

The Essential Ingredient Group of Companies (All Administrators Appointed) (“The Essential Ingredient” or the “Group”)

Initial notice to creditors

26 September 2024



Introduction

Robert Ditrich, Rebecca Gill and Craig Crosbie of PricewaterhouseCoopers Australia (**PwC**) were appointed Joint and Several Administrators (**Administrators**) of Essential Distribution Australia Pty Ltd, Essential Franchise Pty Ltd, Essential Wholesale NSW Pty Ltd, J.S. & S Weddell Pty. Ltd. and the Vital Ingredient (Retail) Pty Ltd (**collectively The Essential Ingredient or The Group**) on 26 September 2024 pursuant to Section 436A of the *Corporations Act 2001* (**Act**).

According to Group's records, you may be a creditor of one or more of the Group companies. The purpose of this Report is to inform you about:

- the administration of the Group
- your rights as a creditor.

The Administrators are now in control of the business and assets of The Essential Ingredient. Proceedings against any of The Essential Ingredient companies or their property cannot be commenced or continued during the administration period without leave of the court.

We understand you may have a number of questions in relation to the Administration. In the first instance, please refer to the Frequently Asked Questions (**FAQ**) document which is updated regularly and available from the PwC website using the following link: <https://insolvency.pwc.com.au/>

Our Declaration of Independence, Relevant Relationships and Indemnities (**DIRRI**) is attached at **Appendix B**. The DIRRI provides details of any relevant relationships that we have, and any indemnities or upfront payments that have been provided to us. In our view, none of the relationships disclosed in the DIRRI result in any conflict of interest or duty or affect our independence.

In reviewing this Report, creditors should note:

- This Report is based upon our preliminary investigations to date. Any additional material issues that are identified subsequent to issuing this Report may be the subject of a further report(s).
- The contents of this Report are based on information obtained from the Group's books and records, financial systems, representations from the directors, key management and our own enquiries and investigations.
- The statements and opinions given in this Report are given in good faith and in the belief that such statements and opinions are not false or misleading.
- Neither the Administrators, PwC nor any member or employee of the firm is responsible in any way whatsoever to any person in respect of any errors in this Report arising from incorrect information provided to us.
- The Administrators do not assume or accept any responsibility for any liability or loss sustained by any creditor or any other party as a result of the circulation, publication, reproduction or any use of the information presented in this Report.
- This Report is not for general circulation, publication, reproduction or any use other than to assist creditors in evaluating their position as creditors of The Essential Ingredient and must not be disclosed without the prior approval of the Administrators.

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1 What is a voluntary administration?

A voluntary administration, or a “VA”, is a process initiated by the director(s) of a company when they believe that the company is, or is likely to become, insolvent. An administrator may also be appointed by a liquidator or a secured creditor. This means that the company is unable to pay its debts or is likely to become unable to pay its debts.

A voluntary administration gives a company an opportunity to consider its financial position and its future.

According to The Essential Ingredient’s records, you may be a creditor of one or more of The Essential Ingredient companies. Creditors will be given an opportunity to vote on the future of each company within the Group.

2 What happens to your debt?

All creditors of The Essential Ingredient are now creditors in the voluntary administration of the relevant Group company. As a creditor, you have certain rights and your debt will be dealt with in the voluntary administration of the relevant company or companies.

It is important to note that a voluntary administration creates restrictions on creditors being able to enforce their rights. You generally cannot enforce your claim, recover your property, enforce your security, commence an action to place any of The Essential Ingredient companies into liquidation or act on a personal guarantee.

Outlined below is information regarding how to complete a proof of debt form. The proof of debt provides information about what The Essential Ingredient owes you.

If you have leased property to The Essential Ingredient, have a retention of title claim or hold a Personal Property Security registration in relation to a Group company and have not received correspondence from us, please contact as soon as possible via email at essentialingredients@au.pwc.com.

3 Trading on the business and ongoing supply

During the Administration period, The Essential Ingredient will continue to trade while we undertake an immediate operational restructure and sale process.

We will not accept liability for any goods purchased or services rendered by suppliers that are not made with the authority of the specified authorised signatories enclosed at **Appendix H**.

If there are any outstanding or unfulfilled orders placed by The Essential Ingredient prior to our appointment, please contact us via email.

With respect to ongoing support to The Essential Ingredient, please immediately:

- Close any existing account(s) in the name of any of The Essential Ingredient companies and send us a final invoice/statement. The balance of all outstanding invoices as at the date of our appointment will represent an unsecured claim against that company.
- Open a new account for The Essential Ingredient titled “[Insert relevant Group company] (Administrators Appointed)” for any authorised orders/charges/services made after 26 September 2024 (being the date of our appointment) and approved in writing by an authorised signatory.

A right of set-off cannot be enforced between pre and post appointment periods.

4 Meeting of creditors

We are required to hold two meetings.

4.1 First meeting of creditors

The first meeting of creditors (**First Meeting**) will be held virtually (i.e., there will be no physical meeting). The Administrators propose to hold the First Meeting on 9 October 2024.

Date: 11.00am AEDT on Wednesday, 9 October 2024

Location: Held using virtual meeting technology.

Registration In order to vote at the First Meeting, creditors will need to submit a **Proof of Debt (Appendix E) and (where necessary) a Proxy Form (Appendix F) via email to essentialingredients@au.pwc.com** by 4pm AEDT on 8 October 2024 (i.e. day before the First Meeting).

If you do not register by this time, your **VOTE WILL NOT BE COUNTED** and your attendance at the First Meeting will be in the capacity as an observer only.

Virtual meeting access details will be provided to you once your Proof of Debt and Proxy Form have been received by our office by the abovementioned time.

We enclose a Notice of Meeting, Form 529A, at **Appendix C**.

The First Meeting is required to be held within eight business days after the appointment of the Administrators. The purpose of the meeting is to provide creditors with background to the appointment and for creditors to determine whether to appoint a Committee of Inspection (**COI**) to assist the Voluntary Administrators, and if so, who are to be the Committee's members.

Creditors should also note:

- if you want to attend the First Meeting as an observer (i.e., without voting rights), a Proof of Debt and Proxy Form are not required. Please contact our office by no later than 4pm, Tuesday 8 October 2024 to register your attendance as an observer for the First Meeting; and
- it is not compulsory for you to attend the First Meeting and non-attendance will not affect the validity of any claim you may have against The Essential Ingredient.

4.2 Second meeting of creditors

As Administrators, we are required to investigate the business, property, affairs and financial circumstances of The Essential Ingredient in order to form an opinion for each company within the Group as to whether it would be in the best interests of creditors:

- that the administration should end (and control of the company revert to its director)
- that the company enter into a Deed of Company Arrangement or
- that the company be wound up, i.e. placed in liquidation.

A Second Meeting of creditors (**Second Meeting**) will be held to determine the future of each company within the Group, at which time creditors will vote for one of the above options. The Second Meeting must be held by 11 November 2024 unless an extension of the convening period is sought and approved by the court.

A notice of the Second Meeting will be forwarded to all known creditors of the Group in due course.

5 Remuneration of administrators

Included at **Appendix D** are our Initial Remuneration Notices for each of The Essential Ingredient companies. These documents provide you with information about how we propose to be paid for undertaking the administration.

We will seek your approval of our remuneration at the Second Meeting. We will provide you with detailed information regarding our remuneration before that meeting so that you can understand what tasks we have undertaken or will be required to undertake, and the costs of those tasks.

6 Creditors electronic communication method approval form

Creditors may elect to receive future notices and documents relating to the administration of The Essential Ingredient by email. Should you wish to do so, please complete the Creditor's approval to use of email form at **Appendix G** and return it to essentialingredients@au.pwc.com.

We recommend that, where possible, creditors elect to receive future notices electronically as this will assist the communication process and reduce the costs of the administration.

7 Your rights as a creditor

Information regarding your rights as a creditor is provided in the information sheet included at **Appendix I**. This includes your right to:

- make reasonable requests for information
- give directions to us
- appoint a reviewing liquidator
- replace us as administrators

8 Where can you get more information?

You can access information on corporate insolvency that may assist you on the following websites:

- Australian Restructuring Insolvency and Turnaround Association at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for "insolvency information sheets").

For queries specific to the Administration, please refer to the FAQ document on The Essential Ingredient PwC insolvency website - <https://insolvency.pwc.com.au/>. To the extent your query is not answered by the FAQ, please submit your question to the Administrators via email to essentialingredients@au.pwc.com.

9 What should you do next?

You should now:

- read the information attached,
- decide whether you will attend the First Meeting,

- complete and return your proof of debt and, if required, proxy form by **4pm AEDT on Tuesday, 8 October 2024**, and
- complete and return Creditor's approval to use of email form (**Appendix G**) if you wish to receive future correspondence by email.

DATED this 26th day of September 2024.



Robert Ditrich, Rebecca Gill and Craig Crosbie
Joint and Several Administrators

Date of appointment: 26 September 2024
Contact name: Elliot Shaw
Email: essentialingredients@au.pwc.com

Appendices

- Appendix A Companies in Administration
- Appendix B Declaration of Independence, Relevant Relationships and Indemnities
- Appendix C Form 529A - Notice of first meeting of creditors
- Appendix D Initial remuneration notices
- Appendix E Proof of Debt form
- Appendix F Proxy Form
- Appendix G Creditor's approval to use of email form
- Appendix H Authorised signatories schedule
- Appendix I Information sheet – Creditor rights in Voluntary Administration

Appendix A

Companies in Administration

Companies in Administration

The Essential Ingredient Group of Companies (All Administrators Appointed)

Company name	ACN
Essential Distribution Australia Pty Ltd	118 700 771
Essential Franchise Pty Ltd	118 700 762
Essential Wholesale NSW Pty Ltd	118 700 780
J.S. & S Weddell Pty. Ltd.	007 388 230
The Vital Ingredient (Retail) Pty Ltd	088 389 217

Appendix B

Declaration of Independence, Relevant Relationships and Indemnities

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

Essential Wholesale NSW Pty Ltd
ACN 118 700 780
Essential Distribution Australia Pty Ltd
ACN 118 700 771
Essential Franchise Pty Ltd
ACN 118 700 762
J.S. & S Weddell Pty Ltd
ACN 007 388 230
The Vital Ingredient (Retail) Pty Ltd
ACN 088 389 217
(All Administrators Appointed) (the Group)

This declaration requires us as the insolvency practitioners (**Practitioners**) appointed to the Group to make declarations as to:

- our independence generally
- relationships, including:
 - the circumstances of our appointment
 - any relationships with the Group and others within the previous 24 months
 - any prior professional services provided to the Group within the previous 24 months
 - that there are no other relationships to declare
- any indemnities given, or upfront payments made, to us as the Practitioners.

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Group and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information if you wish.

This declaration is made in respect of ourselves, the partners and staff of PricewaterhouseCoopers (**PwC**), and all members of the PwC global network in Australia.

We are professional members of the Australian Restructuring Insolvency and Turnaround Association (**ARITA**). We acknowledge that we are bound by the ARITA Code of Professional Practice (**CoPP**).

A. Independence

We, Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie of PwC, 2 Riverside Quay, Southbank, Victoria, have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business, and professional relationships that should be disclosed beyond those we have disclosed in this document.

In the event that a potential threat to our independence arises, we will seek independent legal advice or court directions if appropriate.

In the event that this declaration needs to be updated, we will provide a replacement DIRRI in accordance with the *Corporations Act 2001* (**Act**) and the ARITA CoPP.

B. Circumstances of appointment

i. How we were referred this appointment

We were referred this appointment by the law firm Collins & Stephens Lawyers. To clarify, Collins & Stephens Lawyers does not and did not act for any of the Group companies. We have had previous professional relationships with Collins & Stephens Lawyers over a number of years.

We were appointed Administrators of the Group on 26 September 2024 pursuant to s436A of the Act by the directors of each Group company.

We believe that this referral does not result in a conflict of interest or duty because:

- Our previous relationships with Collins & Stephens Lawyers were not in relation to any Group company, related parties of the Group or the Group's directors or former directors.
- We have a wide referral base and Collins & Stephens Lawyers is one of our many referrers of work in the past 24 months.
- Referrals from solicitors are commonplace and do not impact on our independence in carrying out our duties as Administrators.
- There is no expectation, agreement or understanding between us and Collins & Stephens Lawyers regarding the conduct of the administration and we are free to act independently and in accordance with the law and applicable professional standards.

ii. Meetings with the Group's directors before our appointment

Between 26 August 2024 and 19 September 2024 we had nine meetings with the Group's directors for the purposes of:

- Obtaining sufficient information with respect to the Group's background, historical trading performance, forecast future financial performance, planning and preparation for any future external administration of the Group.
- To clarify and explain for the Group and its directors the various options available to the Group and the nature and consequences of an insolvency appointment.
- For us to provide a consent to act.

Attached is a schedule that lists the meetings conducted, including names of the PwC and external attendees as well as the matters discussed. In addition to the meetings, ancillary emails were also exchanged with the attendees named.

We believe that these meetings (and emails) do not result in a conflict of interest or duty because the meetings (and emails) were necessary to obtaining an understanding of the Group's operations, financial position, legal and contractual obligations, and cashflows in order to take on the formal appointment.

PwC received no remuneration in respect of the above-mentioned tasks.

Neither we nor PwC have provided any other information or advice, beyond that outlined in this DIRRI, to any Group company, the officers of any Group company or their advisors.

C. Declaration of Relationships

Within the previous 24 months, we / our firm, had a relationship with:			Disclosure reference (if applicable)
The Group?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	
The Group's directors?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	
Associates of the Group?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	
A former insolvency practitioner appointed to the Group /any Group company?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	
A secured creditor entitled to enforce security over the whole or substantially the whole of the Group's property?	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	C (i)

Do we have any other relationships that we consider are relevant to creditors assessing our independence?			Disclosure reference (if applicable)
Relationships with the Group or its Associates beyond the immediately past 24 months?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	
Material creditors of the Group?	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	C (ii)

Neither we, nor our firm, have provided any professional services to the Group in the previous 24 months.

Other than the relationships detailed below, there are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Group, an associate of the Group, a former insolvency practitioner appointed to any Group company or any person or entity that has security over the whole or substantially the whole of the Group's property that should be disclosed.

C (i) Relationships with a secured creditor entitled to enforce security over the whole or substantially whole of one or more of the company(s) property

Australia and New Zealand Banking Group Limited (ANZ)	
Nature of relationship	Reasons why no conflict of interest or duty
<p>ANZ holds security interests over all of the property of J.S. & S Weddell Pty Ltd and The Vital Ingredient (Retail) Pty Ltd.</p> <p>We have professional relationships with the majority of major banks and lenders in Australia and with a number of staff within ANZ, particularly in the credit and workout areas. We have previously undertaken formal and informal assignments on behalf of ANZ for a number of years.</p>	<p>We believe that these relationships do not result in a conflict of interest or duty because our previous relationships with the ANZ were not in relation to the affairs of the companies and/or the directors, or related parties of the Group and/or the directors.</p>

Commonwealth Bank of Australia Ltd (CBA)	
Nature of relationship	Reasons why no conflict of interest or duty
<p>CBA holds security interests over all of the property of Essential Wholesale NSW Pty Ltd, Essential Distribution Australia Pty Ltd and Essential Franchise Pty Ltd.</p> <p>We have professional relationships with the majority of major banks and lenders in Australia and with a number of staff within the CBA, particularly in the credit and workout areas. Further, PwC is the registered auditor for CBA.</p>	<p>We believe that these relationships do not result in a conflict of interest or duty because our previous relationships with the CBA were not in relation to the affairs of the companies and/or the directors, or related parties of the Group and/or the directors.</p>

C (ii) Relationships with material creditors of the Group

Nature of relationship – work for Australian Taxation Office (ATO)	Reasons why no conflict of interest or duty
<p>PwC undertakes work from time to time on behalf of the ATO. In addition, a number of partners and employees of PwC are registered liquidators and/or bankruptcy trustees, and are often asked by lawyers acting for the ATO to consent to accept formal appointments over companies or individuals who are indebted to the ATO.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because the work historically undertaken for the ATO and law firms acting on behalf of the ATO has not been in respect of any Group entities or the Group's director or former directors.</p>

D. Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities we may be entitled to under the law.

Dated this 26th day of September 2024



**Robert Ditrich
Administrator**



**Rebecca Gill
Administrator**



**Craig Crosbie
Administrator**

Note:

1. The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.
2. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 or Bankruptcy Act and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.

Schedule of meetings with the Group's directors prior to our appointment

Date of meeting	PwC Attendees	External Attendees	Meeting Subject Matter
26 August 2024	R Ditrich C Crosbie	J S Weddell P Walmsley	Virtual meeting facilitated by Collins Stephens Lawyers to introduce the directors and Messrs Ditrich and Crosbie.
29 August 2024	R Ditrich C Crosbie	J S Weddell P Walmsley	Group company structure and business activities.
3 September 2024	R Ditrich K Kangelaris	J S Weddell P Walmsley	Previous sale process conducted by the Group and further background on the Group companies.
5 September 2024	C Hoerner	J S Weddell	Review of financial position.
10 September 2024	R Ditrich C Crosbie C Hoerner	J S Weddell P Walmsley	Financial performance and position. Voluntary administration process.
13 September 2024	C Hoerner	J S Weddell P Walmsley	Forecast cashflow
17 September 2024	R Ditrich C Crosbie C Hoerner	J S Weddell P Walmsley	Financial performance and position. Pahran wholesale and retail operations. Voluntary administration process.
18 September 2024	R Ditrich	P Walmsley	Inspection of the Alexandria operation
19 September 2024	R Ditrich	P Walmsley	Inspection of the Crowes Nest store

Appendix C

Form 529A - Notice of first meeting of creditors

NOTICE OF CONCURRENT FIRST MEETINGS OF CREDITORS

**THE ESSENTIAL INGREDIENT GROUP OF COMPANIES AS PER ATTACHED SCHEDULE
(ALL ADMINISTRATORS APPOINTED)
("THE ESSENTIAL INGREDIENT")**

1. Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie of PricewaterhouseCoopers (**PwC**), 2 Riverside Quay, Southbank, Victoria, were appointed Administrators of all The Essential Ingredient group of companies on 26 September 2024 under Section 436A of the *Corporations Act 2001* (the **Act**).
2. Notice is now given that concurrent meetings of the creditors for each of The Essential Ingredient companies will be held using virtual meeting technology at 11.00am AEDT on Wednesday 9 October 2024.
3. The purpose of the meetings is to determine for each company:
 - a. whether to appoint a committee of inspection; and
 - b. if so, who are to be the members of the committee.
4. At the meetings, creditors may also, by resolution for each company:
 - a. remove the current administrators from office; and
 - b. appoint someone else as administrator(s) of one or more of The Essential Ingredient group companies.

Proxies to be used at the meetings need to be submitted via email to essentialingredients@au.pwc.com by **4:00pm (AEDT) on Tuesday, 8 October 2024**. A creditor can only be represented by proxy or by an attorney pursuant to divisions 75-150 & 75-155 of the IPR and, if a body corporate, by a representative appointed pursuant to section 250D of the Act.

In accordance with division 75-85 of the IPR, creditors will not be entitled to vote at the meetings unless they have previously lodged particulars of their claim against the relevant company and that claim has been admitted for voting purposes wholly or in part by the Administrators. Proofs of Debt to be used at the meetings need to be submitted via email to essentialingredients@au.pwc.com by **4:00pm (AEDT) on Tuesday, 8 October 2024**.

DATED this 26th day of September 2024



Robert Ditrich, Rebecca Gill and Craig Crosbie
Joint and Several Administrators

The Essential Ingredient group of companies (All Administrators Appointed) comprise:

Company name	ACN
Essential Distribution Australia Pty Ltd	118 700 771
Essential Franchise Pty Ltd	118 700 762
Essential Wholesale NSW Pty Ltd Trading as The Essential Ingredient	118 700 780
J.S. & S Weddell Pty. Ltd Trading as The Essential Ingredient	007 388 230
The Vital Ingredient (Retail) Pty Ltd Trading as The Essential Ingredient	088 389 217

Voting at a Meeting the effect of Insolvency Practice Rules (Corporations) 75-85:

Entitlement to vote at meetings of creditors

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established; unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

Appendix D

Initial remuneration notices

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

Essential Distribution Australia Pty Ltd (Administrators Appointed) ACN 118 700 771

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Administration will be set.

A. Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

1. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
2. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

B. Method chosen

Given the nature of this administration we propose that our remuneration be calculated on time based / hourly rates. In our opinion, this is the fairest method for the following reasons:

- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- The Administrators will be required to perform a number of tasks which do not relate to the realisation of assets. This includes statutory work, ASIC reporting and investigations and responding to general queries of creditors.
- The Administrators are currently unable to estimate with certainty the total amount of fees necessary to complete all tasks required and whether there will be any delays to the completion of the administration (such as whether or not meetings might be adjourned, which would extend the administration time).

C. Explanation of Hourly Rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6 minutes increments.

D. Estimated remuneration

At this early stage, it is difficult to accurately estimate the total cost of the administrations. Our best estimate at this time is that the administration will cost approximately \$25,000 to \$30,000 (plus GST). This cost estimate does not include disbursements or legal fees.

E. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve internal disbursements where there is a profit or advantage prior to these disbursements being paid from the Administration.

Details of the basis of recovering disbursements in this Administration are provided below.

Basis of disbursement claim

Disbursement	Rate (excl. GST)
Externally provided professional services	At Cost
Externally provided non-professional services	At Cost
Internal disbursements:	
Staff vehicle use	88 cents per kilometre for first 150km of return trip and 40 cents per kilometre thereafter
ASIC Industry Funding Levy	\$77.64 per notifiable event

Dated this 26th day of September 2024.



Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie
Joint and Several Administrators

Schedule of Hourly Rates

Title	Description	Hourly rate (ex GST) \$
Partner/ Appointee	A registered liquidator or bankruptcy trustee who is a leading practitioner with extensive experience in all forms of insolvency administrations. A senior member of management with ultimate responsibility for the conduct of the administration.	785.00
Director	Highly experienced in insolvency matters at a senior level, including managing complex administrations and supervising teams. Capable of deputising for the Appointees where required and may be qualified to accept appointments in his/her own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	685.00
Senior Manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, having primary responsibility for small to medium matters, or complex aspects of larger matters. Answerable to the Appointees and/or senior team members. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	620.00
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills. Generally reports to senior team members, or directly to the Appointees on smaller matters.	575.00
Senior Consultant	Generally a qualified accountant with postgraduate qualifications in insolvency subjects. Assists with planning and control of various aspects of the administration. Has day-to-day responsibility for overseeing fieldwork and can supervise staff. Has experience in larger and more complex administrations.	475.00
Consultant	Generally a qualified accountant. Assists with planning and control of various aspects of the administration but is primarily responsible for completing fieldwork under the supervision of more senior staff.	385.00
Offshore Professional	Generally a qualified accountant. Assists with planning and control of various aspects of the administration, but is primarily responsible for completing office work under the supervision of more senior staff.	250.00
Specialist	Has specialist skills and experience in bookkeeping and other administrative tasks connected to statutory and other reporting obligations of the administration.	210.00
Administration support	Has appropriate skills to provide administrative support to the team including high-speed and accurate document preparation and data entry, records control and management, and general data analytics.	210.00

* The above rates are reviewed from time to time. The description of each grade is a general guide only. From time to time there may be persons employed who, because of their skills and experience, are employed in positions where they may not necessarily meet all of the above qualifications.

The hourly rates set out in the schedule are exclusive of GST and do not include disbursements.

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

Essential Franchise Pty Ltd (Administrators Appointed) ACN 118 700 762

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Administration will be set.

A. Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

1. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
2. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

B. Method chosen

Given the nature of this administration we propose that our remuneration be calculated on time based / hourly rates. In our opinion, this is the fairest method for the following reasons:

- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- The Administrators will be required to perform a number of tasks which do not relate to the realisation of assets. This includes statutory work, ASIC reporting and investigations and responding to general queries of creditors.
- The Administrators are currently unable to estimate with certainty the total amount of fees necessary to complete all tasks required and whether there will be any delays to the completion of the administration (such as whether or not meetings might be adjourned, which would extend the administration time).

C. Explanation of Hourly Rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6 minutes increments.

D. Estimated remuneration

At this early stage, it is difficult to accurately estimate the total cost of the administration. Our best estimate at this time is that the administration will cost approximately \$25,000 to \$30,000 (plus GST). This cost estimate does not include disbursements or legal fees.

E. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve internal disbursements where there is a profit or advantage prior to these disbursements being paid from the Administration.

Details of the basis of recovering disbursements in this Administration are provided below.

Basis of disbursement claim

Disbursement	Rate (excl. GST)
Externally provided professional services	At Cost
Externally provided non-professional services	At Cost
Internal disbursements:	
Staff vehicle use	88 cents per kilometre for first 150km of return trip and 40 cents per kilometre thereafter
ASIC Industry Funding Levy	\$77.64 per notifiable event

Dated this 26th day of September 2024.



Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie
Joint and Several Administrators

Schedule of Hourly Rates

Title	Description	Hourly rate (ex GST) \$
Partner/ Appointee	A registered liquidator or bankruptcy trustee who is a leading practitioner with extensive experience in all forms of insolvency administrations. A senior member of management with ultimate responsibility for the conduct of the administration.	785.00
Director	Highly experienced in insolvency matters at a senior level, including managing complex administrations and supervising teams. Capable of deputising for the Appointees where required and may be qualified to accept appointments in his/her own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	685.00
Senior Manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, having primary responsibility for small to medium matters, or complex aspects of larger matters. Answerable to the Appointees and/or senior team members. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	620.00
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills. Generally reports to senior team members, or directly to the Appointees on smaller matters.	575.00
Senior Consultant	Generally a qualified accountant with postgraduate qualifications in insolvency subjects. Assists with planning and control of various aspects of the administration. Has day-to-day responsibility for overseeing fieldwork and can supervise staff. Has experience in larger and more complex administrations.	475.00
Consultant	Generally a qualified accountant. Assists with planning and control of various aspects of the administration but is primarily responsible for completing fieldwork under the supervision of more senior staff.	385.00
Offshore Professional	Generally a qualified accountant. Assists with planning and control of various aspects of the administration, but is primarily responsible for completing office work under the supervision of more senior staff.	250.00
Specialist	Has specialist skills and experience in bookkeeping and other administrative tasks connected to statutory and other reporting obligations of the administration.	210.00
Administration support	Has appropriate skills to provide administrative support to the team including high-speed and accurate document preparation and data entry, records control and management, and general data analytics.	210.00

* The above rates are reviewed from time to time. The description of each grade is a general guide only. From time to time there may be persons employed who, because of their skills and experience, are employed in positions where they may not necessarily meet all of the above qualifications.

The hourly rates set out in the schedule are exclusive of GST and do not include disbursements.

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

Essential Wholesale NSW Pty Ltd (Administrators Appointed) ACN 118 700 780

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Administration will be set.

A. Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

1. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
2. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

B. Method chosen

Given the nature of this administration we propose that our remuneration be calculated on time based / hourly rates. In our opinion, this is the fairest method for the following reasons:

- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- The Administrators will be required to perform a number of tasks which do not relate to the realisation of assets. This includes statutory work, ASIC reporting and investigations and responding to general queries of creditors.
- The Administrators are currently unable to estimate with certainty the total amount of fees necessary to complete all tasks required and whether there will be any delays to the completion of the administration (such as whether or not meetings might be adjourned, which would extend the administration time).

C. Explanation of Hourly Rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6 minutes increments.

D. Estimated remuneration

At this early stage, it is difficult to accurately estimate the total cost of the administration. Our best estimate at this time is that the administration will cost approximately \$200,000 to \$240,000 (plus GST). This cost estimate does not include disbursements or legal fees and is subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until we have commenced the administration:

- Dealing with the complexities of the trade-on of the business beyond our initial expectations
- Dealing with interested parties and the sale of business campaign beyond our initial expectations

- Managing stakeholders and dealing with any proposals we receive regarding the future of Essential Wholesale NSW Pty Ltd
- Volume and complexity of enquiries from stakeholders generally

E. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve internal disbursements where there is a profit or advantage prior to these disbursements being paid from the Administration.

Details of the basis of recovering disbursements in this Administration are provided below.

Basis of disbursement claim

Disbursement	Rate (excl. GST)
Externally provided professional services	At Cost
Externally provided non-professional services	At Cost
Internal disbursements:	
Staff vehicle use	88 cents per kilometre for first 150km of return trip and 40 cents per kilometre thereafter
ASIC Industry Funding Levy	\$77.64 per notifiable event

Dated this 26th day of September 2024.



Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie
Joint and Several Administrators

Schedule of Hourly Rates

Title	Description	Hourly rate (ex GST) \$
Partner/ Appointee	A registered liquidator or bankruptcy trustee who is a leading practitioner with extensive experience in all forms of insolvency administrations. A senior member of management with ultimate responsibility for the conduct of the administration.	785.00
Director	Highly experienced in insolvency matters at a senior level, including managing complex administrations and supervising teams. Capable of deputising for the Appointees where required and may be qualified to accept appointments in his/her own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	685.00
Senior Manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, having primary responsibility for small to medium matters, or complex aspects of larger matters. Answerable to the Appointees and/or senior team members. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	620.00
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills. Generally reports to senior team members, or directly to the Appointees on smaller matters.	575.00
Senior Consultant	Generally a qualified accountant with postgraduate qualifications in insolvency subjects. Assists with planning and control of various aspects of the administration. Has day-to-day responsibility for overseeing fieldwork and can supervise staff. Has experience in larger and more complex administrations.	475.00
Consultant	Generally a qualified accountant. Assists with planning and control of various aspects of the administration but is primarily responsible for completing fieldwork under the supervision of more senior staff.	385.00
Offshore Professional	Generally a qualified accountant. Assists with planning and control of various aspects of the administration, but is primarily responsible for completing office work under the supervision of more senior staff.	250.00
Specialist	Has specialist skills and experience in bookkeeping and other administrative tasks connected to statutory and other reporting obligations of the administration.	210.00
Administration support	Has appropriate skills to provide administrative support to the team including high-speed and accurate document preparation and data entry, records control and management, and general data analytics.	210.00

* The above rates are reviewed from time to time. The description of each grade is a general guide only. From time to time there may be persons employed who, because of their skills and experience, are employed in positions where they may not necessarily meet all of the above qualifications.

The hourly rates set out in the schedule are exclusive of GST and do not include disbursements.

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

J.S. & S Weddell Pty. Ltd (Administrators Appointed) ACN 007 388 230

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Administration will be set.

A. Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

1. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
2. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

B. Method chosen

Given the nature of this administration we propose that our remuneration be calculated on time based / hourly rates. In our opinion, this is the fairest method for the following reasons:

- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- The Administrators will be required to perform a number of tasks which do not relate to the realisation of assets. This includes statutory work, ASIC reporting and investigations and responding to general queries of creditors.
- The Administrators are currently unable to estimate with certainty the total amount of fees necessary to complete all tasks required and whether there will be any delays to the completion of the administration (such as whether or not meetings might be adjourned, which would extend the administration time).

C. Explanation of Hourly Rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6 minutes increments.

D. Estimated remuneration

At this early stage, it is difficult to accurately estimate the total cost of the administrations. Our best estimate at this time is that the administration will cost approximately \$50,000 to \$60,000 (plus GST). This cost estimate does not include disbursements or legal fees and is subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until we have commenced the administration:

- Dealing with the complexities of the trade-on of the business beyond our initial expectations
- Dealing with interested parties and the sale of business campaign beyond our initial expectations

- Managing stakeholders and dealing with any proposals we receive regarding the future of J.S. & S Weddell Pty. Ltd
- Volume and complexity of enquiries from stakeholders generally

E. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve internal disbursements where there is a profit or advantage prior to these disbursements being paid from the Administration.

Details of the basis of recovering disbursements in this Administration are provided below.

Basis of disbursement claim

Disbursement	Rate (excl. GST)
Externally provided professional services	At Cost
Externally provided non-professional services	At Cost
Internal disbursements:	
Staff vehicle use	88 cents per kilometre for first 150km of return trip and 40 cents per kilometre thereafter
ASIC Industry Funding Levy	\$77.64 per notifiable event

Dated this 26th day of September 2024.



Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie
 Joint and Several Administrators

Schedule of Hourly Rates

Title	Description	Hourly rate (ex GST) \$
Partner/ Appointee	A registered liquidator or bankruptcy trustee who is a leading practitioner with extensive experience in all forms of insolvency administrations. A senior member of management with ultimate responsibility for the conduct of the administration.	785.00
Director	Highly experienced in insolvency matters at a senior level, including managing complex administrations and supervising teams. Capable of deputising for the Appointees where required and may be qualified to accept appointments in his/her own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	685.00
Senior Manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, having primary responsibility for small to medium matters, or complex aspects of larger matters. Answerable to the Appointees and/or senior team members. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	620.00
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills. Generally reports to senior team members, or directly to the Appointees on smaller matters.	575.00
Senior Consultant	Generally a qualified accountant with postgraduate qualifications in insolvency subjects. Assists with planning and control of various aspects of the administration. Has day-to-day responsibility for overseeing fieldwork and can supervise staff. Has experience in larger and more complex administrations.	475.00
Consultant	Generally a qualified accountant. Assists with planning and control of various aspects of the administration but is primarily responsible for completing fieldwork under the supervision of more senior staff.	385.00
Offshore Professional	Generally a qualified accountant. Assists with planning and control of various aspects of the administration, but is primarily responsible for completing office work under the supervision of more senior staff.	250.00
Specialist	Has specialist skills and experience in bookkeeping and other administrative tasks connected to statutory and other reporting obligations of the administration.	210.00
Administration support	Has appropriate skills to provide administrative support to the team including high-speed and accurate document preparation and data entry, records control and management, and general data analytics.	210.00

* The above rates are reviewed from time to time. The description of each grade is a general guide only. From time to time there may be persons employed who, because of their skills and experience, are employed in positions where they may not necessarily meet all of the above qualifications.

The hourly rates set out in the schedule are exclusive of GST and do not include disbursements.

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

The Vital Ingredient (Retail) Pty Ltd (Administrators Appointed) ACN 088 389 217

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Administration will be set.

A. Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

1. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
2. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

B. Method chosen

Given the nature of this administration we propose that our remuneration be calculated on time based / hourly rates. In our opinion, this is the fairest method for the following reasons:

- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- The Administrators will be required to perform a number of tasks which do not relate to the realisation of assets. This includes statutory work, ASIC reporting and investigations and responding to general queries of creditors.
- The Administrators are currently unable to estimate with certainty the total amount of fees necessary to complete all tasks required and whether there will be any delays to the completion of the administration (such as whether or not meetings might be adjourned, which would extend the administration time).

C. Explanation of Hourly Rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6 minutes increments.

D. Estimated remuneration

At this early stage, it is difficult to accurately estimate the total cost of the administration. Our best estimate at this time is that the administration will cost approximately \$100,000 to \$140,000 (plus GST). This cost estimate does not include disbursements or legal fees and is subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until we have commenced the administration:

- Dealing with the complexities of the trade-on of the business beyond our initial expectations
- Dealing with interested parties and the sale of business campaign beyond our initial expectations

- Managing stakeholders and dealing with any proposals we receive regarding the future of The Vital Ingredient (Retail) Pty Ltd
- Volume and complexity of enquiries from stakeholders generally

E. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve internal disbursements where there is a profit or advantage prior to these disbursements being paid from the Administration.

Details of the basis of recovering disbursements in this Administration are provided below.

Basis of disbursement claim

Disbursement	Rate (excl. GST)
Externally provided professional services	At Cost
Externally provided non-professional services	At Cost
Internal disbursements:	
Staff vehicle use	88 cents per kilometre for first 150km of return trip and 40 cents per kilometre thereafter
ASIC Industry Funding Levy	\$77.64 per notifiable event

Dated this 26th day of September 2024.



Robert Scott Ditrich, Rebecca Louise Gill and Craig David Crosbie
Joint and Several Administrators

Schedule of Hourly Rates

Title	Description	Hourly rate (ex GST) \$
Partner/ Appointee	A registered liquidator or bankruptcy trustee who is a leading practitioner with extensive experience in all forms of insolvency administrations. A senior member of management with ultimate responsibility for the conduct of the administration.	785.00
Director	Highly experienced in insolvency matters at a senior level, including managing complex administrations and supervising teams. Capable of deputising for the Appointees where required and may be qualified to accept appointments in his/her own right. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	685.00
Senior Manager	Experienced in insolvency matters with strong technical knowledge and commercial skills. Capable of supervising teams, having primary responsibility for small to medium matters, or complex aspects of larger matters. Answerable to the Appointees and/or senior team members. Alternatively, may have specialist business or industry skills, and management experience at a senior level, or a combination of skills.	620.00
Manager	Experienced in insolvency matters with well-developed technical and commercial skills. Capable of supervising smaller teams and can take day-to-day responsibility for smaller to medium matters, or aspects of more complex matters. Alternatively, may have management, business, or industry skills, or a combination of skills. Generally reports to senior team members, or directly to the Appointees on smaller matters.	575.00
Senior Consultant	Generally a qualified accountant with postgraduate qualifications in insolvency subjects. Assists with planning and control of various aspects of the administration. Has day-to-day responsibility for overseeing fieldwork and can supervise staff. Has experience in larger and more complex administrations.	475.00
Consultant	Generally a qualified accountant. Assists with planning and control of various aspects of the administration but is primarily responsible for completing fieldwork under the supervision of more senior staff.	385.00
Offshore Professional	Generally a qualified accountant. Assists with planning and control of various aspects of the administration, but is primarily responsible for completing office work under the supervision of more senior staff.	250.00
Specialist	Has specialist skills and experience in bookkeeping and other administrative tasks connected to statutory and other reporting obligations of the administration.	210.00
Administration support	Has appropriate skills to provide administrative support to the team including high-speed and accurate document preparation and data entry, records control and management, and general data analytics.	210.00

* The above rates are reviewed from time to time. The description of each grade is a general guide only. From time to time there may be persons employed who, because of their skills and experience, are employed in positions where they may not necessarily meet all of the above qualifications.

The hourly rates set out in the schedule are exclusive of GST and do not include disbursements.

Appendix E

Proof of Debt form

**FORM 535
CORPORATIONS ACT 2001**

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint and Several Administrators of The Essential Ingredient Group of Companies (All Administrators Appointed) (per the schedule below)

Company name	ACN
Essential Distribution Australia Pty Ltd	118 700 771
Essential Franchise Pty Ltd	118 700 762
Essential Wholesale NSW Pty Ltd	118 700 780
J.S. & S Weddell Pty. Ltd.	007 388 230
The Vital Ingredient (Retail) Pty Ltd	088 389 217

1. This is to state that _____ (*insert company name*) (**Company**) was, on 26 September 2024 and still is, justly and truly indebted to⁽¹⁾ (full name):

('Creditor'):
of (full address)

for \$ dollars and cents.

Particulars of the debt are:

Date	Consideration⁽²⁾ state how the debt arose	Amount \$	GST included \$	Remarks⁽³⁾ include details of voucher substantiating payment

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 ⁽⁴⁾

I am a related creditor of the Company ⁽⁴⁾
relationship: _____

If the form is being used for the purpose of voting at a meeting:

Is the debt you are claiming assigned to you?

No Yes

If yes, attach written evidence of the debt, the assignment and consideration given.

Attached

If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?)

\$ _____

3A.^{(5)*} 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.^{(5)*} 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.

DATED this _____ day of _____ 2024

Signature of Signatory.....

NAME IN BLOCK LETTERS

Occupation

Address

Email:.....

See Directions overleaf for the completion of this form

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

Proof of Debt Form Directions

- (1) 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.
- (2) 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".
- (3) Under "Remarks" include details of vouchers substantiating payment.
- (4) State the nature of the relationship such as Director, relative of Director, related company, or beneficiary of a related trust.
- (5) 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.

Appendix F

Proxy Form

PROXY FORM

**THE ESSENTIAL INGREDIENT GROUP OF COMPANIES AS PER ATTACHED SCHEDULE
(ALL ADMINISTRATORS APPOINTED)
("THE ESSENTIAL INGREDIENT")**

A. Appointment of a proxy

I/We,.....
(If a company, strike out "I" and set out full name of the company)

of
(address)

a creditor of the Company marked in the table below appoint
as my/our proxy, or in his/her absence....., to vote at the meeting
of creditors to be held at 11.00am AEDT on 9 October 2024, or at any adjournment of that meeting.

Company name	ACN	Company (mark here)
Essential Distribution Australia Pty Ltd	118 700 771	
Essential Franchise Pty Ltd	118 700 762	
Essential Wholesale NSW Pty Ltd	118 700 780	
J.S. & S Weddell Pty. Ltd.	007 388 230	
The Vital Ingredient (Retail) Pty Ltd	088 389 217	

B. Voting directions

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

C. Signature (in accordance with Sections 127 or 250D of the Corporations Act 2001)

If the creditor is an individual

If the creditor is a Company

.....

Director/Company Secretary

.....
Print name

DATED this day of 2024

Certificate of witness

Please note: *This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.*

I..... of
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Signature of Witness:

Place of residence:

Dated:

The Essential Ingredient Group of Companies (All Administrators Appointed)

Company name	ACN
Essential Distribution Australia Pty Ltd	118 700 771
Essential Franchise Pty Ltd	118 700 762
Essential Wholesale NSW Pty Ltd	118 700 780
J.S. & S Weddell Pty. Ltd.	007 388 230
The Vital Ingredient (Retail) Pty Ltd	088 389 217

Appendix G

Creditor's approval to use of email form

**THE ESSENTIAL INGREDIENT GROUP OF COMPANIES AS PER ATTACHED SCHEDULE
(ALL ADMINISTRATORS APPOINTED)
("The Essential Ingredient")**

**CREDITOR'S APPROVAL FOR THE USE OF EMAIL BY THE EXTERNAL ADMINISTRATORS WHEN
GIVING OR SENDING CERTAIN NOTICES UNDER SECTION 600G
OF THE CORPORATIONS ACT 2001**

Should you wish to receive notices and documents relating to the administration of the **The Essential Ingredient Group** by email, please complete this form and return it to us at the address set out below.

I/We authorise the External Administrators, acting on behalf of The Essential Ingredient companies, and their employees and agents to send and give notices and documents where such notices and documents may be sent by email to us using the email address provided below. This authorisation continues to apply whether the External Administrators are acting as voluntary administrators, deed administrators or liquidators of The Essential Ingredient companies.

Signature:	
Creditor name:	
Creditor address:	
Contact name:	
Position:	
Email Address:	
Contact number:	

Return completed form to: PricewaterhouseCoopers

By email: essentialingredients@au.pwc.com

By post: 2 Riverside Quay, SOUTHBANK VIC 3006

The Essential Ingredient Group of Companies (All Administrators Appointed)

Company name	ACN
Essential Distribution Australia Pty Ltd	118 700 771
Essential Franchise Pty Ltd	118 700 762
Essential Wholesale NSW Pty Ltd	118 700 780
J.S. & S Weddell Pty. Ltd.	007 388 230
The Vital Ingredient (Retail) Pty Ltd	088 389 217

Appendix H

Authorised signatories schedule



Essential Ingredient Group

The only persons authorised to place an order are the Administrators and their nominated staff members as detailed below:

Signatory	Signature
Craig David Crosbie (Administrator)	
Robert Scott Ditrich (Administrator)	
Rebecca Gill (Administrator)	
Carl Hoerner (Director)	
Jessica Broadbent (Associate Director)	

Appendix I

Information sheet – Creditor rights in Voluntary Administration

Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Specific questions about the voluntary administration should be directed to the voluntary administrator's office.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

**For more information, go to www.arita.com.au/creditors.
Specific queries about the voluntary administration should be directed to the voluntary administrator's office.**