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WLP Restructuring

10 July 2026

Date of Appointment: 22 April 2026
Contact Name: Deanne Lee
Email: hudson@wlpr.com.au

CIRCULAR TO CREDITORS

Hudson Global Resources (Aust) Pty Ltd (Administrators Appointed)
Trading as Hudson
ACN 002 888 763 (the Company)

I refer to the appointment of Benjamin Ho, Nicholas Charlwood and myself as joint and several Administrators of the Company on 22 April 2026. I also refer to the Resumed Second Meeting of Creditors held on 24 June 2024 **(Resumed Meeting**), where creditors voted on the future of the Company.

I now provide all creditors with an update on the status of the Administration.

1. Outcome of the Resumed Second Meeting

During the Resumed Meeting, creditors resolved that the Company accept the terms of the Deed of Company Arrangement (**DOCA**) Proposal received on 15 June 2026 from a consortium of the existing owners, management team, and advisors **(DOCA Proposal 1).**

Under the terms of DOCA Proposal 1, the Company's business operations were going to continue in existence, all employees and contractors would retain their employment, and payment of all unpaid and outstanding employee entitlements such as pre-appointment Superannuation and commissions, were to be paid as a step-in effectuation.

Pursuant to section 444B(2) of the Corporations Act 2001, the Administrators and the Deed Proponents are required to execute the DOCA within 15 business days of the resumed meeting being on or before 15 July 2026.

At the date of this circular, the DOCA has not been executed and the Deed Proponents have since advised the Administrators that they do not believe that the conditions precedent to execution DOCA is able to be met. As a result, DOCA Proposal 1 will now not proceed.

Creditors are referred to section 4 of this circular for further details of the DOCA Proposal 1 and the impact of the Administration.

2. VLHA Cancellation Notice and media release

As you may be aware, following conclusion of the Resumed Meeting, the Victorian Labour Hire Authority (**VLHA**) formally issued a cancellation notice to the Company on 26 June 2026 (**Cancellation Notice**) in respect of its Victorian Labour Hire Licence. A copy of the Cancellation Notice is enclosed as **Annexure A,** which confirms that the Company is unable to provide any further labour hire services in Victoria from 10 July 2026.

You may also be aware that shortly after the Cancellation Notice was issued by the VLHA, an article was published in the Australian Financial Review confirming the Company's Victorian Labour Hire licence had been cancelled. The article also referenced a media release issued by the Commissioner of the VLHA which appeared to contain certain material errors. As Administrators we are presently considering whether to have those rectified.

Prior to receipt of the Cancellation Notice, the Administrators and Deed Proponents had intended to execute the DOCA by 30 June 2026, however as the Proponents were considering whether to file an appeal of the LHAs decision and or fund the Administrators to file the application on the Company's behalf, the DOCA was not executed at this time.

Following subsequent discussions with the Deed Proponents, the Administrators were unable to reach an agreement regarding the provision of funding to enable the Administrators to either appeal the VLHA Cancellation Notice or seek a stay of the decision. We did however formally request a short extension to the date on which the Cancellation Notice was to take effect (10 July 2026) in an attempt to preserve the value of the Company's business. The VLHA declined our request.

As a result, the Administrators took steps to offboard any contractors impacted by the Cancellation Notice such that the Company remained compliant. This resulted in the termination of 251 contractors impacted by the cancellation of the licence.

The Administrators continue to engage 827 contractors in other jurisdictions in Australia to service clients and the contracts which remain on foot.

3. ATO notice of appeal

As set out in our Supplementary Report dated 26 May 2026, on 21 May 2026 the ATO filed a Notice of Intention to Appeal (**Notice of Appeal**) the primary judgment issued by Brereton J in respect of In the matter of Hudson Global Resources (Aust) Pty Limited [2026] NSWSC 535 (**Primary Judgment**).

Throughout the Administration, the Administrators have continued to engage with the ATO regarding its potential appeal, including the expected timing and whether it intended to seek repayment of monies which would have been required to be paid under the Garnishee Notice had the Court not made orders in the Primary Judgement providing the Administrators with relief under s447a of the Corporations Act (**447A Payments**)

The Administrators, on numerous occasions, also requested that the ATO expedite any appeal in order that creditors could be provided with certainty and could make an informed decision as to the options available for the Company's future.

On 10 June 2026, the Administrators received correspondence from the ATO's solicitors which confirmed its intention to commence an appeal from the Primary Judgment and noted it is expected to be in a position to file and serve a Notice of Appeal within 14 days. The ATO's letter otherwise continued to reserve all of their rights.

The ATO failed to file its appeal within its quoted timeframe, therefore we were unable to provide creditors with any certainty in our Third Supplementary Report and the Resumed Meeting.

Following conclusion of the Resumed Meeting (and after creditors approved DOCA Proposal 1), we understand that the Deed Proponents wrote to the ATO seeking clarification as to the ATO's position on the Garnishee Notice together with advanced notice of its intention to execute the DOCA on 30 June 2026.

On 30 June 2026, the ATO filed its Notice of Appeal (**Appeal**) against the Primary Judgement. In addition to the Appeal, the ATO issued correspondence to the Administrators and the Deed Proponents which referred to the VLHA's Cancellation Notice and indicated that the ATO was considering whether to seek relief concerning the resolution passed by creditors on 24 June 2026, the proposed execution and effectuation of the DOCA and the associated creditors trust. A copy of the ATO's letter dated 30 June 2026 is attached as **Annexure B.**

Prior to filing any application to set aside the DOCA, the ATO requested that it be provided with further information together with confirmation that the DOCA would not be executed and effectuated prior receipt of same. In its correspondence, the ATO failed to confirm its position in respect of its Garnishee Notice, and otherwise continued to reserve all of its rights.

The orders sought by the ATO in its Appeal include:

(a) That order 1 of the orders made on 18 May 2026, which provided that pursuant to s 447A, Pt 5.3A of the Act is to operate such that s 440F be varied for the period from 18 May 2026 to the end of the voluntary administration of the Company so that no enforcement process or notice issued under s 260-5 of Sch 1of the *Taxation Administration Act 1953* (Cth) can be begun or proceeded with (and any such notice is inoperative to secure or impose any obligation on the recipient to pay an amount to the Commissioner of Taxation), except with leave of the Court; and in accordance with any terms the Court imposes, made by Brereton J on 18 May 2026 be set aside;

(b) That the application for relief under s 447A of the Act, in so far as it concerns the Garnishee Notice, be dismissed; and

(c) That the Administrators, or in the alternative, Hudson, pay to the ATO the amount of any payments, drawdowns or other amounts received from ScotPac on or after 18 May 2026, which would have been payable by ScotPac to the ATO pursuant to the Garnishee Notice but for Order 1 and entered on 18 May 2026, together with interest on each such amount from the date on which it was received until the date of judgment on the appeal.

As at the date of this circular, the total of the 447A Payments received by the Company after 18 May 2026 is $9,256,417.

The Appeal has been listed for Directions at Supreme Court Sydney on 22 July 2026.

4. Inability to effectuate the DOCA

As referred to earlier, following the Resumed Meeting, the Deed Proponents had written to the ATO to try and satisfy itself the ATO Requirement condition in the DOCA could be met. Despite issuing a number of letters which provided advanced notice of the date that the Deed Proponents intended to execute the DOCA, we understand that the ATO did not formally respond until 30 June 2026 being the date that the ATO filed its Appeal.

Upon receipt of the ATO Appeal and their associated letter of 30 June 2026, the Deed Proponents indicated to the Administrators that they were considering their position as to whether they could proceed with the DOCA Proposal 1.

On 6 July 2026, the Administrators received correspondence from the Deed Proponents which advised that, as a result of the ATO's position set out in its correspondence above, that it would not be in a position to proceed with the DOCA within the 15 business days required under the Act, without directions from the Court.

This letter also raised concerns as to the ATO's conduct in circumstances "where it appears to be the case (as the Proponents understand it) that the ATO has engaged in direct correspondence with the VLHA and may have played a direct role in precipitation of the cancellation of the Licence". A copy of the Deed Proponents letter is enclosed as **Annexure C**.

Given the Deed Proponents position, we note that DOCA Proposal 1 will not proceed.

5. Sale of Business

Upon receiving confirmation from the Deed Proponents that they had concerns executing the DOCA approved by creditors, the Administrators immediately sought to re-engage with those previous interested parties (WorkPac and HiTech) to identify and negotiate any further transactions capable of being executed. In re-engaging with these parties the Administrators were attempting to preserve the value of the Company's business as much as possible.

On 6 July2026 , the Administrators received updated proposals from both WorkPac and HiTech. In the Administrators opinion, the HiTech proposal is the preferred option given it is likely to result in a superior return to creditors than the WorkPac Proposal
In the interest of maximising returns to creditors, the Administrators have authorised HiTech to undertake extensive onsite due diligence and have continued to attend various meetings with its advisors and lawyers. At the date of writing, this due diligence period is now in its final stages and we anticipate receiving an updated binding offer from HiTech in the coming days.

6. Court Application to extend the Administration

The Administrators are presently unable to execute any sale agreements that are contrary to the s 444B resolution passed by creditors at the Resumed Meeting.

The Administrators have today filed an interlocutory application in the Supreme Court of New South Wales to extend the administration beyond the 15-business day period (ending 15 July 2026) prescribed by section 444B of the Corporations Act, amongst other relief, to facilitate any alternative transaction(s).

The application has been listed to be heard on 15 July 2026 at 12.00pm before Justice Black.

A copy of the application along with my supporting affidavit and today's listing Orders have been uploaded to the online creditors portal for creditors to review.

7. Next steps

The Administrators are continuing to trade the Company's business on a business-as-usual basis, until such time as;

1. The Administrators obtain relief from the Court as referenced above to extend the Administration and provide the ability to execute a business or asset sale agreement, or have creditors consider a further DOCA Proposal; and

2. An offer to purchase the business and/or assets that results in the best outcome for creditors is received in a form capable of being executed and completed.

Once the above items have been satisfied, the Administrators will prepare a further report to creditors which will include an updated statement of estimated returns and timing for creditors.

The Administrators continue to maintain the employment approximately 950 employees and contractors and intend to preserve as many jobs as possible. In doing so, the Administrators have continued to pay all wages and associated entitlements, including the early payment of approximately $3,500,000 in post appointment superannuation for the quarter to 30 June 2026 whilst maintaining Payday Super from 1 July 2026.

We appreciate the ongoing support and patience as we continue to work towards a successful outcome.

Should you have any queries on the contents of this letter, or the Administration generally, please contact the team at hudson@wlpr.com.au

Yours faithfully

Glenn Livingstone
Administrator

Encl.

Annexure A – VLHA Cancellation Notice, 26 June 2026

Annexure B – ATO Solicitors letter, 30 June 2026

Annexure C – Deed Proponents letter, 6 July 2026

Reference: VICLHL01487

26 June 2026

Glenn Livingstone, Benjamin Ho and Nicholas Charwood
Administrators for Hudson Global Resources (Aust) Pty Ltd
WLP Restructuring
Suite 19.03 Level 19
1 Castlereagh Street Sydney NSW 2000

Via Labour Hire Licensing Online HLO Portal

Also by email: swise@wlpr.com.au; glivingstone@wlpr.com.au

Dear Glenn Livingstone, Benjamin Ho and Nicholas Charwood

Cancellation of the labour hire licence held by Hudson Global Resources (Aust) Pty Ltd

Please find enclosed by way of service a Notice of Cancellation given pursuant to section 40 of the *Labour Hire Licensing Act 2018* (Vic).

The notice explains that the Labour Hire Licensing Authority **(LHA**) has cancelled the licence granted by LHA to Hudson Global Resources (Aust) Pty Ltd (Administrators Appointed) ACN 002 888 762 (**Hudson**).

The reasons for the cancellation of Hudson's licence are set out in the notice.

I ask that you share a copy of Notice of Cancellation with creditors.

Hudson may apply to VCAT for review of the decision to cancel its licence. For information about how to apply for a review, please visit www.vcat.vic.gov.au.

If Hudson is unsure of its obligations under the Act, please contact the LHA by email to enquiries@labourhireauthority.vic.gov.au or by telephoning 1300 545 200, or seek independent legal advice.

Yours sincerely,

E Barlow
Director- Intelligence, Compliance and Enforcement
Labour Hire Licensing Authority
26 June 2026

Labour Hire Licensing Act 2018 **(Vic) (section 40)**

NOTICE OF CANCELLATION OF A LICENCE

To:

Glenn Livingstone, Benjamin Ho and Nicholas Charwood
Administrators for Hudson Global Resources (Aust) Pty Ltd
WLP Restructuring
Suite 19.03 Level 19
1 Castlereagh Street Sydney NSW 2000

Also by email: swise@wlpr.com.au; glivingstone@wlpr.com.au

Licence number: VICLHL01487

TAKE NOTICE that, pursuant to section 40 of the *Labour Hire Licensing Act 2018* (Vic) (**Act**), the Labour Hire Licensing Authority (**LHA**) hereby cancels the licence granted by the LHA to Hudson Global Resources (Aust) Pty Ltd (Administrators Appointed) ACN 002 888 762 (**Hudson**) on 6 November 2019 and renewed on 7 November 2025.

The cancellation of Hudson’s licence will take effect on **10 July 2026** (**Cancellation Date**).

Reasons for cancelling the licence

1. By a Notice dated 15 May 2026 (**enclosed**), the LHA informed Hudson that it was considering cancelling the licence on the following grounds:

    a. It believes on reasonable grounds that the holder of the licence has contravened section 43 of the Act or the Regulations - a ground for cancellation under section 40(1)(a) of the Act
    b. It is no longer satisfied that each relevant person in relation to the licence is a fit and proper person - a ground for cancellation under section 40(1)(b) of the Act
    c. It is no longer satisfied that each relevant person in relation to the licence is compliant with legal obligations as required by section 23 of the Act including corporations law - a ground for cancellation under section 40(1)(c) of the Act.

2. It is noted that section 43 of the Act is a civil penalty provision which entitles the LHA to seek an order for payment of a monetary penalty.

3. Each of these grounds constitutes a basis for LHA to cancel a licence under section 40 of the Act.

4. The particulars of the grounds for cancellation were provided to Hudson in that Notice, and it was invited to provide any submissions in response to the proposed cancellation within 14 days.

The labour hire licensing scheme

5. The labour hire licensing scheme was established in 2019 to address the significant evidence of exploitation of workers in the labour hire industry.

6. The scheme therefore has a "protective purpose", which is reflected in the objects of the Act being to:

    a. protect workers from exploitation by providers of labour hire services and hosts, and
    b. improve the transparency and integrity of the labour hire industry.

The effect of the new provisions of the Act

7. In December 2025, the Victorian Parliament passed a bill to strengthen the powers of LHA to further address unlawful conduct in the labour hire industry.

8. LHA advised Hudson in the Notice that on 1 June 2026, amendments to the Act would come into effect with the relevant consequence that in addition to the compliance with superannuation, tax and workplace laws, LHA will have regard to:

    a. a wider range of relevant laws including corporations law
    b. the financial viability of the business
    c. the capacity of the business to comply with its obligations in the future.

9. The effects of the new provisions of the Act on this decision are as follows.

Section 40(1)(c) of the Act has been broadened

10. Section 40(1)(c) of the Act has been broadened to allow LHA to consider previous, current and future compliance with the laws specified in section 23(1A) of the Act. The standard is the LHA's own satisfaction. LHA need not find positively that a person has breached, or will breach, the law; it is enough that it cannot reach the required state of satisfaction of compliance. Section 23(1A) laws also now include corporation laws.

11. With respect to this decision, that means if LHA is not satisfied that Hudson has complied, is currently compliant and will continue to comply with laws including taxation, corporations, workplace and labour hire laws, it may cancel the licence.

Section 22 of the Act is now an evaluative test

12. Section 40(1)(b) of the Act has always allowed LHA to cancel a licence if it is no longer satisfied that each relevant person to the licence is a fit and proper person pursuant to section 22 of the Act.

13. However, under the new section 22 of the Act, LHA must now have regard to all matters outlined in section 22(1)(a) - (m) of the Act and may have regard to any other matter LHA considers relevant under section 22(2) of the Act. Section 22 is extracted in full in Appendix 1.

14. Under the new section 22, LHA is required to ask: 'Having regard to all relevant considerations, is this person fit and proper?' LHA must weigh all relevant considerations and form an overall evaluative judgment. The test does not prescribe a standard of proof. The

assessment is evaluative, not adjudicative. LHA is not making findings of guilt or civil liability; it is forming a view about fitness to hold a licence. The standard is that of reasonable satisfaction, applying the approach in *Australian Broadcasting Tribunal v Bond* (1990) 170 CLR 321.

15. In respect to this decision, LHA must consider all relevant considerations and evaluate whether all relevant persons – including Hudson as the holder of the licence – are fit and proper to hold a labour hire licence in Victoria.

Consideration of Hudson's responses

16. Section 42(3) of the Act requires LHA to consider any response received before deciding whether to cancel a licence.

17. Hudson provided two responses to the Notice:

    a. A partial response to the Notice dated 22 May 2026 (**First Response)**
    b. A further response to the Notice dated 26 May 2026 (**Second Response**).

18. LHA has considered Hudson's responses and all information provided by Hudson to LHA and its creditors including:

    a. The Report to Creditors dated 20 May 2026
    b. The Report to Creditors dated 26 May 2026
    c. The Report to Creditors dated 17 June 2026
    d. The Report to Creditors dated 23 June 2026.

19. This consideration is detailed further below.

Facts relevant to LHA's decision

20. Relevant to this decision, LHA can be satisfied of the following relevant facts on the balance of probabilities.

21. LHA records show that Hudson declared the following relevant persons to LHA when it applied for a licence on 11 October 2019:

    a. Mark Guillaume Steyn (DOB 1 August 1966) (**Steyn**) – Director since 20 October 2008. Hudson's website also states that he holds the role of Chief Executive Officer.
    b. Kendall Grant Ryan (DOB 19 May 1971) (**Ryan**) – Director since 1 July 2013. Hudson's website also states that he holds the role of Chief Financial Officer.

22. Hudson did not declare any other persons to LHA at application, nor have any other persons been declared to LHA since that time.

23. Hudson entered into external administration on 22 April 2026 with Ryan and Steyn as its directors, with approximately $40,000,000 in debts to creditors.

24. At the time of entering external administration, Hudson owed approximately $24,000,000 to the Australian Taxation Office (**ATO**) primarily for PAYG withholdings that were not remitted, a contravention of its obligations in Schedule 1 of the *Taxation Administration Act 1953* (Cth).

25. Hudson and its directors failed to lodge financial reports to the Australian Securities and Investments Commission (**ASIC**) for the financial periods 31 December 2022, 31 December 2023 and 31 December 2024, an offence under section 319 of the *Corporations Act 2001* (Cth). ASIC has commenced criminal proceedings against Hudson. Non-compliance with this obligation denies shareholders and creditors necessary information.

26. Hudson and its directors underpaid 860 workers from 2014 to 2020 in an amount totalling approximately $4,500,000, a contravention of section 45 of the *Fair Work Act 2009* (Cth). After making a disclosure to the Fair Work Ombudsman (**FWO**), Hudson entered into an Enforceable Undertaking with FWO and agreed to back-pay 5,325 current and former on-hire employees who were underpaid $3,456,152.06, plus $345,617.12 in superannuation. Hudson also agreed to make a contrition payment to the Commonwealth Consolidated Revenue Fund of $172,000.

27. In the Report to Creditors dated 20 May 2026, Hudson's administrators (**Administrators**) said that it had identified several transactions as being "**likely** to represent breaches of directors' duties" (emphasis added). It identified:

    a. unfair preference payments made by the directors to the ATO,
    b. forgiveness of a $4,000,000 debt owed to Hudson by a related company as a result of the sale of a related entity, and
    c. forgiveness of a $7,100,000 debt owed to Hudson by its ultimate holding company, Apache Group Holdings Pty Ltd (**Apache**). The Hudson directors are also directors of Apache and have a financial interest in it.

28. Hudson's forgiveness of the $11,100,000 in debts owed by related companies – if proven - occurred while Hudson was suffering from serious liquidity pressure and not meeting its tax obligations.

29. In the same Report, the Administrators stated, relevantly, "a liquidator may be able to recover damages on behalf of a company against a company's officeholders in the event it is found that they have breached their duties". In the Report to Creditors dated 23 June 2026, the Administrators estimated that the value of such claims could total over $6,000,000.

30. The Administrators also identified that Hudson's directors had not, as of that date, produced to them a current Director and Officers Insurance Policy (**D&O Policy**). In its Report to Creditors dated 17 June 2026, the Administrators noted that its further review of the D&O Policy showed that the policy is listed in the name of the ultimate holding company and has a limit of liability of $10,000,000. The DOI Policy also contains an insolvency exclusion clause.

31. In the Report to Creditors dated 17 June 2026, the Administrators proposed a Revised Deed of Company Arrangement (**Revised DOCA**) which required creditors to agree to the creation of a creditors trust (**Creditors Trust**). The Trust Deed that would determine the priority and

amount payable to creditors was not produced by the Administrators prior to the Second Creditors Meeting.

32. There is also a condition precedent requiring the Deed Proponents to be satisfied that the Commissioner of Taxation has no ongoing claims to any money that becomes payable after the effectuation of the Revised DOCA by any debt facility financier. The Revised DOCA also includes a provision for a deferred payment of $500,000 provided LHA confirms no later than 1 August 2026 that it will not cancel Hudson's licence.

33. The Revised DOCA was passed by WLP's casting vote at the Second Creditors Meeting on 24 June 2026. The ATO voted against it because it remained concerned as to 'the certainty of the outcomes under the Revised DOCA Proposal, the sufficiency of information provided to creditors to enable them to make an informed decision, or the sufficiency of investigations which ground the Administrators' opinion to recommend the Revised DOCA Proposal'.

34. In its letter to the Administrators on 23 June 2026, the ATO also stated that it is considering the appropriateness of requiring security for future tax-related liabilities under Subdivision 255-D in Schedule 1 to the *Taxation Administration Act 1953* (Cth) because of Hudson's 'history of PAYG withholding non-compliance, sustained losses and unproven future viability.' Such a requirement, the ATO stated, is likely to materially affect the 'working capital, external funding and solvency' of the company.

Hudson failed to declare all officers to LHA in contravention of section 43 of the Act

35. An 'officer' in relation to a body corporate is defined in section 3 of the Act to mean any person who:
    a. is a director or secretary of the body corporate; or
    b. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the body corporate.

36. A 'relevant person' is defined in section 3 of the LHL Act to include "all officers of the body corporate".

37. Under section 17(e) of the Act all 'officers' are required to be disclosed to LHA at application.

38. If there are any changes to the information provided to LHA at application, a licence holder must notify LHA within 30 days of the change. Failure to do so is a contravention of section 43 of the Act and a ground for cancellation under section 40(1)(a) of the Act.

39. In the Notice of 15 May 2026, LHA advised Hudson that it had formed the view that the following further persons are likely to meet the definition of 'officers' and should have been declared to LHA:

    a. Mr Dean Davidson - Chief Executive Officer appointed October 2024
    b. Ms Dimity Gill - Chief Revenue Officer appointed January 2025
    c. Ms Josephine Calabria - Head of Growth appointed July 2024
    d. Kimberley Hubble - Head of Talent Solutions appointed September 2025.

40. In Hudson's First Response, it responded to this view by stating that:

> The Administrators acknowledge LHA's view that Hudson failed to declare to LHA all officers of the body corporate. Each of the persons identified in the Notice are persons who hold senior roles at Hudson. Each of those persons also propose to contribute equity as members of the DOCA Proponents. Whether they are officers for the purposes of the Authority (as opposed to Officers as set out under the Act) is a matter on which the Administrators express no present view.

41. In the absence of any contrary view, or any view, being presented by Hudson on this matter, it is reasonably open to LHA to find that the following persons, holding senior roles within Hudson's body corporate, meet the definition of an 'officer' as defined by the Act and should have been declared to LHA within 30 days of becoming an officer:

    a. Mr Dean Davidson - by November 2024 being 30 days after he assumed the role of Chief Executive Officer
    b. Ms Dimity Gill - by February 2025 being 30 days after she assumed the role Chief Revenue Officer
    c. Ms Josephine Calabria - by August 2025 being 30 days after she assumed the role of Head of Growth
    d. Kimberley Hubble - by October 2025 being 30 days after she assumed the role Head of Talent Solutions.

42. LHA's records show that these persons were not declared to LHA within 30 days of assuming these roles or at all.

43. Hudson's failure to update the information Hudson provided to LHA at application is a contravention of section 43 of the Act and grounds for cancellation of its licence under section 40(1)(a) of the Act.

44. This failure, regardless of whether it was inadvertent, is significant as it has the effect of undermining LHA's ability to ensure that all persons involved in the decision-making of a labour hire business are fit and proper.

LHA is no longer satisfied that Hudson and its relevant persons are fit and proper persons

45. Section 40(1)(b) of the Act empowers LHA to cancel a licence if it is no longer satisfied that each relevant person to the licence is a fit and proper person.

46. LHA holds limited information about the undeclared relevant persons listed at paragraph 39 a-d of this letter. Therefore, for the purpose of this assessment, LHA will have regard only to information it holds about Hudson and its two directors, Steyn and Ryan, which is sufficient to displace LHA's satisfaction that all relevant persons to Hudson's licence are fit and proper.

47. In its Notice of 15 May 2026, LHA stated that it had formed the view that Hudson, Steyn and Ryan are no longer fit and proper persons pursuant to section 22(d) of the Act (as it applied at the time of the Notice) by virtue of the company entering external administration on 22 April 2026. LHA asked Hudson to respond to this view.

48. In the First Response, Hudson said that,

> Considering the Authority's preliminary determination that Mr Mark Styen and Mr Kendall Ryan are not 'fit and proper' persons withing the meaning of the Labour Hire Licensing Act 2018 (Vic), the Administrators have engaged with the Directors and DOCA Proponents about the future composition of the Board post Administration. We understand the DOCA Proponents intend that a new Chairman will be appointed and that a new Board with be constituted…including external and experienced independent directors.

49. Hudson also gave several reasons in support of its submission that LHA should exercise its discretion to allow Hudson to retain its licence 'notwithstanding the grounds for cancellation identified in the Notice'. These reasons are dealt with in paragraphs 90 to 96 of this letter below.

50. LHA has had regard to all matters identified in section 22(1)(a)-(m) of the Act and has found:

    a. Hudson is not fit and proper
    b. Steyn and Ryan are not fit and proper.

LHA is no longer satisfied that Hudson is fit and proper

51. The facts detailed in paragraph 20 to 34 of this letter, when evaluated as required by section 22(1) of the Act, establish that Hudson is no longer fit and proper. The reasons for this evaluation follow.

52. Hudson's history of compliance with relevant laws specified in section 23(1A) of the Act is seriously deficient. The facts identified above establish Hudson was non-compliant with several statutory obligations prior to entering external administration.

53. This matter, identified as a relevant consideration in section **22(1)(a)** of the Act, has been given significant weight by LHA in evaluating whether the company is fit and proper. This is because the non-compliance significantly harmed:

    a. workers, who were underpaid and/or face the loss of entitlements and employment
    b. the community, with approximately $20,000,000 of unpaid taxes resulting in a loss of Commonwealth revenue to fund public services, and
    c. the industry, with Hudson most likely obtaining a competitive advantage over other labour hire providers who were meeting their legal obligations.

54. Hudson's conduct undermines the scheme's protection of workers and the integrity of the labour hire system, important considerations in LHA's evaluation given the objects of the Act defined in section 3.

55. Hudson has also not satisfied LHA that it has the capacity to comply with the laws specified in section 23(1A) of the Act because it has failed to provide an adequate explanation of the reasons for its non-compliance with relevant laws prior to entering external administration. The

reasons proffered by Hudson relate to the impact of ‘external factors’ and fail to reflect any accountability on the part of Hudson and its directors for the non-compliance and its impact.

56. Hudson has also not provided LHA with evidence of meaningful governance reform such that LHA could be satisfied that it has the capacity to comply with these legal obligations in the future.

57. Hudson’s capacity to comply, identified as a relevant consideration in section **22(1)(b**) of the Act, has been given some weight by LHA because Hudson has failed to transparently account for its previous non-compliance and LHA can therefore not be satisfied that such non-compliance will not recur.

58. Hudson became an externally administered company on 22 April 2026. This is a significant matter of relevance to determining its fitness and propriety as identified as a relevant consideration in section **22(1)(f)** of the Act (and previously under section 22(d) of the Act). In LHA’s view, a company that enters external administration owing significant amounts to statutory creditors in circumstances where it has not been transparent with regulators and creditors about the reasons for its failures, causes significant harm to both the integrity and transparency of the labour hire industry and exposes its workers to the risk of not receiving their full entitlements.

59. LHA acknowledges that Hudson has submitted that it entered external administration as a result of ‘external factors’ and attempts to avoid it were frustrated by circumstances ‘outside its control’. LHA does not accept that Hudson’s obligations to meet its statutory obligations were outside its control.

60. It was within Hudson’s control:

    a. to meet its tax obligations as and when they became due
    b. to lodge annual financial reports to ASIC (**ASIC**) from 2022 to 2024
    c. to pay workers their lawful entitlements.

61. There are no facts to indicate that the circumstances in section 22(1)(c) (d) (e), (h) (i) (k), (l) or (m) apply to Hudson. These matters have been considered by LHA but have no bearing on its evaluation.

62. LHA has considered all relevant facts and undertaken an evaluation of whether these facts in their aggregate show that Hudson is fit and proper.

63. Following this evaluation, LHA has reasonably formed the view that Hudson is no longer fit and proper, a ground for cancellation under section 40(1)(b) of the Act.

LHA is no longer satisfied that Ryan and Steyn are fit and proper persons

64. The relevant facts, when evaluated as required by section 22(1) of the Act, also establish that Ryan and Steyn are no longer fit and proper persons. The reasons for this evaluation follow.

65. Ryan and Steyn were directors of and held executive roles at Hudson for the entire period of its sustained non-compliance with relevant laws including taxation, workplace, corporations and workplace laws. They were also in control of the company in the period of time preceding its external administration. Additionally, and significantly, Steyn was its Chief Executive Officer and Ryan was its Chief Financial Officer.

66. These matters, identified as a relevant consideration, have been given significant weight by LHA in evaluating whether Ryan and Steyn are fit and proper. This is because they controlled and made all major decisions of a company that entered external administration owing significant amounts to statutory creditors.

67. For the reasons discussed at paragraph 59 and 60 of this letter, in the absence of any explanation as to the reasons for the non-compliance, LHA does not accept Hudson's submission that the administration resulted from 'external factors' or that the directors attempts to resolve the company's financial difficulties were ultimately frustrated by circumstances 'outside of their control'.

68. In circumstances where the directors failed to lodge financial reports with ASIC and – according to the Administrator – have "likely" breached their director duties, it is difficult to accept that the directors had no responsibility for the failure.

69. This matter, identified as a relevant consideration in section **22(1)(b)** of the Act has been given significant weight by LHA because it indicates that the directors have failed to transparently account for their previous non-compliance and LHA can therefore not be satisfied that such non-compliance will not recur.

70. Further, LHA has reasonably formed the view that Ryan and Steyn have not demonstrated honesty, integrity and professionalism, a relevant consideration in section **22(1)(k)** of the Act. A director of a labour hire business is required to be of good character because they are responsible for the compliance of that business with several significant legal obligations. These obligations include payment of statutory obligations and worker entitlements at the time they fall due, as well as genuine transparency and professionalism in the way they conduct these duties.

71. On the available facts, LHA cannot reasonably form the view that Ryan and Steyn have the requisite honesty, integrity and professionalism to be responsible for these important obligations. Significantly, the available information shows that Ryan and Steyn have continued to shift responsibility for the accrual of statutory debts to the ATO and others rather than explicitly identifying the reasons for the original non-compliance.

72. Of note, Hudson has submitted that under the Revised Deed, the proponents intend to constitute a new Board including external and experienced independent directors.

73. It is assumed that, by this, Hudson is seeking to satisfy LHA that the appointment of new directors will allay any concerns about Ryan and Steyn's fitness and propriety. However, LHA is not able to be satisfied that a newly constituted Board would address the fit and proper concerns in circumstances where the company itself remains not fit and proper and insufficient

information has been provided to satisfy LHA that the causes of the external administration will be addressed by the new officers. Additionally, as identified by the ATO in its letter to the Administrators, the Revised DOCA proposal has been advanced by a consortium that 'includes existing beneficial owners, management-linked parties and others connected with the Company'. Thus, the new management team may include the undeclared relevant persons listed at paragraph 39 a-d of this letter, who have held senior roles in Hudson during a period of sustained non-compliance.

74. There are no facts to indicate that the circumstances in section 22(1)(c) (d) (e), (f), (g) (h), (i), (j), (l) or (m) apply to Steyn and Ryan. These matters have been considered by LHA but have no bearing on its evaluation.

75. It follows LHA has reasonably formed the view that Hudson and its relevant persons are no longer fit and proper persons to hold a labour hire licence and that LHA has grounds to cancel Hudson's licence pursuant to section 40(1)(b) of the Act.

LHA is not satisfied that each relevant person to Hudson's licence has complied, is complying and will continue to comply with the laws specified in section 23(1A) of the Act

76. As described above, section 40(1)(c) of the Act, allows LHA to cancel a licence if it is not satisfied that each relevant person in relation to the licence has complied, is complying and will continue to comply with the laws specified in section 23(1A) of the Act.

77. In its Notice, LHA provided its preliminary view that:

> The information before LHA supports the preliminary finding that, on the balance of probabilities, Hudson is not compliant with relevant laws including laws relating to superannuation law, workplace law, taxation law and labour hire law.
>
> On 1 June 2026, amendments to the Act come into effect with the relevant consequence that in addition to the compliance with superannuation, tax and workplace laws, LHA will have regard to:
> a. a wider range of relevant laws including corporations law
> b. the financial viability of the business
> c. the capacity of the business to comply with its obligations in the future.
>
> Whilst not presently relevant to the exercise of discretion, LHA is mindful that the prospect of Hudson maintaining a licence after 1 June 2026 is more remote as a result of these amendments.
>
> This is because, on a preliminary assessment, LHA is not able to be satisfied that Hudson will be financially viable as of the operable date. Further, LHA is not likely to be satisfied of Hudson's compliance with its obligations under corporations law.

78. In Hudson's First Response, it stated that

> The amendments have not yet come into force, and the current application is to be determined under the Act as it stands today.

The financial viability and capacity to comply with future obligations of Hudson will depend substantially on the outcome of the administration process. It would be premature to conclude that Hudson cannot satisfy those requirements before the administration has run its course and before any DOCA or sale of business has been implemented.

79. For the sake of clarity, the provisions of the Act that apply to this decision are those that are in effect as of the date of the delegate's decision, which is today's date. If Hudson seeks a review of this decision, any *de novo* decision by the Victorian Civil and Administrative Tribunal (**VCAT**) will also be made under the new provisions. This is why LHA sought Hudson's submissions on the additional relevant laws and future compliance in its Notice of 15 May 2026.

80. Hudson submits that it considers it premature for LHA to conclude that Hudson cannot satisfy these requirements. With respect, LHA considers this submission to be misconceived as section 40(1)(c) of the Act requires LHA to consider whether Hudson will comply with relevant laws when making a decision under this provision of the Act.

81. Following its assessment, having regard to the facts in paragraphs 20 to 34 of this letter, LHA is not satisfied that Hudson **has complied** with the laws specified in section 23(1A) of the Act in circumstances where it has been previously non-compliant with:

    a. Schedule 1 of the *Taxation Administration Act 1953* (Cth) as Hudson failed to remit $20,000,000 PAYG withholdings to the ATO
    b. Section 319 of the *Corporations Act 2001* (Cth) as Hudson failed to lodge three annual financial reports with ASIC
    c. Section 45 of the *Fair Work Act 2009* (Cth) as Hudson underpaid its workers approximately $4,500,000
    d. Section 43 of the *Labour Hire Licensing Act 2018* (Vic) as Hudson failed to declare all relevant persons to LHA.

82. LHA understands that there has been some disagreement between Hudson and the ATO about the timing of Hudson's PAYG liabilities. LHA does not accept Hudson's submissions that its non-compliance with taxation laws only crystalised when the ATO completed its audit and raised the debt against the company in December 2025. As a large PAYG withholder, Hudson was required to remit to the ATO within 7 days of every pay run being processed. It follows that the PAYG liability arose by reference to the underlying withholding events, namely the payments from which amounts were required to be withheld.

83. LHA also acknowledges that, in respect of the contraventions of the *Fair Work Act 2009* (Cth), Hudson self-reported the underpayment of its workers to FWO and entered an Enforceable Undertaking, including making a contrition payment. However, the underpayment was significant and occurred over a protracted period prior to being reported, a matter of significant concern to LHA given its object of protecting vulnerable workers.

84. These matters have been considered by LHA but do not change LHA's view that Hudson was previously non-compliant with these taxation and workplace laws.

85. LHA is also no longer satisfied that, as of the date of this letter, Hudson **is currently compliant** with:

   a. Schedule 1 of the *Taxation Administration Act 1953* (Cth) as Hudson has yet to remedy the debt it owes to the ATO or entered into an arrangement to repay it
   b. Section 319 of the *Corporations Act 2001* (Cth) as Hudson has not submitted audited financial reports to the satisfaction of ASIC
   c. Section 43 of the *Labour Hire Licensing Act 2018* (Vic) as Hudson has not declared all officers of the body corporate to LHA.

86. LHA acknowledges that the Administrators are limited by the administration process from repaying debts, including tax, until the future of the company is agreed to by the creditors. However, such limitations do not apply to its compliance with reporting obligations including financial reports and declarations of relevant persons.

87. LHA is also not satisfied that Hudson will **continue to comply** with the laws specified in section 23(1A) of the Act. This is because:

   a. Hudson has not identified or taken accountability for the factors that caused the non-compliance nor detailed how it intends to remediate these matters other than asserting that the DOCA Proponents will install a new Chairman and board.

   b. It is not open to LHA to be satisfied that an injection of further capital or governance changes proposed by Hudson will address and effectively mitigate against the risk of future non-compliance with relevant laws in the context of the sustained pattern of previous non-compliance with these laws; and given existing management team members at Hudson remain involved as DOCA Proponents.

   c. LHA does not accept Hudson's submission that an assessment of its future compliance is premature. If Hudson proposes to continue to operate a labour hire business, as it has indicated it does, it is reasonable for LHA to be satisfied that it will have the requisite governance and compliance controls in place to do so.

   d. In LHA's view, these contraventions of taxation, corporations, workplace and labour hire laws have occurred over a significant period of time and are not trivial matters.

   e. The Administrators report reveals that Hudson has experienced a prolonged history of losses and serious liquidity pressure. Hudson has not demonstrated that the underlying causes of those losses have been identified or resolved. This raises significant concerns about its capacity to comply with its legal obligations.

88. It follows that LHA has grounds to cancel Hudson's licence pursuant to section 40(1)(c) of the Act as it is no longer satisfied that each relevant person to Hudson's licence has complied, is complying and will continue to comply with the laws specified in section 23(1A) of the Act.

It is not appropriate in the circumstances for LHA to exercise its discretion to allow Hudson to retain its licence

89. As stated in in its Notice, LHA has discretion to allow Hudson to retain its licence if it is appropriate in the circumstances. LHA sought Hudson's submissions as to the circumstances relevant to the exercise of this discretion and has considered these. These circumstances were identified in the Notice as including, inter alia:

    a. The circumstances surrounding the external administration event
    b. The impact of the external administration on Hudson's workers
    c. Details of all statutory debts or liabilities, secured debts and any transactions that have been contested or deemed potentially voidable
    d. Any other relevant documents, including systems or strategies implemented to prevent future instances of insolvency or external administration.

90. As noted, in Hudson's First Response it submitted that the decision to appoint administrators resulted from 'external factors' and efforts by its directors to resolve its financial difficulties were 'ultimately frustrated by circumstances substantially outside the Company's control'.

91. Hudson further submitted that its decision to trade on 'is driven in significant part by their desire to protect the interests of workers, their ongoing employment and payment of their liabilities'.

92. Hudson submitted that 'if the Authority exercises its discretion to allow Hudson to retain its licence, all current 1,500 workers will continue to be engaged without the need for redundancies or termination of employment.'

93. Alternatively, Hudson submitted, if LHA decides to proceed with the cancellation, it will not be able to provide labour hire services in Victoria. Hudson stated that it generates $39 million in annual revenue from Victorian labour hire assignments and this represents 15.4% of its total annual contracting revenue.

94. Hudson stated that any cancellation of the licence 'is likely to cause material, immediate and irreparable harm to Hudson's customers, employees, contractors and the Company'.

95. Hudson submitted that the balance of considerations strongly favours Hudson retaining its licence having regard to, inter alia:

    a. The significant adverse impact that cancellation would have on the Victorian State Government departments in which Hudson contractors are presently deployed
    b. The significant adverse impact that cancellation would have on the Company's workers and the administration process
    c. The genuine and sustained efforts made by the Company and its directors to avoid administration, which were ultimately frustrated by external circumstances
    d. The active steps being taken by the Administrators to trade the business, protect workers and explore restructuring outcomes.

96. In its Report to Creditors dated 17 June 2026, the Administrators said that the effectuation of the Revised DOCA and the establishment of a Creditors Trust will provide for sufficient working capital for Hudson to return to solvency.

97. I have had regard to the circumstances identified below in deciding whether to exercise my discretion to allow Hudson to retain its licence.

Circumstances surrounding the administration event

98. In my view, there are several unresolved questions about the circumstances that led to Hudson entering external administration on 22 April 2026.

99. Hudson's submissions have focused primarily on the alleged failure by the ATO to enter into productive discussions with Hudson about its PAYG withholding debts and the subsequent application by the ATO of a General Interest Charge.

100. The Report to Creditors dated 20 May 2025 identified several external factors as contributing to Hudson's insolvency, but little explanation was provided as to how or why the company failed to pay its statutory duties when they fell due.

101. While it is not uncommon for externally administered companies to attribute some responsibility for the failure of a company to external factors, there is usually some measure of accountability taken by the directors in LHA's experience.

102. However, in this matter, there is nothing to indicate this. In circumstances where Hudson failed to lodge financial reports with ASIC and the Administrator formed a view its directors are 'likely' to have breached their director duties on at least one occasion, it is difficult to accept that the directors had no responsibility for the failure.

103. It follows that it is difficult for me to be satisfied that the circumstances that led to the administration and Hudson's non-compliance with legal obligations have or can be remedied effectively to ensure that such an event would not recur were LHA to allow Hudson to continue to hold a licence.

104. I recognise that the Administrators have cooperated in a timely and responsive way to LHA's request for submissions. While this is a positive factor that I have considered in the exercise of my discretion, on balance, I have not been provided with sufficient information to satisfy me of the circumstances that led to the administration event.

Impact on workers

105. LHA understands that Hudson currently provides 292 workers to labour hire hosts in Victoria and a further 579 workers in Queensland and 204 in the Australian Capital Territory.

106. Hudson has submitted that were LHA to cancel its licence this would likely result in the entity having to be liquidated, which would have significant adverse effects on its workers including but not limited to having their employment terminated and losing their unpaid superannuation and other entitlements.

107. The Revised DOCA, which was approved by creditors on numbers (but rejected by the ATO), intends to deliver 100 cents in the dollar return to workers for their outstanding superannuation contributions. Based on the information provided by the Administrators, LHA understands that as of May 2026, around $7,000,000 in superannuation is owed to around 1,600 staff – while individual entitlements will vary, this is around $4,400 per worker.

108. Further, an effectuated DOCA would allow for other worker entitlements including long service and redundancies to remain with the company to be paid in the ordinary course (assuming Hudson does not re-enter external administration).

109. If the Revised DOCA Proposal is not effectuated and the company is liquidated, the Administrators estimate that the return to workers will only be 11.38 cents in the dollar. However, this figure does not account for any attempt to recover the $11,000,000 forgiven by Hudson in what the Administrators identified as 'likely' breaches of directors' duties.

110. I am also aware that Hudson's workers may be able to make a claim through the Fair Entitlements Guarantee (FEG) for unpaid entitlements if the company enters liquidation. Additionally, at least one host business has agreed to make superannuation contributions for the workers to address the amounts Hudson has failed to make; others may choose to do the same.

111. As for the termination of workers that would result from Hudson entering liquidation, in LHA's experience host businesses' need for labour means workers are often redeployed to other licensed labour hire providers within a short period of time and there is no reason to consider this would not occur in this case. Hosts may also directly employ workers.

112. None of this is intended to understate the impact on workers if LHA cancels the licence and Hudson enters liquidation. However, I need to balance the impact on workers if I cancel the licence, against the risk of further harm to workers if Hudson is permitted to remain licensed, and the risk of harm to the integrity and transparency of the industry. These are the objects of the scheme.

113. In the circumstances, I cannot be satisfied that Hudson's workers will not suffer further harm if Hudson remains licensed:

a. Hudson has a history of non-compliance and liquidity pressures, neither of which have been adequately explained or resolved.
b. The Proponents of the Revised DOCA include the existing beneficial owners of Hudson and management linked to the business during sustained periods of non-compliance.
c. While a majority of creditors supported the Revised DOCA, there is no certainty that it will be effectuated and protect the entitlements of workers –
    i. it is conditional upon the Deed Proponents being satisfied that the Commissioner of Taxation has no ongoing claims to any money that becomes payable after the effectuation of the Revised DOCA by any debt facility financier, in circumstances where the ATO has lodged a notice of intention to

appeal, may require security from Hudson for future tax liabilities, and did not support the Revised DOCA.

ii. The Revised DOCA is to be effectuated through a Creditors Trust. A Trust Deed would determine the priority and amount payable to creditors and has yet to be produced by the Administrators.

iii. The Administrators have asserted that a Creditors Trust 'is not likely to have a material adverse effect' on the creditors but acknowledged that the Deed has yet to be finalised and has the effect of extinguishing claims against Hudson's directors, which represent an opportunity for a significant recovery for creditors given the Administrators' conclusion the directors 'likely' breached their director duties.

114. Allowing Hudson to remain licensed – given these matters – would also be inconsistent with the object of the scheme to improve transparency and integrity in the industry, and the need to create a level playing field for businesses complying with their legal obligations.

Impact on host businesses

115. In Hudson's response to the Notice, it detailed what it considered to be the significant impacts of the cancellation of its licence on its hosts in Victoria, in particular State Government entities.

116. I am aware that the cancellation of a labour hire licence is likely to have a disruptive effect on the host businesses that use Hudson. However, efforts to mitigate that disruption have and can be made including providing sufficient notice to the host businesses to engage another licensed provider. Commonwealth and State Government hosts were put on notice about the risk of Hudson losing its licence so that they could plan for the transfer of workers if the licence was cancelled.

117. Hosts may also consider directly hiring Hudson's workers.

118. It follows that Hudson's concerns about the impact of its failure on host businesses, while not insignificant in my overall assessment of whether to allow Hudson to retain its licence, should not be given undue weight.

119. There are several other licensed providers that can work with the hosts, including government clients, to ensure that any interruption is minimised.

The objects of the Act

120. It is important that any discretionary decision made by LHA is consistent with the objects of the Act to protect workers from being exploited by labour hire providers and to improve the transparency and integrity of the labour hire industry.

121. The information reviewed by LHA, as detailed in this letter, satisfies me that it would be inconsistent with the objects of the Act to allow Hudson to retain its licence.

122. This is because LHA cannot be satisfied that Hudson has transparently accounted for and remedied the matters that led to its external administration including significant non-compliance with relevant laws. Hudson was provided with an opportunity to detail the circumstances that led to the external administration event as well as systems or strategies implemented to prevent future instances of insolvency or external administration. Its responses have focussed, however, on the conduct of external parties and how the entity will return to solvency.

123. In this context, there is an appreciable risk that Hudson's workers are likely to be placed at greater risk of exploitation if Hudson were to continue to hold a licence. Further, it would be unfair to compliant businesses to allow Hudson to continue to operate following a period of sustained non-compliance.

124. It follows that, having regard to the relevant circumstances, it is not appropriate for me to exercise my discretion to allow Hudson to retain its Victorian labour hire licence.

Consideration of alternatives to cancellation

125. Given the possible impacts of cancelling Hudson's licence on workers, host businesses and statutory creditors, I have considered if any other licensing actions have the capacity to achieve the same or similar objects. I have had regard to LHA's Compliance and Enforcement Policy in making this assessment.

126. LHA has the power, under section 33 of the Act, to impose licensing conditions on a provider. The imposition of conditions allows a company to continue to hold a licence with additional obligations being placed on them to address LHA's concerns about their compliance.

127. Relevantly, LHA has imposed conditions on formerly externally administered entities previously to require the entity to provide ongoing financial reports to LHA evidencing its compliance with tax and superannuation obligations, amongst other things (**Reporting Conditions**).

128. This action is usually only taken in circumstances where the entities have provided a detailed explanation for the cause of their failure and specific and measurable remediation steps it is committed to taking.

129. I have considered whether the imposition of conditions on Hudson's licence would address LHA's concerns about its past and current non- compliance and capacity to comply with its ongoing obligations.

130. Relevantly, as detailed in this letter, Hudson failed to provide financial reports to ASIC and to meet its statutory obligations to the ATO and other revenue bodies. It also failed to report a number of key decision-makers to LHA as relevant persons. It follows that LHA cannot be satisfied that Hudson has a strong history of meeting its reporting obligations.

131. This conduct, in addition to its lack of candour about what caused these issues, make it difficult for LHA to consider the imposition of conditions on Hudson as an alternative to

cancellation of its licence. There is insufficient information to satisfy LHA that Hudson would effectively and transparently report to LHA on its compliance moving forward, nor that it would comply with its legal obligations more broadly.

132. For these reasons, it is not reasonably open to LHA to impose licensing conditions on Hudson as an alternative to cancellation.

Conclusions

I am satisfied that, based on the information before the LHA:

133. The following persons, holding senior roles within Hudson's business, meet the definition of a relevant person as defined by the Act and should have been declared to LHA:

a. Mr Dean Davidson- Chief Executive Officer.
b. Ms Dimity Gill - Chief Revenue Officer
c. Ms Josephine Calabria - Head of Growth
d. Kimberley Hubble - Head of Talent Solutions.

134. Hudson's failure to declare these persons is a contravention of section 43 of the Act and a ground for cancellation under section 40(1)(a) of the Act

135. LHA can no longer be satisfied that Hudson, and its relevant persons are fit and proper persons taking into account all the matters in section 22 of the Act, a ground for cancellation under section 40(1)(b) of the Act

136. LHA is not satisfied that each relevant person to Hudson's licence have complied, is complying and will comply with relevant laws in section 23 (1A), a ground for cancellation under section 40(1)(c) of the Act.

137. The circumstances of this matter do not favour the exercise of a positive discretion to allow Hudson to retain its licence.

Effect of this decision

138. From the Cancellation Date, Hudson will no longer be permitted to provide labour hire services in Victoria or advertise the provision of labour hire services in Victoria.

139. Hudson will also be prohibited from applying for another labour hire licence for 2 years.

140. Persons found to have provided labour hire services without a licence are liable to penalties exceeding $160,000 for an individual and $650,000 for a corporation.

Hudson's rights

141. Hudson may apply to VCAT for review of the decision to cancel its licence. For information about how to apply for a review, please visit www.vcat.vic.gov.au.

Contact and queries

If you have any questions regarding this notice, please telephone the LHA on 1300 545 200 or email liz.obrien@labourhireauthority.vic.gov.au, quoting licence number VICLHL01487.

E Barlow

Director

Date: 26 June 2026

Appendix 1

***Labour Hire Licensing Act 2018* (Vic) - Section 22 Fit and proper person test**

(1) In determining if a person is a fit and proper person, the Authority must have regard to the following

(a) the person's history of compliance with the laws specified in section 23(1A);

(b) the person's capacity to comply with the laws specified in section 23(1A);

(c) whether the person previously held a licence that has been cancelled or suspended, other than under section 41;

(d) whether the Authority has imposed one or more conditions on a licence held by the person;

(e) within the preceding 10 years, whether—

(i) the person has been found guilty of an indictable offence; and

(ii) if a conviction was recorded, the conviction has not become spent under the Spent Convictions Act 2021; and

(iii) the Authority considers the offence to be relevant to the person's suitability to provide labour hire services;

(f) within the preceding 5 years, whether the person or a body corporate of which the person was an officer was placed under external administration, receivership or controllership within 6 months of the person's departure from the body corporate;

(g) whether the person is, or has been, an insolvent under administration;

(h) whether the person is under the control of, or substantially influenced by, another person whom the Authority considers is not a fit and proper person;

(i) in the case of a natural person, whether the Authority has imposed one or more conditions on a licence held by a body corporate while the person was an officer of the body corporate;

(j) in the case of a natural person, whether the body corporate of which the person was an officer held a licence that was cancelled or suspended while the person was an officer of the body corporate, other than under section 41;

(k) in the case of a natural person, the person's character including the person's honesty, integrity and professionalism;

(l) in the case of a natural person, whether the person is or has been disqualified from managing a corporation under Part 2D.6 of the Corporations Act;

(m) in the case of a natural person, whether the person is a member of a Part 5C organisation;

(n) any other prescribed matters.

(2) In addition, the Authority may have regard to any other matter that the Authority considers relevant

LABOUR HIRE AUTHORITY

Your Ref: VICLHL01487

15 May 2026

Glenn Livingstone
WLP Restructuring
Administrators for Hudson Global Resources (Aust) Pty Ltd
Suite 19.03 Level 19
1 Castleragh Street Sydney NSW 2000

By email: swise@wlpr.com.au; glivingtone@wlpr.com.au
Via Labour Hire Licensing Online portal

Dear Glenn Livingstone

Show cause notice before cancellation

1. I refer to:

    a. the licence granted to Hudson Global Resources (Aust) Pty Ltd ACN 002 888 762 (**Hudson**) by the Labour Hire Authority (**LHA**) on 6 November 2019 under the *Labour Hire Licensing Act 2018* (Vic) (**Act**), with licence number VICLHL01487 (**licence**)

    b. the Australian Securities and Investments Commission (**ASIC**) database which shows Hudson entered external administration on 22 April 2026

    c. the correspondence from WLP Restructuring to LHA on 5 May 2026 which advised Benjamin Ho, Glenn Livingstone, and Nicholas Charwood were appointed joint and several Administrators (**Administrators) (you)** of Hudson on 22 April 2026 pursuant to Section 436A of the *Corporations Act 2001* (Cth) (**Corporations Act**).

2. As required by section 42(2) of the Act, LHA must give you a notice stating:

    a. LHA proposes to cancel the licence

    b. the reasons for the proposed cancellation

    c. your rights to provide a written response to LHA within 14 days.

Relevant law

3. According to section 22(d) of the Act, a person is fit and proper unless within the preceding five years they, or a body corporate of which they were an **officer**, was insolvent or was an externally administered company under the Corporations Act (emphasis added).

4. An ‘officer’ in relation to a body corporate is defined in section 3 of the Act to mean any person who:
    a. is a director or secretary of the body corporate; or

b. makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the body corporate.

5. Under section 17(e) of the Act all 'officers' are required to be disclosed to LHA at application. If there are any changes to the information provided to LHA at application, a licence holder must notify LHA within 30 days of the change. Failure to do so is a contravention of section 43 of the Act and a ground for cancellation under section 40(1)(a) of the Act.

6. Relevantly, under section 40 of the Act, LHA may cancel a labour hire licence if it:

   a. believes on reasonable grounds that the holder of the licence has contravened the Act or the Labour Hire Licensing Regulations (**Regulations**); or
   b. is no longer satisfied that each relevant person in relation to the licence is a fit and proper person; or
   c. is not satisfied that each relevant person in relation to the licence is compliant with legal obligations as required by section 23 of the Act.

7. A 'relevant person' is defined in the Act to mean:

   a. the applicant, or the holder of the licence, as the case requires
   b. if the applicant, or the holder of the licence, is a body corporate, each officer of the body corporate
   c. if the applicant, or the holder of the licence, is a natural person, each person who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business conducted by the natural person that provides or is to provide labour hire services
   d. each proposed nominated officer, or nominated officer, for the licence.

8. For ease of reference, section 40 is provided for you in **Appendix A**.

Information before LHA

Hudson entered external administration owing significant amounts to secured creditors and workers

9. On 22 April 2026, Administrators were appointed and Hudson entered external administration.

10. In the Initial Circular to Creditors dated 24 April 2026, the Administrators relevantly noted:
    a. Hudson's directors had received a Director Penalty Notice (**DPN**) from the Australian Taxation Office (**ATO**) that was later withdrawn
    b. The ATO issued a Garnishee Notice on Hudson.

11. In the Report on Company Activities and Property (**ROCAP**) dated 4 May 2025, Hudson's directors relevantly reported:
    a. An amount of $19,461,395 owing to the ATO
    b. An amount of $12,245,095 owing to Scottish Pacific Business Finance Pty Ltd
    c. An amount of $1,813,900 owing to Faraday Associates
    d. Various amounts owed to state and territory revenue offices
    e. An amount of $3,551,214 owing to 'internal employees'

f. An amount of $4,459,429 owing to ‘contractor employees’.

12. On 5 May 2026, you wrote to LHA advising that the Administrators are continuing to trade Hudson’s business “in an attempt to preserve the Company’s value and ensure continuity of operations whilst the various options available to the Company, including either a recapitalisation proposal or sale of business options are explored”.

13. On 12 May 2026, in a conversation with LHA officer, Liz O’Brien, you said that the Administrator has sufficient funds to remediate Hudson’s compliance with superannuation law but has not as yet done so.

14. On the available information, LHA is concerned that obligations arising to statutory and employee creditors immediately preceding appointment will not be fully satisfied.

Preliminary findings

Hudson and its officers are no longer fit and proper as defined by the Act

15. The ASIC database shows Hudson’s directors as of 22 April 2026 and currently are:

    a. Mark Guillaume Steyn (DOB 1 August 1966) (**Steyn**)
    b. Kendall Grant Ryan (DOB 19 May 1971) (**Ryan**)

16. It follows that both Hudson, Steyn and Ryan are no longer fit and proper persons pursuant to section 22(d) of the Act.

17. A labour hire licence is not transferable. Relevant persons at the time of the insolvency event, whether or not they were disclosed as relevant persons, are not fit and proper within the meaning of the labour hire Licensing Act.

Hudson has not declared all relevant persons to LHA

18. Hudson declared to LHA at application that the only persons who are officers of the body corporate, or who are persons who make or participate in making, decisions that affect the whole, or a substantial part of the business are Mr Steyn and Mr Ryan.

19. The Authority now understands that Mr Dean Davidson is the Chief Executive Officer. Ms Dimity Gill is the Chief Revenue Officer and Ms Josephine Calabria is the Head of Growth.

20. The Authority notes that you deem Ms Kimberley Anne Hubble as a “related employee” and understand her role to be Head of Talent Solutions.

21. On this basis, LHA has formed a view on the balance of probabilities, that Hudson failed to declare to LHA all officers of the body corporate, being all persons who make, or participate in making, decisions that affect the whole, or a substantial part of the business.

22. A failure to declare all officers is a contravention of section 43 of the Act and grounds for cancellation of the licence under section 40(1)(a) of the Act.

Hudson is not compliant with relevant laws

23. Section 40(1)(c) of the Act allows LHA to cancel a licence where it is not satisfied that each relevant person to a licence is compliant with legal obligations as required by section 23 of the Act.

24. Relevantly, section 23 legal obligations include compliance with taxation and superannuation laws as well as workplace laws.

25. The information before LHA supports the preliminary finding that, on the balance of probabilities, Hudson is not compliant with relevant laws including laws relating to superannuation law, workplace law, taxation law and labour hire law.

26. On 1 June 2026, amendments to the Act come into effect with the relevant consequence that in addition to the compliance with superannuation, tax and workplace laws, LHA will have regard to:
    - a wider range of relevant laws including corporations law
    - the financial viability of the business
    - the capacity of the business to comply with its obligations in the future.

27. Whilst not presently relevant to the exercise of discretion, LHA is mindful that the prospect of Hudson maintaining a licence after 1 June 2026 is more remote as a result of these amendments.

28. This is because, on a preliminary assessment, LHA is not able to be satisfied that Hudson will be financially viable as of the operable date. Further, LHA is not likely to be satisfied of Hudson's compliance with its obligations under corporations law.

29. If you decide to provide submissions, you are invited to address how Hudson will satisfy the enhanced requirements of the amended Act.

Preliminary views

30. LHA proposes to cancel the licence under section 40(1) of the Act because it:

    a. believes on reasonable grounds that the holder of the licence has contravened the Act or the Regulations- a ground for cancellation under section 40(1)(a) of the Act

    b. it is no longer satisfied that each relevant person in relation to the licence is a fit and proper person- a ground for cancellation under section 40(1)(b) of the Act as they stand today

    c. it is no longer satisfied that each relevant person in relation to the licence is compliant with legal obligations as required by section 23 of the Act- a ground for cancellation under section 40(1)(c) of the Act as they stand today.

d. It cannot be satisfied that from 1 June 2026, Hudson complies with its obligations arising under company law

Concerns relevant to LHA's discretion

31. Where, following an investigation into the potential contravention and non-compliance by the licence holder, LHA has reasonable grounds to believe that the licence holder has met one or more of the circumstances set out in section 40(1) of the Act, the Authority **may** cancel the licence by following the procedures outlined in sections 40 and 42.

32. However, LHA has discretion to allow a licence holder to continue to hold a licence despite having grounds to cancel it.

33. In considering whether to exercise discretion LHA will have regard to the discretionary considerations identified in **Appendix B**.

34. LHA will also consider the utility of doing so in light of the amendments which proceed from 1 June 2026.

35. Having regard to all of the circumstances, LHA's preliminary view is that it is not appropriate in the circumstances to exercise its discretion to allow Hudson to continue to hold a licence in the presence of failings to comply with a number of relevant laws with no apparent likelihood that full remediation can or in the alternative may, occur. However, a final decision has not been made and your submissions will be considered in full prior to any licensing action being taken.

Invitation to provide submissions and further information

36. You may provide LHA a written response to the proposed cancellation, submitting why it is appropriate, in the circumstances, for LHA to allow you to retain your licence.

37. If you respond, LHA must consider the response before deciding whether to cancel the licence.

38. LHA invites you to provide the information in **Appendix B**, along with any information you consider relevant to LHA coming to its final decision.

39. LHA invites you to provide further information about whether superannuation entitlements owed to workers which have not been remitted have been remitted by **29 May 2026.**

40. If LHA cancels the licence, the business will be prohibited from providing/advertising labour hire services and from applying for another licence for two years. Those found to have provided labour hire services without a licence are liable to penalties exceeding $160,000 for an individual and $650,000 for a corporation.

41. Queensland, the Australian Capital Territory and South Australia may choose to cancel licences in their respective jurisdictions based on the decision by LHA to cancel.

42. Procurement requirements of customers including government Agencies and Departments may also consider the consequence of a cancellation by the LHA as a material concern to them.

Due date

43. You must respond within 14 days of this notice, by **4pm on 29 May 2026**, by uploading documents to the Labour Hire Licensing Online portal.

Contact and queries

44. If you are unable to provide a written response within 14 days, or you would like to discuss this matter further, please telephone Liz O'Brien, Manager on 0499 853 772 or email liz.o'brien@labourhireauthority.vic.gov.au, or call Enquiries at 1300 545 200 or email enquiries@labourhireauthority.vic.gov.au quoting VICLHL01487

Yours sincerely

E Barlow
Director- Intelligence, Compliance and Enforcement
Delegate of Labour Hire Authority

Appendix A:

LABOUR HIRE LICENSING ACT 2018 - SECT 40

Cancellation of licence - general

1. The Authority may cancel a licence by giving the holder of the licence written notice of the cancellation, if the Authority—

    a. believes on reasonable grounds that the holder of the licence has contravened this Act or the regulations; or
    b. is no longer satisfied that each relevant person in relation to the licence is a fit and proper person; or
    c. is not satisfied that each relevant person in relation to the licence is compliant with legal obligations as required by section 23; or
    d. is satisfied that—
        i. the holder of the licence has given materially incorrect or misleading information to the Authority; or
        ii. the licence was obtained or renewed because of materially incorrect or misleading information; or
    e. is satisfied that the holder of the licence is no longer providing labour hire services; or
    f. is satisfied of the prescribed matters (if any).

2. If the Authority decides to cancel a licence under subsection (1), the Authority must give the holder of the licence a written notice stating—

    a. the decision and reasons for the decision; and
    b. the date on which the cancellation takes effect; and
    c. that the holder may apply to VCAT for review of the decision to cancel the licence.

LABOUR HIRE AUTHORITY

Appendix B: Discretionary considerations

1. Considering the Exercise of Discretion

1.1. Although Hudson, Styen and Ryan are not fit and proper under section 22 of the Act, LHA invites you to explain why LHA should exercise discretion in your favour when considering whether to allow Hudson to retain its licence

1.2. Your explanation should be clear and detailed, outlining any impact to workers and any measures taken to reduce the likelihood of the event happening again in the future.

2. Circumstances

2.1. Provide a detailed explanation of the circumstances surrounding the external administration event.

3. Workers - (employees and independent contractors)

3.1. Specify the total number of workers provided by Hudson to labour hire hosts in Victoria immediately prior to the appointment of the external administrator

3.2. Provide details of any workers whose employment **ceased** prior to the event and confirm that all entitlements to these workers were met

3.3. Provide details of all amounts owing to both 'internal employees' and 'contractor employees' immediately prior to the appointment of an external administrator

3.4. Detail when Hudson will pay these amounts and provide documentation in support

3.5. Describe the actions taken to mitigate negative impacts on workers (e.g., payments made, support offered).

4. Creditors

4.1. Provide details of all statutory debts or liabilities existing immediately prior to the appointment of the external administrator, including but not limited to taxes, superannuation, and WorkCover or similar obligations.

4.2. Provide details of all secured debts or liabilities existing immediately prior to the appointment of the external administrator, including amounts owed to:

4.2.1 Scottish Pacific Business Finance Pty Ltd
4.2.2 Faraday Associates

4.3. Supply copies of all Director Penalty Notices, Garnishee or Default Notices or equivalent issued by statutory bodies prior to the appointment of the administrator.

4.4. Supply copies of any reports generated by administration practitioners to date concerning the matters listed above, if such reports have been distributed to creditors or company officers.

4.5. Clarify whether any transactions prior to the appointment have been contested or deemed potentially voidable by a court, administrator, liquidator, or receiver. This may include payments made to specific creditors over others, loans considered unfair, or instances of trading while insolvent.

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5. Financial Documents

5.1. Please provide, in relation to Hudson:

a. all lodged Business Activity Statements (BAS) for last four financial quarters
b. Hudson's most recent Company Tax Return (CTR)
c. profit and loss statements for the last two financial quarters
d. 'Statement of Account' for each of Hudson's integrated client account, and income tax account

A Statement of Account for each account type (integrated client account, income tax account etc.) can be obtained from the ATO's online business portal, alternatively a hard copy may be requested from the ATO.

5.2. A superannuation payments report showing all superannuation contributions made by Hudson for all workers for the last two financial quarters.

6. Are there any other concerns, outstanding issues, or details relevant to your labour hire licence that LHA should be made aware of?

7. Documentary Evidence

7.1. Please ensure you provide the necessary supporting documentation for your responses as this may result in LHA cancelling your licence. This may include but is not limited to:

a. Any reports to creditors from the Liquidator, Administrator(s), or Deed Administrator(s)
b. Minutes of Meetings with Members, Creditors, or Contributories
c. Report on Company Activities and Property (ROCAP)
d. End of Administration return
e. Deed of Company Arrangement (DOCA) or proposal
f. Court orders or judgments
g. Evidence that employee entitlements have been paid
h. Any other relevant documents, including systems or strategies implemented to prevent future instances of insolvency or external administration.

Craddock Murray Neumann

Our ref: KXM:2601383

30 June 2026

Natalie Tatasciore
Mallesons
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

and

Mr Robert Moran
For and on behalf of
the DOCA Proponents

By email

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Director
Khaled Metlej
kmetlej@craddock.com.au

Dear Sir / Madam,

HUDSON GLOBAL RESOURCES (AUST) PTY LIMITED (ADMINISTRATORS APPOINTED) ACN 002 888 762 (Company)
Our client: Commissioner of Taxation (Commissioner)

1. We act for the Commissioner of Taxation.

2. We refer to:

   (a) the Administrators' reports to creditors dated 20 May 2026, 26 May 2026, 17 June 2026 and the Administrators' Third Supplementary Report to Creditors dated 23 June 2026 (**Third Supplementary Report**);

   (b) the revised deed of company arrangement proposal and associated creditors trust approved at the reconvened second meeting of creditors held on 24 June 2026 (**Revised DOCA Proposal**);

   (c) our letter to Mallesons dated 23 June 2026, in which the Commissioner raised concerns as to the Revised DOCA Proposal, including the certainty of the proposed outcomes, the sufficiency of information provided to creditors, the sufficiency of investigations grounding the Administrators' recommendation, Hudson's future financial viability, labour hire licensing risks, the liquidation comparison, related party issues and future tax security;

(d) Mallesons' response dated 23 June 2026, including the Administrators' position that those concerns did not change their recommendation that creditors resolve to accept the Revised DOCA Proposal;

(e) the letter from the DOCA Proponents to the ATO dated 26 June 2026, which states that the DOCA is intended to be executed and effectuated by 1 July 2026;

(f) the Notice of Cancellation issued by the Labour Hire Licensing Authority (**LHA**) dated 26 June 2026, by which the LHA cancelled Hudson's Victorian labour hire licence, effective 10 July 2026 (**Cancellation Notice**); and

(g) the Notice of Appeal filed by the Deputy Commissioner of Taxation today, 30 June 2026 in which the Commissioner seeks orders that Order 1 made on 18 May 2026 by Brereton J in the Supreme Court of NSW be set aside, and that the Administrators and/or the Company pay to the Commissioner the amounts received by Hudson from ScotPac, which would have been paid to the Commissioner if Order 1 had not been made.

Potential application concerning the DOCA

3. The Commissioner is considering whether to apply to the Court for relief concerning the resolution passed by creditors on 24 June 2026, the proposed execution and effectuation of the DOCA, the associated creditors trust and any related implementation steps, including, if the DOCA is executed or effectuated, orders terminating the DOCA or otherwise setting aside, restraining or unwinding its implementation.

4. Without limiting the relief that may be sought, the Commissioner is considering whether to seek orders under Part 5.3A of the Corporations Act 2001 (Cth), including under ss 445D, 447A and/or 1324, or such other provisions as may be available.

5. The matters raised in this letter are directed to enabling the Commissioner to consider whether such an application is necessary. Given the stated intention to execute and effectuate the DOCA by 1 July 2026, the Commissioner seeks your urgent responses.

Existing concerns and post-resolution development

6. Before the Reconvened Meeting, the Commissioner raised concerns as to whether creditors had been given a sufficient basis to make an informed decision concerning the Revised DOCA Proposal. Without repeating all the concerns expressed in previous correspondence, those concerns included:

(a) whether the Company's financial viability after effectuation had been sufficiently analysed, including by reference to forward-looking cash flow, tax, superannuation, payroll tax, customer retention, funding and working capital assumptions;

(b) whether the risk to Hudson's labour hire licences had been adequately disclosed and assessed;

(c) whether the liquidation comparison and potential recoveries against directors, officers, related parties and others had been sufficiently investigated;

(d) whether governance, related party, management-linked creditor and voting issues had been sufficiently explained to creditors;

(e) whether the risk of future taxation liabilities, tax enforcement action, and any requirement for security for future tax-related liabilities had been properly addressed; and

(f) the impact of the condition precedent in respect of the Commissioner's claims to recover the s447A Payments.

7. The Administrators' response through Mallesons dated 23 June 2026 rejected, and did not accept the significance of, the Commissioner's concerns. Among other matters, the Administrators stated that the reporting provided to creditors fell comfortably within accepted practice, that Hudson's future governance and ongoing tax compliance carried little weight for the purposes of Part 5.3A, that labour hire licensing risk had been addressed in the Third Supplementary Report and the Second Supplementary Report, and that there was no matter likely to change the Administrators' recommendation.

8. The Third Supplementary Report proceeded on the basis that the LHA had not confirmed whether it intended to cancel Hudson's Victorian labour hire licence, and that the Administrators were not aware of when the LHA intended to make a final decision. The Third Supplementary Report also recorded that the Administrators had received a Show Cause Notice from WorkSafe ACT in relation to Hudson's ACT labour hire licence.

9. Since the reconvened meeting of creditors on 24 June 2026, the position has materially changed. The LHA has cancelled Hudson's Victorian labour hire licence, effective 10 July 2026. The LHA also expressly requested that the Administrators share a copy of the Cancellation Notice with creditors.

10. The Cancellation Notice appears to bear directly upon the matters previously raised by the Commissioner. In particular, it appears to be a significant post-resolution development which affects, or may affect, the foundational commercial assumptions on which creditors were asked to approve the Revised DOCA Proposal.

Commissioner's immediate concerns

11. In particular, the Commissioner is concerned that the Cancellation Notice:

(a) was issued after the Reconvened Meeting and, on the information presently available to the Commissioner, before the proposed execution and effectuation of the DOCA;

(b) changes the labour hire licensing position from a risk or contingency to an actual cancellation taking effect on 10 July 2026;

(c) appears to affect Hudson's ability to lawfully provide labour hire services in Victoria after the cancellation takes effect;

(d) appears to call into question the premise that the Revised DOCA Proposal is capable of being implemented with the certainty and speed identified in the Third Supplementary Report;

(e) appears to affect the $500,000 deferred contribution linked to the Victorian labour hire licence;

(f) may affect the willingness of financiers or proposed financiers to make facilities available to Hudson or its corporate group;

(g) may affect customer retention, contractor renewals and the asserted need for the Company to exit administration by 1 July 2026;

(h) may affect the comparative return analysis as between the Revised DOCA Proposal, the competing DOCA proposals and liquidation; and

(i) may bear on whether creditors should be provided with a further supplementary report, or whether a further meeting of creditors should be convened, before the DOCA is executed or effectuated.

12. The Commissioner is also concerned that the LHA's reasons refer to matters which overlap with issues previously raised by the Commissioner, including legal compliance, governance, financial viability, capacity for future compliance, fitness and propriety, underpayment of workers, unpaid tax, unpaid superannuation and the connection between proposed future management, management-linked parties, existing beneficial owners and persons involved in Hudson during the period of alleged non-compliance.

13. In those circumstances, it is not sufficient to treat the Cancellation Notice as a discrete issue concerning only the deferred contribution. It appears to go more broadly to the viability of the proposed restructure, the assumptions underpinning the Administrators' recommendation, and whether creditors have been, or are now, fully informed.

Required confirmations and explanations

14. Please provide the following confirmations and explanations by **5.00 pm tomorrow, 1 July 2026**, or before any step is taken to execute or effectuate the DOCA, whichever is earlier:

(a) whether the Cancellation Notice has been provided to all creditors and, if so, when and by what method;

(b) if the Cancellation Notice has not been provided to all creditors, why not, particularly given the LHA's express request that the Administrators share it with creditors;

(c) whether the Administrators propose to issue a further supplementary report, written update or other communication to creditors addressing the Cancellation Notice, its consequences and the Administrators' present recommendation;

(d) whether the Administrators propose to convene a further meeting of creditors, or otherwise seek directions from the Court, before any execution or effectuation of the DOCA;

(e) whether the Administrators maintain the opinion that the Revised DOCA Proposal remains in creditors' best interests, and if so, the basis for that opinion having regard to the Cancellation Notice;

(f) how the DOCA remains capable of execution, effectuation and implementation in light of the cancellation of Hudson's Victorian labour hire licence effective 10 July 2026;

(g) whether the Administrators and DOCA Proponents maintain the proposition that Hudson will be viable following effectuation of the DOCA, and the factual basis for that view having regard to the LHA's findings concerning future compliance, governance, fitness and propriety and financial viability;

(h) whether any updated financial analysis has been undertaken since receipt of the Cancellation Notice, including any updated forecast revenue, gross margin, EBITDA, operating cash flow, tax liabilities, working capital headroom, licence assumptions, customer retention assumptions and funding assumptions;

(i) whether the $500,000 deferred contribution linked to the Victorian labour hire licence remains available, and if it is said to remain available, the basis on which that is asserted and how it will be funded;

(j) whether any financier or proposed financier remains willing to make facilities available to Hudson or its corporate group in light of the Cancellation Notice, and whether each financier or proposed financier has been provided with the Cancellation Notice and the LHA's public statements concerning the cancellation;

(k) whether there has been any change to the terms, conditions, availability, amount, security or timing of any proposed debt facility or other external funding by reason of the Cancellation Notice;

(l) whether any application for review of the LHA decision, or any application for a stay of the cancellation, has been filed with VCAT or is intended to be filed, and if so, the timing of that application, the relief sought and the expected practical effect on Hudson's ability to trade in Victoria after 10 July 2026;

(m) whether any other labour hire regulator, including any regulator in New South Wales, Queensland, South Australia, Western Australia, Tasmania, the Australian Capital Territory or the Northern Territory, has issued any notice, taken any step, made any inquiry or otherwise indicated any matter that may affect Hudson's labour hire licences, registrations or ability to lawfully provide labour hire services in those jurisdictions;

(n) in particular, the present status of the WorkSafe ACT Show Cause Notice referred to in the Third Supplementary Report, any response provided or proposed to be provided, and whether the Cancellation Notice has been provided to WorkSafe ACT;

(o) whether any major customer, contractor or stakeholder has been provided with the Cancellation Notice, and whether any customer, contractor or stakeholder has indicated that the cancellation may affect contractor renewals, customer retention or future trading;

(p) whether the Administrators and DOCA Proponents have reconsidered the position stated in the Third Supplementary Report that the future viability and value of the business depended on certainty of exit from administration, given that the Cancellation Notice now introduces a further material regulatory event, effective 10 July 2026, which may itself affect future viability, customer retention, contractor renewals and funding availability; and

(q) whether the minutes of the Reconvened Meeting have been finalised and, if so, please provide a copy. If not, please provide a record sufficient to identify the resolutions passed, votes cast, proofs admitted or rejected for voting purposes, any exercise of a casting vote.

15. Unless and until the above matters are addressed, the Commissioner does not accept that creditors have been placed in a position to assess the consequences of the Cancellation Notice for the Revised DOCA Proposal, the associated creditors trust, the proposed effectuation steps, or the comparative position in liquidation.

Commissioner's position reserved

16. Given that the Revised DOCA Proposal includes an associated creditors trust, the Commissioner is concerned to ensure that creditors' rights to seek review of the resolution, relief in respect of the DOCA, or termination or other relief if the DOCA is executed, are not practically prejudiced by premature execution or effectuation steps.

17. That concern is heightened if, upon effectuation, assets are transferred to a creditors trust, claims are compromised or released, control of the Company changes, or funds are introduced and applied in a manner said to alter the status quo. In those circumstances, the Administrators and Deed Proponents should take particular care before taking any step which may prejudice, defeat or render less effective any application by a creditor for relief under Part 5.3A of the Corporations Act.

18. The Commissioner seeks confirmation from the Administrators and the DOCA Proponents that they will not execute, effectuate or otherwise implement the DOCA, including by transferring assets to any creditors trust or compromising or releasing claims, until the above matters have been addressed, or alternatively until the Commissioner has had a reasonable opportunity to consider whether Court relief is necessary.

19. For the avoidance of doubt, the Commissioner makes no commitment to fund, indemnify or otherwise financially support Hudson, the Administrators, any proposed deed administrators, the DOCA Proponents, or any other person in relation to the s 447A Appeal or any related proceedings.

20. The Commissioner also reserves his position in relation to the Garnishee Notice, including the propositions advanced by the DOCA Proponents in their letter dated 26 June 2026.

21. Given the matters raised in this letter concern the adequacy of information available to creditors and the proposed execution and effectuation of the DOCA, the Commissioner

requests that this correspondence be brought to the attention of Hudson's creditors, including by uploading it to the creditors' portal or otherwise circulating it to creditors, before any step is taken to execute, effectuate or otherwise implement the DOCA.

22. If the Administrators, the proposed deed administrators or the DOCA Proponents proceed to execute or effectuate the DOCA without providing a substantive response to the matters raised in this letter, the Commissioner reserves the right to rely on that fact in any application for relief, including on any question of urgency, prejudice and costs.

Yours faithfully,
CRADDOCK MURRAY NEUMANN LAWYERS
per:

Khaled Metlej
Director

Glenn Livingstone, Nicholas Charlwood and Benjamin Ho
Administrators
Hudson Global Resources (Aust) Pty Ltd (administrators appointed)
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By email

6 July 2026

Dear Administrators and Mallesons colleagues,

Hudson Global Resources (Aust) Pty Ltd (Administrators Appointed) (Company) | DOCA Proposal

As you know, we act for the Proponent (as defined below) in relation to a deed of company arrangement proposal submitted to you as Administrators of the Company on 15 June 2026 (**DOCA Proposal**). The DOCA Proposal was accepted by resolution of creditors of the Company at a meeting held on 24 June 2026.

Background and purpose of this letter

We refer to the DOCA Proposal. Capitalised terms used in this letter that are not otherwise defined have the meaning attributed to them in the DOCA Proposal.

The purpose of this letter is for the Proponent to provide the Administrators with an update regarding the Proponents' position on signing and implementation of the DOCA.

Inability to implement the DOCA

You will be aware of the "ATO Requirement" in the DOCA Proposal.

The Proponent has exchanged correspondence with the ATO regarding the ATO's position on the DOCA Proposal generally and in particular on matters relevant to the ATO Requirement. We **enclose** copies of that correspondence.

We also have been provided with a copy of the Notice of Appeal filed on 30 June 2026 with the NSW Court of Appeal by the ATO in relation to the decision reported as *In the matter of Hudson Global Resources (Aust) Pty Limited* [2026] NSWSC 535, some 6 weeks after the making of that decision and more than a week after the meeting of the Company's creditors held on 24 June 2026. We **enclose** a copy of that Notice of Appeal.

We note that the ATO has not given any indication of any intention to look to expedite the hearing of the appeal contemplated by the Notice of Appeal.

There is no evidence in these exchanges with the ATO that it has a desire to support the business continuity of the Company, the retention of all workers in employment and the payment of all outstanding amounts to employees. On the contrary, the ATO's approach appears to the Proponent to procure delay for the purpose of removing options to achieve those three aims of the Proponent's DOCA Proposal (those aims being consistent with the statutory purpose of the voluntary administration regime).

The Proponent has in the circumstances described above determined that there is no realistic prospect of the ATO Requirement being satisfied in a timely fashion – and was not satisfied by 30 June 2026 as contemplated in the draft DOCA instrument provided to you in advance of the 24 June 2026 meeting of creditors.

The Proponent wishes to record that, until it became clear on 30 June 2026 and 1 July 2026 following receipt of the ATO's letter that the ATO Requirement could not be satisfied in a timely fashion, the Proponent was ready and willing to execute and effectuate the DOCA with a view to the Company continuing as a going concern and safeguarding the employment and entitlements of the employees of the Company and our contractors working in our clients businesses.

The ATO's litigious approach to the DOCA Proposal and to its claims against the Company (and its garnishee notice as explored in the above Court decision) is such that the time needed to be satisfied as to the ATO Requirement will be too long and uncertain, in the context of the continuing impact of the administration process on the condition of the Company's business, operations, customers and people.

In that regard, the Proponent has not yet responded to the ATO's letter dated 30 June 2026, but will do so in due course. In the meantime, while the Proponent does not intend to address each matter raised by the ATO in that correspondence, with respect to cancellation of the Company's Licence from the VLHA, we are instructed that the Proponents have significant concerns regarding the ATO's conduct in circumstances where it appears to be the case (as the Proponent's understand it) that the ATO has engaged in direct correspondence with the VLHA and may have played a direct role in precipitation of the cancellation of the Licence.

Further, having seen a statement posted to the VLHA's website by the VLHA Commissioner subsequent to the Company receiving the VLHA's reasons for deciding to cancel the Licence, we are instructed that the Proponent's reject the reasons provided by the VLHA and are of the opinion that the VLHA's reasons contain fundamental errors of law and fact.

Finally, the Proponent notes that the reported alternatives to the DOCA Proposal, which may be available to the Administrators and the Company (and its creditors) are expected to result in:

1. employees and contractors of the Company being at risk of losing their employment;

2. employees and contractors' outstanding entitlements being at risk;

3. the ATO realising a lower recovery on its debt; and

4. the Company's business not continuing and being broken up or wound up.

That is a remarkable outcome for the ATO to wish to pursue – and one that is not consistent with the statutory purpose of voluntary administration.

Next steps

The Proponent appreciates that this position means that the Administrators will need to consider their position regarding further conduct of the Company's administration, and will need to update the Company's creditors and other stakeholders. Please let us know if the Proponent can be of further assistance in this regard.

Yours sincerely,

David Walter
Partner

Encl