



Sail Design Company (Pty) Ltd (In Business Rescue)

Registration Number: 1998/009820/07

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 JF Klopper

29 May 2026

1. Important information and actions

• Board of directors passes resolution for Business Rescue on	18/11/2020
• Notice of resolution filed with CIPC on	18/11/2020
• Notice to affected parties on filing for Business Rescue on	24/11/2020
• Company nominated a BRP on	18/11/2020
• CIPC confirmed certification of BRP on	18/11/2020
• File notice to CIPC re BRP appointment on	18/11/2020
• Publish notice to affected parties of BRP appointment on	24/11/2020
• First meeting of creditors held on	01/12/2020
• First meeting of employees held on	01/12/2020
• Publish Business Plan on/ due by	15/02/2021
• Publish notice of meeting to consider proposed Business Rescue Plan on	15/02/2021
• Meeting to determine the future of the business held on	09/03/2021

2. Current Status of Business Rescue Proceedings

Kindly note: This status report must be read together with all previous status reports and that the information contained in this status report is a record of events and/or information that have transpired subsequent to the publication of the previous month's status report:

- 2.1. Sail Design Company (Pty) Limited ("the company of SDC") was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 ("the Act") on 18 November 2020.
- 2.2. The company complied with the requirements of Section 129(3)(a) and (b) of the Act.

- 2.3. Johannes Frederick Kloppe was licensed by the Commission in respect of the company and appointed as Business Rescue Practitioner (BRP) to the company on 18 November 2020 in terms of Section 138 of the Act.
- 2.4. A First Meeting of Creditors was held in terms of Section 147 of the Act on 1 December 2020.
- 2.5. At the First Meeting of Creditors the creditors present unanimously resolved that the date for the publication of the business rescue plan be extended until 15 February 2021. A business rescue plan was published on that date.
- 2.6. Monthly status reports were submitted throughout, and this status report must be read in conjunction with all previous status reports which have been submitted on a monthly basis.
- 2.7. At the time of commencement of business rescue proceedings an application to evict BSM had been launched by SDC and PMI during December 2019 and at the date of commencement of business rescue proceedings the matter had been heard by Samela J in the Cape Town High Court and judgement was pending. ("the eviction application").
- 2.8. Monthly status reports were submitted throughout, and this status report must be read in conjunction with all previous status reports which have been submitted on a monthly basis.

3. Publication of a business rescue plan

- 3.1. A First Meeting of Creditors was held in terms of Section 147 of the Act on 1 December 2020.
- 3.2. At the First Meeting of Creditors the creditors present unanimously resolved that the date for the publication of the business rescue plan be extended until 15 February 2021. A business rescue plan was published on that date.
- 3.3. However, the BRP, on 10 February 2021, after engagement with affected persons, launched a court application in terms of section 136 (2) (b) of the Act for the cancellation of lease agreements entered into between Better Sails Manufacturing (Pty) limited ("BSM") and Sail Design (Pty) Limited (Under Business Rescue) ("SDC") and the company ("the section 136(2) application").
- 3.4. At the time of commencement of business rescue proceedings an application to evict BSM had been launched by SDC and PMI during December 2019 and at the date of commencement of business rescue proceedings the matter had been heard by Samela J in the Cape Town High Court and judgement was pending. ("the eviction application").
- 3.5. Monthly status reports were submitted throughout business rescue proceedings, and this status report must be read in conjunction with all previous status reports which have been submitted on a monthly basis.

4. Publication of a business rescue plan

- 4.1. The meeting of creditors to consider the initially proposed business rescue plan published by the BRP in February 2021 was adjourned on a number of occasions.

5. Publication of an amended business rescue plan

- 5.1. On 8 January 2024 the BRP published amended business rescue plan in relation to both PMI and SDC.
- 5.2. Meetings in terms of section 151 of the Act to consider the amended business rescue plans in respect of both PMI and SDC were held on 15 January 2024.
- 5.3. The amended business rescue plan proposed to PMI's creditors was approved by 82,96% of all creditors present and voting and more than 50% of independent creditors subject to a motion for minor amendments thereof by the majority creditor Nedbank Limited and which motion to amend was also accepted.
- 5.4. The amended business rescue plan proposed to SDC's creditors was approved by 94,99% of all creditors present and voting and more than 50% of independent creditors subject to a motion for the same minor amendments thereof by the majority creditor Nedbank and which motion to amend was also accepted.
- 5.5. In view of the fact that the outcome of the litigation is not yet complete, the business rescue plan is only approximately 10% implemented.

6. Report on pending litigation

- 6.1. Both the section 136 (2) application and the eviction application were to be heard together in the Cape High Court in April 2024.
- 6.2. The court issued an order to the effect that the eviction application and the section 136 (2) application will be heard together and the matter was to be heard during May 2026 but which date was during April postponed to 17 and 18 June 2026.
- 6.3. In a case flow management meeting in relation to the pending litigation referred to in 5.1 above held during March 2026 the BRP was directed to file a short affidavit by 10 April 2026 updating the court on the financial positions of the PMI and SDC and which was filed timeously.



JF (Hans) Klopper
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