

23 June 2025

**Fleet Technologies Limited (Subject to Deed of Company Arrangement)  
ACN 152 473 482 (Company or Fleet)**

**Explanatory Statement**

1. I refer to my appointment with Joseph Hayes, both of Wexted Advisors, as Joint and Several Voluntary Administrators of the Company on 25 March 2025 pursuant to section 436A of the *Corporations Act* 2001 (**Act**) and to our subsequent appointment as Deed Administrators.
2. This Explanatory Statement provides information to shareholders of the Company about:
  - a. the Deed of Company Arrangement proposed by Mr Mark Osborn (**Mr Osborn**), and entered into by the Administrators, the Company and Mr Osborn on 28 April 2025 (**DOCA**);
  - b. the application to the Supreme Court of NSW (**Court**) for approval to transfer all of your shares in the Company to Mr Osborn (or his nominee), pursuant to section 444GA of the Act, as part of the DOCA approved at the second meeting of creditors of the Company held on 24 April 2025 (**Section 444GA Application**);
  - c. the requirement for relief from the Australian Securities and Investments Commission (**ASIC**) from section 606 of the Act;
  - d. the steps which you need to take if you wish to oppose the Section 444GA Application, which has been listed for a final hearing before the Court at **9.15am** on **10 July 2025**; and
  - e. further information which may assist you to decide whether to take action in respect of the Section 444GA Application.
3. An Independent Expert's Report prepared by PCI Partners (**PCI**) (**Independent Expert's Report**), which contains a valuation of the shares in the Company is enclosed with this Explanatory Statement.
4. **It is important for shareholders (and their advisers and any other interested parties) to read this Explanatory Statement and the accompanying Independent Expert's Report carefully and in their entirety before making a decision whether or not to take any action in respect of the Section 444GA Application. If you have any questions regarding the information in this document, you should consult your legal or other professional adviser.**
5. A copy of the Explanatory Statement (including the Independent Expert's Report) has been provided to ASIC at the same time as the issuance of this Explanatory Statement to shareholders. Neither ASIC nor any of its officers take any responsibility for its contents.

**Background**

6. On 25 March 2025, we, Christopher Johnson and Joseph Hayes were appointed as joint and several administrators of the Company pursuant to section 436A of the Act (**Administrators, we, our or us**).
7. Shortly after our appointment, we were informed by the Company's former directors (who were directors at the time) and secretary that various noteholders of the Company, which included Mr Osborn, (**Financial Noteholders**) were intending to submit a DOCA proposal (**DOCA Proposal**) and to facilitate that process would agree to provide funding to the Administrators to continue to



trade on the business during the administration period (**Administration Funding**). The Administration Funding was ultimately provided to the Administrators on or about 25 March 2025 pursuant to the terms of emergency funding side agreements between the Company and Financial Noteholders and other investors on or about 24 March 2025 (**Emergency Funding Agreements**).

8. Following our appointment, and in parallel with the Financial Noteholders formulating their DOCA Proposal, we commenced an expedited sales process for the Company's business and assets, in order to maximize the potential return to creditors (**Sales Process**). The Sales Process was expedited:
  - a. due to the limited cash at bank on appointment;
  - b. to preserve value of the Company;
  - c. due to the limited Administration Funding to trade on the business and meet administration fees and expenses; and
  - d. due to the statutory requirement to provide creditors with five business days' notice of the second meeting of creditors to be held pursuant to section 439A(1) of the Act (meaning the sales process would need to be finalised, compared with any DOCA proposals and the outcomes reported to creditors in the documentation convening the second meeting of creditors).
9. The Sale Process occurred over a 3 week period and in the following stages:
  - a. **Stage 1 (25 March 2025)** – Appointed as Voluntary Administrators. Commenced obtaining information for data room, sales flyer and sale process;
  - b. **Stage 2 (31 March 2025)** – Advertised in the Australian Financial Review, Resolve platform, Wexted LinkedIn page and Wexted website seeking urgent Expressions of Interest (**EOI**);
  - c. **Stage 3 (31 March 2025 to 7 April 2025)** - uploaded further material to the data room, including financial models;
  - d. **Stage 4 (8 April 2025)** – Non-Binding Indicative Offers (**NBIO**) due; and
  - e. **Stage 5 (11 April 2025)** – Binding Offers due.
10. During the Sales Process, the Administrators received:
  - a. EOIs from 18 interested parties;
  - b. 2 NBIOs for part of the business of the Company; and
  - c. No binding offers.
11. An overview of the Sale Process is provided in section 5.6 of the Administrators' Section 75-225 Report (a copy of which is attached as **Attachment 3**).
12. On or about 10 April 2025, the Administrators received the first draft of the foreshadowed DOCA Proposal from Mr Osborn. The DOCA Proposal was updated over the following days.
13. Based on the outcome of the Sales Process, the Administrators formed the view that there was insufficient value in the business of the Company to achieve a sale sufficient to result in a return to



unsecured creditors greater than would result from the DOCA Proposal or sufficient to allow a dividend to be paid to shareholders.

14. In the Administrators' Section 75-225 Report, the Administrators recommended that creditors vote in favour of the DOCA Proposal proposed by Mr Osborn.
15. At the second meeting of creditors of the Company held on 24 April 2025, creditors resolved that the Company execute the DOCA. The DOCA was executed on 28 April 2025 and lodged with ASIC on 29 April 2025. A copy of the DOCA is provided as **Attachment 2** of this Explanatory Statement.
16. We, Christopher Johnson and Joseph Hayes, now act as joint and several deed administrators of the Company (**Deed Administrators**).

## DOCA

17. The DOCA is a binding arrangement between the Company, its creditors and members whereby eligible claims of creditors that arose on or before 25 March 2025 are compromised, on the basis that a greater return will be achieved under the DOCA than if the Company was placed into liquidation and that the DOCA will enable the Company to continue to trade.
18. Pursuant to the DOCA, a deed fund will be established and be available for distribution to relevant creditors of the Company comprising the following:

Component	Description
Contribution	Cash contribution by the Deed Proponent of \$100,000.
Cash	The cash at bank held by the Deed Administrators in the bank accounts of the Company (after payment of the Administrators' and Deed Administrators' costs and remuneration).
Trading and Receivables	<p>All trade debtors and any other amounts owing to the Company on any account.</p> <p>Any further amounts recovered by the Deed Administrators on behalf of the Company in respect of debts owing to the Company during the term of the DOCA.</p>

19. Under the DOCA, the Company's employees will continue to be employed by the Company and their entitlements preserved. Further, the Company will be responsible for any claim by any employee for annual leave and leave loading, personal/carer's leave and long service leave due to or accrued by an employee up to completion of the DOCA. In other words, these are liabilities that are assumed by the Company under the DOCA (and not claimable under the deed fund) which would otherwise be debts or claims in the winding up of the Company (and which would reduce the return to ordinary unsecured creditors in a liquidation scenario).



20. Upon payment of the Contribution and certain conditions precedent being satisfied or waived, all of the issued shares in the Company (**Shares**) are to be transferred to Mr Osborn (or his nominee) (**Proposed Share Transfer**). Following the Proposed Share Transfer, in accordance with the DOCA, the Shares on issue will be cancelled and new Shares will be issued to noteholders of the Company (including the Financial Noteholders) and other investors in accordance with the Emergency Funding Agreements and further Recapitalisation Funding Side Agreements entered into between the Company and the Financial Noteholders and other investors to obtain further recapitalisation funds to support the Company.
21. Pursuant to the DOCA, the board of directors of the Company has been reconstituted with new directors nominated by Mr Osborn, and control of the Company has been handed back to management.
22. Effectuation of the DOCA (including the Proposed Share Transfer) is conditional on, among other things, the following (**Conditions Precedent**):
  - a. ASIC granting relief from the takeover provisions in Chapter 6 of the Act as necessary to permit the Proposed Share Transfer; and
  - b. the Court making orders pursuant to section 444GA(1)(b) of the Act granting leave to the Deed Administrators to transfer the Shares in the Company to Mr Osborn or his nominee in accordance with the terms of the DOCA (**Proposed Section 444GA Order**).
23. If the Conditions Precedent are not satisfied the Deed Administrators must convene a meeting of Creditors to determine the future of the Company. If that were to occur, and in the absence of any alternative deed of company arrangement proposal, the Deed Administrators consider it likely that they will recommend to creditors that the Company be wound up.
24. Upon effectuation of the DOCA, all claims of creditors (excluding continuing employees) of the Company, including any claims held by any persons in their capacity as shareholders of the Company, will be extinguished.

### **Section 444GA Application**

25. As a condition of the DOCA, the Deed Administrators are required to make the Section 444GA Application.
26. This occurred on 6 June 2025, upon the filing of the application. A copy of the Originating Process filed by the Deed Administrators is provided as **Attachment 4** of this Explanatory Statement.
27. An initial case management hearing of the Section 444GA Application was held on 10 June 2025. The Court has listed the application for a final hearing at **9.15am** on **10 July 2025**, with an estimate of 2 hours in duration.

### **Independent Expert's Report**

28. As noted above, the Section 444GA Application has been commenced by the Deed Administrators in the Supreme Court of NSW seeking leave of the Court pursuant to section 444GA(1)(b) of the Act for the transfer of the Shares to Mr Osborn or his nominee.
29. Under subsection 444GA(3) of the Act, the Court may only grant leave to transfer the Shares to Mr Osborn or his nominee if it is satisfied that the transfer would not unfairly prejudice the interests of the shareholders of the Company.



30. The Deed Administrators engaged PCI Partners to prepare the Independent Expert's Report for the purpose of assisting the Court to determine whether the Proposed Share Transfer would be unfairly prejudicial to shareholders. The Independent Expert's Report was also prepared for the purpose of applying to ASIC for technical relief from the takeover provisions of the Act in respect of the Proposed Share Transfer (see paragraph 39 below). This involved the Expert valuing the shares of the Company based on the liquidation value of the business of the Company as a whole and on an asset by asset basis.
31. The Deed Administrators intend to rely on the Independent Expert's Report when addressing the issue of unfair prejudice before the Court. A copy of the Independent Expert's Report is enclosed with this Explanatory Statement as **Attachment 1**.
32. The Independent Expert's Report should be read carefully and in its entirety.
33. Without detracting from the overall conclusions, analysis and reasoning in the Independent Expert's Report, its key findings are as follows:
  - a. The business of the Company as a whole holds no enterprise value outside of its individual assets;
  - b. There is a material deficit of individual assets available to meet the claims against the Company and therefore, PCI has assessed the value of the shares in the Company at \$nil value.

#### **How does the Section 444GA Application affect you?**

34. If the Proposed Section 444GA Order is made and the other conditions precedent of the DOCA are satisfied:
  - a. the Deed Administrators will transfer the shares that you hold in the Company to Mr Osborn or his nominee;
  - b. you will not receive any consideration for the transfer of shares;
  - c. you will cease to hold any shares in the Company;
  - d. you will be bound by the terms of the DOCA in accordance with section 444G of the Act; and
  - e. any claims you have against the Company in your capacity as shareholder will be extinguished.
35. Any claims that you have (including to participate in the distribution of the capital of the Company in the event of a winding up) will be governed by the DOCA. This will not affect any claims you may have against third parties. Further, any claim you have as a creditor of the Company will be adjudicated by the Deed Administrators and discharged in accordance with the DOCA.

#### **Can you participate in the Court hearing?**

36. Certain parties are permitted to oppose the Section 444GA Application. These parties are:
  - a. a shareholder of Fleet;
  - b. a creditor of Fleet;
  - c. any other interested person; or



- d. ASIC.
37. Any shareholder, creditor or other interested person who wants to appear at the hearing, make submissions and/or oppose the Section 444GA Application must file, in the proceedings before the Court, a Notice of Appearance in the prescribed form and serve a copy of it on the Deed Administrators and ASIC by **4.00pm on 30 June 2025**. Please also file and serve any affidavit on which you intend to rely, which indicates any grounds of opposition to the Section 444GA Application, by **4.00pm on 30 June 2025**.
38. The Deed Administrators address for service is c/- Maddocks Lawyers, Level 27, 123 Pitt Street, Sydney NSW 2000 (Attention Danielle Funston and Andrew Ng) or alternatively by email at [danielle.funston@maddocks.com.au](mailto:danielle.funston@maddocks.com.au) and [andrew.ng@maddocks.com.au](mailto:andrew.ng@maddocks.com.au).

### **ASIC Relief**

39. As the Company is an unlisted public company with more than 50 members it is subject to the takeovers provisions in Chapter 6 of the Act. Accordingly, ASIC Relief from section 606 of the Act will be required to enable completion of the Proposed Share Transfer. This is because the Proposed Share Transfer will result in a person (Mr Osborn or his nominee, together with his or their associates) acquiring a relevant interest in voting shares in the Company above 20%, in breach of section 606 of the Act, and there is no applicable exception.
40. The Deed Administrators have engaged with ASIC by lodging an application for relief on 6 June 2025 and providing a copy of this Explanatory Statement (in draft) along with additional information relevant to the relief being sought.

### **What information is available to assist you?**

41. In addition to this Explanatory Memorandum, to assist you in deciding whether to take any action in relation to the Section 444GA Application, this Explanatory Statement attaches copies of the following documents:
- a. Independent Expert's Report as Attachment 1;
  - b. DOCA as Attachment 2;
  - c. Administrators' Section 75-225 Report to Creditors as Attachment 3;
  - d. Originating Process filed by the Deed Administrators in relation to the Section 444GA Application as Attachment 4; and
  - e. Procedural Orders made by the Court on 10 June 2025 as Attachment 5.
42. Copies of the above documents in relation to the Section 444GA Application, including the Affidavit of Christopher Johnson affirmed on 6 June 2025 filed in the proceedings in support of the Section 444GA Application are available on the Wexted website at [www.wexted.com](http://www.wexted.com).



43. Please note that this Explanatory Statement does not constitute financial product advice and has been prepared without reference to the investment objectives, financial situation, taxation position or particular needs of any and every shareholder. Whether or not to take any action in relation to the DOCA or in respect of the Section 444GA Application is a decision for each individual shareholder and may depend, amongst other things, on an assessment of the relevant shareholder's individual financial circumstances. Accordingly, as the professional, financial, legal and taxation consequences of such a decision may be different for each particular shareholder, each shareholder should seek professional financial, legal and taxation advice before making a decision.

If you have further questions regarding this Explanatory Statement, the Independent Expert's Report or the Section 444GA Application more generally, please contact Tom Silk on 02 9210 1727 or via email at [tsilk@wexted.com](mailto:tsilk@wexted.com).

Yours faithfully

**Christopher Johnson**  
Deed Administrator

Encl.