

27 February 2026

To the Creditor
as addressed

By email or post

**Mosaic Brands Limited ACN 003 321 579 and the entities listed in Annexure A
(All Receivers and Managers Appointed) (All In Liquidation) (collectively the Companies)**

We refer to the appointment of Andrew McCabe, Wenjie (Jessie) Wang and Joseph Hayes of Wexted Advisors as Special Purpose Liquidators (**SPL**) of the Companies on 9 December 2025 pursuant to Orders of the Federal Court of Australia. Court Orders attached.

Vaughan Strawbridge, Kathryn Evans, Kathryn Warwick and David McGrath of FTI Consulting (**FTI**) continue to act as the General Purpose Liquidators (**GPL**) of the Companies. Gayle Dickerson, Ryan Eagle, David Hardy and Amanda Coneyworth of KPMG continue to act as the Receivers of the Companies.

Litigation funding

Following our appointment, we have obtained records from the GPL's and undertaken preliminary investigations in relation to potential insolvent trading claims and other claims in relation to the Companies.

We sought and obtained litigation funding to pursue the claims available under the Orders.

On 26 February 2026, we filed our section 477(2B) application with the Court to seek approval for:

- (a) entering into a litigation funding agreement; and
- (b) engaging ERA Legal as our lawyers for more than three months.

Due to the confidential nature of the above, we are not able to provide creditors with copies of the funding agreement or retainer, although provide an overview of the funding proposal below:

- i. Clover Risk Funding Pty Ltd have submitted a proposal to provide adequate funding to pursue potential insolvent trading claims and other claims;
- ii. The funding premium and associated costs to the funder are dependent on the resolution sum. As an indicative example, if the resolution sum is:
 - a. \$75,000,000, the funder will receive between 28.5% to 38.0% of the resolution sum;
 - b. \$150,000,000, the funder will receive between 25.5% to 34.0%; or
 - c. \$300,000,000, the funder will receive between 24.0% and 32.0%.

In our experience this funding arrangement is standard for the size and complexity of these claims. The SPL's recommend the acceptance of this funding proposal to allow the SPL's to undertake public examinations of the directors and the Companies' advisors, and undertake further investigations into the Companies' affairs to consider insolvent trading claims and other claims, for the benefit of creditors.

The specific details on the litigation funding are commercially sensitive based on the proposed litigation against the directors and potentially the advisors to the Companies.



Creditors should monitor the Wexted Website <https://wexted.com/creditors> for further updates on the date of the hearing.

Further and subject to the proposed litigation funding being approved, we intend to update our 19 June 2025 DIRRI. Any revised DIRRI including approved litigation funding (if applicable), will be available to creditors on our website.

Creditors views on litigation funding / legal retainer

We invite any creditor seeking to express their support or objection to the SPL's entering into the funding agreement with Clover or the retainer with ERA Legal, provide notice of their support or objection in writing to mosaicbrands@wexted.com by **6pm, 5 March 2026**, with any supporting documentation or other material to be provided **within 7 days thereafter**.

All responses will be collated and summarised in an affidavit prior to the first case management hearing on 12 March 2026).

Should any creditor wish to appear at the 477(2B) hearing, please provide details of the party representing you at the hearing and any further details by 10 March 2026.

Public examinations

Simultaneous with this application, we are finalising an application for the issuing of summonses for examination and production orders for the purpose of publicly examining the directors and the Companies' advisors. At this stage, and subject to the availability of the Court, we would expect any such examinations to take place in around May / June 2026. We will give notice to creditors and interested parties of those examinations once dates are known.

Likelihood of a dividend

Since the SPL's appointment by the Court on 9 December 2025, almost 12 weeks ago, the SPL's have obtained initial tranches of records from the GPL's, undertaken a preliminary review of records, sought and obtained litigation funding, and are commencing preparations for public examinations with the view to undertaking those examinations in May / June 2026.

Our investigations are continuing and it is too early to provide creditors with any update on the likelihood of a dividend (both quantum and timing) being paid to unsecured creditors. On completion of the public examinations and obtaining legal advice post public examinations (expected around July / August 2026), we will be in a better position to provide creditors with an update on the prospects of dividends to creditors, from the perspective of the SPL's.

Further SPL updates

Creditors should continue to monitor the Wexted Advisors website <https://wexted.com/creditors> for further updates from the SPL.

Contact details

Any queries outside the scope of the limited SPL Orders, should continue to be directed to:

- the GPL's at mosaicbrands.creditors@fticonsulting.com; and / or
- the Receivers, for employee-related enquiries contact mozemployees@kpmg.com.au.

Any creditor queries in relation to the limited scope of the SPL's role, per the SPL Orders can be emailed to mosaicbrands@wexted.com. At this stage, the only creditor enquiries and responses the



SPL's expect to receive is on feedback on our court application to approve litigation funding and retain ERA Legal.

For the avoidance of doubt and to avoid duplication in the GPL and SPL roles, any creditor query that does not relate to feedback on our court application under the limited SPL Orders, will be referred to the GPL's.

Yours faithfully

**Mosaic Brands Limited ACN 003 321 579 and the entities listed below
(All Receivers and Managers Appointed) (All In Liquidation)**



Andrew McCabe

Joint and Several Special Purpose Liquidator

Annexure A – Entities Subject to Appointment

#	Mosaic Group Company Name	ACN	Party to DXG
1	Mosaic Brands Limited	003 321 579	Yes
2	Noni B Holdings Pty Limited	614 340 537	Yes
3	Pretty Girl Fashion Group Holdings Pty Ltd	089 304 941	Yes
4	Pretty Girl Fashion Group Pty Ltd	051 283 900	Yes
5	W.Lane Pty Ltd	003 115 124	No
6	Millers Retail Pty Ltd	626 380 309	Yes
7	Noni B Holdings 2 Pty Ltd	626 335 760	Yes
8	Noni B Holdco Pty Ltd	627 001 389	No
9	EziBuy Pty Ltd	058 215 722	No
10	Rivers Retail Holdings Pty Ltd	626 380 934	Yes
11	Katies Retail Pty Ltd	626 380 158	Yes
12	Crossroads Retail Pty Ltd	626 380 541	Yes
13	Autograph Retail Pty Ltd	626 380 390	Yes