

ELECTRON TECHNOLOGIES (PTY) LTD
FIFTH STATUS REPORT FOR THE MONTH OF APRIL 2020

OPERATIONS

In line with the Covid 19 Lockdown Regulations, Electron ceased all operations on the 26th March 2020 other than those that could be dealt with electronically by the employees and management from their homes. All sites were closed and therefore no field work could be conducted on site.

Because of the lockdown situation no sales could be generated and many projects were put on hold pending the lifting of the lockdown. This will have an adverse effect on the company's cash flow later in the year but this is being carefully managed at this stage.

EMPLOYEES

Application has been made to the UIF for the TER's benefit in respect of the lockdown and when this is received , it will be utilised to reduce the earnings paid by the company but enable the employees to still receive their full salary. Unfortunately, this process is dependent on the company's ability to get back to full operations. Should the lockdown be extended, the company would have to consider other ways of dealing with the employment of the staff, which may include retrenchment. It is however hoped that this will not happen.

CREDITORS

All post commencement creditors have been paid whatever amounts were due to them as at the end of April 2020

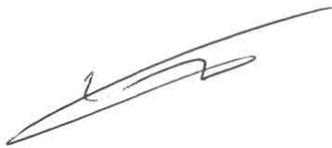
As previously indicated in my third status report, no pre-business rescue claims would be entertained after the 23rd March 2020. The claims have been proved and in certain instances, the claim submitted by the creditors were required to be adjusted due to it being submitted as at the 30th September 2019. Electron was placed in business rescue on the 27th September 2019 and only claims up to that date were admitted.

The practitioner has carefully considered the financial position of the company and has decided to make a first payment to creditors of 10 cents in the Rand. The balance would be paid over a period of time as determined by the business rescue practitioner. The attached schedule sets out the details of all

claims submitted and proved as well as the amount to be paid to each creditor. Creditors must please note that this payment is in respect of the pre-business rescue claim and should not be regarded as payment of any current amount payable.

FUTURE PROSPECTS

The business plan approved by the creditors will be re-visited and if necessary amended, taking into account the effect that the lockdown has had on the business of Electron. However, it should be noted that some new contracts have been obtained and it is an indication that Electron continues to be held in high regard by its customers.

A handwritten signature in black ink, appearing to read 'Basil Holford', written in a cursive style.

Basil Holford

Business Rescue Practitioner

11 May 2020