In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

THURSDAY

A8272VMH
A08 28/03/2019 #284
COMPANIES HOUSE

1 Company details

Company number	0 9 9 1 1 8 5 4
Company name in full	Malbec Bidco Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	Matthew David
Surname	Smith

3 Administrator's address

Building name/number	1 New Street Square
Street	
Post town County/	London
Region	
Postcode	E C 4 A 3 H Q
Country	

4 Administrator's name ❶

Full forename(s)	Robert James
Surname	Harding

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	1 New Street Square
Street	
Post town County/	London
Region	
Postcode	E C 4 A 3 H Q
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

	d	d	m	m	y	y	y	y
From date	3	1	0	8	2	0	1	8
To date	2	7	0	2	2	0	1	9

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X X

	d	d	m	m	y	y	y	y
Signature date	2	7	0	3	2	0	1	9

AM10
Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Narinder Aheer
Company name	Deloitte LLP
Address	1 New Street Square
Post town	London
County/Region	
Postcode	E C 4 A 3 H Q
Country	
DX	
Telephone	+44 121 632 6000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Deloitte.

Malbec Bidco Limited (in Administration)

("the Company")

Progress report to creditors for the period 31 August 2018 to 27 February 2019 pursuant to Rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

Court Case No. 7350 of 2018
High Court of Justice
Company Number: 9911854

Registered Office:
c/o Deloitte LLP
Four Brindley Place
Birmingham
B1 2HZ

Matthew David Smith and Robert James Harding ("the Joint Administrators") were appointed Joint Administrators of Malbec Bidco Limited on 31 August 2018. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

27 March 2019

Key messages

Key messages

Joint Administrators *of the Company*

Matthew David Smith

Robert James Harding

Deloitte LLP

1 New Street Square

London

EC4A 3HQ

Contact details

Email: naheer@deloitte.co.uk

Website:

www.deloitte.com/uk/caugaucho

Tel: 0121 695 5250

	Commentary
Purpose of administration	• The purpose of the administration is to realise property in order to make a distribution to the secured creditors.
Progress of administration	• The purpose of the administration was achieved by virtue of the Company being a party to the various transactions that led to the sale of the shares of Gioma (UK) Limited (in Administration) ("**Gioma**") by Gaucho Grill Limited ("in Administration") ("**GGL**"). • While no funds have been directly received by the Company, the outcome for creditors has been improved as a result of the various transactions involved in the sale of the shares in Gioma by GGL. As part of this transaction, £21m of the secured debt of the Company was novated to Gioma prior to its sale, thereby releasing the Company from this element of the secured claim. • In addition, during the period we have carried out the various tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature. Please see page 5 for further details.
Costs	• We have not fixed the basis on which we are to be remunerated. However, as mentioned in our proposals, we propose to charge our fees as a fixed fee of £100,000, please see page 10 for further details. • Disbursements of £331 have been incurred in the period. Please see page 11 for further details. • There were no third party expenses incurred during the report period.
Outstanding matters	• Finalise all Tax and VAT matters. • Case closure matters.
Dividend prospects	• No distribution will be made to secured creditors, although, as set out above, the secured creditors claims have been reduced by £21m following novation of part of the secured debt to Gioma prior to its sale. • There is unlikely to be a distribution made to preferential creditors. • There is unlikely to be a distribution made to unsecured creditors.
Extension to administration period	• We do not anticipate that it will be necessary to extend the period of the administration, which is due to end on or before 31 August 2019.

Progress of the administration

Progress of the administration
Summary

Progress of the administration

Sale of assets

The Joint Administrators of Gioma launched a Company Voluntary Arrangement ("**CVA**") on 5 September 2018 in order to release Gioma from certain liabilities and enable a sale of the shares of Gioma.

The CVA was approved on 19 September 2018 and the sale of the shares in Gioma held by GGL completed on 22 October 2018. The intercompany debtors due to the Company from Gioma were settled as part of this transaction.

While no funds have been directly received by the Company, the outcome for the Company's creditors has been improved as a result of the various transactions involved in the sale of the shares in Gioma by GGL. As part of this transaction, £21m of the secured debt of the Company was novated to Gioma prior its sale, thereby releasing the Company from this element of the secured claim and reducing the shortfall to creditors.

Investigations

We have reviewed the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against parties either connected to or who have had past dealings with the Company.

Having completed this review no further avenues of recovery have been identified.

Director Conduct Reports

We have complied with our statutory duty to report on the conduct of the Company's directors and submitted our confidential report to the Insolvency Service on 30 November 2018.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- case set-up and management;
- statutory reporting;
- appointment notifications;
- correspondence;
- CDDA reporting;
- case reviews; and
- closing preparation.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Cost of the work done during the report period

No third party costs and expenses have been incurred during the report period. The legal costs incurred in completing the various transactions have been settled by Gioma and GGL.

Progress of the administration
Receipts and payments

Joint Liquidators' receipts and payments account 31 August 2018 to 27 February 2019

£	SoA values	Notes	Period	To date
Receipts				
	-		-	-
Total receipts	-		-	-
Payments				
			-	-
Total payments			-	-
Balance				-
Made up of:				
				-
Balance in hand				-

A receipts and payments account is provided opposite. There have been no transactions for a direct monetary value since the date of our appointment.

The statement of affairs similarly estimated that there would be no asset realisations.

Information for creditors

Secured creditors

The Company's records show the secured creditors at the date of our appointment were Investec Bank PLC and SC Lowy Primary Investments Limited.

The total value of the secured debt was £49.0m, secured by way of fixed and floating charges granted by the Company on 17 February 2017.

The secured creditors will not received any funds directly from the Company. All distributions to the secured creditors will be received from GGL. However, as noted previously, £21m of the secured debt was novated to Gioma prior to its sale, so secured claims against the Company have been reduced by this amount.

Preferential creditors

The Company had three employees on the appointment of the Joint Administrators. One of these employees transferred to Gioma as part of the sale, whilst the remaining two employees are no longer employed by the Company.

There are unlikely to be any funds to distribute to preferential creditors.

Unsecured creditors

Based on the statement of affairs, there are six unsecured creditors with claims of £4m. To date claims totalling £2m have been received.

As detailed above, it is unlikely that there will be sufficient asset realisations to enable a distribution to be made to unsecured creditors.

Prescribed Part

As no floating charge realisations are expected the Prescribed Part provisions are unlikely to apply to this case.

Claims process

As there is unlikely to be a distribution for unsecured creditors, we do not intend to undertake any work to agree any creditor claims received at this stage. This work will be performed only once the dividend prospects are certain.

Remuneration and expenses

Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/caugaucho.

Should you require a paper copy, please send your request in writing to us at the address on page 3 of this report and this will be provided to you at no cost.

Basis of remuneration

We intend to request the secured creditors fix the basis of our remuneration as a set amount of £100,000, should funding be available to meet this.

Remuneration and expenses
Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Disbursements

Our disbursements to date are in line with estimates provided in the proposals and are summarised below which it can be seen that we have not yet recovered our disbursements.

Category 2 Disbursements

Specific approval is required before these costs and expenses can to be drawn from the administration estate and we intend to seek approval for these costs by consent of each secured creditor.

We do not anticipate any category 2 disbursements during the administration period.

Category 1 disbursements

£ (net)	Value	Unpaid
Bonding	230	230
Statutory advertising	101	101
Total expenses	**331**	**331**

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within *21 days of receipt of this report, in accordance with* Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

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