



MG INVESTMENTS CC (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


1. Important Information and Actions

•Board of directors passes resolution for Business Rescue on	25/11/2021
•Notice of resolution filed with CIPC on	25/11/2021
•Notice to affected parties on filing for Business Rescue on	2/12/2021
•Company nominated a BRP on	25/11/2021
•CIPC confirmed certification of BRP on	1/12/2021
•File notice to CIPC re BRP appointment on	30/11/2021
•Publish notice to affected parties of BRP appointment on	2/12/2021
•First meeting of creditors held on	10/12/2021
•First meeting of employees held on	10/12/2021
•Publish Business Plan on/ due by	25/02/2022
•Publish notice of meeting to consider proposed Business Rescue Plan on	25/02/2022
•Meeting to determine the future of the business held on	04/03/2022

2. Current Status of Business Rescue Proceedings

1. MG Investments CC ('the close corporation') was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 ("the Act") on 25 November 2021.

2. The close corporation 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 close corporation and appointed as Business Rescue Practitioner (BRP) to this company on 1 December 2021 in terms of Section 138 of the Act.
4. The First Meeting of Creditors was held in terms of Section 147 of the Act on 10 December 2021.
5. It was resolved at the First Meeting of Creditors that the BRP would be afforded until 25 February 2022 to publish a Business Rescue Plan.
6. The Business Rescue Plan was published and the meeting in terms of section 151 of the Act to consider the Business Rescue Plan was convened to be held on 4 March 2022 and on which date the Business Rescue Plan was adopted.
7. The Business Rescue Plan was implemented, retention moneys were collected, and a there was a distribution to concurrent creditors after payment of the costs of the business rescue proceedings, PCF - and secured creditors.
8. The BRP continued to engage with management to finalise the close corporation's VAT issues and it was agreed that a further return to SARS would be submitted in early August and which the BRP understood was done. The BRP has now been advised that SARS applied set-off by appropriating the VAT refund due to the close corporation to old debt which is against the spirit of the Act. The BRP does however not believe that it would serve any purpose to pursue this issue with SARS and will now consider terminating business rescue proceedings.



J F KLOPPER - BUSINESS RESCUE PRACTITIONER

Date: 30 SEPTEMBER 2024