

**MAK FOOD LOGISTICS SA (PTY) LTD (IN LIQUIDATION) ("MAK
FOODS")**
MASTER'S REFERENCE NUMBER: G1331/05

Report Submitted By The Joint Liquidators At The Second Meeting Of Creditors And
Contributories Convened Pursuant To The Provisions Of Section 402 Of The
Companies' Act Number 61 Of 1973, And Held Before Master of the High Court,
Johannesburg On **Tuesday, 05 September 2006, At 10h00.**

Upon an ex-parte application MAK Foods, was placed in liquidation by an order of the High Court of South Africa (Witwatersrand Local Division) on 8 November 2005.

Mr LDR VAN DER MERWE and Ms M BARNARD were appointed the Provisional Liquidators by the Master of the High Court under his Certificate of Appointment dated the 28 December 2005.

At the First Meeting of Creditors and Contributories held before the Master of the High Court, no claims were submitted or proved against the Company. Consequently no nomination was made for the appointment as a Final Liquidator. The Master of the High Court exercised his discretion and appointed the Provisional Liquidators as Final Liquidators under his Certificate of Appointment dated the 28 July 2006.

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

The Company was duly registered with the Registrar of Companies under their reference number 2002/030735/07.

Nature of Business

The company carried on the business of a contract packager for local and international airlines at Johannesburg International Airport.

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Business Address

The principal place of business was Unit 2, Jetpark Mini Factories, 10 Covora Street, Jetpark Extension 1.

Directors and Shareholders

Director

Mr. Marc Clinton Faber

Shareholders

Mr. MC Faber – 6%

MA Krog Family Trust – 53%

Alex Vowels – 41%

SECTION 402(a)

CAPITAL ASSETS AND LIABILITIES

The Authorised Share Capital of the Company consisted of * shares of R1,00 each.

The Issued Share Capital of the Company consisted of * shares of R1,00 each.

We have completed preliminary investigations into the affairs of the company and according to the former director and the founding affidavit for the application for liquidation the financial position would appear to be as follows:

ASSETS	Assets	Liabilities
Encumbered Assets		
None	0-00	
Unencumbered Assets		
Debtors – approximately	0-00	
Cash in Bank Account - approximately	0-00	
LIABILITIES		

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Secured Creditors None		0-00
Preferent Creditors Unknown at present		unknown
Concurrent Creditors Various – approximately		210 000-00

SECTION 402(b)

CAUSES OF THE COMPANY'S FAILURE

According to the Notice of Motion the principle cause of the Company's failure are attributable to the following:

"The applicant's financial position has deteriorated over the past two years which resulted in the applicant ceasing to trade in March 2005"

SECTION 402(c)

REPORT UNDER SECTION 400(2)

Should it be found necessary, a report under Section 400(2) will be submitted direct to the Master of the High Court prior to a Final Liquidation Account being prepared.

At this stage we do not have anything to report under this heading, however, should any contraventions come to our attention, a report will be submitted to the Master of the High Court in regard to such contraventions.

SECTION 402(d)

REPORT UNDER SECTION 424

At this stage, we are not in a position to state whether any Director or Officer, or past Director or Officer appears to be personally liable for the liabilities of the Company.

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SECTION 402(e)

LEGAL PROCEEDINGS

As far as we are aware there are no legal proceedings pending by or against the Company, save and except for the recovery of debts.

SECTION 402(f)

FURTHER ENQUIRY

The estate does not have sufficient free residue funds at its disposal to fund any further enquiry in terms of the provisions of Section 415 of the Companies' Act read with Section 66(1) of the Close Corporation's Act and accordingly it is not my intention to hold a further enquiry into the formation, promotion and/or failure of the Close Corporation. However, Creditors are invited to furnish us with instructions in this regard and are invited to indemnify us and proceed in terms of the provision of Section 32(1) of the Insolvency Act should they so wish.

SECTION 402(g)

BOOKS AND RECORDS

Certain books and records of the Company have been handed to us.

SECTION 402(h)

PROGRESS AND PROSPECTS OF LIQUIDATION

On my appointment as Provisional Liquidator I contacted the director whom advised that the company ceased trading prior to liquidation and the company had not assets.

SECTION 402(i)

MATTERS REQUIRING FURTHER DIRECTIONS OF CREDITORS AND

CONTRIBUTORIES

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Such directions as we desire, and sanction of the actions taken by the Provisional Liquidators and Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption, are attached hereto.

GENERAL

As there appears to be every danger of a contribution being levied on Creditors, we cannot recommend that Creditors submit claims for proof. It would be appreciated, however, if Creditors could advise us of the amount due to them in order to assist us in ascertaining the liabilities of the Company.

DATED at _____ this _____ day of August 2006

LDR VAN MERWE

Liquidator

DATED at _____ this _____ day of August 2006

M BARNARD

Liquidator

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Resolutions Proposed For Adoption At The General Meeting Of Creditors And
Contributories Convened Pursuant To The Provisions Of Section 402 Of The
Companies' Act No.61 Of 1973 As Amended, And Held Before The Master of the
High Court, Johannesburg On **Tuesday, 05 September 2006, At 1000.**

RESOLVED :

1. THAT the Joint Liquidators' Report as submitted at this Meeting be and is hereby adopted;
2. THAT all the actions of the Joint Provisional Liquidators and the Joint Liquidators and their administration of the estate to date, be and they are hereby approved of and confirmed;
3. THAT the Joint Liquidators be and are hereby authorised to dispose of the movable assets by public auction, public tender or private treaty and on such terms and conditions and for such amounts as they in their sole discretion may deem fit in the best interests of the Company;
4. THAT the Joint Liquidators be authorised to realise any immovable property registered in the name of the Company by public auction, private treaty or public tender in their sole discretion may deem fit in the best interests of the Company;
5. THAT the Joint Liquidators be and are hereby authorised to release, abandon or dispose of any secured asset to the respective Secured Creditor at an agreed value or at an amount to settle the claim of the Secured Creditor;

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6. THAT the Joint Liquidators be authorised and empowered to compromise, settle or abandon any claim by or against the estate as they in their discretion may deem fit in the best interests of the estate;
7. THAT the Joint Liquidators are hereby authorised and empowered to:
 - 7.1 engage the services of attorneys and counsel in connection with any matters arising out of or related to the affairs of the estate;
 - 7.2 agree with such attorney on the tariff and/or scale of fees to be charged by and paid to the attorney for the rendering of the services to the estate;
 - 7.3 pay to the attorney, provided that there is at all times a sufficiency of funds in the free residue, the agreed costs and the disbursements made by the attorney as and when the services are rendered and the disbursements are made subject to:
 - 7.3.1 the taxation of such costs and disbursements by the Master of the Supreme Court when the attorney has performed his mandate; and
 - 7.3.2 the repayment by the attorney to the Liquidators of any payment made by the Liquidators to the attorney in respect of the latter's costs and disbursements which exceeds the amount determined by the taxation, or in the event of the attorney becoming

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disentitled to such payment, or any portion thereof, if it should be excluded from the confirmed Liquidator's account pursuant to any objection under Section 111 of the Insolvency Act, 1936.

8. THAT the Liquidator be empowered, should it be consider this step necessary, to conduct an enquiry in terms of the Insolvency Act, and that all costs of such enquiry, including the costs of an Attorney and/or Counsel, be treated as costs of liquidation. That the Joint Liquidators be and are hereby authorised to agree a fee with an Attorney and/or Counsel, which fee will be regarded as an administration cost;
9. THAT the Joint Liquidators be and are hereby authorised to pursue the collection of outstanding amounts as are still due to the estate, and for this purpose to engage whatever legal assistance they may require in the interests of the estate, the costs to be paid out of the funds of the estate. The Joint Liquidators are further authorised to dispose of the balance of outstanding amounts by public auction, public tender or private treaty on such terms and conditions and for such amounts as they in their discretion may deem fit. In the event of the Liquidator being unable to recover or dispose of the balance of the outstanding amounts, they are authorised to abandon same if they, in their discretion should so deem fit;
10. THAT the Joint Liquidators be authorised, if necessary, to employ the services of an Accountant or Auditor to write up the books of account of the Company to date of liquidation and to investigate and report thereon and on any other matter that may arise from the said books of account, and that all costs incurred be costs of the estate;
11. THAT the action of the Joint Provisional Liquidators and/or Joint Liquidators in having terminated the leases entered into by the Company in respect

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of the premises, office equipment, plant and machinery, and motor vehicles be and is hereby approved of, ratified and confirmed, and the costs incurred be costs of liquidation;

12. THAT the Joint Liquidators be and are hereby authorised to dispose of any of the secured assets to the respective Secured Creditor at an agreed value or at an amount to settle the claim of the Secured Creditor;
13. THAT the actions of the Joint Provisional Liquidators and/or Joint Liquidators in disposing of the secured assets to the respective Secured Creditor, be and is hereby ratified and confirmed;
14. THAT the Joint Liquidators be authorised to pursue any action against an Insurance Company for the recovery of an insurance claim;
15. THAT the Joint Liquidators are authorised to engage whatever legal assistance he may require in the interests of the estate, and the costs to be paid out of the funds of the estate. The Joint Liquidators are also authorised to settle such amounts as they in their sole discretion deems fit. Further, that the Joint Liquidators be authorised to dispose of any right they may have in, and to any such claim against an Insurance Company as they in their sole discretion should so deem fit. That the Joint Liquidators be and are hereby authorised to agree a fee with an Attorney and/or Counsel, which fee will be regarded as an administration cost;

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16. THAT pursuant to the provisions of Section 78(3) of the Insolvency Act, the Joint Liquidators be and are hereby authorised in their sole discretion to admit any claims against the estate, in the interests of the estate, whether liquidated or unliquidated, arising from any guarantee or other caused whatsoever, at such an amount to be agreed upon by both the said Creditor and the Joint Liquidators;
17. THAT the further administration of the estate be left to the discretion of the Joint Liquidators.



The Liquidators' report and resolutions for adoption by Creditors were presented for approval.

ON BEHALF OF CREDITOR NO. _____

DATE