

HENQUE 3935 CC

T/A PQ CLOTHING OUTLET

(in business rescue)

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

*Postal Address - PO Box 1078, Bramley - 2018 ****

Street Address - Freeway Centre cnr Louise Botha and Arkwright Ave, Wynberg,

Entrance - Cnr Andries and Glen street.

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Notice to affected persons

28 June 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 claim adjudication process is nearly complete and the BRP is attending to adjudication and finalization of the last few remaining claims.
2. The claim of John H Kotze Futures cc ("Kotze") has been rejected. Kotze has invoked the dispute resolution mechanism contained in the business rescue plan. The Honourable Retired Judge Bertelsmann who was appointed as the "expert" to these proceedings handed down a finding in May 2019. I am advised by my legal counsel that the finding can and should be set aside on application to the High Court. I have however made a proposal to settle this matter rather than apply to court and continue with a long and costly legal process and await a response from John Kotze in this regard.

Distributions to creditors

3. Distributions to creditors are made in accordance with the provisions of the business rescue plan.
4. Distributions are only paid to those creditors whose claims have been proven, adjudicated and accepted by the BRP.
5. 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.

6. The total distribution paid to date on proven and accepted claims, to creditors is 10.5 cents in the rand.
7. The payment of further distributions is contingent on both the finalization of creditor claims including the completion of the dispute resolution process/es including the one referred to in 2 above, and specifically those of the landlords including collection of refundable rental deposits.

Yours faithfully

A handwritten signature in black ink, appearing to be 'JF Evans', with a long horizontal stroke extending to the right.

John Francis Evans

In his capacity as the duly appointed BRP