

ESOR AFRICA (PTY) LTD

REGISTRATION NUMBER: 1998/004367/07

BUSINESS RESCUE STATUS REPORT IN TERMS OF SECTIONS 132 AND 141 OF THE COMPANIES ACT, 2008 READ WITH REGULATION 125 OF COMPANIES ACT FILED BY THE BUSINESS RESCUE PRACTITIONER J F KLOPPER

| | Date |
|--|------------|
| Board of directors passes resolution for Business Rescue on | 2018-11-16 |
| File notice of resolution with CIPC on | 2018-11-20 |
| Publish notice to affected parties-within 5 days from Filing | 2018-11-28 |
| Company nominates a BRP within 5 days of filing | 2018-11-21 |
| CIPC confirms the appointment of BRP | 2018-11-21 |
| File notice to CIPC on BRP appointment within 2 days | 2018-11-21 |
| Publish notice to affected parties of BRP within 5 days | 2018-11-28 |
| First meeting of creditors-10 days from appointment | 2018-12-05 |
| First meeting of employees-10 days from appointment | 0000-00-00 |
| Publish Business Plan | 0000-00-00 |
| Notice of meeting to determine Business Plan | 0000-00-00 |
| Meeting to determine Business Plan 10 days after publication | 0000-00-00 |

1. Esor Africa (Pty) Ltd ('the company') was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 ("the Act") on 20 November 2018.
2. The company complied with the requirements of Section 129(3)(a) and (b) of the Act.
3. Johannes Frederick Klopper was licensed by the Commission in respect of the company and appointed as Business Rescue Practitioner (BRP) to this company on 21 November 2018 in terms of Section 138 of the Act.
4. In terms of a resolution adopted by all by all creditors present, at the First meeting of creditors on 5 December 2018, the date for the publication of the Business Rescue Plan ("BR Plan") by the business rescue practitioners was extended to 12 February 2019.
5. Engagement with creditors are continuing and at an informal meeting of creditors held on 10 July 2019 creditors were reminded of the challenges experienced in finding a purchaser for the property belonging to the company.

6. It was resolved that the BRP would enter into a sole mandate with an agent who would then either market the property belonging to the company or, alternatively, liaise with other agents with a view to finding perspective buyers.
7. At the abovementioned informal meeting it was agreed that regular feedback meetings would be held with affected parties.
8. A sole mandate agreement was entered into and Liquidity Services has marketed the property both on-site and via online marketing.
9. An offer was received on 14 August 2019 that was considered to be below market value and referred to the appointed agent to enter into negotiations.
10. At an informal general meeting of the major creditors with a statutory majority in voting interest held on 5 September 2019 it was proposed to and agreed by all creditors present that the immovable property will be sold by public auction and which sale would take place on 22 October 2019. The public auction did not succeed and the process of seeking a buyer for the property continued during January and February 2020. A meeting with management, the company's bankers and guarantors was held on 26 February 2020 and it was resolved that the company would approach parties who had shown interest previously again with a view to re-opening negotiations. The parties have not reverted and have shown no interest.
11. It was also resolved to reach out to the ultimate major shareholders with a view to exploring other restructuring options. These processes are ongoing but in the event that all of this fail it was decided to consider the formal winding-up of the company.
12. However, owing to the Covid 19 pandemic and the consequent lock down that commenced on 26 March 2020 this process was not completed and this matter now being administered remotely.
13. It was furthermore, in the meantime, decided to enter into a further sole mandate to seek buyers for the property during the months of June.



J F KLOPPER

BUSINESS RESCUE PRACTITIONER

Date: 31 MAY 2020