
24 July 2020

Update on Subsidiary Status

FE Investments Group Limited's (ASX: FEI) appoints Liquidators to wholly owned New Zealand subsidiary, FE Investments Limited

FE Investments Group Limited (**FEIG** or the **Company**) has appointed Rhys Cain and Rees Logan of Ernest and Young (**EY**) as liquidators of its wholly owned New Zealand subsidiary, FE Investments Limited (**FEIL**).

Messrs Cain and Logan have been appointed to protect the interests of creditors of FEIL and amongst their other duties, to undertake any statutory investigations that may be required into the conduct of the management, directors and former directors of FEIL.

FEIL is currently in receivership as announced on 2 April 2020. Receivership occurred as a result of FEIL advising the regulator, the Reserve Bank of New Zealand and the trustee, Trustee Executors Limited (**TEL**) that, as a result of making necessary provisions against its loan book, FEIL anticipated breaching its required 8% Capital Adequacy Ratio (**CAR**).

A breach of the CAR constitutes an Event of Default under FEIL's Trust Deed and regulation 8(2)(a) of the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

Authorised by the board of directors of FEIG

Jeff McKenzie
Chairman