

31 March 2020

To All Affected Parties

1. Creditors / Affected Parties

Kindly note that as a result of the Scheme of Arrangement and the previous Business Rescue of the Highveld Syndication Companies, you are a Creditor / Affected Party in Orthotouch (Pty) Ltd and similarly a Creditor / Affected Party in Zephan Properties (Pty) Ltd. This is therefore the reason why this notification refers to the publication of both Orthotouch (Pty) Ltd and Zephan Properties (Pty) Ltd Business Rescue Plans.

2. ORTHOTOUCH (PTY) LTD – REG. NR.: 2010/004096/07

Kindly note that the Business Rescue Plan of the above-mentioned Company is hereby published in terms of Section 150 of the Companies Act No 71 of 2008.

You are able to find the fully published plan with the annexures on www.orthotouch.co.za.

As President Cyril Ramaphosa declared the COVID-19 pandemic a national disaster and implemented a lockdown from midnight 26 March 2020 to midnight 16 April 2020, the date of second creditors meeting will be relayed to all affected persons once the lockdown has been lifted.

3. ZEPHAN PROPERTIES (PTY) LTD – REG. NR.: 2003/020174/07

Kindly note that the Business Rescue Plan of the above-mentioned Company is hereby published in terms of Section 150 of the Companies Act No 71 of 2008.

You are able to find the fully published plan with the annexures on www.orthotouch.co.za.

As President Cyril Ramaphosa declared the COVID-19 pandemic a national disaster and implemented a lockdown from midnight 26 March 2020 to midnight 16 April 2020, the date of second creditors meeting will be relayed to all affected persons once the lockdown has been lifted.

4. SYNOPSIS OF THIS BUSINESS RESCUE PLAN:

- A. Should Orthotouch (Pty) Ltd be liquidated the Highveld Syndication Company (“HS Company”) creditors (“HSC’s”), who have similar claims against Zephan Properties (Pty) Ltd (“Zephan”), can expect to receive a concurrent dividend of approximate 1.7 cents in the Rand, however, they will run the risk of having to repay all the interest received to date, but then they would then be entitled to share in those collected proceeds.
- B. Should this BR Plan be adopted then the HSC’s will have the choice to, in addition to retain the interest already paid to them, elect either a share option (Option 1) or a cash option (Option 2).

4.1. Option 1/share option:

For a settlement of 25% of the initial cash invested by the HSC’s each will receive shares in JSE listed Accelerate Property Listed Fund (“Accelerate”) to an value equal to the net asset value (“NAV”) per share in Accelerate, calculated to be R7.99, which will render a recovery, projected over 5 years, together with interest already received, of capital invested of approximately 51,69 cents in the Rand.

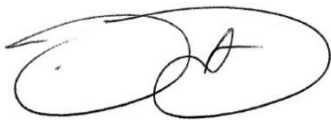
4.2. Option 2/cash option:

Instead of waiting for the shares in Accelerate to mature the HSC’s can immediately receive a guaranteed R2 per share in a Accelerate as allocated in option 1, which shares currently trade at R0.40 per share, which will render a recovery, together with interest already received, of capital invested of approximately 33,04 cents in the Rand.

- C. Both options 1 and 2 have as a suspensive condition that the HSC’s sell and cede all claims, accrued or yet to accrue, which they may have against any person for whatsoever reason or cause resulting from the investment of the HSC’s in a HS Company to the Third Party proposer.

My further advices will follow.

Regards,



Jacques du Toit
Senior Business Rescue Practitioner