

To: **All Affected Persons**

Date: 15 August 2019

Our Ref: CB/gb/D146

Dear Sir/Madam

**BUSINESS RESCUE: DELCORP (PTY) LTD - REGISTRATION NO. 2005/006807/07**

Be pleased to take notice that Delcorp (Pty) Ltd ("Delcorp") filed a Notice of Beginning of Business Rescue proceedings (CoR 123.1) on 8 August 2019 with the Companies and Intellectual Property Commission of Republic of South Africa, and Charl de Waal Boshoff was nominated and appointed by Delcorp as the Business Rescue Practitioner.

In terms of the Section 129 (3) Companies Act 71 of 2008 ("the Act"), you are hereby formally notified of the beginning of business rescue proceedings of the abovementioned corporation. For your records we enclose herewith:

1. Form CoR 123.1 – Notice of Beginning of Business Rescue Proceedings;
2. Resolution by the directors;
3. Sworn statement;
4. Letter from De Waal Boshoff Incorporated;
5. Form CoR 123.2 – Notice of Appointment of Business Rescue Practitioner.

The business rescue practitioner will be in contact with you shortly, and advise when and where the first meeting of creditors will take place as contemplated in terms of Section 147 of the Act.

Yours faithfully

**DE WAAL BOSHOFF INC.**



**MR BOSHOFF**

**(CIRCULAR 1)**

111865605

Companies and Intellectual Property Commission  
Republic of South Africa

Form GoR 123

About this Form

- This form is issued in terms of section 129 and 131 of the Companies Act, 2008 and Regulation 123 of the Companies Regulations, 2011.
- A company resolution or committee business rescue proceedings has no force or effect until it has been filed with this notice.
- This notice must be published to every affected person within 5 business days after:
  - (a) it has been filed in the case of a resolution; or
  - (b) the date of the court order, in such a case.
- If this Notice is issued following a board resolution:
  - (a) The company must appoint a business rescue practitioner within 5 business days after filing this notice; and
  - (b) Any affected person may apply to a court in terms of section 130 for an order setting aside the resolution.
- The fee for filing this notice is R0.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address  
PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 085 100 2472  
www.cipc.co.za

Notice of Beginning of Business Rescue Proceedings

Date: 08 August 2019

Customer Code: DWBINC

Concerning

(Name and Registration Number of Company)

Name: Delcorp (Pty) Ltd

Registration No: 2005/006807/07

The above named company advises that business rescue proceedings have commenced in terms of Chapter 6 of the Companies Act, as a result of:

The Board of the company having adopted the attached resolution in terms section 129, on 08 August 2019.

A Court having made the attached order in terms of section 131, on \_\_\_\_\_

In terms of section 132 (1)(a), the company's business rescue proceedings commenced on 08 August 2019, being the date on which:

This notice was filed with the Commission.

The court issued the attached order.

(Only in the case of a company resolution)

In support of this Notice, the company has attached a sworn statement of the relevant facts upon which the resolution was founded by a director representing the Board.



Name and Title of person signing on behalf of the Company:

Mosood Abbas (Director)

Authorised Signature:

*[Handwritten Signature]*

A division of Delcorp (Pty) Ltd 2005/006807/07, VAT NO. 4410212429  
27 Jan Smuts | Beaconvale | Parow | 7460 | South Africa  
T +27 861 1111 125  
Email: [info@swiftdisplays.com](mailto:info@swiftdisplays.com)  
Website: [www.swiftdisplays.com](http://www.swiftdisplays.com)  
Swiftdisplays GOOGLE MAP link: <http://goo.gl/maps/sH0s>



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## DIRECTORS RESOLUTION

Resolution of the directors of **DELCORP (PTY) LIMITED t/a SWIFT DISPLAYS**, Registration No. 2005/006807/07 (the "Company") passed at a meeting of directors held electronically at Epping on 8 August 2019:

### 1. PRESENT

	<u>Name</u>	<u>Designation:</u>	<u>Votes in favour/ Votes against</u>
1.1	Glenda Wagner	Director	Votes in favour
1.2	Masood Abbas	Director	Votes in favour

### 2. NOTICE OF MEETING

It is recorded that:-

2.1 Notice of the meeting was called in terms of section 73(5) of the Companies Act 71 of 2008 (the "Act");

2.2 All of the directors:-

2.2.1 acknowledge actual receipt of the notice calling the meeting;

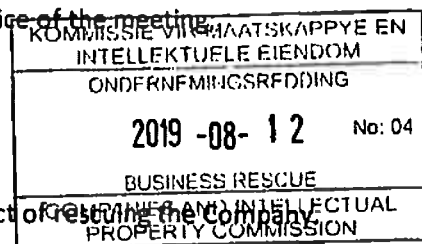
2.2.2 are present at the meeting (either in person or by proxy);

2.2.3 vote to waive the required minimum notice of the meeting;

2.3 The board is of the opinion that:-

2.3.1 the Company is financially distressed;

2.3.2 there appears to be a reasonable prospect of restoring the Company



### 3. RESOLVED

It was unanimously resolved that:-

3.1 The Company voluntarily begins business rescue proceedings and that it be

**M Abbas(Director) G Wagner (Director)**

A division of Delcorp (Pty) Ltd 2005/006807/07, VAT NO. 4410212429  
27 Jan Smuts | Beaconvale | Parow | 7460 | South Africa  
T +27 861 1111 125  
Email: [info@swiftdisplays.com](mailto:info@swiftdisplays.com)  
Website: [www.swiftdisplays.com](http://www.swiftdisplays.com)  
Swiftdisplays GOOGLE MAP link: <http://goo.gl/maps/sH0s>



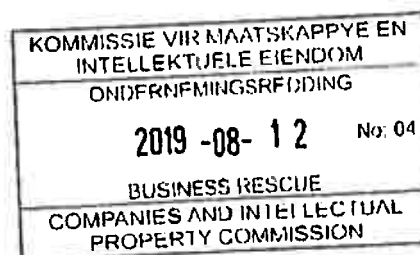
**MAKING YOU LOOK GOOD**

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- 3.2 placed under supervision within the meaning of and as contemplated in section 129(1) of the Act;
  - 3.3 Masood Abbas is hereby authorized and empowered to act on behalf of the Company and do such things, take such steps and sign such documents as may be required in order to give effect to the foregoing, including but not limited to deposing to a sworn statement as required in terms of section 129(3)(a) of the Act.
  - 3.4 The Company appoints Tanya Swanepoel and/or Kenneth Bredenkamp of KJB Attorneys to act as its attorneys and agent in giving effect to all of the foregoing including but not limited to the filing of a Notice Of Commencement Of Business Rescue Proceedings With The Commission.

DATED at Epping on this 8<sup>th</sup> day of August 2019

A handwritten signature in black ink, appearing to be "M Abbas", written over a horizontal line.

**M ABBAS - CHAIRPERSON**



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**M Abbas(Director) G Wagner (Director)**

In re: **DELCORP (PTY) LIMITED t/a SWIFT DISPLAYS**  
**Registration Number 2005/006807/07**

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**SWORN STATEMENT**

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I, the undersigned,

**MASOOD ABBAS**  
**Identity Number 760315 5262 08 6**

do hereby make oath and say:

1. I am an adult male and director of Delcorp (Pty) Limited t/a Swift Displays, Registration Number 2005/006807/07 (the "Company").
2. The facts herein contained fall within my personal knowledge, unless indicated to the contrary and are both true and correct.
3. I am duly authorised to depose to this affidavit on behalf of Delcorp (Pty) Limited t/a Swift Displays, Registration Number 2005/006807/07 which has its registered office at Unit 6, 98B Bofors Circle, Epping 2, Western Cape, and which carries on business at 27 Jan Smuts, Parow .
4. I depose to this affidavit in terms of Section 129 of the Companies Act No. 71 of 2008 as amended from time to time.
5. On 8 August 2019, Delcorp (Pty) Limited t/a Swift Displays (herein after referred to as the "Company") resolved to commence with a business rescue as contemplated by Section 129(1) of the Companies Act No. 71 of 2008 (hereinafter referred to as the "Act").
6. I am a director of the Company and duly authorised to depose to this affidavit and conversant with the Company's current financial situation.

**RESOLUTION TO COMMENCE WITH BUSINESS RESCUE**


7. As mentioned above, on 8 August 2019, the directors of the Company passed a resolution in terms of Section 129(1) of the Act to commence with business rescue proceedings.
8. This affidavit deals with the relevant facts upon which the resolution of the director is founded.



**FINANCIAL DISTRESS**

9. The Company is in financial distress due to the following:
- 9.1 ABSA Bank having unexpectedly elected to terminate the Company's overdraft facility (notwithstanding the fact that the Company was not in breach of any of its obligations to ABSA Bank).
  - 9.2 Financial difficulties experienced due to its struggling cash flow – which cash flow difficulties (the Board contends) flow and arise largely from and out of the circumstances described more fully in paragraph 10 hereunder.
  - 9.3 It appears to be reasonably likely that the Company will become insolvent in the immediate future (and certainly within the next six (6) months) in that ABSA Bank issued the Company with a demand in terms of section 345 of the Companies Act 61 of 1973 on 10 July 2019, which demand the Company is unable to comply with and as a consequence whereof the Company will be deemed to be unable to pay its debts in the ordinary course as and when these fall due and it is likely that ABSA Bank will apply for a winding up order.
10. The Company's directors (namely myself and Glenda Wagner) contend and are of the view that, *inter alia*, the following facts and circumstances attributed to the Company's financial distress:-
- 10.1 The Company is advised by its legal advisers and the board contends that there are grounds to suspect that an erstwhile director of the Company (Delamare Terwin ("Terwin")) may have fallen short of the standards imposed upon him in terms of the common law and as prescribed in section 76 of the Act and/or by virtue of various instances of alleged unlawful conduct – during his tenure as director of the Company.
  - 10.2 The Board alleges and contends that:-
    - 10.2.1 the Company has suffered loss as a consequence of the conduct complained of in paragraph 10.1 above, and;
    - 10.2.2 Terwin is, in terms of (*inter alia*) section 77 of the Act liable to the Company for said damages.
  - 10.3 Without limiting or derogating from the foregoing, the Company contends that, by virtue of alleged misconduct on the part of and/or alleged breach by Terwin of his fiduciary duties:-
    - 10.3.1 unnecessary costs and expenses have been incurred by/paid for by the Company, and/or;

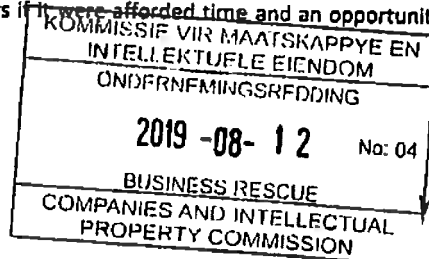


M. A. 

- 10.3.2 poor decisions relative to the conclusion of various instalment sale transactions have resulted in the Company being lumbered with plant and equipment for which the Company overpaid and/or which is not financially viable, and/or;
- 10.3.3 the Company has had to resort to incurring extraordinarily high finance charges associated with factoring of its debt.
- 10.4 Whereas the Company has, during the period December 2017 to date, relied on borrowings from its major shareholder to manage cash flow constraints, said shareholder is no longer willing to advance the Company any money outwith formal business rescue proceedings.
- 10.5 Most recently, the decision by ABSA Bank to call up the Company's overdraft (read with the factors stated in paragraph 10.4) has made it impossible for the Company to pay its debts in the ordinary course as and when these fall due.
11. The Company has debt of approximately R 22 000 000 (twenty two million rand) which comprises of monies owing to outstanding creditors and lenders and uncalculated small amounts due to the Receiver of Revenue.
12. The value of the Company's assets (excluding any provision for the Company's alleged claim as set out in paragraph 10 above) and outstanding debtors book according to me are approximately R 9 000 000 (nine million rand) comprising movable assets and cash.
13. The Company has several sales orders currently outstanding.

**REASONABLE PROSPECT OF BUSINESS RESCUE**

14. The Company is currently still trading and has 27 Jan Smuts, Parow as its trading address.
15. The Company's monthly turnover has historically been R 2 000 000 (two million) on average. If the Company were to operate at its full potential – this turnover could conceivably be increased considerably.
16. The Company has good longstanding relations with a large client base, many of whom are national brands/public companies that operate throughout the Republic of South Africa.
17. If the directors, in conjunction with the appointed business rescue practitioner, were afforded a fair opportunity to restructure the affairs of the Company, its business, debt and new marketing strategy and other such plans and to pursue a potential compromise with the Company's creditors and lenders, I am of the opinion that the Company has a reasonable prospect of success.
18. As an alternative to pursuing a potential compromise with creditors, the Company may be able to settle the amounts owing to creditors if it were afforded time and an opportunity to shed



considerable costs, restructure the business and maximise the current sales orders and goodwill of the Company.

19. In order to do this, the Company needs an opportunity to raise post commencement finance to fund the ongoing business operations and, where applicable, pay compromise settlement amounts to creditors. The Company's major shareholder is willing to put up the necessary post business rescue funding in order to achieve these objectives.



MASOOD ABBAS

Thus signed and sworn to before me at CAPE TOWN this 8<sup>TH</sup> day of AUGUST 2019, the Deponent having acknowledged that he knows and understands the contents of this affidavit, that same are all true and correct, that he has no objection to taking the prescribed oath, and that he considers the prescribed oath to be binding on his conscience.



COMMISSIONER OF OATHS

Full Name:

Designation:

Address:





**THE CIPC**

Per email: [businessrescue@cipc.co.za](mailto:businessrescue@cipc.co.za)

Date: 8 August 2019

Our Ref: CB/gb/D146

Dear Sir

**DELCORP (PTY) LTD**

**Registration No: 2005/006807/07**

I confirm that:

1. I am prepared to accept the appointment as Business Rescue Practitioner of the above company;
2. I am not disqualified to act as practitioner in the above company in terms of section 138 (1) (c), (d), (e), or (f), of the Companies Act;
3. I have no relationship with the company such as would lead a reasonable and informed third party to conclude that my integrity, impartiality or objectivity as Practitioner is compromised by that relationship;
4. I am not related to a person who has a relationship as contemplated in paragraph 3;
5. As I do not attend to any insolvency work, I have full capacity to accept further appointments as practitioner.



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**CHARL DE WAAL BOSHOFF**

Companies and Intellectual Property Commission  
Republic of South Africa

Form CoR 123.2

About this Form

- This form is issued in terms of sections 129 and 131 of the Companies Act, 2008, and Regulation 123 of the Companies Regulations, 2011.
- This notice must be published to every affected person within:
  - (a) 2 business days after it has been filed if the company appointed the Practitioner; or
  - (b) 5 business days after the court order, in such a case.
- If this notice is issued following a company appointment, any affected person may apply to a court in terms of section 130 for an order setting aside the appointment, or requiring the practitioner to provide security.
- The fee for filing this Notice is R0.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address  
PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 086 100 2472

www.cipc.co.za

Notice of Appointment of Business Rescue Practitioner

Date: 08 August 2019

Customer Code: DWBINC

Concerning

(Name and Registration Number of Company)

Name: Delcorp (Pty) Ltd

Registration No: 2005/006807/07

The above named company commenced business rescue proceedings on 08 August 2019

The following person has been appointed as the business rescue practitioner:

Charl De Waal Bashoff

By the company, in terms of section 129 (3)(b).

By the court, in terms of section 131 (5).

Name and Title of person signing on behalf of the Company:

Masood Abbas (Director)

Authorised Signature:

