

**TURQUOISE MOON TRADING 125 (PTY)LIMITED
(IN LIQUIDATION) - "*the Company*"**

MASTER'S REFERENCE NUMBER : C510/2011

LIQUIDATORS REPORT TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE, SOMERSET WEST ON THURSDAY, 16TH FEBRUARY 2012 AT 9H00 IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973, AS AMENDED, AS READ WITH CLAUSE 9 OF SCHEDULE 5 OF THE COMPANIES ACT NO.71 OF 2008, AS AMENDED ("the Act")

ORDERS OF COURT AND MEETINGS

The Company was, at the instance of Coral Lagoon Investments 226 (Pty) Ltd provisionally wound up by Order of the Western Cape High Court, Cape Town on 24 May 2011 which Order was made final on 21 June 2011. The undersigned were appointed as Joint Liquidators by the Master of the Western Cape High Court, Cape Town on 30 June 2011.

The first meeting of creditors was held before the Magistrate, Somerset West on 17 November 2011. The claim of the applicant creditor amounting to R4,109,307.87 was admitted to proof by the presiding officer at the first meeting of creditors.

FORMATION OF THE COMPANY

The Company was incorporated on 23 June 2004 under Certificate of Incorporation Number 2004/017365/07.

CAPITAL STRUCTURE

According to the Companies and Intellectual Property Commission, the issued share capital of the Company is R1 000 divided into 1 000 ordinary shares of one Rand each of which 100 shares have been issued.

REGISTERED OFFICE

The registered office of the Company is at Marsh Rose Mall, 1 Ouderbrug Road, Grabouw, Western Cape. According to the Companies and Intellectual Property Commissioner, the Company's previous registered office was at Trident Park 11, Niblick Way, The Triangle, Somerset West.

DIRECTORS AND AUDITORS

The sole director of the Company as at date of provisional liquidation was Deonette De Ridder.

The auditors of the Company were Bernard Shaw Auditors.

NATURE OF THE BUSINESS OF THE COMPANY

The Company forms part of the "Realcor Group" of Companies based in the Western Cape. The Company conducted business as a property developer. It owns an industrial mini-factory complex known as Grabouw Industrial Park.

CAUSES OF THE FAILURE OF THE COMPANY

As mentioned above, the Company forms part of the Realcor Group of Companies. A number of entities in the Realcor Group have been the subject of an investigation by the office of the Governor of the Reserve Bank ("the Reserve Bank"), which has identified various untoward activities on the part of the Director and the controllers of the Realcor Group.

ASSETS AND LIABILITIES

The Statement of Affairs (Form CM 100) has not yet been lodged. From our own investigations, we report on the approximate financial position of the Company as at the date of its winding up.

ASSETS

| | Note: | Estimate Value |
|---|-------|-----------------------------|
| Erf 4214 Grabouw - situated corner of Granny Smith Way and Industrial Street, Grabouw | 1 | <u>R4,000,000.00</u> |
| TOTAL ESTIMATED VALUE OF ASSETS | | <u>R4,000,000.00</u> |

LIABILITIES

| | | |
|--|-------|-----------------------|
| | Note: | |
| <u>Secured Creditors</u> | 2 | Unknown |
| <u>Preferent Creditors</u> | 2 | Unknown |
| <u>Concurrent Creditors</u> (Estimated) | 2 | <u>R23,000,000.00</u> |
| TOTAL ESTSIMATED VALUE OF LIABILITIES | | <u>R23,000,000.00</u> |

NOTES:

1. The immovable property was subject to a mortgage bond in favour of Absa Bank Limited. We have however, been advised by Absa Bank that a third party has taken cession of their claim against settlement of the Company's indebtedness to the Bank.
2. As already advised, the director has not submitted a CM100. In the circumstances, the true extent of the Company's assets and liabilities are unknown. The liabilities of the Company can only be verified as claims are received and proved.

REPORT TO THE MASTER

The undersigned will, in due course, be filing a report to the Master of the High Court in terms of Section 400(2) of the Companies Act.

LIABILITY OF DIRECTORS AND OFFICERS

Investigations are on-going as to whether any director or officer of the Company could be held liable for damages or compensation to the Company or for any debts or liabilities of the Company as provided for in the Companies Act.

PROMOTION, FORMATION AND FAILURE OF THE COMPANY

Investigations are on-going regarding the promotion, formation or failure of the Company and the conduct of its business.

LEGAL PROCEEDINGS

The undersigned are not aware of any legal proceedings pending or threatened at the date of liquidation.

BOOKS AND RECORDS

The undersigned are not yet in possession of all the records of the Company and are therefore, at this stage, unable to state with any certainty whether the provisions of Section 284 of the Act have been complied with.

PROGRESS AND PROSPECTS OF WINDING-UP

It is envisaged that the immovable property should be sold by public auction shortly after the Second Meeting of Creditors.

LEASES

The immovable property comprises 24 industrial units. The Company as Lessor concluded various lease agreements with tenants in occupation.

ESTIMATED DIVIDEND

The payment of a dividend to concurrent creditors is dependent upon any secured or preferent claims being received.

**DATED AT CAPE TOWN
THIS DAY OF
JANUARY 2012**

**DATED AT
THIS DAY OF
JANUARY 2012**

**T P GLAUM
JOINT LIQUIDATOR**

**S MOODLIAR
JOINT LIQUIDATOR**

**TURQUOISE MOON TRADING 125 (PTY) LTD
(PTY) LIMITED
(IN LIQUIDATION) - "*the Company*"**

MASTER'S REFERENCE NO : G510/2011

**RESOLUTIONS TO BE SUBMITTED AT THE SECOND MEETING OF
CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE
MAGISTRATE, SOMERSET WEST ON THURSDAY, 16 FEBRUARY
2012 AT 9H00**

IT IS HEREBY RESOLVED :

1. That the report of the liquidator(s) and his/their actions as referred to therein be and are hereby approved, ratified and confirmed.
2. That the actions of the provisional liquidator(s) and liquidator(s) in engaging the services of attorneys and/or counsel on such matters as he/they found necessary in the administration of the company in liquidation to date, are hereby approved, ratified and confirmed. That the costs thereof be paid out of the funds of the company in liquidation as part of the costs of administration. That the liquidator(s) be authorised to conclude written agreements with their attorneys in terms of the provisions of Section 73 of the Insolvency Act No. 24 of 1936 (as amended) as read with the provisions of the Companies Act No. 61 of 1973 (as amended), dispensing with the need for preparation of bills and the taxation thereof, and that the actions of the provisional liquidator(s) and liquidator(s) in concluding such written agreements to date, are hereby approved, ratified and confirmed.
3. That the liquidator(s) be and is/are hereby authorised to engage whatever further legal assistance he/they may require in the interests of the company in liquidation and that the costs thereof be paid out of the funds of the company in liquidation as part of the costs of administration.

4. That the liquidator(s) be and is/are hereby authorised to institute or defend legal actions in order to collect debts owing to the company or in respect of any other matter affecting the company in liquidation including the holding of enquiries or examinations in terms of the Companies Act, 1973, as amended, or as read with the Insolvency Act, 1936, as amended, as he/they may deem fit, and for such purposes to employ the services of attorneys and/or counsel of his/their choice and to pay the costs out of the funds of the company in liquidation as part of the costs of administration.
5. That the liquidator(s) be and is/are hereby authorised to settle or compromise any legal proceedings whether instituted or to be instituted by or against the company, on such terms and conditions and for such amount as he/they in his/their discretion may deem fit.
6. That the liquidator(s) be and is/are hereby authorised to sell any movable or immovable property of the company in liquidation of whatsoever description and including outstanding debts by public auction, public tender or private treaty in such manner, upon such terms and conditions and for such amounts as he/they may deem fit.
7. That the liquidator(s) be and is/are hereby authorised to consent to the cancellation of any bond passed in favour of the company.
8. That the liquidator(s) be and is/are hereby authorised to agree to any reasonable offer of composition made to the company by any debtor, to accept payment of any part of any debt due to the company in settlement thereof, to grant an extension of time for the payment of any debt and to abandon such amounts due to the company as he/they has/have been unable to recover or dispose of as he/they may deem fit.
9. That the liquidator(s) be and is/are hereby authorised to engage the services of auctioneers or agents to sell the assets of the company in liquidation and to determine the conditions of sale and manner of advertising in his/their discretion.
10. That the liquidator(s) be and is/are hereby authorised and empowered in his/their discretion to compromise or admit any claim against the company, whether liquidated or unliquidated, arising from any guarantee or any other cause whatsoever, as a liquidated claim in terms of Section 78(3) of the Insolvency Act, as amended, at such amount as may be agreed upon between the creditor(s) concerned and the liquidator(s) provided that proof thereof has been tendered at a meeting of creditors.

11. That the liquidator(s) be and is/are hereby authorised to transfer to the purchaser thereof any immovable property sold by the company prior to its liquidation or to agree to the cancellation of any such sale and to re-sell such property or to agree to the substitution of a new purchaser under any existing Deed of Sale.
12. That the liquidator(s) be and is/are hereby authorised to abandon any asset or assets of the company where no purchaser for the asset(s) can be found.
13. That the liquidator(s) be and is/are hereby authorised to terminate leases in respect of premises or of any other object entered into by the company in liquidation.
14. That the liquidator(s) be and is/are hereby authorised to, if necessary, borrow moneys with or without providing security therefor and that the interest payable on such loans shall be paid as costs of administration of the company in liquidation.
15. That the liquidator(s) be and is/are hereby authorised to engage the services of Investigative Accounting Group (Pty) Ltd as well as any other bookkeepers, accountants, auditors or any other person for any purpose in and about the affairs of the company which he/they may require and the costs so incurred to be paid as costs of administration of the company in liquidation.
16. That the future administration of the company be left in the hands of and to the discretion of the liquidator(s).

qq CREDITORS

PRESIDING OFFICER

qq MEMBERS