

OrotonGroup Limited ORL

Formerly: Oroton International Limited (ORL), 17/12/2002.

Corporate Details

Address	58 Victoria St Mcmahons Point NSW 2060
Telephone	+61 2 8275 5500
Website	www.oroingroup.com.au
Auditor	PricewaterhouseCoopers
Sign-off Partner	Kristin Stubbins
Investor Relations	9252 4489
Register Name	Link Market Service Limited
Registry Website	www.linkmarketservices.com.au
Registry Telephone	+61 2 8280 7100
Overseas Exchange	—

Directors

Chairman	Mr John Peter Schmolli
MD/CEO	Mr Ross Boyd Lane
Executive Directors	—
Non-Exec Directors	Ms Maria Martin

Management

Vanessa De Bono (Chief Financial Officer, Company Secretary)

Substantial Shareholders

Robert Lane, Ross Lane, Tom Lane and Anna Hookway	21.3 %
J W Vicars	18.2 %
Perennial Value Management Limited	8.4 %
Aperta Strada Pty Limited	7.3 %
Spheria Asset Management Pty Limited	7.0 %

Operational History

28 December 2017 - OrotonGroup announced that after market close on 23 December 2017, it had entered into a binding Implementation Deed with an entity controlled by Mr J Will Vicars in respect of a proposed whole of business outcome for the Company and a continuation of its operations. Importantly, the proposal would allow the Company to remain trading and avoid a break-up of the business to the detriment of employees, creditors and other stakeholders, and seeks to ensure a strong and stable future for the Company and its stakeholders. Entry into the Implementation Deed follows an extensive, independent and competitive process undertaken by the Administrators, and by the Company prior to administration, in each case assisted by Moelis Australia as financial advisor, to sell or recapitalise the Company.

06 December 2017 - OrotonGroup announced that it was experiencing challenging trading conditions and posted an earnings downgrade in addition to the commencement of a Strategic Review. Since then, the Company's secured financier has received critical credit support from one of its major shareholders, Mr. J Will Vicars and entities controlled by him. This support allowed the Company time and flexibility to explore various strategic options over the past 6 months, including the termination of the licence agreement with GAP and a strategic process to explore sale and recapitalisation options.

30 November 2017 - The securities of OrotonGroup will be suspended from official quotation immediately, following the appointment of voluntary administrators.

28 November 2017 - The securities of OrotonGroup will be placed in trading halt session state at the request of the Company, until the earlier of the commencement of normal trading on 30 November 2017 or when the announcement is released to the market.

26 October 2017 - OrotonGroup reported net loss of \$14.26m for the year ended 30 June 2017. Revenue from ordinary activities were \$123.20m, down 10.65% from last year. Diluted EPS was (34.68) cents compared to 8.41 cents last year. The net operating cash outflow was \$1.08m compared to \$13.82m last year. No dividend was declared.

05 September 2017 - OrotonGroup confirmed its underlying FY17 EBITDA at the high-end of the previous guidance range of \$2m-\$3m. This was after taking account of an underlying EBITDA loss of \$2.6m attributed to the Gap business. This underlying Group EBITDA excludes various non-core costs related to the acquisition of the Daily Edited, Leadership transition and Strategic Review which total \$1.3m. The Company's net debt at FY17 year-end is \$5.4m relative to previous

guidance of \$6m. The Company is expected to incur further non-core costs in FY18 including advisory fees from the strategic review, a facility amendment fee of \$1.5m payable to Westpac and costs related to the closure of the Gap business including fees, staff redundancy costs and operating losses.

09 August 2017 - OrotonGroup announced that it has entered into a binding agreement with Gap to discontinue the Gap franchise business in Australia, with store closures targeted for completion by 31 January 2018. As it is currently working through the details of the closure plan, it is too early to quantify the financial impact. However, this decision will end the Group's future investment in the franchise, limiting related future losses. The amendment of the Westpac facility announced on 1 August 2017 and agreement with Gap, are important in the Strategic Review announced on 17 May 2017. It is also continuing to pursue various Strategic Processes aimed to maximise value for the company and its stakeholders. These options may include a sale, recapitalisation or refinancing of debt facilities.

07 August 2017 - OrotonGroup negotiated amendments to terms of the facility agreement with Westpac to allow the continuing use of its existing \$35m facility and an extension of maturity to October 2018 from April 2018. As previously advised in the update announced on 20 June 2017, the Company received up to \$3m credit support by entities controlled by Mr. J Will Vicars for its working capital facility with Westpac. The \$3m credit support arrangement referred to above expired on 31 July 2017, and has not been utilised. Its net debt at FY2017 year-end is forecast to be \$6m1 relative to prior guidance last announced of \$10m. This improvement is predominantly due to the timing of tax payment refunds. It can confirm previous guidance for Underlying FY2017 EBITDA remains unchanged at \$2 - 3m.