



**SALVIS
GRATIA**

Business Rescue
Turnaround & Analytics

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15th November 2023

Dear Affected Persons

Per Email

**GERARDO TRADING CC
(REGISTRATION NUMBER: 2000/058226/23)**



**STATUS REPORT IN TERMS OF SECTION 132(3) OF THE COMPANIES ACT 71
OF 2008 FOR THE MONTH OF OCTOBER**

1. In accordance with section 132(3) of the Companies Act 71 of 2008, as amended ("Act"), when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, a business rescue practitioner is required to
 - 1.1. prepare a report on the progress of the business rescue, and update it at the end of each subsequent month until the end of the business rescue proceedings; and
 - 1.2. deliver the report and update to affected persons and to the Companies and Intellectual Property Commission ("CIPC")
2. Accordingly, we hereby provide you with the 2nd Status Report, being the October 2023 report, on the status of the Company's business rescue proceedings
3. *Trading Activities* Gerardo Trading is actively engaged in trading operations. The company continues to receive orders from customers on a constant basis, and we are fulfilling these orders to the best of our abilities, depending on the availability of inventory. Our commitment to maintaining operational efficiency remains unwavering, ensuring that customer commitments are met.
4. *Cashflow Challenges* Despite our efforts in fulfilling customer orders, Gerardo Trading is facing challenges in cashflow management, particularly in procuring the necessary raw



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materials. The liquidity constraints have posed hurdles in maintaining smooth production processes.

5. *Negotiations With Potential Investor* Negotiations with potential investor as at publication of business rescue plan were underway, however as at today the company has received no commitment from the investor and timeframes within the letter of intent have lapsed.
6. *Business Rescue Plan Publication* The business Rescue plan was published on the 31st of October whereby section 151 meeting was scheduled for 14 November 2023. This Section 151 meeting was adjourned to 5th December 2023

In conclusion, Gerardo Trading's business rescue process is actively underway, and we remain steadfast in our commitment to navigating these challenges.

Yours Faithfully