

HENQUE 3935 CC

T/A PQ CLOTHING OUTLET

(in business rescue)

CK 2001/012457/23 (Member - L. Horwitz) - VAT 4870197706

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Notice to affected persons

31 March 2019

REPORT IN TERMS OF SECTION 132(3)(a) and (b) OF THE COMPANIES ACT 71 OF 2008 (AS AMENDED) ("the Act")

HENQUE 3935 CC t/a PQ CLOTHING OUTLET (IN BUSINESS RESCUE) ("the Corporation")

I refer to my previous reports in this regard.

Claim Adjudication

1. The business rescue practitioner ("BRP") has adjudicated those creditors' claims that have been submitted to him. Those claims that have been properly submitted along with acceptable supporting documentation and records that match the records of the corporation have been accepted. These creditors have been notified as such.
2. Creditors whose claims were either not properly submitted and/or do not include sufficient and acceptable documentation have been engaged to:
 - 2.1. provide additional documentation (where this is the problem with their claim);
 - 2.2. remedy other shortcomings or difficulties with their claims.
3. In addition those claims which have been submitted that have discrepancies with the company's records are being reconciled all with a view to address these differences and to hopefully resolving them as quickly as possible. This process is ongoing.
4. If and when the BRP is unable to reach agreement with the creditors on the quantum of their claim such creditor(s) claim(s) will be rejected. These creditors can if they elect to do so endeavor to resolve their claims against the Corporation in terms of the dispute resolution process as set out in the adopted business rescue plan.

5. Attempts have been made by the BRP to resolve the claim of the creditor John H Kotze Futures cc ("Kotze"). This claim is for the sum of R28 491 257.12. These attempts have not been unsuccessful. Based on the contents of the claim, documents supplied in support thereof, investigations undertaken by the BRP and the fact that the Corporation's finance statements and books of account do not record this claim, the BRP has rejected it. Kotze has invoked the dispute resolution mechanism contained in the business rescue plan which process has commenced. The Honourable Retired Judge Bertelsmann has been appointed as the "expert" to these proceedings. The proceedings have commenced and are expected to take a number of months to conclude.

Distributions to creditors

6. Distributions to creditors are made in accordance with the provisions of the business rescue plan.
7. Distributions are only paid to those creditors whose claims have been proven, adjudicated and accepted by the BRP.
8. In determining the pro rata distributions to concurrent creditors, the BRP will include all proven and potential claims. Equalization distributions will be paid as creditor's claims are properly proven, adjudicated and accepted.
9. The total distribution paid to date on proven and accepted claims, to creditors is 10.5 cents in the rand.
10. The payment of further distributions is contingent on both the future payments from the purchaser and the finalization of creditor claims including the completion of the dispute resolution process/es including the one referred to in 5 above, and specifically those of the landlords including collection of refundable rental deposits.

Yours faithfully



John Francis Evans

In his capacity as the duly appointed BRP