



Tel: +64 4 472 5850  
Fax: +64 4 473 3582  
wlg.bri@bdo.co.nz  
www.bdo.nz

**BDO WELLINGTON LIMITED**  
Level 1, Chartered Accountants House  
50 Customhouse Quay  
PO Box 10 340  
Wellington 6143, New Zealand

26 July 2021

Creditors of Advanced Building & Construction Limited (Administrators Appointed)

By email

Dear Creditors

**ADVANCED BUILDING & CONSTRUCTION LIMITED (ADMINISTRATORS APPOINTED)  
(trading as AdBuild) (“Company” or “AdBuild”)**

We refer to the information provided at the First Meeting of Creditors held on 14 April 2021 and to our subsequent update to creditors dated 17 May 2021.

As you are aware, on 31 March 2021, Jessica Kellow and Iain Shephard Licensed Insolvency Practitioners of BDO Wellington, were appointed administrators (“Administrators”) to Advanced Building & Construction Limited (trading as AdBuild).

The purpose of this letter is to provide you with an update regarding the Administrators’ actions during the trading period, the conditional sale of the business and assets of the Company, and to provide you with notice of the Watershed Meeting of creditors.

**CONTINUED TRADING OF ADBUILD DURING ADMINISTRATION**

From the date of our appointment, the Administrators have traded (and are continuing to trade) the business of AdBuild. The Administrators have been successful in obtaining further works orders from the Ministry of Education and other clients.

The Administrators wish to extend our gratitude to the staff, suppliers and subcontractors for their support and continued supply.

**SALE OF THE BUSINESS OF ADBUILD**

The Administrators have entered into a conditional agreement for the sale of the business and assets of the Company to Niche Modular Construction Limited (“Niche”).

The transaction for the sale of the business is conditional on certain events. One such event is the approval of creditors at the Watershed Meeting. Assuming that all conditions are satisfied, the parties are working towards a settlement date of 10 August 2021.

A resolution to this effect will be put to creditors for voting on at the Watershed Meeting of Creditors (further details below).

**WATERSHED MEETING OF CREDITORS**

***Meeting Time and Date***

The Watershed Meeting of creditors will be held on **Thursday, 5 August 2021 at 1:00pm** at the offices of **BDO Wellington (Level 1, 50 Customhouse Quay, Wellington)**. A copy of the notice of the meeting is included, which includes an agenda and the wording of the resolutions to be voted on.



The Watershed Meeting is an important meeting in which the creditors of the Company determine its future by voting to either:

- End the voluntary administration and return the Company to its directors' control; or
- Approve a deed of company arrangement (“DOCA”) (if one is proposed); or
- Place the Company into liquidation.

#### ***Administrators' Recommendation***

For the reasons set out in our report (a copy of which is attached), **the Administrators recommend that the creditors vote to confirm the transaction for the sale of the business to Niche and resolve to place the Company into liquidation.**

Please note, no DOCA has been provided to the Administrators for their consideration, and as such, there is no DOCA proposal on which the Administrators can provide an opinion on, or on which the creditors can vote.

#### ***Possible Distribution to Unsecured Creditors***

As detailed in our report, if the creditors of the Company vote to confirm the sale of the business to Niche, and resolve to place the Company into liquidation, **we estimate that unsecured creditors could recover between 45 and 60 cents in the dollar in respect of unsecured claims**, subject to final recoveries, costs, and claims being assessed.

#### ***Attending the Watershed Meeting Virtually***

Please contact Brad Burness (contact details below) if you would like to attend the Watershed Meeting virtually for a Microsoft Teams link. Please note, creditors who intend to so and wish to vote at the meeting will be required to submit a postal vote or appoint a proxy prior to the meeting.

#### ***Further Information and Additional Documents***

Further information regarding the administration process and updates can be found at: <https://www.bdo.nz/en-nz/news/2021/bdo-appointed-as-joint-administrators-of-advanced-building-construction-limited>.

We have included copies of the following documents for creditors:

- Administrators' Report (pursuant to section 239AU of the Companies Act 1993);
- Claim Form (for voting purposes);
- Notice of Watershed Meeting;
- Guide for Creditors;
- Postal Voting Form; and
- Proxy Voting Form

Should you have any queries, please contact Brad Burness at the Administrators' office by email at [brad.burness@bdo.co.nz](mailto:brad.burness@bdo.co.nz) or on (+64 4) 555 0728.

Yours faithfully

**ADVANCED BUILDING & CONSTRUCTION LIMITED (ADMINISTRATORS APPOINTED)**

**JESSICA KELLOW**  
Administrator