

**THIRTY-FIFTH PUBLIC LIQUIDATION REPORT**

Date: 16 July 2020

Company details	N.V. De Indonesische Overzeese Bank (The Indonesia Overseas Bank) (" <b>Indover</b> ")
Liquidation number	08.0579 – F
Date of bankruptcy order	1 December 2008
Trustees in bankruptcy	<i>mr. A. van Hees and mr. drs. C.M. Harmsen</i>
Delegated judge	<i>mr. M. de Vries</i>
Business activities	Banking
Consolidated turnover in 2007	EUR 20,498,000
Reporting period	1 April to 15 July 2020 inclusive

**THIRTY-FIFTH PUBLIC LIQUIDATION REPORT – OUTLINES****(A) General**

In the previous thirty-four public liquidation reports, the trustees in bankruptcy (the "**Trustees**") reported on their work during the period from the bankruptcy date (1 December 2008) to 31 March 2020 inclusive. In this public liquidation report, the Trustees report on the work that they performed during the period from 1 April to 15 July 2020 inclusive.

During the reporting period, the fifth interim distribution took place. The Trustees paid out a total of EUR 10,779,831.81 to creditors with an allowed claim.

**(B) Indover Asia Limited**

The Hong Kong company Indover Asia Limited ("**IAL**") is Indover's sole remaining subsidiary. Indover holds 100% of the shares in IAL.

As of 31 December 2010, IAL was placed in members' voluntary liquidation by means of a shareholder decision which the Trustees took on behalf of Indover. Derek Lai and Darach Haughey from Deloitte Touche Tohmatsu in Hong Kong have been appointed as IAL's liquidators.

The remaining non-performing loans ("**NPLs**") in IAL's liquidation assets were collected in the previous reporting period and for the rest written off. The liquidators of the 100% subsidiary company IAL, with its registered office in Hong Kong, also took care of collecting IAL's sole outstanding (performing) loan. This loan has been repaid in full.

See also paragraph 3.12 below for more on IAL.

## **(C) Proceedings against Bank Indonesia**

These proceedings have ended. See as regards the course of the proceedings and the interim payments the previous public liquidation reports.

## **(D) Points still to be settled**

The Trustees give in this paragraph a brief overview of the points still outstanding that must be settled before proceeding with the final liquidation of Indover Bank:

1. A claim against an Indonesian debtor, which predates the bankruptcy of Indover Bank, and which was already the subject of court proceedings at that time. Problems have nevertheless arisen again with the Trustees' implementation of the settlement agreement agreed with this debtor. The buyout payment agreed in that settlement agreement amounts to USD 93,000. There are no new developments on this matter to report;
2. A claim against a Dutch debtor, currently amounting to approximately EUR 97,000. The bankrupt estate has a mortgage right which is expected to provide sufficient cover for the claim in a normal market. As a result of the Covid-19 pandemic, this debtor, whose business involves running a restaurant, has asked the Trustees for a repayment arrangement. The Trustees have granted the debtor a repayment delay of two months. At present the arrears amount to a total of 4 months of instalments;
3. A claim against an Indonesian debtor, who has offered a composition plan to its creditors, including Indover Bank, on the basis of which the claim will be repaid over a period of thirteen years. This composition plan has been confirmed by the Indonesian court and is therefore binding for all the creditors concerned. Consequently the claim, converted into euros, now amounts to approximately EUR 350,000. The Trustees are trying to sell this claim in order not to have to wait until the end of the composition period before it can wind up Indover Bank. During the past reporting period, an interested party has approached the Trustees. The Trustees have also asked the Indonesian lawyer during the past reporting period to take the necessary steps to pay out the instalments already due;
4. The voluntary liquidation of Indover Asia Ltd, a subsidiary of Indover Bank in Hong Kong. The liquidation of this subsidiary is not yet complete. At present IAL has approximately EUR 2.1 million in cash, the remainder of which will be paid to the liquidation assets of Indover Bank after the liquidation of the bankrupt estate has been completed. During the past reporting period a party has approached the Trustees, expressing interest in purchasing the shares in Indover Asia Ltd.;
5. A discussion with the tax authorities on offsetting turnover tax during the winding-up period. Before its bankruptcy, Indover could offset with the tax authorities 50% of the turnover tax charged to it. During the liquidation the Trustees relied on the same setoff facility. A few discussions have taken place with the tax authorities, who have in fact permitted the setoff while reserving all rights. The tax authorities have meanwhile made it known that they have no claim on the bankrupt estate with respect to this turnover tax set off against the bankrupt estate. This point has therefore been settled.

## **1. INITIAL OVERVIEW**

### **1.1. Management and organisation**

See the previous public liquidation reports.

### **1.2. Profit and loss**

Indover's cumulative loss over the period from 6 October 2008 (the date that emergency regulations were applied to Indover) to 31 December 2018 inclusive amounts to rounded EUR 255 million. The cumulative loss can be attributed to the losses that were sustained in the seizure and execution of collateral security provided by Indover to the creditors, and as a result of the early termination of financial derivatives. Furthermore, interest had to be paid on acknowledged claims, accounts receivable have been written off, losses have been realized on the investment portfolio and the foreign currency positions, and liquidation costs have been incurred in the bankruptcy.

### **1.3. Balance sheet**

The remaining assets (following the 5<sup>th</sup> interim payout in the last reporting period) consist primarily of liquid assets: as of 15 July 2020 a total of approximately EUR 1,392,329, of which approximately EUR 950,000 has been reserved for payments yet to be made to allowed unsecured creditors (whose bank account numbers, amongst other things, are not known to the Trustees) by virtue of the first five interim payments. Of this EUR 950,000, a sum of EUR 405,543.28 is earmarked for the 5<sup>th</sup> interim distribution to Indover Asia Ltd. Since the Trustees are waiting for the liquidation of Indover Asia Ltd, and a payment of Indover Asia Ltd for the benefit of the bankrupt estate of Indover Bank can be expected in this process, the Trustees have decided in consultation with the liquidators of Indover Asia Ltd not to transfer the sum accruing to Indover Asia Ltd from the 5<sup>th</sup> interim distribution, but to settle it at the time of the definitive liquidation of Indover Asia Ltd.

The remaining assets consist of the IAL participation and several outstanding loans. Against these are the remaining debts to creditors. See under 'Creditors' for further information.

Since the liquidation is now virtually complete, no significant increase in the available assets can be expected.

### **1.4. Current legal proceedings**

All proceedings have now ended.

See also the previous public liquidation reports.

### **1.5. Insurance**

See the previous public liquidation reports.

### **1.6. Lease**

See the previous public liquidation reports.

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## 1.7. Cause of bankruptcy

See the previous public liquidation reports.

## 2. EMPLOYEES

### 2.1. Date of notice of dismissal

The tax records of the bankrupt estate are being kept by a former employee of Indover on the instructions of the Trustees, currently on an on-call basis.

### 2.2. Work

See above, paragraph 2.1.

## 3. ASSETS

### Real estate

Paragraphs 3.1 through 3.4: see the previous public liquidation reports.

### Operating assets

Paragraphs 3.5 through 3.8: see the previous public liquidation reports.

### Stock/work in progress

Paragraphs 3.9 through 3.11: see the previous public liquidation reports.

### Other assets

### 3.12. Description

The Trustees refer to part D of this report.

### 3.13. Proceeds of sale

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### 3.14. Work

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## 4. DEBTORS

In connection with the termination of the activities of the rump bank as at 31 December 2010, the management and liquidation of the remaining loans were taken over by members of the Trustees' team. Ultimately there were still two outstanding loans that had not been written off. Both loans expired at the end of 2014 (after a prior extension of one year). As the debtors proved unable to refinance the loans provided to them, the Trustees contacted them to discuss a possible extension of these loans. On 31 August 2015, one of the two

loans was fully repaid. The other loan was extended again until 1 July 2019, after which the outstanding balance of this loan must be redeemed in full. (For further information on, inter alia, the book value, see under D.2 of this report).

See also the previous public liquidation reports.

## **5. BANK / COLLATERAL**

Paragraphs 3.1 through 5.8: see the previous public liquidation reports. There are no special circumstances to report on these matters.

## **6. RESTART / CONTINUATION**

Paragraphs 6.1 through 6.6: see the previous public liquidation reports.

## **7. LEGAL COMPLIANCE**

Paragraphs 7.1 through 7.6: see the previous public liquidation reports.

## **8. CREDITORS**

Paragraphs 8.1 through 8.7: see the previous public liquidation reports.

During the past reporting period a 5<sup>th</sup> interim distribution was made to the allowed unsecured creditors. This distribution amounted to approx. 2.935% of their claim allowed in this liquidation and involved a sum of EUR 10,779,831.81. The total payment percentage (including the four earlier payments) in this liquidation therefore works out at approx. 84%.

## **9. OTHER**

### **9.1. Liquidation period**

In view of the economic situation that has arisen as a consequence of the Covid-19 pandemic, the Trustees cannot make any announcement concerning the settlement of the outstanding points, and with it the liquidation of Indover Bank, but they will endeavour to achieve a final liquidation as soon as possible.

### **9.2. Action Plan**

The work of the Trustees in the next reporting period will largely consist of winding up and liquidating IAL (see above, paragraph (B)), the administration and settlement of the remaining credit (paragraph 3.12).

Creditors whose address and bank details have changed in comparison with the data previously communicated to the Trustees are requested to inform the Trustees thereof as soon as possible.

### **9.3. Submission of the next report**

The Trustees will endeavour to issue the following public liquidation report concerning the position of the bankrupt estate within three months. The following public liquidation report

can be expected in October 2020. The public liquidation reports and any additional information will be made available for inspection by creditors on the website [www.stibbe.com/indover](http://www.stibbe.com/indover).

## **Status of the report**

This public liquidation report is based on the information which has come to the Trustees' attention during the reporting period. Further information may lead to new findings. This means that the contents of this report or the financial information appended to this report may be adapted at any time. Consequently, no rights may be derived from this public liquidation report or from the appendices to this public liquidation report.

Amsterdam, 16 July 2020

*mr. A. van Hees*  
Trustee in bankruptcy

*mr. drs. C.M. Harmsen*  
Trustee in bankruptcy