

## TO ALL CREDITORS

11 March 2014

Dear Sir/Madam

**Re: Retail Adventures Holdings Pty Limited ACN 136 178 839 (In Liquidation) (RAHPL or “the Company”)**

**Please note the information contained in this circular is directed to creditors of Retail Adventures Holdings Pty Limited and does not relate to Retail Adventures Pty Ltd (In Liquidation) (RAPL).**

I refer to our circular to creditors dated 13 January 2014 regarding the application made to the Supreme Court of New South Wales (**Court**) by representatives of a group of creditors under section 600A (**s600A application**) of the *Corporations Act 2001* (**the Act**), seeking to set aside the resolution passed at the Second Meeting of Creditors held on 2 September 2013 approving the proposed Deed of Company Arrangement.

In that circular, I advised that, in light of the orders staying the order made on 23 December 2013 that RAPL be wound up until 3 February 2014, the Court had also extended the date for RAPL and RAHPL to execute a Deed of Company Arrangement until 28 February 2014.

Following the decision of DSG Holdings Australia Pty Ltd (**DSG**) and Bicheno Investments Pty Ltd (**Bicheno**) not to seek an extension of the stay orders on 3 February 2014, RAPL was wound up and no Deed of Company Arrangement was executed prior to 28 February 2014.

The consequence of the failure to execute a Deed of Company Arrangement by 28 February 2014 is that RAHPL passed into liquidation on 1 March 2014 and the Administrators became the Liquidators.

DSG and Bicheno’s appeal against the judgment of 23 December 2014 was subsequently dismissed on 7 March 2014 with the result that RAPL and RAHPL will remain in liquidation.

In our capacity as Liquidators of RAPL, David Lombe, John Greig and I now intend to commence proceedings against RAHPL in relation to the voidable security claim identified in our August 2013 Report to Creditors of RAPL and RAHPL. If that claim is successful it will result in part of the security held by RAHPL over RAPL’s assets being set aside and impose an obligation on DSG to make a cash payment to RAPL under the Sale of Business Deed between DSG and RAPL.

If we are to pursue this action in our capacity as Liquidators of RAPL we cannot remain as Liquidators of RAHPL as it would present a conflict of interest.

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We will therefore shortly be making an application to court under s503 of the Act seeking orders that David Lombe, John Greig and I be replaced as liquidators.

I will provide further updates to creditors once this application is progressed.

If you have any queries in relation to the above, please contact Matt Carter of my office on (02) 9322 5179 or by email at [matcarter@deloitte.com.au](mailto:matcarter@deloitte.com.au).

Yours faithfully

A handwritten signature in black ink, appearing to be 'V. Strawbridge', written over a horizontal line.

**Vaughan Strawbridge**  
Joint and Several Liquidator