

NAVIGATING VOLUNTARY ADMINISTRATION WITH OLVERA ADVISORS



Discover how your business can retain its
value and maintain stakeholder confidence.



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SUPPORTING YOUR BUSINESS WITH TAILORED INSOLVENCY ADVICE



In today's volatile market, debt consolidation and management strategies may not always be enough to stabilise a business. When faced with complex market conditions or unavoidable challenges, companies may need to consider voluntary administration or liquidation as a means of protecting and preserving value.

At Olvera, we believe in helping you through voluntary administration with tailored, experienced advice.

As a boutique firm, we offer specialised experience in solving complex issues in distressed environments. Our team understand the varied needs of stakeholders' and the importance of value-preservation strategies in voluntary administration or liquidation scenarios.

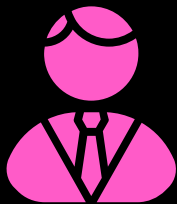
Together, we can support your business while reducing the stigma of business failure.

WHAT IS VOLUNTARY ADMINISTRATION?

Voluntary Administration (VA) is a debt consolidation strategy for companies facing financial distress.

In this process, an insolvent company is placed in the hands of an independent administrator to assess all available options and generate the best outcome for business owners and creditors. Voluntary Administration can allow viable businesses to restructure while facing temporary financial challenges, or fulfil creditor obligations in the event of a liquidation.

There are 3 ways to initiate Voluntary Administration:



Initiated by the company's board of directors (by resolution of the board and in writing)



Initiated by a secured creditor (with a security interest in all or substantially all of the company's property)



Initiated by a liquidator or provisional liquidator of the company.

WHEN TO CONSIDER VOLUNTARY ADMINISTRATION

Voluntary Administration can be a viable option in pursuit of the following goals:

Business Continuity

To improve the chances of a business to continue trading whenever possible.

Creditor Returns

To get better creditor returns than an immediate wound up of the company, if there's no business continuity.

DOCA Execution

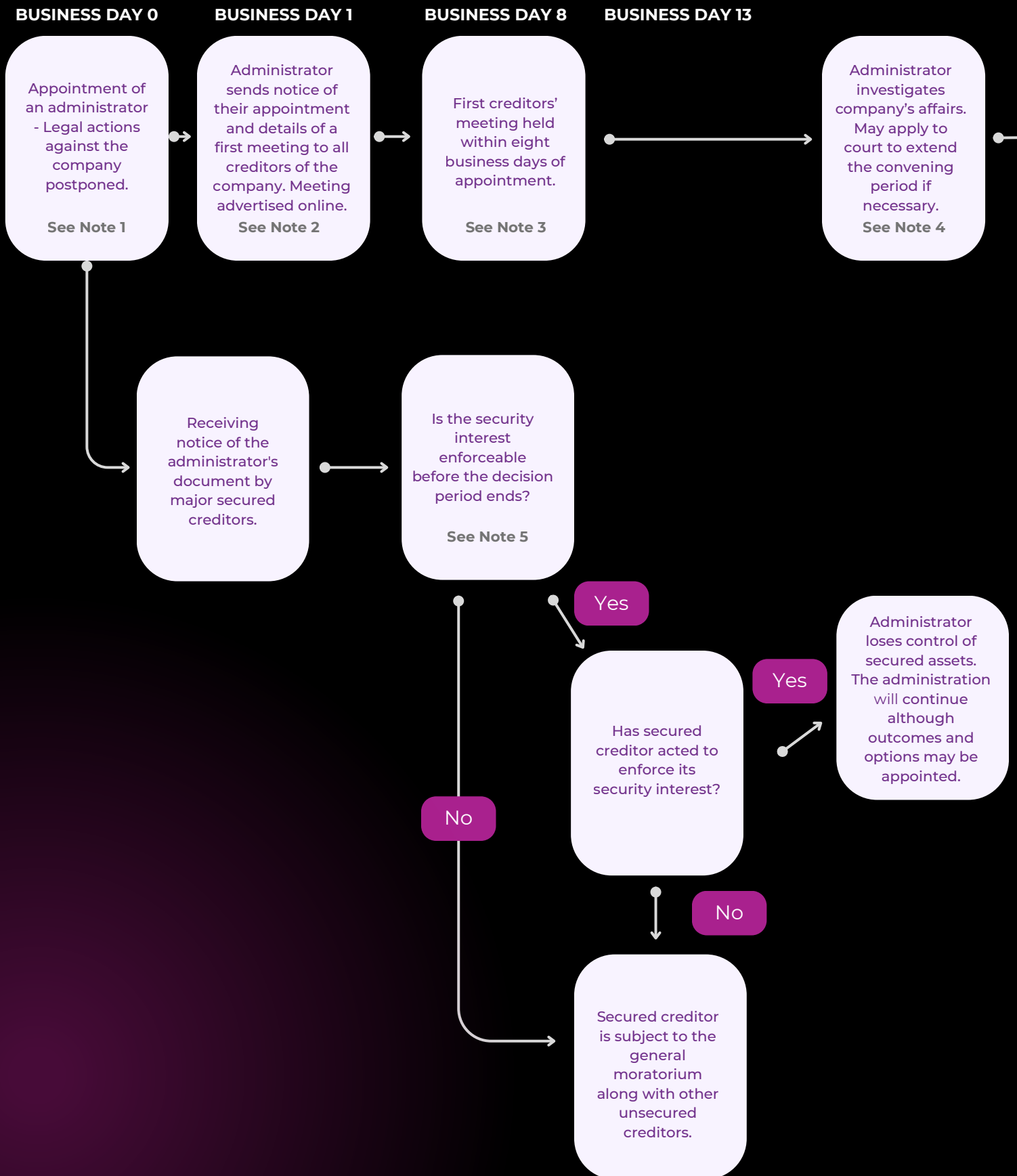
To execute a Deed of Company Arrangement (DOCA) to effectively manage company assets and debts.

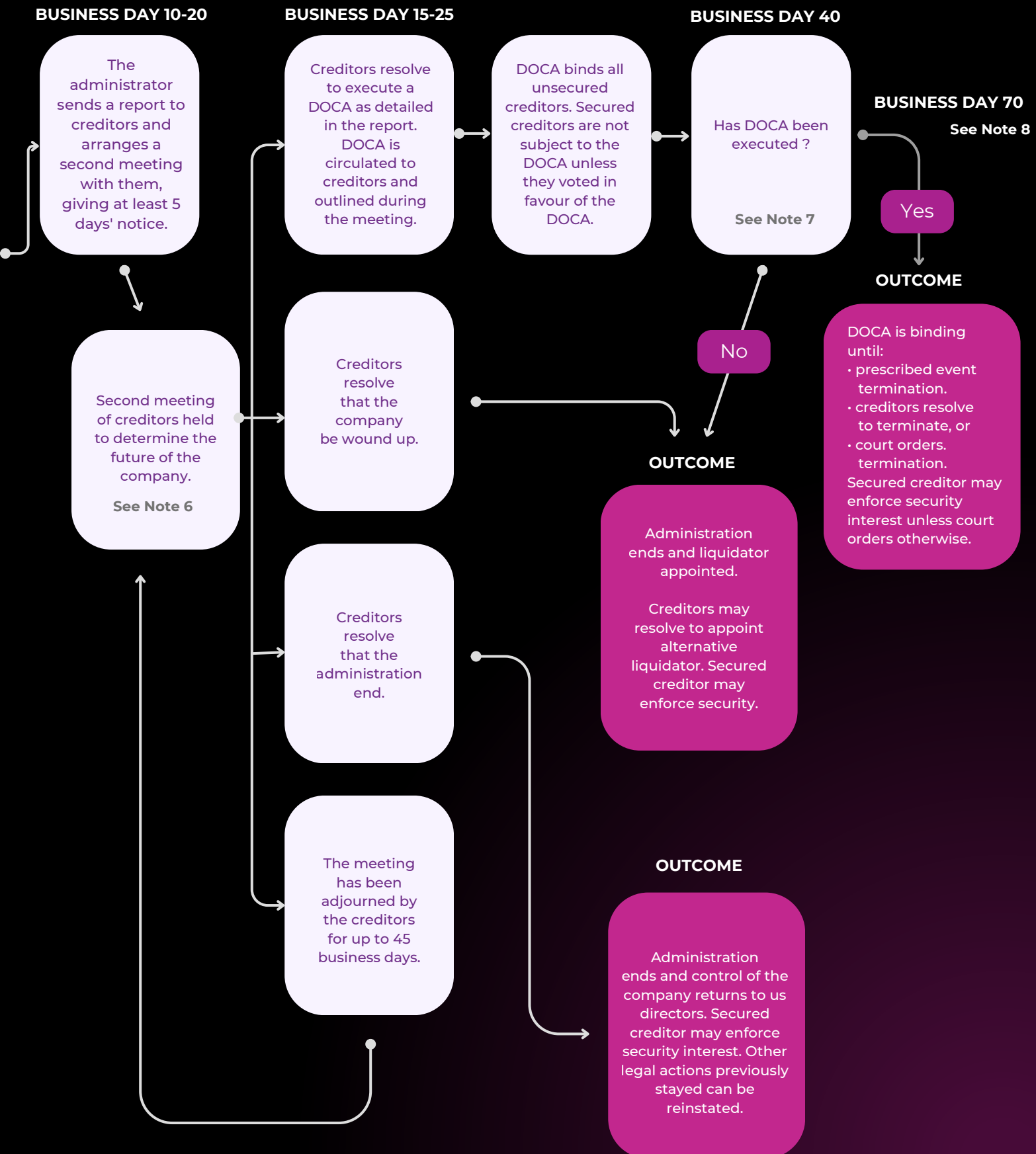
OUR UNIQUE APPROACH

At Olvera Advisors, we believe in clarity and transparency in our Voluntary Administration process. Our unique approach revolves around creating tailored solutions that address the distinctive needs of stakeholders, while ensuring the preservation of value in Voluntary Administration or Liquidation scenarios.

We'll guide you along the turnaround journey, from understanding your needs and suggesting an appropriate course of action.

THE VOLUNTARY ADMINISTRATION FLOWCHART





FLOWCHART NOTES

1. The Administrator assumes control of a company's business, property and affairs. While a company is under administration, the powers of directors cease and they are unable to perform or exercise a function or power as a director. Subject to limited exceptions, there is a general moratorium against creditors, owners and lessors of property enforcing claims against the company, recovering their property in possession of the company, commencing court actions, and acting on a personal guarantee given by a director or other person.
2. All statutory advertisements and notices (including creditor meetings) are published on ASIC's Published Notices Website at <https://publishednotices.asic.gov.au>
3. Meetings may be held in person and/or using virtual meeting technology. At the first meeting, creditors may appoint a committee or inspection (a group of creditors to assist the Administrator) and may replace the current Administrator with an alternate Administrator. Voting is often on a poll, where a resolution is passed if a majority in number and value of creditors present at the meeting vote in favour of the resolution.
4. The convening period is the time from the appointment for the Administrator to convene the second meeting of creditors. The second meeting is usually held about five weeks after the administration begins (six weeks if the appointment occurs around Christmas or Easter). In larger or more complex administrations, the court can grant an extension to the convening period.
5. A creditor who holds a valid security interest over the whole or substantially the whole of the property of the company may seek to enforce their security (including appointing a receiver) within 13 business days (the 'decision period'). This may be extended if the Administrator consents.
6. At the second meeting, creditors are given the opportunity to vote on the future of the company. The Administrator's report includes details to assist creditors with making their decision. The report must include the Administrator's opinion on which option they believe is in the best interest of creditors. The options are: that the administration end; that a deed of company arrangement (DOCA) be executed; that the company be wound up and a liquidator appointed. If creditors require more time to make a decision, the meeting can be adjourned for up to a maximum of 45 business days.
7. The deed of company arrangement (DOCA) must be signed within 15 business days after the second meeting, unless the court allows a longer time.
8. This represents the longest administration period if the second meeting is adjourned for the maximum period (excluding court extensions).

THE VOLUNTARY ADMINISTRATION TIMELINE



DAY 1 DIRECTOR'S RESOLUTION

An independent administrator is usually appointed if it is determined that the company is insolvent or likely to become insolvent.



DAY 8 FIRST MEETING OF CREDITORS

The administrator convenes two meetings of creditors. The first meeting is held within eight business days of the appointment to consider the appointment of an alternate administrator and the formation of a committee of creditors.



DAY 25 DEED PROPOSAL SUBMISSION

The voluntary administrator will:

- Take control of the company's assets
- Investigate the company's affairs
- Report any offences to Australian Securities and Investments Commission (ASIC)
- Assist the directors to formulate a DOCA proposal
- Report to creditors on the course of action that gives for the best outcome for creditors
- Call the required meetings of creditors to decide the company's future.



DAY 25-30 SECOND MEETING OF CREDITORS

The second meeting is usually held within 25 to 30 business days after the appointment. At the second meeting, creditors will choose the option they believe will best serve their interests.

Notes:

- The timeline is indicative and may vary based on the specific circumstances of the company.
- The administrator may apply to the court for an extension of time for any of the stages.
- If the deed proposal is not accepted by creditors, the company will enter liquidation.

VOLUNTARY ADMINISTRATION BENEFITS



BUSINESS CONTINUATION

VA allows the financially distressed company to continue its operations while undergoing the restructuring process. This is crucial for maintaining customer and supplier relationships, preserving the business's value, and potentially saving jobs.



CREDITOR PROTECTION

VA provides immediate protection to creditors by suspending legal actions against the company, including debt recovery and winding-up petitions. This gives creditors a greater chance of recovering a higher portion of their debts compared to other insolvency processes.



INDEPENDENT ASSESSMENT

VA involves an independent administrator who objectively assesses the company's financial situation. This impartial evaluation leads to more informed and equitable decisions. The administrator's role is to propose a solution that maximises the interests of all stakeholders.



VALUE PRESERVATION

VA prioritises value preservation for all stakeholders. The administrator works to ensure that the company's assets and operations are used efficiently and that value is preserved to the greatest extent possible. This can result in better returns for creditors.



POTENTIAL FOR BUSINESS SURVIVAL

VA may lead to the development of a Deed of Company Arrangement (DOCA) that outlines a recovery plan for the company. If accepted, this plan may ensure the company's survival, job preservation, and the opportunity for the business to continue its operations in a financially viable manner.



TIME AND COST SAVINGS

VA can be a quicker and less costly process compared to other insolvency options, such as winding up through liquidation. The streamlined process and the focus on preserving the business's value can lead to efficient and cost-effective outcomes.

VOLUNTARY ADMINISTRATION

FACTORS TO CONSIDER

Before initiating voluntary administration, it's important to carefully assess a range of factors. Every company's situation is unique, and directors should get professional advice before making a decision.

Business Viability & Restructuring

- Assess whether the business is fundamentally viable.
- Identify reasons for the company's financial position.
- Consider actions to address financial challenges.
- Evaluate if a VA and DOCA could resolve issues.
- What is the likelihood of a DOCA being proposed, and what benefits may arise for stakeholders?
- Is a longer timeframe necessary to investigate a restructure? Consider whether a Holding DOCA could provide extra breathing space.

Directors & Management

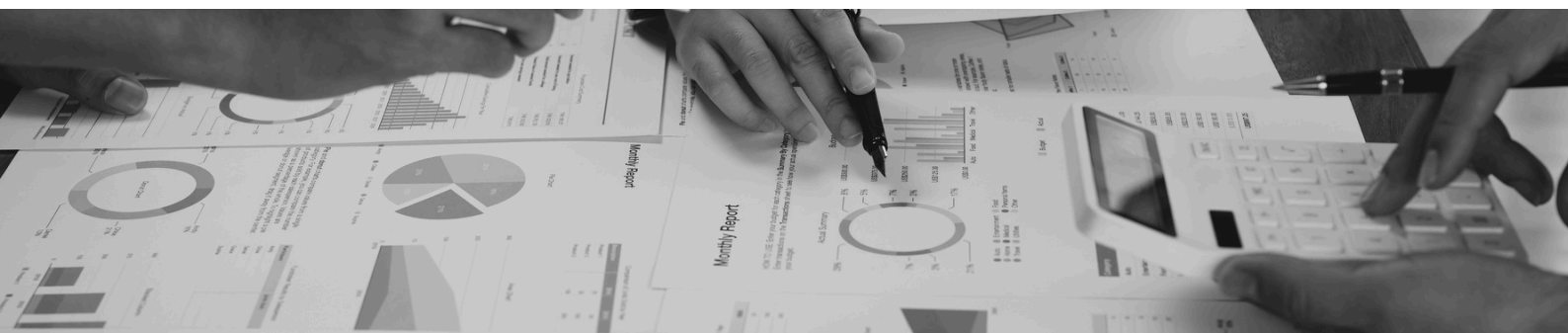
- Assess directors' commitment to restructuring efforts.
- Review risks of personal liability (e.g. Director Penalty Notices).
- Consider the level of commitment from management and employees to a VA.

Stakeholders & Creditors

- Gauge stakeholder and secured creditor support for VA.
- Assess if creditors wish to support or seek an exit strategy.
- Assess if the proposed administrator is likely to be accepted by creditors.
- Ensure securities have been reviewed to confirm validity and enforceability.
- Understand the current and estimated returns under the security.
- Assess any cross-collateralised debts if the company is under a group

Trading On During VA

- Consider if cash flow or funding is available during the VA period.
- The company's trading position (profit or loss) is assessed.
- Company stock is reviewed for perishability, obsolescence, or realisability.
- Supplier and stakeholder support for trade-on is considered.
- Alternative suppliers or customers are identified if needed.
- Check if sufficient funds or funding access is available to support restructuring



OUR CASE STUDIES

Olvera's lead advisors have relevant knowledge and experience across many industries and regions. Here are some of our experience as business advisors for Australian companies.

Bootooloo Farms

AGRICULTURE

Appointed as voluntary administrators for Bootooloo Farms following business closure after a failed harvest and cyclone damage. We secured and sold the company's farming assets and legal claim, achieving a sale price above valuation and allowing the secured creditor to recover approximately \$7 million.



SERVICES / ARBORICULTURE

Appointed as voluntary administrator of, Kupang Limited, a listed mining company facing governance failures and director misconduct. Through forensic investigation, stakeholder alignment, and a court-approved debt-for-equity swap, we restored organisation integrity, resolved complex claims, and secured a fair outcome for creditors under a Deed of Company Arrangement.



INDUSTRIAL & MINING

Olvera Advisors successfully stabilised Sydney Arbor Trees through a short-term trade-on during administration, recovering significant debts and preserving key client contracts. Through active stakeholder engagement, disciplined cash management, and strategic contract assignments, we repaid first-ranking secured creditors in full and allowed employees to receive a dividend, achieving a far better outcome than liquidation.

Procureit

LENDING / FINANCE

Guided Procureit Group, a leading B2B lending platform, through financial distress via voluntary administration. By stabilising operations, preserving key contracts, and managing a successful sale and DOCA, we achieved continued business operations, employee retention, and superior creditor returns, ensuring the company's innovative platform remained active under new ownership.



RETAIL / TECHNOLOGY

Guided Kaddy Group, a beverage tech and fulfilment business, through voluntary administration and a DOCA. By closing underperforming sites, managing creditors and suppliers, and running a targeted sale process, we preserved operations, retained staff, secured permits, and delivered a superior return to creditors, allowing the business to continue trading under new ownership.

MEET OUR EXPERTS

No matter your challenges, our team of experts are qualified to develop a solution that's right for you. Talk to us today about Personal Insolvency or any other solution that can support your financial recovery.



Kate Barnett

PRINCIPAL

Kate is a well-regarded financial professional and FCA with a 25+ year career in professional services.

Kate's expertise:

- Financial Services
- Not-for-Profit & Public Sector
- Listed Company
- Property & Construction



Michael Billingsley

PRINCIPAL

With over 20 years of international experience in Insolvency and Reconstruction, Michael has distinguished himself as a trusted advisor for various stakeholders including banks, alternative lenders, and government departments.

Michael's expertise:

- Business recovery & turnaround
- Debt advisory
- Forensics & Financial Investigations
- Safe Harbour



Neil Cussen

PRINCIPAL

Neil is a respected expert in the Insolvency and Reconstruction industry, bringing a substantial tenure of over 35 years. As a Chartered Accountant and Registered Liquidator.

Neil's expertise:

- Asset Tracing
- Business insolvency
- Business recovery & turnaround
- Debt advisory



Tony Wright

PRINCIPAL

Tony is a highly experienced restructuring professional with over 15 years expertise in various restructuring and investigative engagements.

Tony's expertise:

- Independent Business Reviews
- Forensics & financial investigations
- Asset & money tracing
- Examinations and litigation

OUR LEADERSHIP TEAM



Robyn Karam

PRINCIPAL

Robyn specialises in forensic accounting and expert witness engagements and has been appointed to lead our Forensic practice.

Robyn's expertise:

- Business recovery and turnaround
- Business insolvency
- Forensics
- Property and construction



Damien Hodgkinson

PRINCIPAL

Damien develops strategic solutions for groups dealing in crisis management and/or distress investment. He has over 30 years of experience working with distressed companies in the financial assessment, recoverability, and sustainability of risk assets.

Damien's industry and strategic expertise focuses on two key markets:

- Retailing – Clothing and General Merchandise
- Property and construction



Kate Foy

PRINCIPAL

Kate Foy has over 25 years of experience in public service, having just retired from the NSW Government and completed her 12 months service exclusion in July 2024.

- State Government, Local Government, Federal Government
- Transport, Infrastructure
- Emergency Services and Telecommunications
- Property and Construction
- Not-for-Profit Sector



Rajiv Goyal

PRINCIPAL

Raj brings over 24 years of specialised experience in restructuring, turnaround, and insolvency, gained through senior roles at McGrathNicol, NAB's workout team and most recently at Olvera Advisors (joined in 2025).

Rajiv's expertise:

- Formal Insolvency
- Independent Business Reviews (IBRs)
- Recovery & Turnaround
- Safe Harbour
- Debt Advisory



CONCLUSION

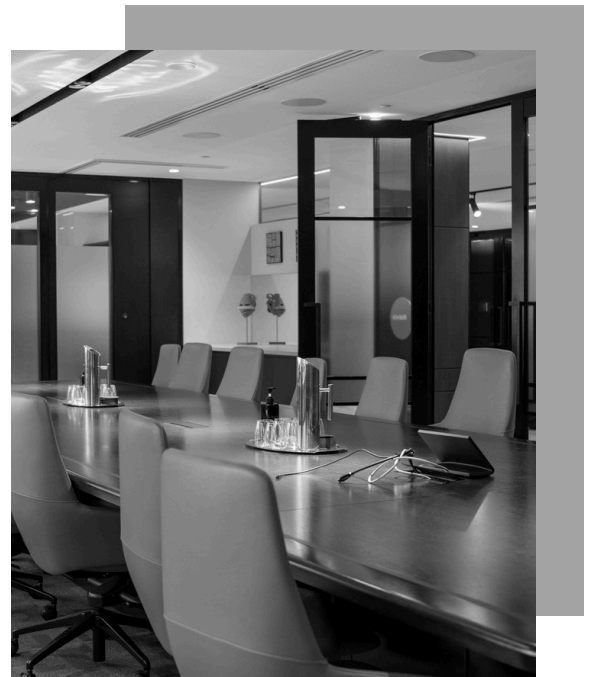
“Olvera believes that a **good project team** is made up of **specialists with key focus** on the core issues. “

Dealing with financial distress and personal insolvency requires a bespoke solution that's right to your own unique needs.

Our team brings independent specialists to a project to ensure that we have the experience and knowledge necessary to provide our clients and partners with the most practical and executable recommendations.

In the event of a voluntary administration, our people deliver sound and effective outcomes to give directors and creditors confidence.

Contact our team of experts for a confidential discussion.



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