

CANADA
Province of Ontario
Division No.: 09- Mississauga
Court No.: 32 - 3070348
Estate No.: 32 - 3070348

**IN THE MATTER OF THE BANKRUPTCY OF
SIMANDAL INT'L LIMITED
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S PRELIMINARY REPORT TO CREDITORS
ON THE BANKRUPTCY ADMINISTRATION**

Section A – Background

On April 22, 2024, Simandal Int'l Limited (the “**Company**”) filed an assignment in bankruptcy with the Office of the Superintendent of Bankruptcy (the “**OSB**”) and on the same day, the OSB issued a Certificate of Appointment naming MNP Ltd. as the Licensed Insolvency Trustee (“**Trustee**”) of the Company and setting the date for the First Meeting of Creditors to take place virtually on May 10, 2024, at 10:30 AM.

The Designated Officer of the Company in this bankruptcy administration is Ms. Iun Via Wong, a Director, Officer and Shareholder of the Company.

The Company was incorporated on October 20, 2021, under the *Ontario Business Corporations Act* and operated as a franchised Sushi Stop Restaurant from rented premises located at 129 Lakeshore Road East, Unit F8, Mississauga, Ontario (the “**Premises**”). The Company had operated unprofitably since inception. The operating losses were funded primarily by Ms. Wong who was no longer prepared to advance any further funding. Accordingly, the business ceased operations abruptly in April 2024 and filed for bankruptcy.

Section B - Evaluation of Assets

According to the Statement of Affairs, the Company estimated the liquidation value of its assets to be \$8,000.00 with respect to restaurant equipment and leasehold improvements located in the Premises. Subsequent to the filing of the bankruptcy, the Trustee discovered that the restaurant equipment had been sold prior to the filing of the bankruptcy. The Trustee is awaiting details on the sale of those assets from Ms. Wong.

Section C – Conservatory and Protective Measures

The Trustee has taken possession of certain books and records required for the administration of the bankruptcy. The Trustee did not take possession of the Premises.

Section D – Secured Creditors

According to a search conducted of the security registrations under Personal Property Security Act (Ontario) (“PPSA”), Canadian Imperial Bank of Commerce (“CIBC”) is the only registered secured creditor with respect to all of the assets of the Company. The Trustee has reviewed the CIBC Security Agreement executed by the Company but to date the Trustee has not received a proof of claim from CIBC.

Section E - Provable Claims

To date, the Trustee has received one valid unsecured claim.

The following summarizes the claims:

Creditor Type	Per Statement of Affairs	Proven & Filed to October 26, 2023
Secured	\$ 233,705.00	Nil
Preferred	\$ 1	Nil
Unsecured	\$ 508,696.75	\$ 264.31
Total	\$ 742,402.75	\$ 264.31

Section F – Legal Proceedings, Reviewable Transactions & Preference Payments

The Trustee has not commenced any legal proceedings on behalf of the Estate.

The Trustee has done a preliminary review of the banking records during the past year and has discovered a disbursement of \$140,000 issued on March 3, 2024 to Ms. Wong. The Trustee had advised Ms. Wong that the payment constitutes a preferential payment under the *Bankruptcy & Insolvency Act* and has requested her to repay the funds to the estate. The Trustee notes that any recovery of those funds will likely be subject to a secured claim by CIBC, if and when filed. The Trustee is awaiting a response from Ms. Wong with respect to the Trustee’s demand for repayment of the funds.

Section G – Remuneration of Trustee

The Trustee's fees will be based on a time and hourly basis. The Trustee has received a third-party retainer in the amount of \$15,820.00 with respect to the basic administration of the bankruptcy.

Section H - Anticipated Realization and Projected Distribution

The Trustee does not anticipate any distribution to unsecured creditors at this time.

Dated May 9, 2024.

MNP Ltd.

Licensed Insolvency Trustee

Per:



Deborah Hornbostel CPA, CA, CIRP, LIT, CFE