

SOUTHERN AFRICAN TYRE DISTRIBUTORS (PTY) LTD

REGISTRATION NUMBER: 2014/174250/07

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	2019-09-26
File notice of resolution with CIPC on	2019-09-26
Publish notice to affected parties-within 5 days from Filing	2019-09-27
Company nominates a BRP within 5 days of filing	2019-09-26
CIPC confirms the appointment of BRP	2019-09-26
File notice to CIPC on BRP appointment within 2 days	2019-09-26
Publish notice to affected parties of BRP within 5 days	2019-09-27
First meeting of creditors-10 days from appointment	2019-10-03
First meeting of employees-10 days from appointment	2019-10-03
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. Southern African Tyre Distributors (Pty) Ltd ('the company') was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 ("the Act") on 26 September 2019.
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 Practitioners (BRP) to this company on 26 September 2019 in terms of Section 138 of the Act.
4. A First Meeting of Creditors was held in terms of Section 147 of the Act on 3 October 2019.

5. At the first meeting it was decided by the creditors that a business rescue plan should be published by 31 October 2019 and this date was postponed with the consent of creditors with a majority vote until 30 November 2019.
6. On 29 November 2019 a further circular was sent to creditors requesting the postponement for the publication of the business rescue plan until 31 January 2020. This was again accepted by creditors with a majority vote.
7. Since then the BRP has continued to engage with affected persons with a view to developing a business rescue plan and this is presently the subject matter of ongoing engagement with the affected persons.
8. Trading activities of the company proceeded during January 2020 with a view to ensuring that the secured creditors' security, being book debts subject to a cession and movables (mainly inventory) subject to a perfected general notarial bond, be realised in an orderly manner and thereby reducing the company's indebtedness.
9. Trading has also been preserving the company's business and distribution network with a view to ensuring that the company remains to be a going concern.
10. The BRP engaged with the company's main financiers on 31 January 2020 by providing them with a high level summary of the proposed business rescue as proposed by the BRP and which is still being considered.
11. The major creditors afforded an extension until 21 February 2020 to publish the business rescue plan. The business rescue plan was however published on Monday 24 February 2020 and creditors adopted the business rescue plan on 2 March 2020.
12. However, owing to the Covid 19 pandemic and the consequent lock down that commenced on 26 March 2020 the fulfilment of the conditions precedent in the business rescue plan was not completed.
13. Since the onset of phase 3 lockdown and as circumstances changed substantially further engagement with an alternative restructuring proposal have been ongoing. Substantial progress has been made but discussions are no as yet finalised and creditors will be advised as soon as there is more clarity on an alternative proposal.



J F KLOPPER

BUSINESS RESCUE PRACTITIONER

Date: 31 May 2020