



To: Affected Persons

22 September 2020

NOTICE OF COMMENCEMENT OF BUSINESS RESCUE PROCEEDINGS AND APPOINTMENT OF BUSINESS RESCUE PRACTITIONER IN RESPECT OF : IFA FAIR-ZIM HOTEL AND RESORT (PTY) LTD (REGISTRATION NO: 2006/038614/07) ("THE COMPANY")

1. You are hereby notified, in accordance with Section 129 of the Companies Act of 2008 (as amended) ("the Companies Act"), that the Board of the Company adopted a resolution on 15 September 2020, in terms of which the Company voluntarily commenced business rescue proceedings.

A form CoR123.1 being a Notice of Beginning of Business Rescue, as contemplated in section 129 of the Companies Act was filed with and accepted by the Companies and Intellectual Property Commission ("the Commission") on 16 September 2020, being the effective date of the Business Rescue process.

2. The Company appointed Pierre de Villiers Berrangé as the Business Rescue Practitioner on 15 September 2020.

A CoR 123.2 form, being the Notice of Appointment of the Business Rescue Practitioner, as contemplated in section 129(4) of the Companies Act was filed with and accepted by the Commission on 16 September 2020.

3. In accordance with the requirements of Sections 129(3) and 129(4)(b) of the Companies Act, we attach copies of the following documents:

- 3.1 The notice to commence business rescue proceedings, Form CoR 123.1 dated 15 September 2020, as filed with and accepted by the Commission (**Annexure A1 & A2**);

- 3.2 A Resolution dated 15 September 2020, passed by the board of Directors of the Company of the decision to apply for voluntary business rescue and appoint a Business Rescue Practitioner (**Annexure B**);

- 3.3 A sworn statement of the facts dated 15 September 2020, relevant to the grounds on which the board resolution was founded (**Annexure C**);

- 3.4 The Notice of Appointment of Business Rescue Practitioner, Form CoR 123.2 filed with and accepted by the Commission on 16 September 2020 (**Annexure D1, D2 & D3**).

Please direct all enquires to the following email addresses:

General enquires businessrescue@zimbaliresort.com

Employee enquiries BRemployees@zimbaliresort.com

Creditor enquiries BRcreditors@zimbaliresort.com

Guest deposit enquiries BRdeposits@zimbaliresort.com

Alternatively, view all announcements under the Business Rescue Tab : www.zimbaliresort.com

DIRECTOR
WJ BURGER

BUSINESS RESCUE PRACTITIONER
P DE VILLIERS BERRANGE

IFA FAIR-ZIM HOTEL & RESORT (PTY) LTD

5 Corkwood Drive, Zimbali Coastal Resort, KwaZulu-Natal, South Africa.
P O Box 12, Zimbali, 4422, South Africa. Tel: +27 32 538-1205. Fax: +27 32 538-1295.

Director : W J Burger

Registration No. 2006/038614/07

Companies and Intellectual Property Commission
Republic of South Africa

Form CoR 123.1

About this Form

- This form is issued in terms of section 129 and 131 of the Companies Act, 2008, and Regulation 123 of the Companies Regulations, 2011.
- A company resolution to committee business rescue proceedings has no force or effect until it has been filed with this notice.
- This notice must be published to every affected person within 5 business days after -
 - (a) It has been filed, in the case of a resolution; or
 - (b) The date of the court order, in such a case.
- If this Notice is issued following a board resolution-
 - (a) The company must appoint a business rescue practitioner with 5 business days after filing this notice ; and
 - (b) Any affected person may apply to a court in terms of section 130 for an order setting aside the resolution.
- The fee for filing this notice is R0.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Notice of Beginning of Business Rescue Proceedings

Date: _____

Customer Code: EUG3NE

Concerning

(Name and Registration Number of Company)

Name: IFA FAIR-ZIM HOTEL AND RESORT (PTY) LTD

Registration No: 2006/038614/07

The above named company advises that business rescue proceedings have commenced in terms of Chapter 6 of the Companies Act, as a result of:

- The Board of the company having adopted the attached resolution in terms section 129, on 15 September 2020
- A Court having made the attached order in terms of section 131, on _____

In terms of section 132 (1)(a), the company's business rescue proceedings commenced on 15 September 2020, being the date on which:

- This notice was filed with the Commission.
- The court issued the attached order.

(Only in the case of a company resolution)



In support of this Notice, the company has attached a sworn statement of the relevant facts upon which the resolution was founded by a director representing the Board.

Suné Els
 COMMISSIONER OF OATHS/KOMMISSARIS VAN EDE
 PRACTICING ATTORNEY/PRAKTISERENDE PROKUREUR
GEYSER & FERREIRA INC/ING
 2 STRYDOM STREET/STRYDOMSTRAAT 2
 PO BOX 877/POSBUS 877
 MODIMOLLE 0510
 LIMPOPO PROVINCE/LIMPOPO PROVINSIE

Name and Title of person signing on behalf of the Company:

Werner Johannes Burger

Authorised Signature:



A2

Companies and Intellectual
Property Commission
a member of the dti group

Tracking Number: **111989519**

Date: **17/09/2020**

Customer name: **EUGENE NEL**

Customer code: **EUG3NE**

E-mail address: **vanessa@b-inc.co.za**

The Commission has received a form CoR123.1 Notice to Commence Business Rescue Proceedings in terms of section 129 or court order commencing business rescue proceedings in terms of section 131 of the Companies Act, 71 of 2008, dated 17/09/2020 for:

Company / Close Corporation Name: **IFA FAIR – ZIM HOTEL AND RESORT (PTY) LTD**

Registration Number: **2006/038614/07**

Company / Close Corporation Status: **IN BUSINESS RESCUE**

The application was duly registered on **16/092020** and the effective date of commencement of business rescue proceedings is recorded as **16/09/2020**.

Yours sincerely,

Joel Mphahlele

Manager: Companies and Close Corporations

ISO 9001: 2008 Certified

The dti Campus (Block F - Entfufukweni), 77 Meintjies Street, Sunnyside, Pretoria | P O Box 429, Pretoria, 0001

Call Centre: 086 100 2472

Email: RVoller@cipc.co.za. Website: www.cipc.co.za

IFA FAIR-ZIM HOTEL AND RESORT (PTY) LIMITED

REGISTRATION NUMBER : 2006/038614/07

Incorporated in the Republic of South Africa

(hereinafter referred to as the "Company")

**WRITTEN RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMPANY ADOPTED AND
EFFECTIVE ON THE 15th SEPTEMBER 2020**

WHEREAS :

1. The Board has reasonable grounds to believe that :
 - (a) The Company is financially distressed within the meaning of Section 128(1)(f) of the Companies Act, in that it appears to be :
 - (i) Reasonably unlikely that the Company will be able to pay all of its debts as and when they become due and payable within the immediate ensuing 6 (six) months; and/or
 - (ii) Reasonably likely that the Company will become insolvent within the immediate ensuing 6 (six) months; and
 - (b) There appears to be reasonable prospects of rescuing the Company as contemplated by Sections 128(1)(h) and Section 128(1)(b) of the Act.

RESOLVED :

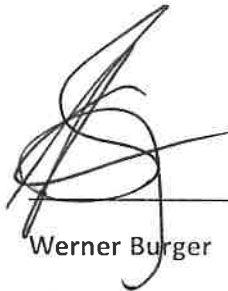
1. That the Company is in financial distress and voluntarily commences business rescue proceedings and the Company be placed under supervision as envisaged in terms of Section 129 of the Companies Act, 71 of 2008.
2. That Werner Burger be and is authorised to do all things necessary and to sign all and any documentation necessary to give effect to this resolution on behalf of the Board of Directors and the Company.



3. That the company forthwith lodges with the Companies and Intellectual Properties Commission (CIPC) :
 - 3.1 Notice that the Company is in Business Rescue Proceedings;
 - 3.2 All other documents and forms required to be lodged by the Company with CIPC.

4. That Werner Burger be and is authorised to appoint a suitably qualified business rescue practitioner to the Company.

Signed at **WATERBERG** on this 15th day of **SEPTEMBER 2020**.



Werner Burger

(ID : 691229 5002 083)

SWORN STATEMENT

In support of a Notice Beginning Business Rescue Proceedings
in respect of IFA FAIR-ZIM HOTEL AND RESORT (Pty) Limited
(Registration Number : 2006/038614/07)

I, the undersigned, Werner Johannes Burger

(Identity number : 691229 5002 083)

do hereby make oath and state :

1.

I am the sole Director of IFA Fair-Zim Hotel and Resort (Pty) Limited, registration number: 2006/038614/07 a company, duly registered and incorporated according to law, and having its registered address at Zimbali Northgate Suites, Zimbali Coastal Resort, Ballito, 4422 hereafter referred to as "the Company".

2.

The contents of this Sworn Statement are true and correct and unless stated otherwise, the facts contained herein fall within my own personal knowledge and belief.

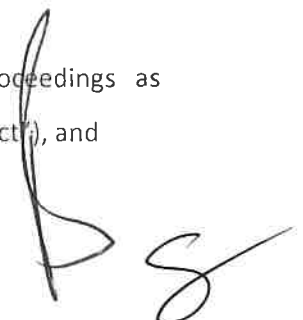
3.

I am duly authorised to depose to this Affidavit in terms of a Resolution passed by the Board of Directors of the Company ("Board") dated 15 September 2020 a copy of which is annexed hereto marked **Annexure A**.

4.

I make this sworn statement :

4.1 In support of the Company's notice to commence business rescue proceedings as contemplated in terms of Section 129 of the Companies Act, 71 of 2008 ("the Act"), and



4.2 with a view to providing information relevant to proposed business rescue proceedings and in support of the contention that the Company is in financial distress as contemplated by the provisions of Section 128 (1)(f) of the Act.

5.

On 15 September 2020 the Board of Directors of the Company resolved that the Company voluntarily commence Business Rescue Proceedings as envisaged in the Act.

6.

The business of the Company comprises the following :

It owns and operates the Fairmont Zimbali Hotel in Zimbali, KwaZulu-Natal which consists of:

- 154 room hotel with 123 rooms owned by the company
- Conferencing facilities
- Fractional Development (56 unsold shares)
- Penthouse situated in the Fairmont Hotel
- Future Development potential

which hotel operation has been closed since 23 March 2020.

7.

For the purpose of the Companies and Intellectual Property Commission Practice Note 3 of 2014, the physical address where most of the business activities in the current financial year were undertaken is as below :

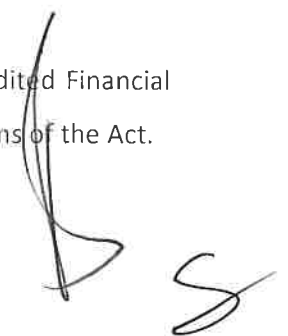
5 Corkwood Drive

Zimbali

4422

8.

The Public Interest (PI) score of the Company is 698 (* based on the Company's Audited Financial Statements) making it a large company as defined in regulation 127 (2)(b) made in terms of the Act.

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a smaller, more fluid signature.

9.

The reason for the Company's present financial difficulties are set out below :

- 9.1 On 15 March 2020, His Excellency President Cyril Ramaphosa declared the Covid-19 pandemic a National State of Disaster and various interventions were announced by Government to curb the Covid-19 spread.
- 9.2 The further lockdown measures implemented by our President on Monday, 23 March 2020 to curb the infection rate of COVID 19 ("C19") has resulted in the closure of the Fairmont Zimbali Hotel and the hotel has remained closed subsequently.
- 9.3 In light of the above and the continued Level 2 restrictions on international travel and large conferencing, the Company has taken a decision to not re-open the resort at the present moment as the predominant revenue stream of this business comes from international travel, large groups and conferencing.

Management has considered re-opening of the hotel with various scenarios and found it not financially feasible to re-open now.

10

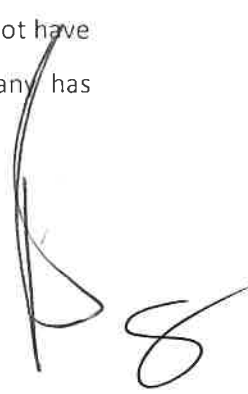
The Company's total liabilities are R 576,746,000.

11.

For the purpose of recording all legal proceedings that the Company is involved in, as required by Practice Note 3 of 2014, it is recorded that I am not aware of any legal proceedings involving the Company.

12.

For the reasons given above, the Board believes that the Company is financially distressed. From a working capital perspective, the Company's current trading indicates that the Company will not have the cash resources available to pay its expenses from 15 September 2020. The Company has traditionally operated an overdraft facility with secured banking facilities through Nedbank.

A handwritten signature in black ink, appearing to be 'P. S.', is located in the bottom right corner of the page.

13.

Accordingly, in the opinion of the Board, it is unlikely that the Company will be able to pay its debts as they become due and payable within the immediately ensuing 6 (six) months.

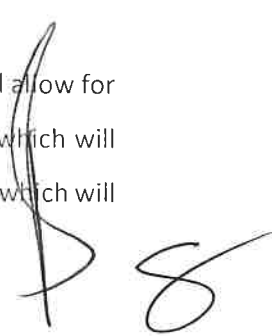
14.

The Company and Board of Directors do however believe that the business or parts of it are viable in the long term. The Company and Board of Directors believe that the commencing of voluntary business rescue proceedings will assist the Company in developing a business rescue plan which will achieve the best outcome for all stakeholders.

15.

In the premises, it is appropriate for the Company to be placed under Business Rescue for the following reasons :


- 15.1 it is unlikely that the Company will be able to pay its debts as they become due and payable in or about September 2020, being within the immediate ensuing 6 (six) months as contemplated by Section 129 of the Companies Act.
- 15.2 there is a reasonable prospect that if one or more of the creditors of the Company are not paid (as is anticipated) they may launch proceedings for the winding-up of the Company;
- 15.3 the contemplated Business Rescue proceedings will :
 - (1) allow for the temporary supervision of the Company including the temporary management of its affairs;
 - (2) afford the Company a general moratorium against actions by creditors;
 - (3) allow for a restructure of the Company including the possible sale of certain assets in terms of a Business Rescue Plan to be developed;
 - (4) the Business Rescue Plan will assist the Company to exist on a solvent basis, and allow for time to restructure the Company to enable it to continue as a going concern, which will result in a better return for the Company's creditors and shareholders than that which will

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result if the Company continued trading in its current form and which may lead to the potential liquidation of the Company

16.

In the premises, the Director of the Company has resolved that the Company should apply for voluntary business rescue proceedings to be commenced in accordance with Section 129(1) of the Act.



DEPONENT

I hereby certify that the Deponent has acknowledged that he knows and understand the contents of this Affidavit which was signed and sworn to before me at Waterberg on this 16 day of **SEPTEMBER 2020**, the provisions of the Regulations contained in Government Gazette Notice R35 dated 14 March 1980 having been duly complied with.



COMMISSIONER OF OATHS



**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 123.2

About this Form

- This form is issued in terms of sections 129 and 131 of the Companies Act, 2008, and Regulation 123 of the Companies Regulations, 2011.
- This notice must be published to every affected person within-
 - (a) 2 business days after it has filed, if the company appointed the Practitioner; or
 - (b) 5 business days after the court order, in such a case.
- If this notice is issued following a company appointment, any affected person may apply to a court in terms of section 130 for an order setting aside the appointment, or requiring the practitioner to provide security.
- The fee for filing this Notice is R0.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Notice of Appointment of Business Rescue Practitioner

Date: _____

Customer Code: EUG3NE

Concerning

(Name and Registration Number of Company)

Name: IFA FAIR-ZIM HOTEL AND RESORT (PTY) LTD

Registration No: 2006/038614/07

The above named company commenced business rescue proceedings on 15 September 2020.

The following person has been appointed as the business rescue practitioner: Pierre De Villiers Berrange


By the company, in terms of section 129 (3)(b).

By the court, in terms of section 131 (5).

Name and Title of person signing on behalf of the Company:

Werner Johannes Burger

Authorised Signature:



ANNEXURE D2

Dear Sir / Madam,

Hope this e-mail finds you well.

CIPC hereby endorse the notice of appointment for the BRP, Mr. P D Berrange please find attached the Notice Confirmation letter above.

Kindly note that the Notices of Appointments and Acceptance Letters were received on 16th September 2020 (ifa fair – zim hotel and resorts (Pty) Ltd).

Kind Regards,

Nkuna Sam
Business Rescue and Financial Assurance Practitioners Unit
E. Snkuna@cipc.co.za

Notice Number 36 of 2020

NOTICE TO CUSTOMERS

ACKNOWLEDGEMENT OF THE APPOINTMENT OF BUSINESS RESCUE PRACTITIONERS

Since the introduction of Chapter 6 of the Companies Act it has been the practice that upon receiving the appointment of the business rescue practitioner (CoR123.2) by the company, we the Commission date stamp it to confirm such appointment.

Due to challenges posed by the Covid-19 pandemic, at times it is not always possible to affix a date stamp because of the office closure due to deep cleaning and sanitization at various intervals. Having said the above and in order to verify and confirm appointment of the business rescue practitioner, kindly do a company disclosure where the records should include the name of the appointed practitioner, since we cannot physically date stamp the CoR123.2 form.

All enquiries including applications relating to the appointments of the business rescue practitioners must be forwarded to cor123.2@cipc.co.za

For further assistance kindly log a ticket via the CIPC online ticketing system www.cipc.co.za/ enquiries.

Yours sincerely,



Adv. RW Voller
Commissioner
...15 July 2020