Building 5 | Waterfront Business Park | 9 Pommern Street | Humerail | Port Elizabeth | 6070 | South Africa
P O Box 28302 | Sunridge Park | 6008 | Port Elizabeth | South Africa
T (+27) 41 008 5073 **E** patp@businessrescue360.co.za **W** www.businessrescue360.co.za

9 October 2024

CIRCULAR 23

THIS DOCUMENT IS A CIRCULAR TO THE AFFECTED PERSONS RELATING TO THE BUSINESS RESCUE PROCESS OF **TRACTO TRADING** IN TERMS OF THE COMPANIES ACT, 71 OF 2008 AS AMENDED (THE ACT).

OUTCOME OF THE MEETING TO VOTE ON THE PROPOSED BUSINESS RESCUE PLAN

The business rescue practitioners[1] wish to advise all the affected persons of the outcome of the meeting to vote on the proposed business rescue plan, held on the 4th of October 2024. The purpose of this meeting was solely to discuss the published business rescue plan and to vote on the adoption of same.

The practitioner took time at the commencement of the meeting to explain the procedures that would be followed during this meeting and the manner in which the relevant votes would be conducted.

Presenting of the Business Rescue Plan:
The practitioner presented the proposed business rescue plan to the affected persons who were present at the meeting to vote.

Confirmation of a Reasonable Prospect:
The practitioner continued to confirm his belief of a reasonable prospect of a successful rescue – in that the plan proposed provides a substantially better return to the affected persons than that which would be received if the business were immediately and traditionally liquidated.

1 Quinton (Pat) Pattinson, Senior Business Rescue Practitioner and David Masterton, Experienced Business Rescue Practitioner.

Comments from Staff:

Opportunity was provided for staff to present any comments. This business does however not have any staff members and none of the directors made any comments either.

If the Business Rescue Plan is Adopted:

The practitioner confirmed that should the plan be adopted, that in terms of Section 154 of the Companies Act, any creditor may oppose the process by means of an application to court within 5 business days of the adoption of the plan. Failing which, the practitioners would continue with the implementation of the adopted rescue plan and to subsequently file for implementation of the plan once the milestones are achieved per the plan.

If the Business Rescue Plan is Not Adopted:

However, should the plan not be adopted, Section 153 of the Companies Act would apply. In terms of this section, creditors would be given the opportunity to ask for an amended proposed business rescue plan. If there is no request for an amended rescue plan, then the practitioner would need to file a notice of termination with the CIPC and return the business to the shareholders.

Disputed Claims Discussed:

It was also important that at this stage, the practitioner confirmed the manner in which the disputed claims are to be dealt with in terms of the business rescue plan. All of these instances will be addressed shortly after the adoption of the rescue plan – commencement upon the conclusion of the 5 business days for opposition to the adoption.

The first vote was taken, and creditors voted with 100% in favour to proceed to the second vote and to thus accept the plan with the amendments as presented to them (if applicable) prior to the vote.

The Second Vote cast was to accept or reject the fee proposal that was proposed per the published rescue plan and also again outlined during this meeting. This was adopted as 100% of those present and who exercised their right to vote voted in favour of the adopted of the fee proposal.

The Third vote cast was to determine whether the attendees wished to accept or reject the business rescue plan.

A 100% vote from affected persons at the meeting and those who had given proxy was achieved in favour of the adoption of the business rescue plan.

The result of the above votes thus entail that the business rescue plan is in force as at the time of voting.

The practitioners will file for substantial implementation of the business rescue plan once the milestones have been achieved as per the now adopted business rescue plan.

Quinton Pattinson
patp@businessrescue360.co.za
082 749 6462

David Masterton
davidm@businessrescue360.co.za
082 569 3813