

PUBLIC LIQUIDATION REPORT (pursuant to section 73a Bankruptcy Act)

number : 02
date : 3 June 2014

in the bankruptcies of : the private limited companies

- Heiploeg Holding B.V. (Chamber of Commerce no. 30210020)
- Heiploeg Beheer B.V. (Chamber of Commerce no. 02036332)
- Heiploeg B.V. (Chamber of Commerce no. 02022924)
- Goldfish B.V. (Chamber of Commerce no. 36011868)
- Heiboer B.V. (Chamber of Commerce no. 02058587)
- Heitrans B.V. (Chamber of Commerce no. 02042467)
- Heiploeg Seafood B.V. (Chamber of Commerce no. 02044714)
- Noord Zuid Beheer B.V. (Chamber of Commerce no. 02047167)

all with their registered office in Zoutkamp and established and with offices in Zoutkamp at Panserweg 14 (9974 SL)

hereinafter also jointly referred to as **Heiploeg**

date of judgment : 28 January 2014

the Court of Noord-Nederland : Groningen

bankruptcy numbers : C/18/14/26 through 33 F

receivers : *mr* G.W. Breuker and *mr* P. Lettinga
Van Ketwich Verschuurlaan 98
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file number : 3514133

delegated judge : *mr* L.T. de Jonge

liquidation account : NL 57 RABO 0149178433

activities of the enterprises

(as group)	: Wholesaler in the import and export, processing and transportation of all fish and organisms occurring in saltwater and freshwater, such as shellfish, crustaceans and molluscs.		
turnover details	: €280 million for the entire Heiploeg Group (financial year 2012-2013)		
average staffing level	: 375 in the Netherlands (incl. temporary staff)		
reporting period	: 22 February through 27 Mai 2014		
hours spent during reporting period:	Heiploeg - 813:54	Heitrans	13:00
hours spent total	: Heiploeg - 1411:24	Heitrans	34:24

The public report and any accompanying interim financial report are not a prospectus or annual accounts. Although the information in this public report has been put together as carefully as possible, the receiver cannot guarantee its completeness and correctness. After all, it is possible that certain information is not yet available, cannot yet be made public, or - in retrospect - has to be adjusted. This can have far-reaching consequences for the prospects outlined in this report for creditors and other interested parties. No rights can therefore be derived from this report.

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0. General

Undisclosed administration

In response to a request by Heiploeg, the court informed Heiploeg on Thursday, 16 January 2014 that the court intended, in the event that insolvency proceedings were to be commenced within a reasonable period, to:

- “Appoint as receivers *mr.* G.W. Breuker and *mr.* P. Lettinga, lawyers practising in Groningen, employed at Dorhout Advocaten, and
- To appoint as delegated judge *mr.* L.T. de Jonge, member of this court.”

“The purpose of this arrangement,” according to the court, “is the realisation of the highest possible return for the joint creditors. The appointment of the undisclosed administrators presents the possibility of preparing a sale or reorganisation from an insolvency in relative peace.”

The receivers refer in this context to the separate (public) report ‘Undisclosed Administration’ dated 4 February 2014, which also contains a (brief) description of the history of Heiploeg.

(See http://www.dorhout.nl/downloads/Verslag_stille_bewindvoering.20140204.PDF).

Contrary to that wrongly stated in this report, the fine imposed by the European Union did not have to be paid in full by 28 January 2014 at the latest; this date was the deadline for bringing appeal proceedings against the decision in question of the European Commission. The fine had to be paid no later than one month after this, therefore by 28 February 2014.

Due to the financial situation in which it found itself, Heiploeg started looking for a possible purchaser for the various business units in mid-December 2013. It brought in the corporate financial adviser Squarefield for this. Of the bids received, that of Parlevliet & Van der Plas (hereinafter: P&P) best reflected the going concern value of Heiploeg.¹ Another aspect that played a role was that, with this renowned family business, it would be able to maintain employment in the region to a large extent. A takeover by P&P - and therefore continuation of the enterprise/processing location in Zoutkamp - would also ensure that the sales options of approximately 200 shrimp fishermen from the Netherlands, Belgium, Germany and Denmark, which supply Heiploeg exclusively, would (largely) continue to exist and Heiploeg would also remain the European market leader in the shrimp sector.

The undisclosed administration lasted from 16 through 27 January 2014, after which the bankruptcies were pronounced on 28 January.

The receivers first notified the trade unions by telephone early in that morning (Ms Zuidema of the FNV was asked to attend the dismissal meeting at 11 o'clock in the main hall of the company, with which request she complied) and the Works Council was then notified verbally of the bankruptcy and its consequences for the Works Council, the enterprise and the employees involved in a confidential meeting attended by all the members (apart from one, who was on holiday).

In the course of the day, the receivers negotiated with the banks and P&P regarding the content of the asset agreement until the agreement could be signed at 3 AM on 29 January. This meant that the relaunch, under the name Heiploeg International B.V., was a fact.

In a decision dated 28 January 2014, the delegated judge announced a cooling-off period, as a result of which each authorisation of third parties to recover goods belonging to the liquidation assets or to demand goods which are held by the bankrupt party/parties or the

¹ The other bids were made by investment companies.

receivers cannot be exercised for a maximum period of two months other than with the authorisation of the delegated judge.

1. Inventory

1.1. Board of Directors and organisation

Director(s):

Heiploeg Holding	- E.J.C. Wielinga and E.B. Abels <u>Supervisory Board:</u> C.L.A. Janssen, J.J. Schrijver and J.P. Prins
Heiploeg Beheer	- Heiploeg Holding, E.J.C. Wielinga and E.B. Abels
Heiploeg	- Heiploeg Beheer
Goldfish	- Heiploeg Beheer
Heiboer	- Heiploeg Beheer
Heitrans	- Heiploeg beheer
Heiploeg Seafood	- Heiploeg Beheer
Noord Zuid Beheer	- Heiploeg Beheer

See also organisation chart, appendix 1.1.

1.2. Profit and loss²

	<u>as of 29/12/2013³</u>	<u>2012⁴</u>	<u>2011⁵</u>
Heiploeg Holding	5,343-/-	consolidated 12,628-/-	consolidated 13,709-/-
Heiploeg Beheer	1,708-/-	consolidated 4,910-/-	consolidated 3,745
Heiploeg	6,089-/-	company 4,975-/-	company 2,645
Goldfish	54-/-	company 1,314-/-	company 5-/-
Heiboer	1 -/-	company 6-/-	company 4
Heitrans	323	company 453	company 613-/-
Heiploeg Seafood	2-/-	company 28-/-	company 2
Noord Zuid Beheer	01	consolidated 478	consolidated 25

1.3. Balance-sheet total⁶

	<u>as of 29/12/2013⁷</u>	<u>2012</u>	<u>2011</u>
Heiploeg Holding	86,948	consolidated 177,903	consolidated 182,376
Heiploeg Beheer	69,210	consolidated 177,836	consolidated 207,622
Heiploeg	139,773	company 130,998	company 128,467
Goldfish	8,341	company 4,713	company 4,713
Heiboer	650	company 655	company 648
Heitrans	4,389	company 3,998	company 4,337
Heiploeg Seafood	4,123	company 3,808	company 3,539
Noord Zuid Beheer	1,491	consolidated 3,012	consolidated 2,413

² (x €1000)

³ Provisional figures

⁴ After-tax result

⁵ After-tax result

⁶ (x € 1000)

⁷ Provisional figures

1.4. Current proceedings

Heiploeg Holding B.V., Heiploeg Beheer B.V., Heiploeg B.V. and Goldfish B.V. vs European Commission

- Court of First Instance of the European Union

On 23 January 2014, an application was submitted to the effect that the Decision of the European Commission of 27 November 2013 (case number AT.39633-Garnalen-C(2013)8286 final) be declared void. Under this decision, the Commission imposed a fine on Heiploeg of EUR 27,082,000 for a breach of art. 101 section 1 of the Treaty on the Functioning of the European Union. It was alleged that Heiploeg was guilty of limiting competition in the market for North Sea shrimp by setting the purchase prices and exchanging sensitive commercial information on prices, purchasers and volumes. It was also alleged that Heiploeg was guilty of market sharing. These infringements were alleged to have taken place in the period 21 June 2000 - 13 January 2009.

The receivers have decided to continue the proceedings, and to take over. On 14 April 2014, the European Commission submitted a defence to the Court in the First Instance. On 27 May 2014, Allen and Overy LLP submitted a statement of reply on behalf of the receivers. It is expected that an oral hearing will take place in the autumn of 2014.

Heiploeg B.V. vs L. Kok International Seafood B.V.

- Court of Noord-Holland, loc. Alkmaar,

Kok (a shrimp processor in Volendam) is owed more than €500,000 by Heiploeg, which debt has been confessed; Heiploeg is arguing on the other hand that it suffered loss.

Composition negotiations are currently taking place. On 25 June 2014, notice must be given to the court regarding whether the receivers will be taking over the proceedings as referred to in section 27 of the Bankruptcy Act.

Heiploeg Seafood B.V. vs H. Tebbes

- Court of Noord-Nederland, loc. Groningen

Stayed until 12 August 2014 for comments by the party taking the initiative regarding the desirability of continuation. This is an employment case (wage debt).

1.5. Insurance

As far as is necessary, the insurance policies will be continued at the expense of the relaunching party. Inasmuch as annual or other premiums have been paid in advance, these will be reclaimed on a pro rata basis.

1.6 Rent

Hoendiep NZ 7, Stroobos (Heiploeg B.V.)

The business premises (including refrigeration and freezer units, office and canteen) have been rented from D. Broersma since 19 October 2011 for €338,480 per year ex. BTW (Dutch VAT) (commencement rent). The lease contract was entered into for 5 years and runs until 18 October 2016. The lease contract was terminated verbally on Friday, 21 February 2014, followed by written confirmation of this on 24 February, as of 30 May 2014. It has become apparent that the lessor/owner has already found new lessees for parts of the premises since the date of the bankruptcy. It has been agreed that these proceeds will be deducted from the claims against the bankrupt company to be submitted by the lessor.

The claims against the bankrupt company of 88,793 euros and 40 cents will already be paid in full, subject to the permission of the delegated judge.

Strip of land alongside Noordeinde 7, Volendam (Goldfish B.V.)

A partial plot (known in the land registry as municipality of Edam, section C, number 4246, total size 1210 m²) has been rented from Hoogheemraadschap Hollands Noorderkwartier since 1 January 2008. The lease agreement ends on 31 December 2018. The lease agreement has been terminated as of 1 May 2014.

1.7 Cause of bankruptcy

2011 was a dramatic year for the shrimp sector (as a result of extremely low kilo prices and strikes, among other things). Heiploeg suffered a loss in excess of €75 million in financial year 2010/2011. This forced the company to refinance. The banks Rabobank Staden Midden Groningen, Rabo Nederland (including the former Friesland Bank), ABN AMRO Bank and Landsbanki - the bank consortium - were only prepared to do so if the shares would also be transferred to them. By converting €30 million of debt into share capital, the debt to the consortium could be reduced to €130 million. It quickly became apparent, however, that more restructuring would be necessary (in a going concern context). The banks were very reticent in providing the larger-scale financing necessary for this. In November 2013, the European commission imposed a fine of € 27 million (provisionally enforceable) due to prohibited cartel arrangements made in the past (period 21 June 2000 - 13 January 2009).

The banks eventually provided bridging financing of €5 million, which came to an end on 15 January 2014, with another one-off bridging credit of €2 million made available until 28 January 2014, in which context it became apparent that extension was possible when clarity could be provided on a possible relaunch. The banks were not prepared to provide further financing. As a result, Heiploeg was no longer able to pay its debts.

2. Staff

2.1 Number at the time of the bankruptcy: 378 (311 on permanent contracts and 67 temporary staff)⁸

2.2 Number in the year prior to bankruptcy: comparable

2.3 Date of notice of dismissal:

The delegated judge granted permission on 28 January 2014 for the notice of dismissal. During the meeting with the staff on the same date, the receivers verbally notified the staff present of the dismissal. FNV Bondgenoten was present at this at the request of the receivers; they were also notified by the receiver regarding the timetable for the coming days and were invited to be present at the business premises as point of contact for the employees (this invitation was not taken up). The employees then received the dismissal confirmations in person on 29 January 2014. The few who were unable to personally receive their informational dismissal received this by registered letter.

The employees who received an offer in personal interviews on Wednesday 29 January to commence employment with the relaunch company - they received a new employment contract and the new business code of conduct - had the opportunity to sign their contracts until Friday afternoon 31 January 2014.

⁸ Worldwide, the Heiploeg group had approximately 3200 employees.

On Friday 31 January 2014 in Oudwoude, a meeting was organised for the staff to whom no new contract had been offered by the relaunch company. At this meeting, the Employee Insurance Agency (UWV) issued the employees with intake forms and informed them regarding completion of the forms, and answered various questions in the context of the wage guarantee scheme and subsequent unemployment benefit, and payment of these. Receiver Breuker also gave an explanation and answered questions. Representatives of the trade unions FNV and CNV made use of the opportunity to give their views to the employees on the bankruptcy and what led to it, and its consequences for the staff. Mr H. Wielinga briefly addressed the meeting and indicated that the relaunch company had set aside an amount of over €1000 per person for career (and other) guidance by LTP. Mr J. Loeffen, on behalf of LTP, is working together closely with Werkplein Noord Groningen on this. Finally, on behalf of Werkplein, Ms E. Akkerman informed the employees about what Werkplein could mean for them.

The trade unions then issued the receivers with various demands and conditions, despite the fact that, in a bankruptcy situation, there is no statutory arrangement whatsoever on the grounds of which these requirements and conditions could be made to the receivers. The above does not affect the fact that the receivers (naturally) also take and have taken the interests of the employees to heart, which has been expressed, for example, in the retention of as much employment as possible in the relaunch realised. Inasmuch as the trade unions have a role, this is the role which is given to them under the Collective Redundancy (Notification) Act (CRNA) in the form of a consultation obligation on the basis of section 6 CRNA. However, this statutory arrangement only covers consultation of trade unions and does not incorporate a result obligation as intended by the trade unions with their set requirements and conditions.

Moreover, an invocation of noncompliance with the consultation obligation in this case would result in a delay to inevitable dismissals. Even after a possible consultation with trade unions, the receivers could have made no decision other than that dismissal is necessary. As the wage guarantee scheme is also limited in terms of timespan, the wage claims could only be deferred in such a situation, which would result in an increase to the debt burden on the joint creditors.

The Explanatory Memorandum of 22 October 2013 accompanying the Continuity of Enterprises Act I Bill (which intends to realise statutory arrangements for undisclosed administration) indicates that a plausible case must be made in the appointment that: the interest of the joint creditors has been served, or interests of a social nature - such as the retention of employment for the employees present in the enterprise - have been served.

In its appointment of 16 January last, the court indicated that *"The purpose of this arrangement is the realisation of the highest possible return for the joint creditors."*

It is also important to note that the undisclosed administrators (therefore up to the bankruptcy) did not have any statutory authorisation or task whatsoever. They were in fact present to monitor, inform themselves and be informed. This was also stated by the court at the time of appointment.

Until the moment of the bankruptcy, the administrators were therefore not in a position to give the trade unions a role. The receivers sought contact with the trade unions in order to inform them within an hour of the pronouncement of the bankruptcy.

On 21 February last, *mr A.A.M. Broos* submitted a written request on behalf of FNV Bondgenoten to the receivers to answer various questions by 7 March 2014 at the latest, and that if they did not do so, he would submit a request pursuant to section 69 of the Bankruptcy Act. FNV wishes to investigate whether, before the bankruptcy date, a transfer of undertakings took place pursuant to 7:662 DCC, or whether all employees of Heiploeg became employees of Heiploeg International ipso jure.

The receivers responded on 7 March, and therefore in good time, and provided such information which, reasonably and in view of the circumstances of the case, may be expected to be provided. The receivers referred *mr* Broos to the published report of the undisclosed administration and the first liquidation report. In part, they provided further information, and for part of the unanswered questions they indicated that they do not see the importance in answering them, because this part related to the period after the bankruptcy had already been pronounced. In response to this, *mr* Broos indicated that he had already submitted the request to the delegated judge. He indicated that he had not set the period correctly.

In a letter dated 7 March 2014, *mr* Broos approached the delegated judge on the grounds of section 69 of the Bankruptcy Act and requested that he order the receivers/intended receivers to answer the questions put. The delegated judge is of the opinion that FNV Bondgenoten is not an interested party within the meaning of section 69 of the Bankruptcy Act. In a decision dated 17 March 2014, the request was ruled inadmissible.

2.4 Situation regarding progress on guidance for former employees

Of the people who were not offered a new contract by the relaunching party, a total of 45 have applied for career or other guidance, provided directly by LTP or otherwise:

	Number
Registered candidates	45
Training/course	29
Coaching	17
Assessment of test	5
Work or in process	9

Of the 29 candidates who took a short-term qualifying course, 18 candidates were able to take 2 or more courses.

Approximately 8 candidates saw the termination as an opportunity to take their careers in a different direction, either through a work-learning process or via retraining. The work-learning processes will only be able to be realised in the autumn.

Various former Heiploeg employees are (also) making use of the services of Werkplein Noord-Groningen (Winsum); they regularly attend monthly jobs market, and nine of them have taken a number of courses at Werkplein.

3. Assets

A.

3.1. Description

Noordeinde 107, Volendam including the address De Kuul with house numbers 7 - 15 and 25 (Goldfish B.V.)

Structures (business premises with refrigeration and freezer units and office space) and the land on which they stand, known in the land registry as Edam, section C, numbers 2982, 3342, 3527, 3338, 3339 and 3529 (total size: 5,625 m²).

Panserweg 14, Zoutkamp (Heiploeg B.V. and Heiploeg Holding B.V.)

Heiploeg rented the buildings and grounds in Zoutkamp from a group of investors united in Zoutkamp Real Estate CV (following a sale and lease back construction in 2008). This is a plot of land with structures (business premises and office building, accompanying roads and appurtenances), known in the land registry as Ulrum, section K, numbers 891 (size: 3 a 73 ca) and 892 (size: 14 ha 23 a 81 ca).

Panserweg 3 and 4 in Vierhuizen

The building is the property of Heiboer B.V. The plots were originally bought for environmental reasons. The building is not mortgaged to ABN AMRO Bank. The building has been sold to the relaunching party and an amount of €200,000 will be added to the estate from the sale. ABN AMRO Bank has been requested to transfer this amount to the bankruptcy account.

3.2. Sale proceeds

The building in Volendam is for sale. The estate agent selling it is Vlieg Makelaars of Alkmaar. There is a good amount of interest in the building. It is to be expected that the building will be sold in the next reporting period. The ground lease on the building in Zoutkamp will be terminated. The relaunch company wants to acquire full ownership of the sites and buildings, and has reached agreement with Zoutkamp Real Estate CV regarding the purchase price. The receivers have promised their cooperation on a transfer of the bare ownership. **The immovable property has been sold for €1,750,000. The delegated judge granted permission for the sale on 24 March 2014. The transfer took place on 25 April 2014.**

3.3 Amount paid to the receivers in their capacity as estate administrators for work done

No separate amount will be paid to the receivers for the sale of the respective immovable properties, because this is deemed to be included in that part of the purchase price that is intended for the liquidation assets, namely the amount of €3.5 million (including €400,000 for the receivers for work done).

B. Company resources

3.4 Description

For a description of the business resources, reference is made to the inventory reports dated 29 January 2014 of NTAB (appendices 1.2. and 1.3.). The vast majority of the business resources can be designated as property found on the premises. It has been agreed with the banks that they will issue a guarantee for an additional payment of €1,600,000 from the purchase amounts to be received by them if it becomes apparent that the free assets are insufficient to meet (in full) the claim of the tax authorities to which the right of seizure by the tax authorities of third-party property found on the tax debtor's premises applies.

3.5 Sale proceeds

For the business resources and assets described below under C1, C2 and C7, the relaunch company has paid a purchase amount of €10,000,000.

3.6 Amount paid to the receivers in their capacity as estate administrators for work done

No separate amount will be paid to the receivers for the sale of the respective business resources, because this is deemed to be included in that part of the purchase price that is

intended for the liquidation assets, namely the amount of €3.5 million (including €400,000 for the receivers for work done).

3.7 Right of seizure by the tax authorities of the tax debtor's property found on the premises

This is deemed to exist. On the grounds of section 57 subsection 3 of the Bankruptcy Act, the receivers have represented the interests of the tax authorities in this matter as discussed above in 3.4.

C. Other assets

3.8 Description:

1. The shares held by Noord Zuid Beheer B.V. (74%) in Heiploeg Seafood Ltd. (established under Indian law) and TK Fish S.A. (established under Moroccan law);
2. The shares held by Heiploeg Holding in Nautica Nova NV (established under Curaçao law)
3. The shares held by Heiploeg Beheer BV in Morubel NV
4. The shares held by Heiploeg Beheer BV in de Erste SGK Verwaltungs Gesellschaft mbH
5. The shares held by Heiploeg Seafood BV and Goldfish BV in Euroshrimp BV
6. The shares held by Heiploeg Beheer BV in Dansk Heiploeg A/S
7. Intellectual property rights, with the exception of Elite (Goldfish B.V.), Masters of Good Taste (Heiploeg Holding B.V.) and Elite Masters of Good Taste (Heiploeg Holding B.V.)

Assets encountered

- Bank account at CIC Nord Quest. An investigation is being made as to whether, and if so to what extent, this account has been involved in the arrangements made with ABN Amro Bank. Both during the pre-pack period and thereafter, various amounts were creamed off on this foreign account. An investigation must be made as to the basis for this creaming off.
- A bank account at Rabobank with an unpledged bank balance in excess of €600,000 in the name of Seafood BV. The amount has now been transferred to the bankruptcy account.
- RBS bank account with approximately €8,000. An investigation is being made into who is entitled to this amount.

3.9 Sales proceeds:

Item 1. The shares held by Noord Zuid Beheer BV in Heiploeg Seafood Ltd have been sold and will be transferred to the relaunch company. It has been agreed with the banks that, now that the shares in this company are no longer pledged, an amount of €100,000 will accrue to the liquidation assets, which amount is equal to the value of the shares according to a valuation report of 8 January 2014 by KPMG Advisory NV. The shares in TK Fish S.A., which are pledged to the banks, will be sold and transferred to the relaunch company. KPMG has also valued the shares and has come to the conclusion that, due to the fact that the company is jointly and severally liable for the total bank debt, these are worthless. **The shares in Heiploeg Seafood Ltd and TKfish must still be transferred.**

Item 2. This pertains to the South American activities of Heiploeg (Surinam and Guyana). These shares have been sold and will be transferred to the relaunch company. The shares are pledged to the banks. Nautica Nova is jointly and severally liable for repayment of the financing/refinancing issued by the banks to the entire group in 2012. The shares were valued by Duff & Phelps in its report of 14 January 2014 in the event of the bankruptcy of

the parent group at a value between €6,900,000 and €11,900,000 (concluded equity value) after deduction of Intercompany ratios. **The shares in Nautica Nova must still be transferred.**

Item 3. This pertains to the Belgian activities of Heiploeg. The shares will not be sold and transferred to the relaunch company. Long before the bankruptcy, Heiploeg started investigating the possibilities regarding selling this subsidiary. In this context, no comments will be made regarding the value of the shares for the time being in this report. The shares are pledged to the banks, and subsidiary Morubel is jointly and severally liable for the entire financing by the bank consortium. Further information will follow in the next report.

The shares were sold to Morubel Holding B.V. and one share to Stichting Continuïteit Morubel, with the objective of selling on the shares in Morubel NV.

There are currently multiple candidates for the shares. The receivers have been asked to sign a release letter to withdraw any claims against Morubel NV. The receivers wish to have a discussion with the director of Morubel N.V. before signing any release letter. This meeting is planned for Tuesday 3 June at 2 p.m.

Item 4. This pertains to the German activities of Heiploeg. These shares are pledged to the banks. These shares have not been sold to the relaunch company. ESGK Verwaltungs Gesellschaft was declared bankrupt on 1 April 2014. There has not yet been any contact with the Konkursverwalter, Dr Mordhorst. **A meeting took place on 27 March 2014 at the offices of Dr Mordhorst. Work agreements were made.**

Item 5. The shares will not be sold and transferred to the relaunch company. These shares represent a value not in excess of €14,000, being the bank balance at Rabobank. This otherwise empty BV will be liquidated by the receivers.

Item 6. These shares have not yet been sold to the relaunch company. The relaunch company has expressed interest in them. **The value still needs to be determined.**

Item 7. Apart from the exceptions listed above, the intellectual property rights have been sold to the relaunch company. Transfer of the named exceptions will take place to Morubel N.V. (or a subsidiary of it designated for this purpose), and a licence will be granted to Morubel N.V. for a period of 6 months for use of the “Rostrum” brand. **IP rights have still not been fully transferred.**

3.10 Amount paid to the receivers in their capacity as estate administrators for work done

No separate amount will be paid to the receivers for their cooperation in the transfer of the assets referred to in points 1 through 6 at 3.8, because this is deemed to be included in the total payment of €400,000.

D. Stocks/ work at hand

3.11 Description

At the time of the bankruptcy, the stocks represented a value in excess of €28 million. The stocks have been sold to the relaunch company on payment of 70% of their value, with the exception of the stock which was on its way to the Netherlands under LC, known as “Sailing Stock”, for which 100% of the value will be paid.

The definitive purchase amount for the stock and accounts receivable was set at € 43,750,000 in the final negotiations which took place between the banks, the purchaser and the receivers as vendor on 24 March 2014.

3.12. Sale proceeds

An investigation will still be made into how much stock was "sailing" and how much stock was precisely where at the time of the declaration of bankruptcy: in the company's own warehouse, in a third-party warehouse, in transit, in the Netherlands, Morocco, Suriname, India, etc. The eventual purchase price will be determined depending on the results of this investigation.

This has been investigated and established.

3.13 Amount paid to the receivers in their capacity as estate administrators for work done

Again, the contribution to the fees of the receivers in this matter is deemed to be included in the contribution of €400,000.

E. Heitrans

- 3.14 It has become apparent to the receivers that the shares in Heitrans are not pledged to the banks and that Heitrans is therefore not liable for repayment of the financing to the banks. Heitrans also did not benefit from the group financing provided. In this context, the receivers have invoked against the banks an amount of €300,000 for the sale of the assets to the relaunch company. This €300,000 consists of the forced sale value of the tangible assets and a claim against Morubel. The bankruptcy of Heitrans will eventually be settled separately from the group. An amount of €296,639.55 was encountered in the bank account of Heitrans; this amount has now been transferred to the bankruptcy account.

4. Debtors

4.1 Size of debtors

The debtor portfolio amounted to approximately €24 million on the date of bankruptcy. The receivers and the banks have determined the portion that will be assigned to the liquidation assets in the context of the nonassignment clauses and the prohibitions on pledging (on the grounds of which the receivers could dispute the security rights of the banks with regard to part of the claims) at €2.7 million. NTAB and the relaunch company will determine in mutual consultation what the exact level of the accounts receivable balance was on the bankruptcy date. This is no longer of influence on the amount to which the liquidation assets are entitled.

Several accounts receivable have paid into the bankruptcy account. These amounts have now been transferred to the bank account of Heiploeg International B.V.

The definitive purchase amount for the stock and accounts receivable was set at € 43,750,000 in the final negotiations which took place between the banks, the purchaser and the receivers as vendor on 24 March 2014.

4.2 Proceeds

The relaunch company will pay 70% on the accounts receivable balance.

4.3 Amount paid to the receivers in their capacity as estate administrators for work done

Again, the contribution to the fees of the receivers in this matter is deemed to be included in the contribution of €400,000.

5. Bank / Securities

5.1 Claim of the bank(s)

The three banks Rabobank Stad and Midden Groningen (including Frieslandbank for a substantial part and Rabo Nederland, for a small part), ABN AMRO and Landsbanki together have a claim of approximately €130 million. The banks have entered into the obligation, after the securities have been recovered, to subordinate half the ordinary remaining debt to the other ordinary debtors.

On the grounds of a settlement agreement with the State of the Netherlands (ACM of the NMA) dated 8 August 2012, Heiploeg was required to pay a total amount of €6,092,972.42 (+ interest). The above was to be paid in accordance with the agreed timetable for payment. In this context, a bank guarantee was provided by Rabobank Stad and Midden Groningen of a maximum of €4,500,000, which in the context of the periodic reduction amounted to €945,766.10 on 3 February 2014. In view of the default by Heiploeg, the State has claimed payment of this amount from Rabobank under the bank guarantee.

5.2 Lease contracts

The following lease contracts have been encountered:

Name	in the name of	Operational/financial	Description
ABN AMRO Lease	Heiploeg B.V.	Operational	Linde combi truck
BNP Paribas (MotracLinde Leasing)	Heiploeg B.V.	Operational	<u>44</u> forklift trucks, etc.
BNP Paribas	Heiploeg B.V.	rent	Canon equipment
BNP Paribas	Heiploeg B.V.	rent	<u>10</u> manual pallet truck
BNP Paribas (MotracLinde Leasing)	Heitrans B.V.	Operational	Electric stacking machine
Century Auto Lease B.V.	Heiploeg Seafood B.V.	Operational	AUDI
ING Lease (Ned.) B.V.	Heiploeg B.V.	Sale & Oper. Lease back	packaging machine
ING Lease (Ned.) B.V.	Heiploeg B.V.	Financial	<u>24</u> peeling machines, cooking line, sealpac packaging machine
ING Lease (Ned.) B.V.	Heiploeg B.V.	Financial	packaging machine, Racupack sleeve
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OK46GS; Vogelzang refrigerated trailer
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OK50ZZ; Burgers multideck
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OK69ZT; Burgers multideck
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OL76BZ; Van Eck doubledeck
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OL62DN; Van Eck doubledeck
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	OK71FP; Vogelzang refrigerated trailer
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	8VLB00; Fiat Ducato
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	3VLH42; Fiat Ducato
ING Lease (Ned.) B.V.	Heitrans B.V.	Operational	441007; terminal tractor
Noord Lease BV	Heiploeg Seafood B.V.	Operational	KIA

Noord Lease BV	Heiploeg Seafood B.V.	Operational	CITROEN
Noord Lease BV	Heiploeg Seafood B.V.	Operational	VOLVO
Noord Lease BV	Heiploeg Seafood B.V.	Operational	PEUGEOT
Noord Lease BV	Heiploeg Seafood B.V.	Operational	PEUGEOT
Noord Lease BV	Heiploeg Seafood B.V.	Operational	VOLVO
Noord Lease BV	Heiploeg Seafood B.V.	Operational	RENAULT
Noord Lease BV	Heiploeg Seafood B.V.	Operational	VOLKSWAGEN
Noord Lease BV	Heiploeg Seafood B.V.	Operational	PEUGEOT
Noord Lease BV	Heiploeg Seafood B.V.	Operational	BMW
Noord Lease BV	Heiploeg Seafood B.V.	Operational	BMW
Noord Lease BV	Heiploeg Seafood B.V.	Operational	MAZDA
Transned	Heitrans B.V.	Operational	<u>20</u> trailers
VFS Financial Services B.V.	Heitrans B.V.	Operational/lease	<u>12</u> tractors/tractor chassis

The agreements with Noord Lease B.V. have been taken over by the relaunch company; consultations are still taking place regarding the other contracts.

As far as is known, all the lease contracts referred to have been taken over or have been terminated.

5.3 Description of securities

The financings and the (mutual) securities have been described in detail and set down in notarial and other instruments drawn up by Clifford Chance.

5.4 Positions as secured creditors

These are deemed to exist on the grounds of pledge and mortgage.

5.5 Amount paid to the receivers in their capacity as estate administrators for work done

See above. The total amount paid to the receivers in their capacity as estate administrators for work done is €400,000.

5.6 Retention of title

To date, 54 creditors have invoked a retention of title. The settlement of retentions of title is complicated, due to the 'pre-pack' period, the relaunch and the scale of the business activities.

In reporting periods 1 and 2, 66 creditors have invoked a retention of title.

In good consultation with P&P - and in accordance with the agreement entered into between the parties - all retentions of title have been settled.

5.7 Rights to claim back unpaid goods

Such rights have been invoked few times, in combination with an invocation of a retention of title.

These were settled in reporting period 2.

5.8 Rights of retention

This was a hot item particularly during the first days of the bankruptcy. This usually involved transport companies which were en route with or were set to depart with fresh and/or frozen products. It was important in this context to make a distinction between transport companies which were already en route before the date of bankruptcy and those which left after this date. The transport companies which were en route were able to invoke their right of retention with regard to the invoices already outstanding; the relaunch company has reached agreement with these transport companies in the specific cases, in consultation with the receivers. The receiver was able to break through rights of retention on goods which were located in the Netherlands under Dutch law by "demanding" them. However, most of the goods were located abroad, with all the complications arising from this. But it was thanks to the pre-pack that business could be done quickly with these transport companies and other retentors on the day of the declaration of bankruptcy, by making payment and other proposals which could also immediately be implemented. In the case of transport companies which started transporting on or after the date of the bankruptcy, the relaunch company issued and issues guarantees for payment for the transport in question.

6. Relaunch/ continuation

Continuation

Continuation has not taken place at the risk of the liquidation assets. Points 6.1 and 6.2 are not applicable.

6.2 *Operation/ securities*

6.3 *Financial reporting*

Relaunch

This is taking place. The assets involved in the sale and their proceeds are described in chapters 3 and 4. Points 6.3 through 6.6 have no further applicability.

6.4 *Description*

6.5 *Accountability*

6.6 *Proceeds*

6.7 *Amounts paid to the receivers in their capacity as estate administrators for work done*

7. Regularity

7.1 Accounting obligation

This has been met.

7.2 Filing of annual accounts

<u>Financial Year</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Heiploeg Holding	27/03/2013	01/05/2012	24/03/2011
Heiploeg Beheer	27/03/2013	01/05/2012	13/12/2010
Heiploeg	27/03/2013	01/05/2012	24/03/2011
Goldfish	27/03/2013	01/05/2012	01/05/2012
Heiboer	27/03/2013	04/05/2012	15/12/2010
Heitrans	27/03/2013	04/05/2012	13/12/2010
Heiploeg Seafood	27/03/2013	04/05/2012	13/12/2010
Noord Zuid Beheer	27/03/2013	04/05/2012	13/12/2010

The filing obligation has therefore been complied with.

7.3 Unqualified audit certificate

<u>Financial Year</u>	<u>2012</u>	<u>2011</u>
Heiploeg Holding	yes	yes
Heiploeg Beheer	yes	yes
Heiploeg	yes	yes
Goldfish	yes	yes
Heiboer	not yet known	
Heitrans	not yet known	
Heiploeg Seafood	not yet known	
Noord Zuid Beheer	not yet known	

7.4 Payment obligation on shares

Any obligations to pay up have lapsed.

7.5 Improper administration

This is currently being investigated, in particular with regard to the period 2000 - 2009, during which the alleged cartel arrangements were made according to the European Commission, in its decision to impose a fine of more than €27 million.

In reporting period 2, the former directors were invited by the receivers to attend discussions. Some of these discussions have already been scheduled, others remain to be scheduled.

7.6 Fraudulent actions in respect of creditors

This still needs to be investigated.

Ditto

8. Creditors

8.1 Claims against the insolvent company

Employee Insurance Agency

Heiploeg Holding B.V.	€ 48,953.39
Heiploeg B.V.	€ 139,359.62
Heiploeg Seafood B.V.	€ 745,674.93
Heitrans B.V.	€ 95,133.07

Lessor of Stroobos location	€	88,793.40
Higher Water Control Council rate location Volendam	€	952.52

8.2 Preferential debt(s) of the tax authorities

According to information from the bankrupt company, this claim will not exceed an amount of €1 million.

Heiploeg	€ 136,569.-
Heitrans	€ 47,306.-

8.3 Preferential debt(s) of the Employee Insurance Agency

Heiploeg Holding B.V.	€ 73,515.16
Heiploeg B.V.	€ 163,065.29
Heiploeg Seafood B.V.	€ 1,380,134.90
Heitrans B.V.	€ 116,644.47

8.4 Other preferential debts

Unpaid receivables from former employees who are not covered by the wage guarantee scheme of UWV.

8.5 Number of ordinary creditors⁹

Heiploeg	- 240
Heitrans	- 78

8.6 Sum of money of ordinary creditors¹⁰

Heiploeg	- €41,973,772.42
Heitrans	- € 2,292,944.90

8.7 Expected method of liquidation

It is too early to make any definite statements in the matter.

It is reasonable to assume that simplified settlement of the bankruptcy will be permitted.

9. Proceedings

No proceedings have been brought or taken over by the receiver. *Points 9.1 through 9.3* are not applicable.

9.1 *Names of other party/ parties*

9.2 *Nature of proceedings*

9.3 *Status of proceedings*

10. Miscellaneous

⁹ Submitted for verification

¹⁰ Submitted for verification

10.1 Timetable for liquidation

Not yet known.

10.2 Plan of Action

- ✓ go through bankruptcies questionnaire (collect documents)
- inventory of assets
- ✓ valuation of assets
- inventory of properties of third parties/ retentions of title
- sale of assets
- transfer of assets
- completion of relaunch (takeover of contracts, etc.)
- insurance policies (inventory and terminations)
- inventory of securities
- settlement with secured creditors
- inventory of creditors
- ✓ dismissal of employees
- investigation of lawfulness
- investigation of administration
- investigation regarding improper administration
- usual work

10.3 Submission of next report

The next report will be drawn up by 28 August 2014 and submitted within one week of this date.

Groningen,

G.W. Breuker and P. Lettinga
receivers