



Update on Sargon Receivable

The purpose of this release is to provide an update on the Sargon Receivable including the sale of Madison Financial Group (MFG) by the Receivers of SC Australian Holdings 1 Pty Ltd ("SCAH") to Clime Investment Management Ltd.

Madison Financial Group sale

The sale which was announced on 3 June 2020 has now been completed, with the consent of Taiping Trustees Limited ("China-Taiping"), a creditor of Sargon Capital Pty Ltd.

The sale proceeds received at completion (\$2.26m) have been paid into a controlled moneys account to be held until China-Taiping's claim over the total sale proceeds (which OneVue disputes) and China-Taiping's review of the costs of the Madison Financial Group receivership (which are to be paid from the sale proceeds and which are expected to be approximately \$1.3m) are resolved and concluded, either by agreement between OneVue and China-Taiping, or following a court determination.

In accordance with the share sale deed, further sale proceeds of \$2.5 million are held in escrow subject to a two-year escrow arrangement (as security for any potential future claims by third parties against the MFG) which reduces to \$1.25m after 12 months.

Sequoia Financial Group Ltd

OneVue and China-Taiping are continuing their discussions to resolve China-Taiping's claim to the Sequoia share sale proceeds (which OneVue also disputes). The sale proceeds of \$4.3m were realised by SCAH's Receivers and paid to OneVue on 25 February 2020.

OneVue will provide updates as new information arises or the matter is resolved.

Sargon Subsidiaries – sale proceeds recovery

The sale of the operating businesses of the Sargon subsidiaries was completed on 5 May 2020 and sale proceeds are held in a controlled monies account under Court orders. OneVue has made a claim over a portion of the sale proceeds, in an amount to be determined following the filing and service of evidence by OneVue, the Liquidators and the other creditor claimants.

On 17 June 2020, following a case management conference, the Federal Court:

- ordered that the Liquidators for the Sargon Subsidiaries (Ernst & Young) discover key documents relating to the sale process conducted by them to sell the Sargon Subsidiaries' assets to Cloverhill Group;
- extended the due dates for the claimants' material in support of their claims over the sale proceeds (to 24 July 2020) and the Liquidators' material in reply (to 14 August 2020); and
- referred the proceeding to mediation to be conducted by 21 August 2020.

The matter will return to Court on 28 August 2020 following mediation.

OneVue is reviewing the documents discovered by the Liquidators and preparing its material in support of its claim.

OneVue will provide a further update following the filing and service of its material in support of its claim.

Expected recoveries

The quantum of any of the above recoveries will depend on:

- the outcome of OneVue's negotiations with China-Taiping or, failing agreement with China-Taiping, the Court's determination of the parties' claimed entitlements; and
- the material filed by each of the Sargon Subsidiaries' creditors and by the Liquidators, whether a mediated outcome can be achieved or, failing a mediated outcome, the Court's determination of the parties' claimed entitlements.

At this stage, OneVue is unable to estimate the quantum if any of its potential recoveries.

This announcement was authorised for release to the market by the Board of OneVue Holdings Limited.

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About OneVue Holdings Limited (ASX: OVH)

OneVue is an ASX listed high growth technology business *with* service leveraged to the superannuation sector. The business operates through two core divisions: Fund Services, and Platform Services.

OneVue is number 1 in Fund Services managed fund administration and number 3 in Superannuation Member Administration. Platform Services was recognised in Investment Trends' December 2017 Platform Competitive Analysis and Benchmarking Report as ranking third in full function platforms, the winner of 'Most New Developments' Award for the second year running and winner of 'Product Offering' Award. In 2017 and 2018.

For further information, visit onevue.com.au

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