

Companies and Intellectual Property Commission
Republic of South Africa

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

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Business Rescue Status Report

Date: 29 February 2024

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
FORTY-EIGHTH STATUS REPORT FOR JANUARY 2024

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 PROGRESS

The property sold in Cape Town has been transferred and the proceeds have been paid into the company's bank account. The amount received is R1 200 000.00 and this will be topped up with surplus funds available to R2 000 000.

An offer has been received to purchase the remaining creditors claims after the abovementioned distribution has been made. As you are aware, the company has been in business rescue since the 27th September 2019. During this time it has continued to operate in very difficult circumstances, having endured the Covid pandemic as well as being barred from government contracts due to its financial distress. The creditors have also had to endure this and accepted the fact that by continuing to operate, they would receive considerably more than if the company had been liquidated.

The ongoing problem with SARS who despite it being illegal, have withheld refunds and set them off against pre-business rescue debt, thus creating an undue preference for themselves. Unfortunately, they have adopted this attitude with many companies under business rescue. This money if not illegally withheld could have been distributed to all creditors

A revised business rescue plan will be drafted and distributed to all ring-fenced creditors for approval with regard to the offer to purchase the claims of creditors.

OPERATIONS

There is no further information to be reported on with regard to the legal action being taken against certain customers to recover amounts owed by them

The cash flow continues to improve with many upfront payments in respect of certain contracts. This is extremely helpful in ensuring that no contracts are stalled due to cash flow issues.

Basil Holford
Business Rescue Practitioner

29 February 2024