



Du Toit Business
RESCUE PRACTICE

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Your Reference: All
Date: 26 May 2020

To Whom It May Concern

April and May 2020 Report: Orthotouch and Zephan Properties (Pty) Ltd (In Business Rescue)

Dear Sirs

Business Rescue Proceedings

1. Commencement of Business Rescue: 7 November 2019
2. Appointment of Business Rescue Practitioner (BRP) – J du Toit: 14 November 2019
3. First Meeting of Employees: 27 November 2019
4. First Meeting of Creditors: 28 November 2019
5. Business Rescue Plan filing date: 31 March 2020
6. 2ND Creditors meeting: Date to be disclosed after the lockdown has been uplifted.

Business Progress

1. All timelines have been met, accordingly the BRP filed the Business Rescue Plan on 31 March 2020.
2. The BRP has completed his investigations and used all available and relevant investigative information to finalize the Business Rescue Plan.
3. The Business Rescue Plan has been sent to all the affected parties and has been made available through public media. The investors / creditors were informed of the publication of the Business Rescue Plan.
4. Notice / correspondence was sent out to all the affected parties together with the form of proxy and cession of shares documentation to be completed and returned to the BRP. (See attached copy of correspondence which was sent to all the affected parties – **Annexure 1**)
5. The BRP is gathering all the votes and options and will disclose a date for the creditors meeting in due course as and when the Regulations in terms of the National Disaster Management act allows meetings/gatherings of large crowds.

Litigation

1. Three Attorneys endeavored upon litigation during Business Rescue with the Companies disregarding and contravening the Applicability of Chapter 6 of the Companies Act, regulating the Business Rescue process and the Moratorium against legal action as regulated by Section 133 of the Companies Act. The BRP has instructed an independent Attorney to

act on behalf of the BRP, Orthotouch and Zephan to oppose the actions of such Attorneys and their clients.

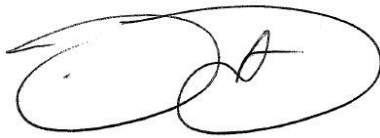
COVID-19

The BRP is to engage with creditors / investors within 10 business days after the Business Rescue Plan has been published. This normally takes place as a 2nd creditors meeting but due to the COVID-19 outbreak and national state of disaster being declared, the BRP will be making alternative arrangements, in line with the Companies Act, to engage with the creditors / investors.

During Level 4 and Level 3 from 1 June 2020 meetings and gatherings are still prohibited until further notice for purposes of convening the 2nd creditors voting meeting in terms of the Companies Act.

The BRP will advise of the way forward in due course.

Yours faithfully

A handwritten signature in black ink, consisting of several loops and a final flourish, enclosed within a large, hand-drawn oval.

Du Toit Business Rescue Practice

Per: Jacques Du Toit (Senior Business Rescue Practitioner)

ANNEXURE 1

Dear Creditor/Investor

ORTHOTOUCH (PTY) LIMITED / ZEPHAN PROPERTIES (PTY) LIMITED (“the Companies”)

I refer to the Published Business Rescue Plans (“BR Plans”) relating to the companies, both of which BR Plans were published in terms of the provisions of and compliance with the requirements of the Companies Act 71 of 2008.

I trust you have read the BR Plans thoroughly, as it is most important that the full storyline and events from the beginning and to the date hereof, regarding your investment is taken into account when making an informed decision as to how to vote in respect of the BR Plans.

You, the investors, are ultimately the decision makers in approving the BR plans or not.

The BR plans give you a holistic view of events and not just “bits and pieces”.

The BR plans inform you of your investment and the returns that you have received to the date of publication of the BR Plans, together with the options going forward being Option 1, shares ,in a listed company, of which you will be in control of and in respect of which you may make your own decisions as to whether to sell or not, as and when you see fit or to hold onto for the value to increase over time or Option 2, being a fixed cash amount. Both options’ values are as referred to in annexure 8.1 of the BR Plans noted under your specific name.

Recent media reports at the time hereof, only refer to certain portions of the BR Plans and quoted out of context have been brought to my attention and which would appear to be only be highlighting certain negative assumptions instead of stating all the facts available. The media article has not afforded the BR Plans proper exposure in that the summary of the events leading up to this point have not been properly dealt with. (which is similar to allowing someone else to read to you from a book where the reader only reads a couple of pages and paragraphs and leave you to make your own assumptions regarding the ending.) I would propose that you read the whole book yourself and then form your own opinion thereof.

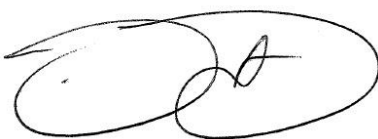
Kindly keep in mind that the abovementioned media campaign is driven by a small number of people, each with their own agendas and aims.

My aim is still the same as it was from day one and which is to present to the Investors, to the best of my ability, with the correct facts and the best return possible, with the additional aim to achieve a better return than what they would have received in a liquidation.

I urge you to read and familiarise yourself with all available information and documentation to enable you to make your own decision as it involves your money and is for you to decide.

I look forward to receiving your proxies with the election you prefer to finalise matters as soon as possible.

Regards



Jacques du Toit
Senior Business Rescue Practitioner