

26 January 2023

CIRCULAR 38

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

UPDATE ON THE BUSINESS RESCUE PROCESS

The practitioners would hereby like to give a formal update on the business rescue process for Upahla Construction.

In terms of the adopted business rescue plan, Upahla Construction has made substantial payments to the bank (as a secured creditor) in the implementation process of the business rescue plan.

The original indebtedness to the Bank was in the region of **R 5 242 409.00. in terms of the adopted business rescue plan**, payments have been made and the bank currently has a total outstanding balance of R1 899 874.57 (One Million Eight Hundred and Ninety-Nine Thousand Eight Hundred and Seventy-Four Rand and Fifty-Seven Cents).

With regards to the payments that are due to the balance of the concurrent creditors:

Per paragraph 3.3.5 of the adopted business rescue plan, it was “expected” that the Department of Higher Education would make payment to Upahla Construction per Annexure K to the adopted plan.

The Department of Higher Education has sent a formal communication in which they have committed to making payment. This payment is expected at the beginning of February 2023, however, we have previously experienced delays in payments from the department. We are working closely with the department to ensure that the payment is forthcoming in a timely manner.

As soon as the funds are received, the initial payment (per the adopted business rescue plan) will be made to the relevant creditors and the balance of the creditors to be paid “within the 2-year period” as provided for in the adopted business rescue plan.

Kind Regards

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

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

Jaco Durandt (Assistant)
jaco@pe-paralegal.co.za
076 773 4595