



GRAGOOD DEVELOPMENTS (PTY) LTD
REGISTRATION NUMBER: 2003/000053/07

(IN BUSINESS RESCUE)

**BUSINESS RESCUE STATUS REPORT IN TERMS OF SECTIONS
132 AND 141 OF THE COMPANIES ACT, 71 OF 2008 READ
WITH REGULATION 125 OF THE COMPANIES ACT FILED BY
THE BUSINESS RESCUE PRACTITIONER J F KLOPPER**

J F Klopper

January 2022

1. IMPORTANT INFORMATION AND ACTIONS

	Company Name
Board of directors passes resolution for Business Rescue on	2020-09-23
File notice of resolution with CIPC on	2020-09-25
Publish notice to affected parties-within 5 days from Filing	2020-10-02
Company nominates a BRP within 5 days of filing	2020-09-23
CIPC confirms the appointment of BRP	2020-09-28
File notice to CIPC on BRP appointment within 2 days	2020-09-25
Publish notice to affected parties of BRP within 5 days	2020-10-02
First meeting of creditors-10 days from appointment	2020-10-08
Publish Business Rescue Plan	2021-02-15
Notice of meeting to determine Business Plan	2021-02-15
Meeting to determine Business Rescue Plan	2021-03-09
Termination Date	0000-00-00

2. CURRENT STATUS OF BUSINESS RESCUE PROCEEDINGS

1. Gragood Developments (Pty) Limited (“the Company”) was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 (“the Act”) on 25 September 2020.
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 28 September 2020 in terms of Section 138 of the Act.
4. As set out in the March status report the business rescue plan was adopted on 9 March 2021.
5. Pursuant to discussions with a prospective purchaser and a Supplementary Business Rescue Plan that was published on 27 September 2021 and adopted on 4 October 2021 the BRP, during October 2021, entered into a sale of business agreement in terms of which the sub-acute hospital business carried on by the Company under the name and style of Palm Gardens Retreat Helen Zille Wing and which consisted of the business assets was sold. The sale of business agreement is however subject to certain conditions precedent.
6. During November 2021 the BRP had to enter into an addendum in terms of which the parties agreed to move the date for the fulfilment of the conditions precedent to 15 January 2022.

7. The reason for this were inter alia that:

7.1. There are a host of requirements by the Department of Health Western Cape that need to be attended to;

7.2. The Company still need to negotiate and possibly enter into Voluntary Severance Package agreements with its employees;

8. The requirements by the Department of Health of the Western Cape have been attended to and engagement with the employees in relation to the entering into Voluntary Severance Package agreements are scheduled for January 2022.

9. The purchaser has however indicated that the condition precedent in terms of which a formal working and shared services agreement be entered into between the purchaser and the Trustees of the Body Corporate of Palm Gardens Retreat to the satisfaction of the purchaser has not yet been finalised either.

10. Because of the conditions precedents not all being fulfilled in time for lodgement of the documentation with the Deeds Office registration of transfer of the immovable property did not take place before 31 December 2021.

11. Therefore, the target date for the payment of creditors, being the end of December 2021, had to be moved until at least the end of February 2022 by virtue of the unforeseen delays which are beyond he BRP's control.

12. As at the end of January 2022 there were still outstanding conditions precedent and in terms of an addendum entered into with the purchaser during January 2022 the purchase was placed on terms to either waive or procure for the fulfilment of the outstanding precedents by 18 February 2022 failing which the agreement sale of business agreement will lapse.

13. As at 31 January 2022 the BRP was however hopeful that the outstanding conditions precedent will be fulfilled or that the waiving thereof by the purchaser will be procured.



J F KLOPPER - BUSINESS RESCUE PRACTITIONER
Date: 31 January 2022