

11 May 2018

## ANNOUNCEMENT

### CBL Corporation – update on Voluntary Administration

The voluntary administrators of CBL Corporation Ltd ('CBLC'), Brendon Gibson and Neale Jackson of KordaMentha, today issued their report to creditors for the watershed meeting to be held on Friday 18 May 2018.

The report recommends CBL Corporation Ltd be placed in liquidation. The liquidation of CBLC will enable the liquidator to further investigations into the events leading up to the group's various insolvency procedures.

The direct subsidiaries of CBLC will remain in administration at this time. Those subsidiaries are the ultimate owners of the CBL group's various business units. The administrators believe that having those subsidiaries remain in administration best supports the asset realisation processes that are underway for the business units. It also retains optionality for any future restructuring proposals to be put to creditors. Certain of CBL's directors are working on a proposal to restructure the group. The administrators will continue to work with them to further develop that plan.

As noted previously, the administrators do not have control of the group's insurance businesses – CBL Insurance ('CBLI') in New Zealand and CBL Insurance Europe ('CBLIE') in Ireland. This limits the information available to the creditors about the status of those key businesses.

It is too early to assess the return to creditors or shareholders. This will be dependent on;

- any restructuring proposal, including that currently being worked on by certain of the group's directors.
- the sale processes currently underway for the group's business units.
- the outcomes of the CBLI and CBLIE insolvency processes. The Reserve Bank's application to liquidate CBLI is being opposed. The hearing is set down for 5 and 6 June 2018.
- any potential legal actions that may be available.

ENDS

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