

Companies and Intellectual Property Commission  
Republic of South Africa

Business Rescue Status Report

Form CoR 125.1

About this Form

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
  - a) The Commission, if the business rescue proceedings were started by the company; or
  - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

Contacting the  
Commission

The Companies and Intellectual  
Property Commission of South  
Africa

Postal Address  
PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 086 100 2472

www.cipc.co.za

Date: 21 July 2022

Customer Code: bashol

Concerning

(Name and Registration Number of Company)

Name: Electron Technologies (Pty) Ltd

Registration No: 1973/006348/07


The above named company commenced business rescue proceedings on  
27 September 2019

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

Name and Title of person signing on behalf of the Practitioner:

Basil Anthony Holford - Business Rescue Practitioner

Authorised Signature:



# ELECTRON TECHNOLOGIES (PTY) LTD

## TWENTY-NINTH STATUS REPORT FOR JUNE 2022

Reg. No. 1973/006348/07

This report is prepared in terms of Sect 132(3) of the Companies Act 71 Of 2008

### BACKGROUND

Electron Technologies (Pty) Ltd was placed in business rescue in September 2019 due to a number of its major civil engineering clients being placed in business rescue, with little or no expectation of recovery of amounts owed by those companies to Electron.

The business rescue plan that was prepared and subsequently accepted by the creditors allowed for the repayment of creditors from its trading operations and any recoveries from the civil engineering companies in business rescue.

### BUSINESS RESCUE PROPOSALS

There have been various enquiries from creditors as to when the business rescue will terminate and when further payments will be made by the company. To date approximately one third of the amount owing to creditors has been repaid.

Amongst the proposals made in the Business rescue Plan were the following: -

1. The moratorium on pre-business rescue creditors will remain in place until all such creditors have been paid in full and the business rescue process has been substantially fulfilled. The time to complete this is dependent on the completion of all contracts, sub-contracts and projects under way as well as the positive cash flow generation resulting from these contracts and all new contracts entered into. The anticipated completion dates are, in many cases, dependent upon other sub-contractors fulfilling their obligations according to the time frames set by the contractors.
2. The company will only be released from its debts once payment has been made in full and no debt is proposed to be converted into equity
3. All agreements are for normal services provided to the company.
4. The plan does not include any proposal for the sale of any property or assets of the company to pay for creditors' claims.

The abovementioned plan was approved at the second meeting of creditors and is therefore binding on the company, its creditors and shareholder in terms of Sect 152(4) of the Companies Act

The effect of the Covid Pandemic over the period from March 2020 to May 2022 has had an adverse effect on the business of the company, as with many other companies. Many contracts were placed on hold and for some months access was denied to these contract sites by the customers, while other contracts starting dates were delayed. Furthermore, many customers found it difficult to meet their obligations to make payments and Electron was forced to take legal action against these parties. Unfortunately, legal action is not necessarily a quick solution. This has had a negative effect on the company's cash flow. However, the company is determined to meet its undertakings in terms of the Business Rescue Plan

### OPERATIONS

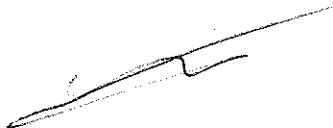
The company is going through further re-structuring to reduce its overheads.

The dispute with SARS continues as they have appropriated a large amount of VAT refunds to settle ringfenced amounts that would have been utilised to pay all creditors a further amount. This amount is nearly R2 million. Despite numerous letters to them, they decline to answer when faced with the fact that

their actions are illegal. This is a problem that many companies under business rescue are facing at the moment.

## **EMPLOYEES**

The reduced Covid regulations have been implemented.

A handwritten signature in black ink, appearing to read 'Basil Holford', written over a faint horizontal line.

Basil Holford

Business Rescue Practitioner

21 July 2022