

General Information

Company name

Brabant Alucast The Netherlands site Heijen BV (**BAH**).

Company details

De Grens 45
6598 DK Heijen

Ch. of Comm. number: 12009786

Substitute trade names:

ALU Premetaal BV

At the request of BAH it was granted temporary suspension of payment on 20 July 2018. At the request of the management board and the administrator, this temporary suspension of payment was withdrawn on 24 July 2018 and the insolvency of BAH was declared at the same time.

Business activities

BAH operated what is called an aluminium high-pressure injection mould business and was specialised in the custom casting of aluminium products. Specifically, BAH cast aluminium car and lorry parts that were often still finished or assembled by BAH itself.

The customer file consisted partly of known car and lorry manufacturers and, on the other hand, of suppliers which in turn delivered parts (including heating or windscreen wiper systems) to certain car and lorry manufacturers.

Until last March, BAH formed part of a larger, international group. At the time, this group consisted of two more aluminium foundries and one foundry that also cast magnesium. These foundries were established in the Netherlands (Oss and Heijen), Germany (Wendlingen) and Italy (Verres). Last March, the foundries in Oss and Verres were transferred to a third party. Earlier (2016) a share transaction had already taken place in which a foundry in the Czech Republic (Strakonice) that belonged to the group was transferred.

At present, the only members of the Brabant Alucast group are the foundries in Heijen and Wendlingen. Insolvency proceedings now apply to both companies.

Financial data

Year	Turnover	Profit and loss	Balance sheet total
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2018	8,973,000	-670,000	8,226,000
2017	17,478,000	-2,963,000	8,218,000
2016	20,904,000	-1,462,000	9,443,000

Explanation of financial data

These financial data are derived from the internal records of Brabant Alucast Heijen. As Brabant Alucast Heijen was not subject to a filing obligation, it did not have any annual figures definitively determined. For the time being, the *curator* (**liquidator**) is auditing the financial records. He has engaged the assistance of a registered accountant in doing so. This registered accountant will also conduct a 'quick scan' of the company's accounting records.

Average number of employees

110

Explanation

This concerns the number of employees on the insolvency date. The data from previous years have been requested but not yet obtained.

Balance of assets and effects

EUR 838,773.84

Explanation

Besides the balance in the liquidation account, there is still a balance of EUR 4,835,232.49 in the bank account of Brabant Alucast The Netherlands site Heijen BV (as at 13 September 2018). The liquidator has still maintained the aforementioned bank account for the purposes of continuation of the business. After such continuation has ended, the liquidator will prepare a final settlement.

To avoid misunderstandings, the liquidator explicitly notes that the aforementioned balances also include the proceeds of stocks sold, as well as the bank balance on the date of suspension of payment. A right of pledge is claimed on, among other things, the balance of the bank account of Brabant Alucast The Netherlands site Heijen BV as well as the stocks. Should the right of pledge prove to be legally valid, another final settlement will have to be made with the pledgee.

Reporting period

from

20 July 2018

to

13 September 2018

Hours spent

Reporting period

(report no. will be filled in automatically in KEI)

Total

Explanation of hours spent

Hours spent

1856.2 hours

1856.2 hours

1 Overview

1.1 Management board and organisation

The sole shareholder of BAH is the company Brabant Alucast Services BV. An organigram of the group to which BAH belongs will be uploaded as a public document.

UBO of the group to which BAH belongs is the English private equity funds, Endless LLP. Moreover, it ultimately acted also as financier of the entire group, including BAH.

BAH's official management board, the management board under its articles of association, is composed of the executive directors Mr J.K. Brundell and the company Brabant Alucast International BV (**BAI**). BAI is managed in turn by its official management board composed of Mr J.K. Brundell and the company BAI Holding BV, which company is also managed by Mr J.K. Brundell. Mr J.K. Brundell is actually assisted by Mr J. McComasky, who presents himself as CFO of BAI and therefore, indirectly, also of BAH, but is not registered or appointed as such.

Besides its official management board, BAH has three persons with power of attorney listed in the Commercial Register, namely Mr J.A.M. de Ridder, Ms A. Lachello and Mr J.W.P.C.M. Vorstenbosch.

The liquidator has established that Messrs J.K. Brundell and J. McComasky are not employees of BAH.

1.2 Current proceedings

As far as was known, BAH was not involved in any current proceedings on the insolvency date.

1.3 Insurance policies

The liquidator analysed the current insurance policies, requested a hedging position from the relevant insurance company or insurer and continued these insurance policies to the extent relevant in connection with the continuation of its activities by BAH and its employees for some time (see also below).

1.4 Leases

The liquidator analysed the current leases. It emerged that BAH leased both movable and immovable properties from third parties. These were:

Immovable properties

- Industrial building (De Grens 45, 6598 DK Heijen): the lease was terminated.
- Industrial building (De Grens 35, 6598 DK Heijen): the lease was terminated.

Movable properties

- Gas cylinders and corresponding storage facilities
- Compressors and freeze dryer
- Forklift trucks
- Heat exchangers
- Laser unit
- Soft drink/coffee machines
- Work clothing
- Sanitary fittings and supplies
- Printers
- Waste containers
- Packaging materials
- Leased cars

In view of the restart negotiations that took place and continuation of the business activities by the liquidator, the liquidator has allowed a number of leases to continue for the time being. Agreements have meanwhile been reached with most lessees on termination of the lease and repossession of their items of property.

1.5 Cause of insolvency

In its application in which BAH requested a temporary suspension of payment, it gave the following explanation to this effect:

Quote.

"Endless LLP ("Endless") took over the Alucast Group, of which Alucast Heijen was a member, in January 2016.

From that time, Endless has invested heavily in the Alucast Group and introduced a significant restructuring of the companies of the Alucast Group, including Alucast Heijen. Despite these investments, the large OEM customers of the group limited the number of new requests for offers, which led to a fall in the sales figures of the group.

In response to this development, Endless appointed PwC in March 2017 to examine a sale of the Alucast Group. As part of this sale process, more than 60 potential buyers were approached, including international traders and investors. In spite of the extensive sale process, it was not possible to find a buyer for the entire Alucast Group. Some group companies were ultimately sold in March 2018. Alucast Heijen was not among them.

Afterwards, the board of Alucast Heijen, supported by PwC, started a separate sales process for Alucast Heijen. To date, however, the board has not been able to find a buyer for Alucast Heijen that, in view of the present pressure of time, was able to make a timely takeover.

Endless cannot provide Alucast Heijen with any more new financing to support the business, especially not as the main customers have expressed their wish for a new owner of the company. The board of Alucast Heijen has frequently communicated with its customers to allow them to recommend prospective buyers or to take over the company themselves, but to date this has not proved successful.

At present, Alucast Heijen has no more financial resources at its disposal that enable it to continue the business and pay its creditors. [...].

Alucast Heijen is therefore in a situation in which it has ceased to pay and consequently wishes to apply for suspension of payment."

Unquote.

The liquidator is investigating the above-mentioned quote and causes of the insolvency indicated by BAH or its management board. This investigation started in reporting period 1 (initial report) and consists of, on the one hand, an investigation of the facts in which interviews were held with various stakeholders in the organisation of BAH, such as the management board members, members of the MT and members of the Works Council and, in so far as not yet in the hands of the liquidator and relevant, further documents were requested. On the other hand, a financial investigation will be conducted under the direction of a registered accountant with expertise to that effect, employed at Fagro Consultancy BV, which will initially result in a report of factual findings or 'quick-scan'.

The report will be discussed in due time with the board of BAH.

2 Employees

2.1 Number at the time of insolvency

Employees

110

Explanation

On the insolvency date, BAH had 110 employees.

The liquidator terminated the employment contracts of 109 employees.

One employee left employment by operation of law in connection with a fixed-term employment contract.

2.2 Number in the year before insolvency

Employees

110

Explanation

Number of employees (persons) in week 52 of 2017.

2.3 Notice of termination

Date	Number	Explanation
25-07-2018	108	The day after the insolvency was declared, the liquidator proceeded to terminate all employment contracts known to him, relying on Section 40 of the Bankruptcy Act (Fw). Because of the absence of any (free) assets, it was impossible for the liquidator to pay the salaries that actually should have been paid out on Friday, 20 July 2018. On 10 September 2018, the liquidator terminated the employment contracts of two employees who were not mentioned on the original list of employees provided by BAH. These employees had no right to salary on the insolvency date in connection with prolonged incapacity for work (more than 104 weeks).

(line can be added in KEI by using the + sign) +

Total 110

2.4 Activities relating to the employees

The activities relating to the employees proved to be relatively laborious. This has several causes. The size of the workforce required a notification under the Collective Redundancy Notification Act (**WMCO**) to be made to the trade unions involved. After the WMCO notification, the liquidator still held consultations with the Dutch trade union confederation FNV.

Relatively much of the work of the employees is connected with continuation of the business (see section 6). Steering this in the right direction required continuing communication with the employees and coordination with the management. Moreover, a considerable part of the workforce had no command of the Dutch language. This compelled the liquidator to disseminate written notifications in Dutch as well as in German or English.

Various (pension) insurers adopt a practice of cancelling insurance policies as soon as they obtain knowledge of any insolvency. Continuation of the insurance policies (e.g. WIA (Work and Income Capacity for Work Act) minimum – an income shortfall insurance for employees suffering from partial invalidity – WIA shortfall, WIA additional income insurance, accident) and pension (Surviving Dependents Act (ANW) shortfall insurance and top-up pension insurance) during the continuation period required extensive correspondence and extensive telephone consultations.

In the context of finalising various matters, at the end of their applicable notice period, 14 employees were employed for a fixed term at BAH (the majority up to and including 5 October 2018). The liquidator used an employment contract departing from the customary model of BAH to employ the employees at BAH. The employees receive a bonus of 25% of their gross salary to stimulate their motivation to continue working after their former co-workers had left employment.

Various employees have claims on the liquidation assets on the basis of, inter alia, leave balances and claim statements. Employees have asked relatively many questions about this. The liquidator has held consultations with the employee insurance agency UWV to gain insight into which claims should be paid in full or in part by the UWV on the basis of the wage guarantee scheme, in order to establish any claims on the liquidation assets.

3 Assets

3.1 Immovable properties:

Description	Sales proceeds	Mortgage	Amount paid to liquidator
Total	€		€

Explanation of immovable properties

BAH does not own any immovable property.

3.2 Work relating to immovable properties

Land Registry Search.

3.3 Operating assets

Description	Sales proceeds	Amount paid to liquidator
Total	€	€

Explanation of operating assets

BAH owns extensive furniture and equipment (tables, chairs, computers etc.) as well as machinery with appurtenances (injection mould machines, tooling machines, transport equipment etc.). In addition, on the insolvency date it had a supply of finished and semi-finished products, but also an extensive supply of consumable goods which can be subdivided further into assembly stocks on the one hand and,

on the other, technical stocks. Many items of property of third parties were also located at BAH, including product-specific 'toolings' of customers, machines made available on the basis of an operating lease, but also for example consumables that were delivered to BAH subject to retention of title.

The company furniture and equipment, together with the machinery, were valued by Troostwijk Waardering en Advies BV. The private market value of the aforementioned items is EUR 4,100,000. After valuation it appeared that property of third parties had been included among the valued items, so the private market value will be lower.

The stocks of finished and semi-finished products as at the insolvency date were analysed. As these stocks were custom made for a specific customer, and customers do not or no longer have their own assembly or tooling departments, as a general rule the stock only has value when it can be sold to the customer in question for whom it was manufactured and, as far as semi-finished products are concerned, these stocks can be finalised into finished products. The potential commercial value of the stocks found, calculated on the basis of agreed prices, if fully finalised into finished products, was EUR 3,092,070.

An overview was also provided of the assembly stocks and technical stocks as at the insolvency date. The value of these stocks has not been assessed because, in view of their size, this is very laborious and therefore expensive, some of these stocks are being or will be used in connection with continuation and, according to expectations, a substantial number of them have been delivered subject to retention of title. As soon as the continuation has ended and there is an overview of the claimed rights of third parties, a suitable use will be sought for the remainder. It appears that some of the assembly stocks can be sold to different customers.

3.4 Priority right of seizure by the tax authorities of property found on the premises (*Bodemvoorrecht fiscus*)

On the insolvency date, properties found at the premises (*bodemzaken*) of BAH represented a substantial value. Virtually all furniture and equipment and machinery actually qualify as such.

According to BAH's records, the overdue tax to which the priority right of seizure applied was EUR 140,249 on the basis of declared but no longer paid Withholding Tax for June 2018. In addition, these records show that in the period prior to insolvency, a sum of EUR 96,984.17 in Turnover Tax was deducted as input tax, whereas BAH had not complied with the corresponding payment obligation to the creditor in question. The latter sum, if correct, will result in a claim pursuant to Section 29(7) of the Turnover Tax Act against BAH among others, in the same amount. The priority right of seizure by the tax authorities also applies to this claim.

Until the insolvency date, BAH was part of a tax entity in relation to both Turnover Tax and Corporation Tax. BAI was at the head of this tax entity. The liquidator does not know at the moment if, and if so, to what extent BAI has been or will be held liable by the Tax and Customs Administration for still unpaid tax debts of the tax entity to which BAH also belonged. It is not known either if, and if so, to what extent BAI will provide an opportunity for recovery at the time such liability arises.

In so far as the tax arrears to which the priority right of seizure applies have not been paid in full at the time that the relevant properties found on the premises are sold, pursuant to Section 57(3) Fw, the liquidator will represent the interests of the Tax and Customs Administration and claim a sum in the amount of these properties, up to a maximum of the tax claim in relation to which the priority right of seizure can be exercised with respect to BAH.

3.5 Activities relating to operating assets

Extensive consultations were held on the sale of the operating assets in the context of a restart (see below). In addition, activities were performed in connection with necessary maintenance, repairs, insurance policies, valuations and suchlike. After all, it was necessary to keep those operating assets operational because of i) the retention of value for a possible restarter and ii) the continuation period in which the insolvent company has used the operating assets to tool and cast stocks.

3.6 Stocks/work in progress

Description	Sales proceeds	Amount paid to liquidator
Total	€	€

Explanation of stocks/work in progress

On the insolvency date, the potential commercial value of the stocks remaining at that time was calculated on the basis of the agreed prices, provided they were fully finalised into finished products. The potential proceeds of these stocks were EUR 3,092,070.

At the time this insolvency report was written, the last batches of stocks were sold and delivered to the various customers. This holds as well for the assembly stocks present. As soon as this process has ended, the liquidator can draw up a final statement and make a subdivision for each category (ordinary stocks and assembly stocks) of the total assets earned.

3.7 Activities relating to stocks/work in progress

The activities relating to the sale of the stocks proved to be very laborious.

Agreements were reached first of all with the financiers (for the sake of simplicity, hereinafter referred to as "Endless") on liquidation of these stocks. This was necessary, as Endless claims a right of pledge with respect to all movable property that was owned by BAH, also including the stocks. This ultimately resulted in the agreement that the insolvent company would receive a percentage of 40% of the net proceeds of the sale of the stocks. In order to arrive at a net sale result, all corresponding costs are paid from the gross proceeds first and with priority. The starting point was also that the stock of end products would be sold to the relevant

customers at the 'normal' prices. In so far as semi-finished products were to be sold, further agreements were reached in respect of the calculation of their selling price.

Besides the above-mentioned financial agreement, Endless attached the special condition to its permission entailing that as soon as a customer wanted to purchase stock, it would unconditionally waive any claims against BAH and the companies belonging to the same group as BAH. With respect to three customers, this especially led to a debate between, initially, the insolvent company and the customer, but later also the insolvent company and Endless. Ultimately, with Endless' consent, further arrangements were made by which agreement was also reached with these customers.

Further conditions to which customers had to commit themselves were: i) payment of the relevant stock value in advance, ii) confirmation that, on the insolvency date already outstanding invoices (claims receivable) would be paid in full and no later than on the due date of the relevant invoices and iii) no guarantee could be given anymore with respect to the product delivered. All customers accepted these conditions.

At present, all this has resulted in a gross sales result of EUR 1,852,000. As the sale of stocks will be completed in reporting period 2, at that time, a financial settlement will be pursued in which the aforementioned costs are also specified and the ultimate net sales result will be known.

3.8 Other assets

Description	Sales proceeds	Amount paid to liquidator
Total	€	€

Explanation of other assets

It is possible that various batches are subject to a right of return. At present, the liquidator is analysing which batches are subject to such a claim, and is also assessing whether it is opportune to perform further work in relation to this. The liquidator has this under investigation for the time being.

3.9 Activities relating to other assets

The liquidator has assessed in the past reporting period against which parties a claim for return can possibly exist.

4 Receivables

4.1 Receivables

Description	Amount	Proceeds	Payment of liquidator
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Trade receivables	2.076.000	EUR 1,919,000	EUR 191,900
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Total	2.076.000	EUR 1,919,000	EUR 191,900
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Explanation of receivables

Agreements have been reached with Endless on the collection of claims. That was necessary as Endless claims a right of pledge with respect to all claims against third parties, also including the aforementioned trade receivables. This has ultimately resulted in the agreement that the insolvent company will receive a percentage of 10% of the proceeds.

The aforementioned agreements were reached on 26 July 2018 between the insolvent company and Endless. In the period starting on 20 July 2018 until 26 July 2018 a total amount of EUR 205,501.55 in payments of trade receivables were received. The above-mentioned agreement by which the insolvent company receives payment of 10% does not apply to these receipts. This means that the entire aforementioned amount goes to the insolvent company and Endless retains a special priority right to these proceeds and can only look forward to some payment, after deduction of the allocation of the total insolvency costs.

4.2 Activities relating to receivables

In the context of the sale of stocks, explicit agreements have been entered into with customers on payment of the outstanding invoices. As all customers have agreed to this, it is expected that the full sum (100%) of the outstanding amount will be received. For an explanation, reference is made to that which is stated in paragraph 3.7d.

5 Bank/Security

5.1 Claims from one or more banks

28,645,682.80

Explanation of claims from one or more banks

Endless provided the following Explanation with its claim

In the context of acquiring the Brabant Alucast Group in 2016, Endless Funds (**Endless**) took over the loans provided by ING Bank N.V. (**ING**) to the group (**ING Loans**). As security for settlement of the claims ensuing from the ING Loans, BAH among others established a first right of pledge by way of a deed of pledge dated 2 November 2011 for the benefit of ING in all its operating equipment, stocks and book debts. The total debt under the ING Loans is now EUR 8,041,961.69 TBD.

Endless provides an intercompany credit facility to various entities in the Brabant Alucast Group (the **RCF**), for which BAH is jointly and severally liable. BAH has established different forms of security for the benefit of Endless, as set out in the Security Agreement of 27 January 2016. The total debt under the RCF is now EUR 16,301,017.52 TBC.

In the context of the acquisition of the Brabant Alucast Group, Project Horizon Coöperatief U.A. took over various lease agreements and loan agreements from ABN AMRO Bank (jointly **ABN Loan & Lease**) with parties including BAH. As additional security for compliance with the obligations under the ABN Loan & Lease, among others BAH established a right of pledge in its company furniture and equipment by way of a deed of pledge dated 7 May 2018. BAH is jointly and severally liable for the obligations under the ABN Loan & Lease, of which the total debt is now EUR 4,302,703.59 TBC.

The liquidator is verifying the correctness of the debts.

5.2 Lease agreements

Cars were leased via Boxons Autolease. The lease company has taken them back.

There are also operating leases or financial leases in relation to several machines. These were initially leased from ABN AMRO Bank, but the legal relationship between ABN AMRO Bank and BAH was taken over by Project Horizon Coöperatief U.A. This concerns a tooling machine, casting cell, bracket machine, tooling station and metalworking machine.

5.3 Description of security

Endless claims a right of pledge in all assets of BAH. These include the movable property, claims against third parties, bank balances and IP rights.

5.4 Separatist position

If a legally valid right of pledge exists, there is also a separatist position of Endless except for the accounts receivable that were received in BAH's bank account before the agreements were reached on the collection of receivables.

For the benefit of the Collector of Taxes, the liquidator will rely on the priority right of seizure by the tax authorities under Section 57(3) of the Dutch Bankruptcy Act.

5.5 Retention of title

In the last reporting period, the liquidator started assessing the claims filed by various creditors for return of the goods delivered by them subject to retention of title. At present, 57 creditors have applied who had relied on retention of title. Of these, the liquidator has already recognised 12 and rejected 19. The liquidator tries to complete the assessment of them in the next reporting period, as well as to organise a collection day.

5.6 Possessory liens

In the last reporting period, three creditors came forward who had relied on a possessory lien. These creditors were all 'toolers', i.e., external parties who carried out the tooling of cast pieces. The possessory lean was exercised on cast pieces delivered by BAH.

The liquidator considered it opportune to override the possessory lien of two creditors. The possessory lien of one creditor was not overridden, in view of the value those goods represent.

5.7 Rights to reclaim unpaid goods

In the last reporting period, the liquidator started assessing the claims filed by various creditors to return unpaid goods based on the right of recovery. At present, 12 creditors have applied who have relied on this right. The liquidator has already recognised eight of these and rejected four. The creditors will soon be informed of the outcome of this assessment. The creditors with respect to whom the right to reclaim unpaid goods has been allowed will be invited to a collection day.

5.8 Amounts to be paid to the liquidator

The total amount to be paid to the liquidator still has to be calculated. As is stated above, it was agreed that the insolvent company was to receive 10% of the claims it has filed and 40% of the net proceeds of the sold and pledged stocks of end and semi-finished products, assembly stocks and stocks of consumables.

5.9 Activities relating to the bank/security

In the past period, the assessment of the security documents and loan agreements was started. Endless was asked various questions. The liquidator has reserved all rights and will complete the investigation of the legal validity of the security and amount of the claim of Endless in the next period.

6 Restart/continuation of the business

Continuation of the business

6.1 Operation/security

Operation I: sale of accrued stocks

As a large amount of stocks proved to be present on the insolvency date, the liquidator together with the (alleged) pledgee reached agreement on their delivery. See also 3.7. At present, almost all stocks that were present on the insolvency date have been delivered.

Operation II: starting up the smelting operations and sale of newly cast products

The day after the insolvency started, the liquidator received the urgent request from various customers to continue the smelting operations. The accrued stock proved to be insufficient for the customers to bridge for a longer time without being confronted with a line stop. As the chances of a restart were said to be greater if the smelting operations were set up, after

receiving authorisation from the delegated judge to do so, the liquidator started up the smelting operations. For a period of two weeks (from 13 August to 28 August) the production was continued for the six largest customers of Brabant Alucast Heijen. After the smelting operations were discontinued, various tooling activities took place for a week and a half (until 6 September 2018).

The estimated loss during this continuation period was approximately EUR 200,000. This loss was covered by the customers for which the production was continued. When the continuation period has definitely ended, the liquidator will provide a more detailed (financial) statement of the continuation activities.

6.2 Financial reporting

As the continuation period has not yet ended, no definitive figures are known. When the continuation period has ended and that will apparently be on 5 October 2018, the definitive figures can be compiled. Once they are available, these figures will be included in the insolvency report.

6.3 Activities relating to continuation of the business

For continuation of the business, the liquidator engaged the assistance of a registered accountant from Fagro. This accountant monitors the financial operations and at a later time will share a final continuation report with the liquidator. The main data from this will be included in the insolvency report at a later time. Furthermore, the liquidator has had intensive contacts with all stakeholders who made continuation possible, such as the customers, suppliers, delegated judge, financier and the shareholder.

Restarting the business

6.4 Description

Between 20 July 2018 and 2 September 2018, negotiations were conducted with various parties on a possible restart of the business.

Ultimately, all 13 companies that showed an interest in a restart abandoned the idea. The main arguments for this was the sharply decreasing flow of orders compared with the minimum amounts that are necessary to take over the assets of the insolvent company or the pledgee and the minimum number of employees that had to be employed to keep a foundry as operated by BAH running. Especially the latter had influence on making operating capital available for such a possible restart. Lastly, it is important to mention that the duration of acquiring new orders in the automotive sector is very long, which necessitates investments for some years in advance in order to ultimately make a profit.

6.5 Accountability

Just after the insolvency was declared, the liquidator had a list compiled of companies that had either shown an interest in a takeover of AH, or might possibly

be interested in doing so. These were parties from the Netherlands, but mainly from abroad. All these parties were approached with an information memorandum in which they were requested to indicate whether they were interested in a restart and, if so, possibly required further information. Before further (company sensitive) information was provided, confidentiality agreements were entered into with the parties in question.

Discussions were held with various parties and financial prospects, substantiation etc. were shared. Some parties were received in person and given a guided tour. This was ultimately the reason for one party to make a conditional offer on 8 August that gave cause for both the insolvent company and the pledgee to deal with this in more detail. Three of the most striking conditions were: i) no (important) customers could be lost for the restart, ii) the casting process had to be started again as soon as possible to prevent arrears and loss of customers and iii) the building BAH leased from BAI had to be included in the purchase. The foregoing was the specific reason for the insolvent company to start the casting process during weeks 33 and 34 and by doing so to produce certain cast pieces for certain customers in order to prevent production stops and loss of the customer concerned. At the same time, extensive negotiations were conducted with BAI and Endless on the conditions under which they would be willing to sell the industrial building. The purchaser then started negotiation with the customers itself on their involvement in a possible restart.

The discussions with the customers were the reason for the purchaser to withdraw its offer on Friday, 17 August 2018. As this decision came as a surprise to both the insolvent company and BAI, there were further consultation with the purchaser at the weekend of last 18 and 19 August to see which problems they experienced and whether those problems could be solved with the help of BAI or the insolvent company. This caused the purchaser to make an adjusted offer on Monday, last 20 August. The most striking condition for continuation of this offer was the willingness of customers for a period of 2 years i) to accept a price increase and ii) to issue a so-called EBITDA guarantee which, briefly summarised, was intended to prevent the share of the customer concerned in the turnover of BAH/the restart from decreasing.

Both BAI and the insolvent company have made every effort to meet the conditions of the purchaser. For instance agreements were reached between the two parties on division of the purchase price, conditions were to be accepted on postponed payment of this purchase price and consultations were held with customers. Nevertheless, in a personal discussion on Friday, 24 July 2018, at which Endless, BAI and the liquidators were present, the purchaser once again and before the other attendees suddenly lowered its bid for no realistic reason by approximately 1/3. Such a purchase price was acceptable to neither BAI nor to the insolvent company, in view of the valued liquidation values of the assets. Thereupon, the negotiations were discontinued.

The news that there would be no restart did not only come as a complete surprise to the insolvent company and BAI, but to some customers as well. To such an extent that one of the customers requested one of its other suppliers to restart the business of BAH. These discussions subsequently started, after which this buyer visited BAH on Monday, last 3 September. However, in view of the extremely short

time within which this restart had to take shape (all employment contracts had in fact been terminated on last 5 September because of the applicable notice period), this buyer also dropped out.

It must be concluded that – in spite of all efforts of the parties involved – a restart of BAH is not or no longer a realistic option.

6.6 Proceeds

None.

6.7 Amount to be paid to the liquidator

See 6.5. There is no question of a restart.

6.8 Activities relating to restarting the company

The activities relating to the attempted restart have proved to be very laborious. On the one hand, this is connected with the number of parties that have been approached, the international context in which the negotiations were placed, but not least also with the complexity of the business of BAH and especially the sector as well in which it does business.

7 Regularity

7.1 Accounting obligation

Under investigation.

7.2 Filing of the annual accounts

A declaration of consent has been filed for the financial years 2012 to 2016.

7.3 Auditor's certificate of approval

Not applicable to the company.

7.4 Obligation to pay for Shares

The company was incorporated on 31 July 1956. It is therefore not realistic to investigate whether the shares have been paid in full.

7.5 Mismanagement

Mismanagement

Not filled in.

Explanation

Under investigation.

7.6 Fraudulent acts with respect to creditors

Fraudulent acts with respect to creditors

Not filled in

Explanation

Under investigation.

7.7 Explanation of regularity

Under investigation.

7.8 Activities relating to regularity

In the context of the investigation of the facts and causes, a plan of action was prepared and presented to the delegated judge for approval, who approved the plan. At present, discussions are being held with various persons involved, of which discussions reports are being made. After the discussions have been held, (digital) data files will be secured and studied, so they can be placed in the right perspective. A reconstruction of the facts will be set up on the basis of these investigation efforts, so that an opinion can subsequently be formed on the causes of the company's insolvency.

8 Creditors

8.1 Claims against the insolvent company

EUR 45,901.10 + TBC

Explanation

The exact amount of the claims of some creditors is not yet known. Besides the claims against the insolvent company already noted down, the fee of the liquidator is also a TBD claim against the insolvent company.

8.2 Preferential claim of the tax authorities

EUR 144,456

Explanation

8.3 Preferential claim of the UWV

Explanation

The claim of the employee insurance agency UWV has not yet been submitted to the liquidator for verification.

8.4 Other preferential Creditors

Endless has a priority right to the accounts receivable that were collected in the period between suspension of payment and the time at which agreements were reached between it and the liquidator on collection.

Explanation

8.5 Number of ordinary creditors

168

Explanation

To date, 167 creditors are noted down on the list of provisionally recognised ordinary creditors. In addition, one creditor is noted down on the list of provisionally disputed ordinary creditors.

8.6 Sum of claims of ordinary creditors

EUR 2,024,691.96

Explanation

To date, a total sum of EUR 2,024,691.96 in claims of ordinary creditors has been submitted for verification, of which EUR 2,024,162.22 has been placed on the list of provisionally recognised ordinary creditors and EUR 529.74 in the list of provisionally disputed ordinary creditors.

8.7 Expected manner of settlement

Yet unknown.

8.8 Activities relating to creditors

Cooling off period of 2 months. Notification of creditors. Processing claims received on the list of creditors.

9 Proceedings

9.1 Names of other parties

For the time being, the liquidator is not aware of any proceedings.

9.2 Nature of proceedings

Not applicable.

9.3 Status of proceedings

Not applicable.

9.4 Activities relating to proceedings

Not applicable.

10 Other

10.1 Plan of action

In the coming period, the handing over of items of property belonging to third parties will be finalised. The sale of stocks will also be finalised and the sale of operating assets will be started. Consultations will be held between Endless and the asset liquidator on the form in which the sale will take place.

In the coming period the liquidator will vacate and deliver the leased business premises.

In addition to the foregoing, the investigation of the causes of the insolvency, the course of affairs prior to the insolvency, the amount of the claim of Endless and its security position will be continued and finalised if possible.

10.2 Term for settling the insolvency

Yet unknown.

10.3 Submission of the next report

14 December 2018

10.4 Other activities

Drafting of the (financial) insolvency report

Disclaimer:

Although the information in this public report was compiled as carefully as possible, the liquidator does not warrant its completeness and accuracy. It is possible, after all, e.g. that information is not yet available, cannot yet be disclosed, or must be subordinated or modified. This can have far-reaching consequences for the prospects of creditors outlined in this report. Consequently, no rights can be derived from this report.