



McGrathNicol

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Brite Advisors Pty Ltd (In Liquidation) (Receivers and Managers Appointed)
ACN 135 024 412
(Brite Advisors)

Progress Update to Corporate Trustees and Beneficiaries

I refer to our previous circulars to Corporate Trustees and Beneficiaries and adopt the defined terms contained in those circulars. In particular, I refer to our circulars to Corporate Trustees and Beneficiaries dated 28 October 2025 and 23 January 2026 in relation to the Receivers' Tranche 2 and Tranche 3 Payment Orders Application. Set out below is an update on the Receivers' progress with (i) the Interim Distribution, and (ii) Australian and US tax matters.

1 Progress update on interim distribution payments

The Receivers have now filed a total of six tranches of Payment Orders Applications, seeking approval from the Court to process interim distribution payments totalling USD\$587 million which represents 99% of the amount available to distribute (being the Interim Distributable Amount, as approved by the Court). His Honour Justice O'Sullivan has approved all six Payment Orders Applications (**Payment Orders**), with the most recent Payment Orders being made on 26 February 2026.

The Receivers have now paid the majority of the distribution payments pursuant to the Payment Orders for tranches 1 to 5, and are in the process of arranging payment to the Beneficiaries the subject of the tranche 6 Payment Orders.

2 Update on Receivers' engagement with the ATO

We refer to section 2 of our circular to Corporate Trustees and Beneficiaries dated 28 October 2025 in which we advised that the Receivers were intending to file a Second PBR Application with the ATO in relation to outstanding issues concerning approximately AUD\$100m of potential tax relating to matters other than capital gains tax liability for the 2025/2026 financial year. The Second PBR Application was lodged by the Receivers with the ATO on 6 November 2025.

Since the filing of the Second PBR Application, the Receivers have continued to liaise with the ATO as to the timing of any determination to be made in response to the application. Following conferral with the ATO, the Receivers have provided supplementary submissions in support of the Second PBR Application for the ATO's consideration. The Commissioner of Taxation has advised the Receivers that the outcome of the application will likely be provided in March 2026.

It is anticipated that the Receivers will be required to undertake a significant amount of work in dealing with Australian taxation matters, which will materialise following the outcome of the Second PBR Application, including:

- the preparation and filing of historic tax returns;



- obtaining orders from the Court in relation to the filing of tax returns and other secondary tax matters;
- taking steps which may be required if the decision in relation to the Second PBR Application is unfavourable to the Beneficiaries and/or to deal with assessments which arise following the filing of the tax returns; and
- arranging payment of assessed tax liabilities (to the extent ordered by the Court).

The ATO has indicated that it remains committed to assisting the Receivers to facilitate a practical outcome from a tax compliance perspective, including a tailored compliance process. At this stage, the timing of resolution of the above matters is unknown and the Receivers will continue to confer with the ATO in respect of the Second PBR Application and seek to progress resolution of the Australian tax matters as quickly as possible. The Receivers will keep Corporate Trustees and Beneficiaries updated as these taxation matters are progressed.

3 Update on matters pertaining to the US taxation

As outlined in the Receivers' circular dated 19 November 2025, an amount of USD\$10.2m was included in the Non-Distributable Amount and withheld from the Interim Distribution, in respect of potential US tax liabilities.

The Receivers are currently preparing a report to the Court which will outline (i) the position in relation to the US tax liabilities (including the estimated value of the US tax liabilities), (ii) how this will impact future distributions to Corporate Trustees/Beneficiaries, and (iii) what will be reported to the Corporate Trustees/Beneficiaries. The paper is intended to support orders sought by the Receivers in relation to the filing of US tax returns (which have been prepared).

The Receivers will seek publication orders to publish this paper once prepared and seek feedback from interested parties in relation to the Receivers' proposal, which will be provided to the Court for consideration.

Similar to the position with Australian tax, once orders are obtained from the Court and the US tax returns are filed, the Receivers will be required to deal with any assessments which arise following filing of the US tax returns and arrange payment of assessed tax liabilities (to the extent ordered by the Court).

At this stage, the timing of resolution of the above matters is unknown and the Receivers will continue to progress resolution of the US tax matters as quickly as possible. The Receivers will keep Corporate Trustees and Beneficiaries updated as US taxation matters are progressed.

4 Next steps

Now that the Receivers have paid the majority of the Interim Distributable Amount to Corporate Trustees and Beneficiaries, the Receivers are prioritising resolving outstanding matters relating to the Non-Distributable Amounts.

The Receivers do not propose to seek orders for the payment of a second interim distribution until resolution of matters impacting the Non-Distributable Amounts are sufficiently progressed, to enable a meaningful distribution to be paid.

As set out in the Receivers' updates dated 19 and 26 November 2025, the Non-Distributable Amounts comprise (i) a provision on account of potential Australian and US tax liabilities, (ii) a provision on account of unresolved claims to Client AuM, and (iii) a 15% contingency.

The Receivers are progressing resolution of the unresolved claims against the Client AuM and intend to file an application with the Court in the coming months seeking orders to resolve these matters



5 Ongoing updates

The Receivers will continue to keep Corporate Trustees and Beneficiaries apprised of the conduct of the receivership and issue further updates when there are material developments. Correspondence issued to Trustees and Beneficiaries can be downloaded from our website at the following link - <https://www.mcgrathnicol.com/creditors/brite-advisors-pty-ltd>.

If you have any queries, please refer to the Frequently Asked Questions page on our website, which can be accessed here: <https://www.mcgrathnicol.com/creditors/brite-advisors-pty-ltd>. This page will be continually updated as new information that is relevant to Beneficiaries and Trustees becomes available.

If you have any queries which are not addressed in the Frequently Asked Questions, please contact the Receivers at briteadvisors@mcgrathnicol.com.

Yours faithfully

Brite Advisors Pty Ltd (In Liquidation) (Receivers and Managers Appointed)

A handwritten signature in cursive script that reads "Linda Smith".

Linda Smith
Receiver and Liquidator