Mallesons	\$35,567.40
09-08-2018	King & Wood Mallesons	\$1,057.43
09-08-2018		\$1,037.43 \$155.00
	King & Wood Mallesons	•
11-09-2018	King & Wood Mallesons	\$32,733.25
11-09-2018	King & Wood Mallesons	\$4,182.96
11-09-2018	King & Wood Mallesons	\$531.72
11-10-2018	King & Wood Mallesons	\$45,676.95
11-10-2018	King & Wood Mallesons	\$16,796.14
08-11-2018	King & Wood Mallesons	\$35,695.55
08-11-2018	King & Wood Mallesons	\$27.91
19-12-2018	King & Wood Mallesons	\$26,360.95
19-12-2018	King & Wood Mallesons	\$21,367.84
Total Legal Fees	:	\$893,716.89
Motor Vehicle Ex	kpenses	
31-07-2018	Northern Beaches Council	\$552.25
Total Motor Vehi	cle Expenses :	\$552.25
PAYG Control (N	Ion-Trading): PAYG Withheld (Priority Dividend)	
06-07-2018	Suppressed	-\$2,534.00
06-07-2018	Suppressed	-\$1,612.00
06-07-2018	Suppressed	-\$2,018.00
Total PAYG Cont	trol (Non-Trading): PAYG Withheld (Priority Dividend) :	
	(Total Tradition)	ψο, το που
Payroll Processi	ng	
07-05-2018	Aussiepay Australian Payroll Professionals	\$136.24
13-08-2018	Aussiepay Australian Payroll Professionals	\$455.40
Total Payroll Pro	cessing:	\$591.64
	s (Employees and SGC): Wages	*
06-07-2018	Suppressed	\$7,346.00
06-07-2018	Suppressed	\$4,673.00
06-07-2018	Suppressed	\$5,848.26
Total Priority Cre	editors (Employees and SGC): Wages :	\$17,867.26
Registry Service		
09-05-2018	Link Market Services Ltd	\$68,963.90
24-05-2018	Link Market Services Ltd	\$5,495.58
06-07-2018	Link Market Services Ltd	\$1,034.00 \$10,344.63
31-07-2018	Link Market Services Ltd	\$19,341.63 \$6,004.45
08-08-2018	Link Market Services Ltd	\$6,984.45
11-09-2018	Link Market Services Ltd	\$1,501.50
11-09-2018	Link Market Services Ltd	\$9,049.66
11-10-2018	Link Market Services Ltd	\$6,917.00
07-01-2019	Link Market Services Ltd	\$1,564.75
Total Registry Se	ervices :	\$120,852.47

Statutory Fees		
09-05-2018	ASX Operations Pty Ltd	\$6.93
07-06-2018	ASIC	\$39.00
08-08-2018	ASX Operations Pty Ltd	\$27,500.00
07-01-2019	ASIC	\$3,487.00
07-01-2019	ASIC	\$1,224.00
Total Statutory Fees :		\$32,256.93
Statutory Interes	st	
06-07-2018	Suppressed	\$510.40
06-07-2018	Suppressed	\$324.68
06-07-2018	Suppressed	\$406.33
Total Statutory In	nterest :	\$1,241.41
Statutory Interes	st	
06-07-2018	ASX Operations Pty Ltd	\$214.47
06-07-2018	BDO East Coast Partnership	\$76.43
06-07-2018	Citadel Magnus Pty Ltd	\$82.16
06-07-2018	Cols Property Maintenance	\$47.38
06-07-2018	Deputy Commissioner of Taxation	\$854.04
06-07-2018	Energy Australia	\$50.94
06-07-2018	Herbert Smith Freehills	\$34,870.15
06-07-2018	KPMG	\$9,671.12
06-07-2018	Link Administration Services Pty Limited	\$609.50
06-07-2018	Office of State Revenue QLD	\$122.02
06-07-2018	Pack & Send Bondi Junction	\$156.33
06-07-2018	Stephen Goddard	\$2,819.02
06-07-2018	Ms Abigail CHEADLE	\$813.44
06-07-2018	King & Wood Mallesons	\$16,895.85
06-07-2018	Lex PEDERSEN	\$106.88
06-07-2018 06-07-2018	Russells Solicitors Law Practice Trust Account Mr Samuel WEISS	\$1,623.53 \$180.30
Total Statutory In	nterest :	\$69,193.56
Subcontractor		•
26-04-2018	333 Capital Pty Ltd	\$110,000.00
07-06-2018	Veivers Consulting Pty Ltd	\$4,280.00
06-07-2018	Veivers Consulting Pty Ltd	\$6,648.75
06-07-2018	Veivers Consulting Pty Ltd	\$4,556.25
31-07-2018	Veivers Consulting Pty Ltd	\$5,332.50
08-08-2018	Veivers Consulting Pty Ltd	\$821.20
08-08-2018	Veivers Consulting Pty Ltd	\$132.34
21-08-2018 13-09-2018	Veivers Consulting Pty Ltd	\$8,032.50
	Veivers Consulting Pty Ltd	\$2,126.25
11-10-2018 08-11-2018	Veivers Consulting Pty Ltd	\$4,195.13 \$1,410.75
19-12-2018	Veivers Consulting Pty Ltd Veivers Consulting Pty Ltd	\$1,410.75 \$4,974.75
07-01-2019	Veivers Consulting Pty Ltd	\$1,188.00
	,	\$153,698.42
	Control (Non-Trading): Superannuation Paid (Received)	60.007.70
10-05-2018	ClickSuper Pty Limited	\$3,207.72

Total Superannuation Control (Non-Trading): Superannuation Paid (Received) :		\$3,207.72
Suspense		
01-06-2018	FTI Consulting	\$1,217.92
01-06-2018	FTI Consulting	\$109,033.10
Total Suspense		\$110,251.02
Unsecured Cre		
06-07-2018	ASX Operations Pty Ltd	\$3,086.77
06-07-2018	BDO East Coast Partnership	\$1,100.00
06-07-2018	Citadel Magnus Pty Ltd	\$1,182.50
06-07-2018	Cols Property Maintenance	\$682.00
06-07-2018	Deputy Commissioner of Taxation	\$12,292.00
06-07-2018	Energy Australia	\$733.14
06-07-2018	Herbert Smith Freehills	\$501,877.20
06-07-2018	KPMG	\$139,193.95
06-07-2018	Link Administration Services Pty Limited	\$8,772.36
06-07-2018	Office of State Revenue QLD	\$1,756.22
06-07-2018	Pack & Send Bondi Junction	\$2,250.00
06-07-2018	Stephen Goddard	\$40,573.43
06-07-2018	King & Wood Mallesons	\$243,177.64
06-07-2018	Lex PEDERSEN	\$1,538.27
06-07-2018	Russells Solicitors Law Practice Trust Account	\$23,367.04
Total Unsecured Creditors :		\$981,582.52
Unsecured Cre	ditors: Employees	
06-07-2018	Ms Abigail CHEADLE	\$11,707.69
06-07-2018	Mr Samuel WEISS	\$2,595.07
Total Unsecure	d Creditors: Employees :	\$14,302.76
Virtual Data Ro	om Fees	
09-05-2018	Ansarada Pty Ltd	\$1,272.72
09-05-2018	Ansarada Pty Ltd	\$1,229.56
Total Virtual Data Room Fees :		\$2,502.28
Total Payments		\$4,209,591.68