

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 August 2018

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.

Sale of Business

1. The Sale of the Business has been implemented. The purchaser is continuing to meet all obligations in respect of the payment of the purchase price which is payable daily by transfer of a portion of the daily sales to the corporation. As security for these payments the business is banking its daily takings into a bank account controlled by the business rescue practitioner. To date the purchaser has paid R13.2 million of the total purchase price of R23.3 million into the Plan Fund.

Claim Adjudication

2. The business rescue practitioner has adjudicated and accepted those claims that have been properly submitted along with supporting documentation and that match the records of the corporation.
3. Creditors whose claims are not properly submitted and do not include sufficient documentation in support of their claim are being asked to provide additional documentation.
4. Reconciliations are being prepared where there are discrepancies between the claim submitted and the companies records with a view to resolving these differences as quickly as possible.
5. If the business rescue practitioner is unable to reach agreement with the creditor on the quantum of their claim the claim will be rejected and will then be resolved in terms of the dispute resolution mechanism set out in the adopted business rescue plan.

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 business rescue practitioner.
8. In determining the pro rata distributions to concurrent creditors, the business rescue practitioner will include all known claims so that equalization distributions can be paid once a creditors claim has been properly proven, adjudicated and accepted.
9. A first distribution of 3 cents in the rand has been paid to concurrent creditors whose claims have been proven, adjudicated and accepted. Payments are made to concurrent creditors and when their claim is finalized and adjudicated.
10. The payment of further distributions is contingent on both the future payments from the purchaser and the finalization of creditor claims, specifically those of the landlords. I hope to pay a further distribution to concurrent creditors at the end of September 2018.

Yours faithfully



John Francis Evans

In his capacity as the duly appointed business rescue practitioner