

Thursday
24 February 2011

Our Ref: SMG/CMR/FEB2011/24-2/West Cape Safety Glass

TO: ALL CREDITORS

Dear Sir / Madam

WEST CAPE SAFETY GLASS (PTY) LIMITED (IN LIQUIDATION) – “the company”
--

1. The company was provisionally wound up by order of the Western Cape High Court, Cape Town, (*“the Court”*), on 18 January 2011. The provisional winding up order was made final on 21 February 2011.
2. The writer together with K C Monyela and C M Small have been appointed jointly as provisional liquidators by the Master of the Western Cape High Court, Cape Town.
3. The Company formed part of a group of Companies whose ultimate holding company is AGI Industries Limited, which is listed on the JSE.
4. All the trading subsidiaries within the AGI Group have been wound up.
5. On 26 November 2010, Main Street 766 (Pty) Limited (*“Main Street”*), a special purpose vehicle formed by a consortium of five creditor banks to provide funding to the AGI Group (of which the company was a subsidiary) at the time the AGI Group was re-structured in 2009, applied for and was granted an order by the Court

entitling it, inter alia, to attach and hold as security for its claim all the movable assets of the company and various associated companies covered by a General Notarial Bond registered in its favour. Main Street accordingly perfected its security and, as at 18 January 2011, held all the movable assets it had attached at various AGI Group premises around the country as security for its claim.

TO: ALL CREDITORS
RE: WEST CAPE SAFETY GLASS (PTY) LIMITED
(IN LIQUIDATION)

24 FEBRUARY 2011

-
6. On 7 February 2011, the provisional liquidators applied for and were granted an order by the Court extending their powers authorizing them, inter alia, to cancel leases and dispose of assets. As the trading operations of the company and, in fact, the entire AGI Group, had effectively ceased on or about 26 November 2010, no further income was being generated and fixed overhead costs such as rental, security guard costs, staff costs etc continued to accrue. Hence the need for the extension of powers to enable the provisional liquidators to cut costs as expeditiously as possible.
 7. The provisional liquidators have employed certain administrative and technical staff members to assist, inter alia, with the collection of debtors and establishing information relating to the affairs of the company and associated companies.
 8. The assets of the Company together with those of the other trading subsidiaries were disposed of at a boardroom auction held at the offices of Edward Nathan Sonnenbergs on Thursday 10 February 2011. The assets realized R52-million plus VAT. The assets of the Company form part of the sale.
 9. As all of the movable assets are held as security by Main Street (including the debtors book which is ceded), the prospect of dividends to preferent and concurrent creditors at this stage appears unlikely.
 10. Notwithstanding the above, claim forms are enclosed herewith for those creditors who wish to submit claims at this stage.
 11. Our further report will follow.

Yours faithfully



S MOODLIAR
JOINT PROVISIONAL LIQUIDATOR