

**IN THE HIGH COURT OF SOUTH AFRICA
(EASTERN CAPE DIVISION, GQEBERHA)**

Case Number: 1552/2025

In the matter between:

DAVID JOHN MASTERTON N.O.

First Applicant

QUINTON PATTINSON N.O.

Second Applicant

and

KIRAN MOODLEY

First Respondent

BLUE CRANE ORGANICS (PTY) LTD

Second Respondent

Registration Number 2024/578906/07

**ALL AFFECTED PARTIES
(PER ANNEXURE “DM-4”)**

Third Respondents

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WITH LIST OF ANNEXURES**

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FIRST AND SECOND RESPONDENTS' ANSWERING AFFIDAVIT

I, the undersigned

KIRAN MOODLEY

do hereby make oath and say that:

1. I am an adult male director and sole shareholder of the Second Respondent ("Blue Crane") and am duly authorised to depose to this affidavit on its behalf.
I have also been cited as the First Respondent in my personal capacity.

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2. The facts deposed to in this affidavit are within my own knowledge, save where the contrary is stated or the context indicates otherwise, and are true and correct.
3. Where I rely on:
 - 3.1. information conveyed to me by others, or information appearing from documents under my control, I verily believe such information to be true and correct, unless otherwise stated; and
 - 3.2. submissions of a legal nature, I do so on the advice of my legal representatives, which advice I verily believe to be correct.
4. This affidavit is filed in response to the application instituted by the First Applicant ("**Masterton**") and Second Applicant ("**Pattinson**") (collectively, "the **BRPs**") in which they seek to have me removed as a director of Proximitas Investments 60 (Pty) Ltd (the "**Company**") and declared delinquent in terms of section 162 of the Companies Act 71 of 2008 (the "**Act**"). In this regard, I have read the founding affidavit deposed to by Masterton dated 23 April 2025.
5. In short, Blue Crane and I resist this application on the grounds that:
 - 5.1. The BRPs lack *locus standi* to bring this application (insofar as relief under section 162(2) is concerned) and it is accordingly fatally defective.
 - 5.2. The BRPs have failed to join the employees of the Company to this application, rendering it inadequate for hearing.

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- 5.3. The business rescue plan developed by the BRPs is nothing more than a covert liquidation of the company which intentionally circumvents the provisions of the Labour Relations Act 66 of 1995 ("the LRA") and the Extension of Security of Tenure Act 62 of 1997 ("ESTA"). As such, the formulation of the plan constitutes a breach of the BRPs' duties in terms of the Act. Furthermore, the plan, and any transactions entered into pursuant to it, fall to be set aside.
- 5.4. I have not impeded the BRPs in implementing the plan or indeed impeded the BRPs in exercising any of their powers. In any event, the plan is liable to be set aside. As such, I am not liable to be removed as a director in terms of section 137(5) of the Act.
- 5.5. I am not liable to be declared delinquent in terms of section 162(5) of the Act because I have at all times acted in the best interests of the Company, and in accordance with my duties as a director.
- 5.6. This application is an elaborate attempt by the BRPs at preventing me from unravelling their unlawful scheme.
6. The remainder of this affidavit is structured as follows:
- 6.1. First, I briefly set out the background and context in which the BRPs' application must be understood.
- 6.2. Second, I explain why the business rescue plan developed by the BRPs constitutes an unlawful scheme (in that it is a covert liquidation of the Company, it circumvents employees' rights, and it constitutes a breach of the BRPs duties under the Act).
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- 6.3. Third, I deal with the BRPs' lack of standing to bring this application insofar as a declaration of delinquency is concerned;
- 6.4. Fourth, I deal with the BRPs failure to join the employees of the Company to these proceedings.
- 6.5. Fifth, I address each of the BRPs' key complaints;
- 6.6. Sixth, I explain why I ought not to be removed as a director of the Company nor declared to be delinquent in terms of section 162 of the Act;
- 6.7. Finally, I respond, insofar as it is necessary, to the founding affidavit *ad seriatim*.

BACKGROUND

7. The Company is but one entity in the Blackie Swart group ("**the Group**"). As explained by the BRPs, the Group comprised: the Company, the Blackie Swart Family Trust ("**the Trust**"), Blue Crane Exports CC, Tracto Trading CC ("**Tracto**") and Steenbokvlakte Ontwikkeling (Pty) Ltd ("**Steenbok**"). An organogram representing the various entities in the Group and their relation to one another is annexed hereto as "**KM1**".
8. As is apparent from the organogram, other than having common directors and shareholders, the Company was never directly related to either Tracto or Steenbok. Only the Trust was directly related to the Company, holding 100% of its shares.
9. The focus of the Group was the production of top-quality organic citrus fruit for

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the export market.

10. In this context, the Company owned a number of farms and a packhouse on which it produced and packed citrus for the export market. The citrus was then packed on-site and on sold, via Blue Crane Export CC, to the European, United Kingdom and Canadian markets. Through Blue Crane Export CC, the Company had direct access to retailers such as Tesco, Sainsbury's and Verganis.
11. For a number of reasons that are not directly relevant to this application, the Group began to experience financial difficulty in 2023, and on 29 November 2023, the Company was placed into business rescue.
12. On 29 November 2023, the BRPs were appointed as the business rescue practitioners of the Company. Ostensibly because the "businesses of the companies and the Trust was [sic] so interlinked and intertwined that one could not approach any turnaround strategy on each individual company and the Trust separately" the BRPs (or either one of them) were also appointed as rescue practitioners to other entities in the Group.
13. While there was an exchange of assets and services between these entities, the governance of Tracto and Steenbok were in no way intertwined with that of the Company. More importantly, the debt profiles of Tracto and Steenbok were entirely distinct from the Company's (in particular, neither of the former entities owed debts to ABSA). As such, independent practitioners ought to have been appointed to each entity in the Group to ensure that their interests were adequately advanced. Given what became apparent later, Pattinson's concurrent appointments were seriously misguided if not irregular.

14. At the time the BRPs were appointed, the Company had approximately 190 permanent employees, many of whom resided on the Company's farms and had been doing so for many years.
15. From my own due diligence investigations, I have discovered that the BRPs never issued these employees with a copy of their notice of appointment as they were required to do in terms of section 129(4) of the Act. In fact, it appears the BRPs never issued any formal correspondence to the employees pertaining to the business rescue process and its likely impact on their employment and tenancy on the farms subsequent to the implementation of the business rescue plan.
16. That said, on 14 December 2023, during a staff meeting held at the packhouse located on the farm Good Hope (one of the farms owned by the Company) Pattinson informally addressed the workers of the entire Group. A transcript of a recording of this meeting is annexed hereto marked "KM2".
17. It is clear from the transcript that Pattinson confirmed that the Employees' jobs would be secure and that the BRPs would communicate with them through WhatsApp and keep them updated over the course of the business rescue process.
18. Unfortunately, I believe that this would be the last time that the BRPs met with the Employees or indeed, engaged with them in any meaningful way.
19. Following their appointment, the BRPs developed and published a plan to rescue the Company, which was published on 3 July 2024 ("the First Plan"). In terms of this plan, the BRPs proposed rescuing the Company by generating

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surplus cash through the sale of its assets (for example, the First Plan proposed selling off the farm 'Waterkloof', one of the Company's most profitable assets). A copy of the First Plan is annexed hereto marked "KM3".

20. It was around this time, in late July 2024, that I was approached by Marika Swart to potentially provide post-commencement finance to the Company and to assist in its management and rescue. She (as one of the controllers of the Company through the Trust) was unhappy with the First Plan, in that it proposed stripping the Company of its core assets and did not, on the face of it, appear to be geared towards its rescue. Given my prior experience in citrus farming and corporate business administration, and given my particular interest in organic citrus farming, Marika thought I may be able to provide the Company with valuable advice and insight.
21. Seeing that the Company owned a potentially profitable organic farming operation, and effectively owned its own market, I was open to her proposal. However, I made it clear that I was only interested in investing in the Company, rather than the wider Group. I explain this more fully below.
22. Upon inspecting the documents given to me by Marika (including the First Plan), I realized that something was amiss: the over-arching plan appeared to be directed towards selling off the Company's core assets. I was astonished to see that the Plan proposed selling off the farm, 'Waterkloof' (the single highest income generating farm on the Company's books). What rendered the plan even more peculiar was that, at the time, 'Waterkloof' was not even subject to a bond.
23. To my mind, the First Plan simply did not make business sense. I relayed my

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views to Marika and suggested that, if she really wanted to rescue the Company a new plan would have to be developed.

24. Given that a vote on the implementation of the First Plan was imminent and given that the BRPs had already retained the services of Mr Bester (the BRPs' current attorney) I suggested that Marika obtain legal representation of her own, to assist her in navigating through the business rescue process (and so to ensure the best interests of the Company). To that end, I suggested she retain the services of JGS attorneys, which she did.
25. I feel it necessary to clarify at this point that, although I was introduced to the BRPs through Marike Swart (one of the trustees of the Trust), I never had any direct involvement in the management or affairs of the Trust itself. Contrary to what is alleged by the BRPs, I never in fact, acted on its behalf. I only became tangentially involved with the Trust because:
- 25.1. at the time, the Trust owned all the Company's shares; and
- 25.2. the Trust was in the process of being sequestrated, which had a material impact on the intended rescue of the Company (particularly insofar as funding was concerned).
26. Following my discussion with Marika, Cindy Jonker of JGS Attorneys contacted the BRPs and informed them of Marika's suggestion that I come on board to assist with the rescue of the Company. I further explained that I believed that there were prospects for rescuing the Company, but that a new plan would have to be developed for that purpose. It seemed to me that the BRPs were *ad idem* on the prospects of rescuing the Company and were

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happy for me to get involved and to bring further commercial expertise to the project.

27. To that end, I got my team involved to assist me in obtaining a better understanding of the Company's financial position and potential for recovery. At the time, my team included Dean Pillay (who has vast experience in the banking, finance, and international trading sector) and Anton Scheepers (a well-known agricultural development economist and former head of exports and marketing at the Department of Agriculture in KwaZulu Natal). On the limited information available to us at the time, my team and I put together a plan that we believed could facilitate the Company's recovery and return it to profitability. We drew up the plan under the brand name most associated with the Company's produce, "Blue Crane", hence it is titled the Blue Crane Plan ("the Blue Crane Plan").
28. A copy of the Blue Crane Plan is annexed hereto marked "KM4". The proposals under the plan included:
- 28.1. restructuring the Company's management;
 - 28.2. on-boarding additional staff in vital roles;
 - 28.3. adopting PAS software to streamline the Company's operations; and
 - 28.4. selling non-core immovable assets to regularise cash-flow.
29. The purpose of Blue Crane Plan was to emphatically communicate to all stakeholders, with particular emphasis on concerned creditors, that the new management structure headed by me and guided by Mr Scheepers as well as

Mr Pillay, are more than able, to restore the fortunes of the farm, as well as address the debt concerns of the creditors, to the collective satisfaction of all concerned. We sent a copy of the Blue Crane Plan to the BRPs on 5 September 2024, ahead of a meeting scheduled for the following day. A copy of the relevant email correspondence is annexed hereto marked "KM5".

30. During the meeting, it appeared that the BRPs were generally happy with the proposals in the Blue Crane Plan and were fully committed to working together to rescue the Company. Blue Crane Plan was far more substantial and considered than the First Plan, which was with respect superficial. To that end, we agreed to continue meeting over the coming weeks to iron out the finer details in the Blue Crane Plan so that it could be submitted for consideration by the Company's creditors.
31. To this end, Cindy Jonker convened a meeting at the offices of Nolands in early September 2024. In attendance were attorney Paul Bester, Masterton, Pattinson, Dean Pillay, Anton Scheepers, Cindy Jonker and Warren Parker and myself. At the meeting we discussed my offer to provide R35,000,000 by way of post-commencement finance to the Company. During this discussion I reiterated that I had no intention of buying the farms themselves and that, rather, I was interested in rescuing the Company and restoring it to a healthy going concern. Specifically, the R35,000,000 was intended to supplement the Company's cashflow to allow it to trade out of business rescue.
32. On or about 27 September 2024, I had a further meeting with Pattinson at Mugg and Bean in Walmer Park Mall. It was at this meeting that Pattinson first proposed that I become a director of the Company. This way, he explained, I

could gain control of the operations of the Company, conduct any due diligence I thought was necessary and ensure that the turnaround strategy set out in the Blue Crane Plan could be put into effect. In fact, he reiterated this proposal again via WhatsApp later that day. A copy of this WhatsApp message is annexed hereto marked "**KM6**"

33. Thereafter, on or about 30 September 2024, I had another discussion, this time with Masterton (Dean Pillay was also in attendance). It was during this discussion that Masterton first proposed that I purchase the Company's shares from the Trust. At the time, the Trust (which owned the shares in the Company) was under a provisional order of sequestration.
34. Masterton (with Pattinson who joined the meeting later confirming) advised me that, notwithstanding that the Trust was under provisional sequestration, if I obtained a valuation of the shares from a reputable entity such as BDO, the transaction would not be voidable. He recommended that I contact a Mr Craig Killian at BDO for further advice and sent me his details by email, a copy of which is annexed hereto as "**KM7**".
35. On this basis, Pillay (with the assistance of Masterton) contacted Mr Killian, who provided me with a nominal valuation of R1000 for the entire shareholding in the Company. The valuation is annexed as "**KM8**".
36. The following day, on 1 October 2024, I had a further meeting with Pattinson at Nolands' offices in Gqeberha. At this meeting he reiterated the suggestion that I come on board as director of the Company.
37. Given that the BRPs were now suggesting that I become personally involved

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in the Company as a director – rather than just an investor by way of post-commencement finance – I indicated that I needed some more time to consider their proposal and to seek advice from my accountant. It was at this point that Masterton started to subtly pressure me, indicating that 'there wasn't much time' and that if I delayed, the 'opportunity would almost certainly pass me by'.

38. Under pressure from Masterton, I accepted the BRPs' proposal and was appointed as the Company's sole director with effect from 4 October 2024. As aforesaid, given the Company's potential for profitability, and the BRPs apparent commitment to rescuing the Company, I was happy to get stuck in and lend my expertise to the turn-around project.
39. Concurrently, I had been working with the BRPs and my own team on finalising the Blue Crane Plan so that it could be submitted to the meeting of creditors scheduled for 7 October 2024. During its finalisation, the BRPs appeared to be fully invested in the plan and its terms, reiterating their belief that the Company could be rescued and that the Blue Crane Plan could be a means to achieve that end.
40. On 7 October 2024, however, the BRPs held a virtual meeting of the Company's creditors for the purposes of voting on the adoption of the Blue Crane Plan. As the newly appointed director of the Company, I was invited to participate in the meeting. A copy of the transcript of the meeting is annexed hereto marked "KM9". It is clear from the transcript that:

- 40.1. At the start of the meeting, Pattinson confirms the BRPs' belief that there are "reasonable prospects for rescuing" the Company, so that it may "continue trading, albeit, in a somewhat smaller capacity".
- 40.2. Pattinson further purports to afford "the employees the opportunity to take part in the meeting as well as to raise any points that they may have". This opportunity was apparently afforded to "any bargaining councils, unions or any other parties representing the staff".
- 40.3. However, before anyone could make use of this opportunity, Pattinson called on me to address the meeting, and thereafter, moved swiftly on with a consideration of the Blue Crane Plan.
- 40.4. It is clear from Pattinson's later sentiments that no employees, or their representatives, had in fact been invited to the meeting, and that his earlier invitation was mere window dressing. According to Pattinson "the company does not have any staff, but we still need to give the opportunity should there be someone that wants to address on behalf of the employees of the business".
- 40.5. In hindsight, this is an indication of the way the BRPs were able to feign compliance with the Act, whilst having no real intention of honouring these obligations if they were not directly to the benefit of ABSA.
- 40.6. During my address to the creditors, I reiterated that the Company had "every reason to be successful" and that it could be "right-sized" by selling off "non-core assets". I explained that as a result of the orchard



maintenance currently underway, the Company was looking at "a conservative, brighter future for the next season".

- 40.7. I also placed on record the difficulty I was experiencing in obtaining information of any kind from the BRPs. This would prove to be a challenge for the remainder of my involvement in the Company.
- 40.8. When it came time for the creditors to provide feedback on the Blue Crane Plan, Mr Botha (on behalf of the Company's single largest creditor, ABSA), interjected to indicate that ABSA was "against voting for the plan" "without any further extension" and that a "structured-wind down" should be adopted.
- 40.9. Pattinson then suggested a summary of ABSA's position as a request "that we do a new plan in the form of a structured wind-down". Interestingly, Pattinson began this summary with what now appears to be a Freudian slip ("We basically, your request...").
- 40.10. Pattinson thereafter indicates that ABSA's position has taken them "a bit by surprise" and that an adjournment would be necessary to allow him to discuss this turn of events with the shareholders, creditors, and myself. That is a gross understatement. The matter was then adjourned for an hour and a half.
- 40.11. After the meeting reconvened, Pattinson explained that the "wind-down" suggested by ABSA is akin to a "liquidation" in that the Company's assets would "be sold out of hand or by public auction" to settle its debts. He explained further that because it is not a "master-

driven auction" the BRPs would have a lot more flexibility to secure offers on the assets.

40.12. Pattinson then opines that such a plan would comply with section 128 of the Act in that it "would provide a better outcome than that of immediate and traditional liquidation".

40.13. Mr Parker, on behalf of one of the Company's other creditors, then intimated that because ABSA held the majority vote, the other creditors' interests were somewhat irrelevant.

40.14. Pattinson adjourned the meeting, indicating that the BRPs would formulate a new plan in accordance with ABSA's wishes.

41. The meeting represents a major shift in the BRPs attitude towards the Company. I was shocked. As illustrated above, leading up to the meeting, the BRPs appeared to be *ad idem* with me as to the prospects of rescuing the Company. However, as soon as Botha made his position known, the BRPs seamlessly pivoted towards a constructive liquidation of the Company.

42. Whether the BRPs and Botha had coordinated this strategy in advance, or whether the BRPs simply made common cause with the proposal (viewing themselves as beholden to ABSA's interests as the majority creditor) is unclear. Either way, this change in direction was startling and *prima facie* adverse to the interests of the Company and its employees.

43. Given these developments, I sent Pattinson a WhatsApp directly after the meeting, attempting to wrap my head around this *volte face*. I was particularly concerned about the effect the 'structured wind-down' would have on the

Company's employees. I therefore asked Pattinson outright whether the employees would be "saved" in the new plan. I noted that this development was suspicious. He, however, failed to answer my question. A screenshot of this WhatsApp conversation is annexed hereto marked "KM10".

44. In fact, Pattinson's failure to respond evidenced a change in the BRPs general attitude towards me. They began to hold me at arm's length: I was no longer privy to deliberations regarding the Company's future, requests for information were met with silence and my views and input were seen as obstructive. To me it appeared as if they had suddenly become intent on shoring up absolute control of the Company. While not yet openly acrimonious, it was clear that our relationship was deteriorating.
45. Because I still believed that the Company could be rescued, and because I did not believe that a wind down was in either the Company or the employees' best interests, I did not participate in the formulation of the new plan.
46. However, the BRPs did inform me that as part of the new 'wind-down' strategy, they planned to create a three-phase process whereby I could potentially buy out the business as a going concern. While I reiterated that I was opposed to a wind-down in general, and had no intention of stripping the Company's assets, I informed them that I would consider facilitating the consolidation and refinancing of the Company's debt through Standard Bank (an arrangement which would effectively have taken the Company out of business rescue). To this the BRPs indicated that my objection to the 'wind-down' was irrelevant as ABSA held the majority vote and that, as such, they intend to comply with its wishes.

47. Because it only made sense to refinance the debt once I was in control of the Company, and because the BRPs appeared to be open to my proposal, I proceeded with Masterton's earlier suggestion and, in good faith, caused Blue Crane to acquire the shares in the Company for a nominal value of R1000. Thus, on 10 October, I (through Blue Crane) became the sole shareholder of the Company.
48. While the new plan was being drawn up, I continued with my own due diligence into the Company's affairs. Despite the BRPs now adopting a somewhat obstructive attitude towards my requests for information, I nevertheless uncovered that:
- 48.1. ABSA had made a number of loans to entities in the Group, but had been moving the loans haphazardly between them, seemingly for its own benefit and with complete disregard for the entities' separate legal personality. I annex copies of the relevant correspondence with ABSA that substantiates this as "KM11".
- 48.2. The 'unitary' business rescue of Tracto, Steenbok and the Company under Pattinson had run into conflict. The business rescue plan formulated for Tracto proposed selling its core assets under value. As a creditor of Tracto, this was directly adverse to the Company's interests. From the Company's perspective, it would have been preferable for Tracto to simply be liquidated.
- 48.3. The commercial agreement concluded between Freshgro and the Company was adverse to the Company's interests. Given that there was already an agreement in place with Blue Crane Export CC,

whereby the latter would market the Company's produce to Sainsbury's, Tesco and Verganis at a preferential rate, the Freshgro transaction constituted an unnecessary expense, resulting in a net loss of profit to the Company.

49. I challenged the BRPs on these points, questioning the wisdom of the 'unitary' process given the speed at which the entities' interests were diverging. Not surprisingly, the BRPs dismissed my protestations as mere ignorance of the business rescue process and the provisions of the Act. While this may have been my first encounter with business rescue proceedings, I still expected the BRPs to deal with me honestly and openly. I do not believe that they have.
50. On 28 October 2024, Pattinson reconvened the meeting to afford the creditors an opportunity to vote on the new 'structured wind-down' plan ("the Plan").
51. A transcript of a portion of that meeting is annexed hereto marked "KM12". It appears from the transcript that:
- 51.1. Despite tabling a 'wind-down' plan, Pattinson reiterated that the BRPs 'believe that there remains a reasonable prospect for the rehabilitation of the Company'; and
- 51.2. Pattinson again purports to "afford the staff, unions, bargaining councils, sectoral determination representatives an opportunity to address the creditors" despite claiming that the Company has "no other staff other than [me]".
52. The Plan was adopted by the majority of the creditors on 28 October 2024. In terms of the Plan, a copy of which is annexed hereto marked "KM13", it is

clear that:

- 52.1. it is purportedly premised on a structured wind-down as contemplated in the second part of section 128 of the Act (that is, securing a better return for creditors than liquidation);
- 52.2. the wind-down of the Company would be achieved through a three-phase process (with the first phase representing a whole-sale buy out of the Company and its assets, the second phase representing a negotiated sale of each of the Company's farms together with associated assets, and the third phase representing an auction of the Company's farms);
- 52.3. this despite the fact that the BRPs record their belief that "a reasonable prospect for the business still exists";
- 52.4. phases one and two would proceed concurrently;
- 52.5. phase one was essentially a sale of the business as a going concern ("a purchaser will be sought for the business and all of its assets to minimize the disruption of work and saving as many jobs as possible");
- 52.6. the Plan was premised on the assertion that the Company had no employees;
- 52.7. the Plan makes provision for "a change in securities as per the attached Annexure J between the investor and the Trust" (that is, the Plan recognises that Blue Crane had purchased the Company's shares); and

- 52.8. the BRPs purported to have given notice to all affected parties, including the Employees, as required in terms of section 129 and 144 of the Act.
53. Importantly, while the BRPs had historically recognised the existence of employees (having met with them in person in December 2023) they reiterated the claim that there were “no staff in this business” (initially made in the First Plan). This despite the fact that the Plan explicitly undertakes to “save as many jobs as possible”.
54. As will be made clear below, this *volte face* appears to be part of a larger scheme by the BRPs’ to push through, by any means necessary, a covert liquidation of the Company for ABSA’s benefit. In short, by denying the existence of the Company’s employees, the BRPs were simultaneously able to minimise the Company’s liabilities (thus increasing the return for ABSA) and frustrate the employees’ rights to vote against the adoption of the Plan (as it runs counter to their interests).
55. Indeed, the BRPs conduct in relation to other entities in the Group evidences the same preference for ABSA’s interests. For example, in the business rescue plan drawn up in respect of Tracto, ABSA is not listed as a creditor. Notwithstanding, the very same plan indicates that any surplus funds generated in the rescue of Tracto would be used to settle ABSA’s claims. Clearly, the BRPs intention is to prefer certain Group creditors (that is ABSA) over others, with seemingly no regard to specifics. A copy of Tracto’s business rescue plan is annexed hereto marked “KM14”.
56. A similar state of affairs arose in the rescue of Steenbok. In this regard, I annex

a copy of its business rescue plan as "KM15".

57. Around this time, the BRPs also caused circular 24 to be issued to creditors in which they state as follows:

"Opportunity was provided for staff to present any comments. This business does however not have any staff members and none of the directors made any comments either" (emphasis added)

58. A copy of this circular is annexed hereto marked "KM16".

59. Because I felt that the Company was still salvageable, and because I feared for the fate of the employees under the Plan, I decided to attempt to consolidate and refinance the Company's debt. My idea was that if I was able to unburden the Company (by relieving it from ABSA's debt), and if I could ensure that the Company retained its core assets and employees, it could be returned to profitability in the short to medium term.

60. Contrary to what is alleged by the BRPs, I never intended to purchase the Company's immovable assets in terms of 'phase one' of the Plan. Rather, I proposed consolidating and refinancing the Company's to ABSA through a facility from Standard Bank. I would then contribute (through Blue Crane) a further R35,000,000 to bolster the Company's cashflow and advance it out of business rescue.

61. That I would be investing in the Company, rather than purchasing its assets is recognised by the BRPs when referring to me as 'investor' rather than 'purchaser' in the transcript of the creditors' meetings annexed hereto as "KM8" and "KM12".

62. Nevertheless, because 'phase one' was only afforded a ten-day window in terms of paragraph 4.6.2.1.3 of the Plan, I was only afforded ten days in which to provide the BRPs with a binding offer for my proposed debt consolidation and refinancing arrangement.
63. It is common cause (see paragraph 42 of the founding affidavit) that my attempt to do so was frustrated by ABSA's unilateral demand that, in addition to settling the Company's debts with ABSA, I should also facilitate settlement of the Trust's indebtedness to the bank. More specifically, ABSA indicated that if I failed to do so, it would not release the Company from its obligations under the suretyship it had executed in ABSA's favour.
64. Obviously, it would be nigh on impossible to implement a rational turn-around strategy with this obligation hanging over the Company. This is especially so given the value of the suretyship was in the region of R94,000,000.
65. I attempted to obtain the necessary finance to make good on this obligation. However, Standard Bank (who I had brought on board to refinance the Company) was understandably reluctant to go ahead with the transaction on this basis.
66. I was therefore unable to close the proposed consolidation and refinancing transaction within the stated timelines.
67. As such, the BRPs proceeded to implement 'phase three' of the Plan: the auction of the Company's immovable assets.
68. Without notice to me or the Company's employees, the BRPs appointed auctioneers, who proceeded to sell off the various farms without reserve.

Indeed, it is now apparent that these sales included the produce of the recently completed harvest (which, if sold in the ordinary course, would have generated close to R40,000,000 in profit for the Company).

69. During his briefing ahead of the auction on 27 February 2025, the auctioneer stated:

"We are aware, and you are all aware that some of the farms have workers accommodation on site, these are occupied, and the workers have been and continue to work on the farm. We are not giving vacant occupation or warrant vacant occupation. You are fully entitled to engage with the farm workers to take them over. We are not transferring the farm workers automatically, the Business Rescue Practitioners have made it clear that the farm workers, they will assist in discussions and sorting out any form of engagement. There is no animosity at this point, and we are aware of no issues with the farm workers and/or managers living on site. They are all aware of our process should you purchase. The Business Rescue Practitioners will assist in facilitating direct contact with the workers and the farm managers to ensure a smooth take over and transfer. Please understand guys, we are not automatically transferring employment over to you. We are not selling the business of Proximities itself; we are only selling its fixed farms".

70. A copy of the transcript of the briefing is annexed hereto as "KM17".
71. It is clear from the briefing that:
- 71.1. the Company had employees;
 - 71.2. the employees lived and worked on the Company's farms;
 - 71.3. the employees would not be transferred along with the farms.
72. Again, this is inconsistent with the BRPs assertion in the Plan and subsequent litigation that the Company has no employees.
73. Furthermore, the fact that the auctioneer was at pains to reiterate that the

farms were not being sold as a going concern – despite the fact that many were sold along with water rights, irrigation systems and the proceeds of the harvest (that is, the means to continue the farm as a going concern) and at a zero tax rate (only applicable to the sale of a business as a going concern) – is extremely suspicious. It is as though the terms of the auction were drawn specifically to circumvent the employees' rights under the LRA.

74. I only became aware of the actual date of the auction on 25 January 2025. I had no idea that the BRPs would be proceeding to auction off the farms so quickly and upon the terms which they eventually did. I immediately forwarded a copy of the auction notice to Pattinson via WhatsApp in the hopes of eliciting an explanation from him.
75. A screenshot of this WhatsApp communication referred to above is annexed hereto marked "KM17A".
76. To this end, my erstwhile attorney, Tiaan van Schalkwyk ("van Schalkwyk"), sent an email to the BRPs' attorney on 10 March 2025 requesting further information about the purported auction of the properties, including the terms on which they were auctioned, the protections afforded to the employees and copies of the various instruments recording these transactions.
77. This precipitated a chain of correspondence between our legal representatives in which the BRPs' attorney failed or refused to provide me with the information requested. A copy of this chain of correspondence is annexed hereto marked "KM18".
78. From this correspondence, it is clear that the relationship between me and the

BRPs had soured. This deterioration began with the BRPs' change in attitude following the creditors' meeting on 7 October 2024 and only worsened over the course of events which unfolded thereafter. More specifically –

78.1. In January 2025, a meeting was held at the offices of Nolands between myself, van Schalkwyk, Pattinson and Masterton. The conversation at this meeting largely centred around a series of transactions that had occurred in December 2023, shortly after the BRPs' appointment. Specifically, I was interested in understanding why a payment of R581 505.28 had been paid to JD Advisory Services (an entity interrelated to the BRPs attorney, Paul Bester). The fact that the transaction, and its implications had not been formally disclosed was alarming to me and called into question the transparency and propriety of the BRPs' administration of the Company.

78.2. It was in this context that van Schalkwyk expressed the sentiment that the BRPs would no longer enjoy impunity in managing the Company and would be held to account going forward (regrettably he phrased it as "somebody would have to be thrown under the bus").

78.3. Furthermore, the BRPs and I, became embroiled in a series of litigation involving the Company, its creditors, the Trust and the various purchasers at the auction. Pursuant to this litigation, I was obliged to place all relevant facts before the court, many of which did not paint the BRPs in a favourable light.



- 78.4. In retaliation, the BRPs have ensured that the record in these proceedings have been replete with recriminations against my character. Specifically, they go to great lengths to paint me as a fool (being ignorant of the business rescue process) and a liar. They persist in this strategy in this application.
- 78.5. During the course of this litigation, my attorney, van Schalkwyk, withdrew as my attorney of record. Specifically, Van Schalkwyk elected to withdraw following the advice of counsel in chambers before the Honourable Mr. Justice Malusi. It was confirmed during those proceedings that Van Schalkwyk would withdraw, and that this would be the end of the issue. This understanding was conveyed to the BRPs, and the matter was considered closed.
- 78.6. While the BRPs wish to make much of this withdrawal, the fact is, it is not indicative of anything untoward about my or my representative's conduct in this matter. What it does, however, demonstrate is a willingness on behalf of the BRPs to renege on agreements when it benefits them.
79. In this context, I pause to confirm that in defending or instituting any of the litigation referred to, I have always acted on the advice of my legal representatives and in accordance with what I understand to be in the best interests of the Company. I feel it imperative to add that I believe it is in the best interests of the Company to uncover mismanagement in its affairs, and to ensure compliance with the Company's statutory obligations (including its obligations under the Act, the LRA and ESTA).



80. Furthermore, while I previously believed that there were prospects for rescuing the Company, given the extent to which the BRPs have stripped it of its core assets since the adoption of the Plan, I now believe that the Company is both factually and commercially insolvent. To this end, I make common cause with the application I launched on 25 February 2025 in which I sought to have the current business rescue proceedings set aside and the Company placed into liquidation proceedings.
81. Pursuant to this litigation, my attorneys have been able to uncover information relating to the Company's affairs, including bank statements, employment contracts, SARS returns and salary slips. Through these sources, I have been able to substantiate the assertion that there were, and in fact always have been, several workers employed by the Company. In fact, in my ongoing engagements with the BRP's since my appointment as director, it was common cause that the Company had employees.
82. This reality is reflected by :
- 82.1. Contracts of employment concluded between the Company and its employees;
 - 82.2. Company bank statements for the period 1 July 2024 to 22 November 2024 reflecting payments of wages and salaries;
 - 82.3. Company bank statements for the period 1 July 2024 to 22 November 2024 reflecting payments to SARS, bearing reference EMP201 (the reference associated with compulsory payroll deductions);



- 82.4. Salary advices dated 28 March 2025 in respect of the Company's employees; and
- 82.5. A 'pay run' conducted on the Company's systems reflecting the distribution of employee wages and compulsory payroll deductions such as PAYE, SDL and UIF.
83. Copies of these documents are annexed hereto as "KM19", "KM20", "KM21" and "KM22" respectively.
84. It is also clear from my investigations that while many of the employees have been remunerated by the Company directly, the Trust has for payroll administration convenience processed the payments of wages and salaries on its behalf. In this regard, I annex hereto as "KM23" copies of salary advice generated by the Trust's payroll software, reflecting the Company as the employer.
85. In the circumstances the BRP's denial that the Company has employees is astounding. As aforesaid, many of these employees also reside on the farms on which they work. Attached hereto is a record of the Company of its employees who also reside on the farms on which they work marked "KM24"
86. As will be explained below, I have reason to believe that the Plan is nothing more than a scheme designed to obtain a covert liquidation of the Company for ABSA's benefit, and that the BRPs intentionally circumvented the employees' statutory rights in order to achieve this end. I have recently made the startling discovery that the BRPs had been paying themselves and/or their company BR360 substantial amounts, seemingly as remuneration for their

services, even though in terms of the Act, they are only entitled to such payments on filing the notice of the substantial implementation of the business rescue plan as contemplated in section 152(8) of the Act. In this regard, the BRPs appear to have paid themselves an amount of R4,878,622.46 from the Company's bank account for the period 1 July 2024 to 22 November 2024, prior to the final implementation of the Plan. I attach hereto a schedule of the payments extracted from the bank statements for ease of reference, marked "KM20A".

87. *Ex facie* the Company's bank statements, the BRPs have also caused BR360 to be paid two additional sums of R437,000, purportedly for "fees" generated in the rescue of two other entities in the Group (Steenbokvlakte and Tracto). In this regard, I annex hereto as "KM20" copies of bank statements for the period 1 July 2024 to 22 November 2024.
88. Upon discovering that the BRPs had been transferring substantial amounts to BR360, I instructed my attorneys to request updated bank statements from the BRPs' attorneys (reflecting payments in the period 22 November 2024 to date) to investigate this matter further. Despite Bester's undertaking to do so, these additional bank statements have not been provided yet. I consequently reserve my right to supplement these papers upon receipt thereof.
89. In the circumstances, I believe that this application is nothing more than an attempt to silence me for bringing this scheme and the BRPs' material misconduct to light.



THE PLAN CONSTITUTES AN UNLAWFUL SCHEME

90. It is clear from the preceding section that at the time it was placed into business rescue, the Company had a substantial permanent workforce of approximately 190 employees.
91. At all material times these employees have been under the Company's supervision and control, undertook work for its benefit, and generally contributed towards its economic undertakings. Indeed, many, if not most of the employees, have been living on the farms on which they worked for several years.
92. Indeed, most of these employees and their families have continued to work on these farms until possession thereof was handed over to the new purchasers, purportedly in terms of the auctions administered by the BRPs. Many, if not most of them, still reside on the farms together with their families.
93. There is no record of any of these employees having had their employment lawfully terminated by the Company. As such, these employees continue to be employed by the Company ("**the Employees**").
94. A list of some of the Employees as evidenced by an "EMP 201 pay run" is annexed hereto marked "**KM24**".
95. Initially, the BRPs accepted the existence of the Employees and the fact of their employment. Pattinson met with the employees in person in December 2023. Indeed, the Company (while under the BRPs' stewardship) continued to pay the employees' salaries and wages well into 2025.

96. This attitude, however, changed with the development and adoption of the Plan. Suddenly, the BRPs denied the existence of the Employees, and refused to respect their employment status and concomitant rights as envisaged in the LRA and ESTA .
97. In hindsight, this change in attitude coincided with the BRPs decision to progress with a structured wind-down of the Company. Rather than save the Company, the plan was now to pursue its 'quasi-liquidation' to ABSA's exclusive benefit.
98. Clearly the Plan represented a shift in the BRPs allegiance. No longer were they concerned with the interests of the creditors, the Company or the employees; the only goal now was to secure a maximum return on investment for ABSA.
99. Of course, a cohort of employees – with entitlements to salaries, UIF contributions, leave payouts, workmen's compensation, protections on transfer and security of tenure – would only serve to hamper their efforts.
100. Indeed, it must have been apparent to the BRPs that if the Employees were permitted to participate in the business rescue process, the Plan would likely never be adopted.
101. As such, it appears that the BRPs decided to simply repudiate the employment relationship.
102. The BRPs assertion that they are simply 'unaware' of the identity of the Company's employees because of the Group's 'convoluted' record keeping is simply not sustainable. As set out above, the documentary records clearly



indicate which individuals were employed by the Company, and on what basis. These records have been under the BRPs control since their appointment in 2023.

103. In repudiating the employment relationship and proceeding with the 'structured wind-down' of the Company in terms of the Plan, the BRPs have effectively participated in an unlawful scheme designed to benefit themselves and one creditor, ABSA, at the expense of the Company, its employees and stakeholders. ("**the Scheme**").

104. More specifically, by participating in the Scheme the BRPs have, amongst others:

104.1. failed to comply with section 128, 129 and 144 of the Act (read with regulation 125) by failing to afford the Employees proper notice of the business rescue process or proceedings instituted pursuant to said process;

104.2. Failed to comply with section 198 of the Labour Relations Act ("**the LRA**") by failing to inform the Employees that they stood to lose their employment upon implementation of the Plan;

104.3. failed to comply with section 197 of the LRA, by purporting to terminate the Employees' employment pursuant to the auction of the farms, which properly considered, constitutes the transfer of a business as a going concern;

104.4. assisted in the constructive eviction of the Employees in contravention of their rights under the Extension of Security of Tenure Act 62 of 1997



("ESTA"), by purporting to sell the farms to the purchasers on the understanding that the employees have no right to occupation of the dwellings on the farm; and

104.5. unlawfully infringed the Employees' rights of access to water and electricity in the dwellings by allowing said electricity supply to be cut-off and by restricting access to water.

105. Indeed, the Scheme itself constitutes an abuse of the business rescue process in that it is nothing more than a covert liquidation of the Company premised on a misunderstanding of the Supreme Court of Appeal's judgment in *Oakdene Square Properties (Pty) Ltd v Farm Bothasfontein (Kyalami) (Pty) Ltd* (609/2012) [2013] ZASCA 68. Further legal argument will be addressed to the Court on this point at the hearing.

106. In contriving and participating in the Scheme, the BRPs have demonstrated that they have:

106.1. failed to perform the duties of a business rescue practitioner;

106.2. failed to exercise the proper degree of care in the performance of the practitioner's functions;

106.3. experienced a conflict of interest or lack of independence; and

106.4. engaged in unlawful acts or conduct.

107. Indeed, it is clear that the Scheme is of direct personal benefit to the BRPs, who have been paying themselves remuneration prior to the final implementation of the Plan and in contravention of the Act. In this regard, I

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refer to annexure "KM20".

108. I am advised that in these circumstances, not only are the BRPs liable to be removed in terms of section 139 of the Act, but the entire business rescue process is liable to be set aside.
109. Furthermore, I submit that given the nature of the Scheme, it would be antithetical to the Company's interests to permit its unlawful consequences to come into effect. Thus, as a director of the Company, I have a duty to take steps to prevent, mitigate and curtail the unlawful consequences of the Scheme.

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110. I am advised that in terms of section 162(2) of the Act, only a company, a shareholder, director, company secretary or prescribed officer of a company, a registered trade union that represents employees of the company or another representative of the employees of a company may apply to a court for an order declaring a person delinquent or under probation.
111. The Applicants in this matter are the BRPs in their official capacity.
112. Unlike section 137(5) of the Act, section 162(2) does not contemplate an application for delinquency being brought by the business rescue practitioners.
113. Accordingly, the BRPs lack locus standi to seek relief in terms of section 162(2) of the Act.
114. Importantly, the Company has not been cited as an applicant in this matter.

As such, this application has not been brought by any of the individuals or entities identified in section 162(2) of the Act.

115. In the circumstances, insofar as this application seeks relief in terms of section 162(2) of the Act, it is fatally defective and falls to be dismissed out of hand.
116. Further legal argument will be addressed to the Court on this point at the hearing.

JOINDER

117. I am advised that in terms of section 144(3)(b) of the Act, during business rescue, every registered trade union representing any employees of the Company and any employee who is not so represented, is entitled to notice of any court proceeding concerning the business rescue and is entitled to participate in said proceedings.
118. As such, I am advised that the Employees are necessary parties who ought to have been joined to these proceedings.
119. While there are in fact approximately 190 Employees, the BRPs' version is that the Company does not have any employees. On this basis, the BRPs did not join the employees as respondents to these proceedings or otherwise provide them notice in terms of section 144(3)(b) of the Act.
120. Indeed, none of the Employees are even identified as "interested parties" in Annexure DM4 to the founding affidavit.
121. In the circumstances, the BRPs have failed to join necessary parties to these proceedings; and absent their joinder, the application ought not to proceed.



122. Further legal argument on this point will be addressed to the Court at the hearing.

RESPONSE TO THE BRPS' COMPLAINTS

123. In the paragraphs that follow, I deal with the BRPs' key complaints in turn.

Conflict of interest

124. The BRPs assert that in attempting to prevent the unlawful consequences of the implementation of the Plan, I have been acting in the interest of the Trust, Blue Crane or some other person or entity.
125. This is simply incorrect. As set out above, I have (until recently) believed that there were good prospects for the Company's rescue. I also believed that the greatest opportunity for profit lay in the Company's continued operation. As such, I have devoted my efforts to achieving that end, by attempting to alleviate its debt burden, and to ensure that it retains its core assets and employees.
126. It is patently obvious that in doing so, I have been advancing the interests of the Company (often at my own personal expense).
127. Furthermore, and as demonstrated above, in pursuance of the Scheme, the BRPs have attempted to unlawfully circumvent the Employees' statutory rights.
128. As a director, I am required to act in the best interests of the Company. Preventing the Company from participating in an unlawful transaction, or series of transactions, is certainly in its interests.

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129. As such, to the extent that I have engaged in conduct that sought to uncover the Scheme, and prevent the unlawful consequences of its implementation, I have always been acting in the best interests of the Company, the employees and the creditors.

130. The BRPs complaint is therefore patently without merit.

Frustrating implementation of Business Rescue Plan

131. It is clear from the preceding sections that the creditors (with ABSA exercising a majority vote) adopted the Plan on 28 October 2024.

132. Notwithstanding the litigation that commenced between myself, the Company and the BRPs, the latter have implemented the Plan. Specifically, they have proceeded to implement 'phase three' of the Plan by causing the Company's farms to be auctioned off to various purchasers.

133. In fact, it is their version in this application that they have done so.

134. Given that the Plan has been implemented, my misgivings notwithstanding, it is unclear on what basis the BRPs allege that I have impeded their implementation of the Plan.

135. Indeed, the BRPs have failed to allege a single instance in which I can be said to have impeded their implementation of the Plan.

136. To the extent that I seek relief which aims to undo the unlawful consequences of the Plan, and/or mitigate the adverse consequences of the Plan, I cannot be said to have impeded its implementation.

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137. Furthermore, to the extent that I have taken actions to prevent the Employees from being unlawfully evicted from the farms (in contravention of their rights under ESTA), I similarly have not impeded the implementation of the Plan but rather prevented an unlawful consequence of the Plan's implementation.

138. The BRPs complaint is therefore patently without merit.

Impeding the BRPs performance of their powers and functions

139. It is common cause that following their appointment, the BRPs have been in control of the management of the Company. They have had in their possession and control all the records of the Company, and indeed, have exercised control over the Company's assets.

140. I have not impeded their ability to call meetings of creditors, to hold votes on the conduct of the business rescue process or otherwise prevented them from administering the Company and its assets.

141. In fact, the BRPs have failed to allege a single instance in which I can be said to have impeded their powers and functions as business rescue practitioners.

142. As regards the complaint that I have failed to provide them with Company records from time to time, the fact that they were appointed almost a year prior to me and had full and exclusive access to the Company's records during that time, demonstrates the fallacy of this complaint.

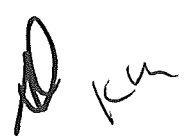
143. To the extent that I have taken steps to undo the unlawful consequences of their actions, I cannot be said to have impeded their exercise of their powers and functions. I have always acted on advice.

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144. The BRPs complaint is therefore patently without merit.

Breach of fiduciary duties

145. The BRPs assert that in attempting to prevent the unlawful consequences of the implementation of the Plan, I have breached the duties I owe to the Company (at common law and in terms of the Act) as its director. Importantly, I only acquired these duties on 4 October 2024, when I became a director. And this was on the invitation of the BRPs.
146. As set out above, in pursuing the Scheme, the BRPs have attempted to unlawfully circumvent the Employees' statutory rights.
147. As a director, I am required to act in the best interests of the Company. Preventing the Company from participating in an unlawful transaction, or series of transactions, is certainly in its interests.
148. As such, to the extent that I have engaged in conduct that sought to uncover the Scheme, and prevent the unlawful consequences of its implementation, I have always acted in the best interests of the Company and in accordance with my duties as a director.
149. Furthermore, at the time the Plan was adopted, there were still reasonable prospects that the Company could be rescued. Notwithstanding, by adopting the Plan and proceeding to implement it, the BRPs embarked on a covert liquidation of the Company.
150. Given that the Company still had prospects for recovery, permitting its untimely liquidation would be contrary to its interests. Insofar as I have



attempted to stave off the untimely liquidation of the Company, I have acted in its best interests (and indeed the best interests of the Employees).

151. However, following the implementation of the Plan, and the resultant dissipation of the Company's assets, I now believe that there are no longer prospects for its recovery. More specifically, it appears now that the Company is both factually and commercially insolvent.
152. To this end, and in accordance with my duties as a director, I brought urgent proceedings in which I sought the Company's liquidation. It was the BRPs who opposed this application (notwithstanding their apparent belief that the Company cannot be rescued).
153. At all times I have clearly acted in accordance with my duties as a director, and in furtherance of the Company's interests.
154. The BRPs complaint is therefore patently without merit.

Perjury

155. The BRPs assert that I have, in the course of the litigation between us, committed perjury.
156. However, they fail to identify when, and in what manner, I have allegedly perjured myself.
157. The reason that they have failed to identify any specific act of perjury on my part is because I have not done so. I have always deposed to the facts to the best of my knowledge and belief.

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158. To the extent that their complaint relates to my knowledge of the auctions of the Company's farms, the terms thereof, and the instruments concluded pursuant thereto:

158.1. I never denied factual knowledge of the purported sale of the farms Hemelsvlakte and Boschkraal; rather I challenged the legal and procedural manner in which the purported sale was concluded.

158.2. More specifically, I took issue with the fact that on the BRPs' version, Hemelsvlakte was purportedly sold despite not belonging to the Company, which would have vitiated the sale for lack of authority; and the purported sale was concluded without full disclosure to all affected persons, as required by the Act.

159. In this context, the use of the phrase "without the necessary authority and without full disclosure" in my answering affidavit refers to these legal and procedural deficiencies, not to any lack of awareness of the transaction *per se*. Any suggestion that I "blatantly lied" is therefore unfounded and constitutes an intentional misinterpretation of my legal position.

160. The BRPs complaint is therefore patently without merit.

Diverting funds for personal gain

161. The BRPs assert that I have diverted funds due to the Company to an entity controlled by, for my personal gain. They do this with reference to a transaction involving SAFresco, Marika, the Company and the Trust.



162. While it is true that at the request of SAFresco, Marika provided the banking details of SM Holdings which is an entity under my control, no funds have been transferred to me or for my benefit.
163. More specifically:
- 163.1. At some point, SAFresco had contacted Marika (in her capacity as a trustee of the Trust) and requested confirmation of the Trust's banking details so that it could pay over the proceeds of sale of the produce.
- 163.2. At the time, the Trust did not have an active bank account (as it had been frozen by ABSA). As a work-around, the Trust's attorney, Cindy Jonker, advised that I should make the bank account of one of my entities, SM Holdings, available to receive funds on behalf of the Trust.
- 163.3. On Cindy's advice I did so. Accordingly, when requested by SAFresco to provide the Trust's banking details, Marika provided it with SM Holding's bank account details.
- 163.4. Marika was under the mistaken belief that the payment was due to the Trust in respect of the sale of "waste fruit". When she discovered that it was not, she rectified the misunderstanding as is evidenced by her email at the top of "DM30" on page 217 of the founding papers.
164. In the circumstances, it is clear that I did not attempt to divert funds away from the Company, and the BRPs complaint is simply without merit.

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NO GROUNDS FOR REMOVAL ITO SECTION 137(5)

165. I am advised that in order to obtain relief under section 137(5), the BRPs must demonstrate that I have, by way of act or omission, impeded their performance of the powers and functions of their office, their management of the Company, or the development or implementation of the Plan.
166. On the facts upon which this application must be decided, I submit that they have not been able to do so. More specifically –
- 166.1. I have not impeded their performance of the powers and functions of their office, or the management of the Company, rather, the BRPs have been in control of the Company since their appointment, and have been able to convene creditors meetings, access the records of the Company and otherwise deal with the Company's assets according to their design;
- 166.2. I have not impeded the development of the Plan, rather, it is common cause that the Plan was adopted by the creditors at the meeting on 28 October 2024; and
- 166.3. I have not impeded the implementation of the Plan, rather it is common cause that the BRPs have, pursuant to 'phase three' of the Plan, caused the Company's farms to be auctioned on 27 February 2025.
167. In fact, the BRPs have failed to allege a single instance in which I can be said to have impeded their powers and functions as business rescue practitioners or otherwise impeded their implementation of the Plan.



168. For these reasons, and all the others set out in this affidavit, I respectfully submit that the BRPs' application should be dismissed with costs.

NO GROUNDS FOR DELINQUENCY

169. I am advised that to obtain the declaratory relief that they seek, the BRPS bear the burden of establishing that, while I was a director of the Company, I -

169.1. grossly abused the position of director;

169.2. took personal advantage of information or an opportunity contrary to section 76(2)(a);

169.3. intentionally or by gross negligence, inflicted harm on the Company; and/or

169.4. acted in a manner (i) contemplated in section 77(3)(a), (b) or (c) or (ii) that amounted to gross negligence, wilful misconduct or breach of trust in relation to the performance of the director's functions within, and duties to, the company.

170. Each statutory provision must be carefully applied to the facts of a particular complaint against a director. The import of s 162(5)(c) is to protect the investing public, whether sophisticated or unsophisticated, against the type of conduct that leads to an order of delinquency, and to protect those who deal with companies against the misconduct of delinquent directors. I am advised that conduct complained of must be serious. The BRPs bear the onus of demonstrating that I am guilty of serious misconduct. Establishing poor

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business decision-making or misguided reliance by a director on incorrect professional advice is not enough.

171. However, on the facts upon which this application is to be decided, I submit that they have failed to do so. More specifically –

171.1. Until recently, I believed that the Company had reasonable prospects for rescue, and have to the best of my ability, attempted to ensure that the Company continues with its core business so that it may return to profitability.

171.2. To this end, I have attempted (often at my own personal expense) to ease the Company's debt burden, and to ensure that the Company's core assets are not needlessly dissipated.

171.3. Rather than attempt to acquire the Company's assets at a discount (to my benefit, and its detriment) I have always tried to maintain the Company's operational integrity.

171.4. Given their integral role in the Company's past and future success, I have also championed the rights of the Employees. In doing so, I have acted in the best interests of the Company (in that I have attempted to ensure that the Company complies with its statutory obligations).

171.5. Furthermore, I have always attempted to acquaint myself with the Company's affairs (despite the BRPs obstructive attitude) and have relentlessly pursued the Company's interests in laying open the BRPs mismanagement of its affairs.

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171.6. To the extent that I have taken actions to prevent the unlawful consequences of the Plan (or indeed the Scheme) I have acted in the best interests of the Company by attempting to shield it from complicity in unlawful conduct.

172. As such, I submit that I have:

172.1. Only used my position as a director to advance the Company's interests (and to a certain extent, the interests of the Employees);

172.2. I have never used any information obtained by me in my position as a director for my own personal benefit, but always in an attempt to secure the Company's continued existence and revitalisation;

172.3. I have never inflicted harm on the Company, but rather sought any means to ensure its revival (including at my own personal expense);

172.4. I have never acted in a manner contemplated in section 77(3)(a), (b) or (c) or that amounted to gross negligence, wilful misconduct or breach of trust in relation to the performance of the director's functions within, and duties to, the Company.

173. Indeed, none of the facts averred by the BRPS support the conclusion that I grossly abused my position as a director or intentionally or gross negligently inflicted harm sufficient to sustain a finding in terms of s 162(5)(c)(iii). Accordingly, this ground must fail.

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174. Furthermore, while the BRPs rely on section 162(5)(c)(iv)(aa) and (bb), no factual basis is laid for an allegation of wilful misconduct or gross negligence and that ground must fail.
175. Indeed, for the reasons set out above, the BRPs have not made out a case on any of the grounds upon which they rely, and their request for relief should accordingly fail.
176. I reiterate that, to the extent that I have engaged in conduct that sought to uncover the Scheme, and prevent the unlawful consequences of its implementation, I have always acted in the best interests of the Company and in accordance with my duties as a director.
177. For these reasons, and all the others set out in this affidavit, I respectfully submit that the BRPs' application should be dismissed with costs.

AD SERIATIM RESPONSE

178. I now turn to deal, to the extent necessary, *ad seriatim* with the allegations contained in the founding affidavit. Any allegation that I do not directly address is denied, unless that would be inconsistent with what I have said above.

Ad paragraphs 1 to 9

179. Save to deny that the facts deposed to are true and correct, and that all necessary parties have been joined, the allegations in these paragraphs are admitted.

Ad paragraph 10 (including sub-paragraphs)



180. Save to admit that the BRPs seek the quoted relief on the grounds set out in this paragraph, the allegations in this paragraph are denied.

181. Specifically, it is denied that the BRPs have established grounds for my removal in terms of section 137(5) or for a declaration of delinquency in terms of section 162(5). For the reasons set out above, I have always acted in the best interests of the Company and in accordance with my fiduciary duties as a director.

Ad paragraph 11

182. The allegations in this paragraph are admitted.

Ad paragraph 12 (including sub-paragraphs)

183. Save to state that Fanie Strydom resigned, and Wayne Tinley was appointed, the allegations in these paragraphs are admitted.

Ad paragraphs 13 to 15

184. The allegations in these paragraphs are admitted.

Ad paragraph 16 (including sub-paragraphs)

185. The allegations in this paragraph are denied.

186. The company has always employed the Employees. The Trust has, from time to time processed the payment of the Employees' salaries and wages, but they nevertheless remained employed by the Company.



187. Insofar as the governance of the entities in the Group is concerned, I only became a director of the Company on 4 October 2024. Prior to that date, I had very limited knowledge of the affairs of the Company.

Ad paragraph 17

188. I had very limited knowledge of the internal affairs of the Trust, so I cannot speak to the allegations in this paragraph.

Ad paragraph 18

189. I had very limited knowledge of the internal affairs of the Trust, or Ms Swart, so I cannot speak to the allegations in this paragraph.

Ad paragraph 19

190. Save to deny that the Trust employed all of the Group's staff (rather, some of the Group's staff were employed by the Company directly), I have no knowledge of the difficulties allegedly experienced by the BRPs.

191. I do however agree that much of what is stated by the BRPs is irrelevant to this application.

Ad paragraph 20

192. I have no knowledge of the allegations in this paragraph.

Ad paragraph 21

193. Save to admit that MPACT launched proceedings against the Trust in February 2024, the allegations in this paragraph are denied.



194. In January 2025, a meeting was held at the offices of Nolands between myself, my erstwhile attorney, Tiaan van Schalkwyk ("**van Schalkwyk**"), Pattinson and Masterton. The conversation at this meeting largely centred around a series of transactions that had occurred in December 2023, shortly after the BRPs' appointment. Specifically, I was interested in understanding why a payment of R581 505.28 had been paid to JD Advisory Services (an entity interrelated to the BRPs attorney, Paul Bester). The fact that the transaction, and its implications had not been formally disclosed was alarming to me and called into question the transparency and propriety of the BRPs' administration of the Company. It was in this context that my attorney made an off-the-cuff remark by saying that "someone has to be thrown under the bus" with no specific reference to the BRPs.

Ad paragraphs 22 and 23

195. Save to state that MPACT was not entitled to the relief it sought, the allegations in these paragraphs are noted.

Ad paragraphs 24 - 26

196. The allegations in these paragraphs are irrelevant to the resolution of this dispute, are vexatious, and accordingly, fall to be struck out.
197. Further argument will be addressed to the Court on this point at the hearing of the matter.

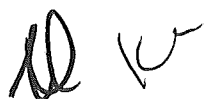
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Ad paragraph 27

198. Save to admit that I launched an application to postpone the sequestration proceedings in terms of a power of attorney granted to me by the Trust, and that in such application I recorded that the BRPs had been engaged in mismanagement, perjury and theft, the allegations in this paragraph are denied.
199. Specifically, I deny that the averments I made in support of that application were false and/or defamatory. I merely recorded the factual state of affairs as they were, albeit not how the BRPs would like the court to see them.
200. I did not depose to that affidavit with the intention of protecting the Trust. Rather, my intention was to bring to light the serious mismanagement that was underway under the auspices of the BRPs (insofar as it was adversely affecting the interests of the Company).
201. Furthermore, the application was also, to an extent, necessitated by ABSA's refusal to forgo the security it held over the Company for the Trust's debts.

Ad paragraph 28

202. Save to state that I still believe that Masterton did not disclose the large debt owed by the Trust to ABSA at the time, and that ultimately, Le Roux did not depose to the confirmatory affidavit (despite him confirming his intention to do so), the allegations in this paragraph are denied.
203. At the time, Le Roux was representing the Trust. In order to secure the postponement of the sequestration application, an affidavit in Le Roux's name



was drafted, and given the strict timeframes in which the litigation was proceeding, an unsigned version of the affidavit was filed. At the time, Le Roux had assured everyone involved that he would depose to the affidavit (and that its contents were true and correct).

204. However, it transpired that he never actually deposed to the affidavit. It has now come to my attention that the reason for this is that he had provided an undertaking to the National Prosecuting Authority that he would refrain from practising as an attorney until the finalisation of criminal proceedings instituted against him. Apparently, this undertaking precluded him from deposing to the affidavit.

205. If I had known that he would never depose to the affidavit, I would not have relied upon the unsigned version.

Ad paragraph 29

206. The allegations in this paragraph are denied. The BRPs did not need to set the record straight or oppose the application. The facts I deposed to in support of that application were true and correct and thus were an accurate representation of the factual circumstances. As such, there was no basis upon which the application ought to have been opposed.

Ad paragraph 30

207. The contents of this paragraph are noted.

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Ad paragraph 31 (including sub-paragraphs)

208. Save to reiterate that they are true and correct, I admit that I made these allegations against the BRPs.
209. In any event, these are allegations pertaining to their engagement with the Trust and are irrelevant to these proceedings.

Ad paragraph 32

210. The allegations in this paragraph are denied. The allegations in the annexures were not false nor defamatory. There was no need for Masterton to depose to the answering affidavit, other than to attempt to skew the facts in his favour.

Ad paragraphs 33 and 34

211. The allegations in these paragraphs are irrelevant to the resolution of this dispute, are vexatious, and accordingly, fall to be struck out.
212. Further legal argument will be addressed to the Court on this point at the hearing.

Ad paragraph 35

213. The allegations in these paragraphs are denied.
214. As set out above, I advised Ms Swart that the First Plan did not make business sense, and that because the BRPs were legally represented, and because a vote on the implementation of the First Plan was imminent, she should obtain legal representation herself. I admit that I suggested she retain the services of JGS attorneys for this purpose.



215. Furthermore, I deny that the rescue plans for all the entities had been adopted by 22 July 2024. It is certainly the case that the plans in Tracto and Steenbok were adopted after this date.

Ad paragraph 36

216. Save to admit that I was introduced the BRPs as a potential investor, allegations in this paragraph are denied.
217. As set out above, I was approached by Marika because she was unhappy with the terms of the First Plan. Given my experience in the citrus industry, and my interest in organic citrus, I was open to her proposal to become involved in the Company's business.
218. As explained above, however, I clarified that I was only interested in the Company's business and had no desire to become involved in the wider Group.
219. Furthermore, as aforesaid, while the entities were interlinked in a shallow, operational way, they were not intertwined by either their system of governance or by way of interlinking debt. I was therefore only willing to commit to post-commencement finance and to assist the Company with a debt consolidation and restructuring exercise (so as to provide it a reasonable basis for recovery under my stewardship and control) and had no interest in controlling the entire group.

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Ad paragraph 37

220. Save to admit that I insisted that the existing business rescue plan had to be withdrawn, so that a more reasonable plan could be published in its place, the allegations in this paragraph are denied.
221. Specifically, it is denied that I believed that "no plan had to be formally published but could simply be signed off by the bank". I was merely indicating that, insofar as pragmatics were concerned, if ABSA was happy with the revised plan its adoption would be a mere formality.
222. Of course, it benefits the BRPs case to portray me and my advisers as legally illiterate. That is, of course, not the case.

Ad paragraph 38

223. The allegations in this paragraph are denied.
224. The Blue Crane Plan was never voted on by the creditors. Rather, following ABSA's indication that a 'wind-down' plan would be more appropriate, the BRPs adjourned the meeting to attend to the preparation of a plan to meet ABSA's specifications.
225. As aforesaid, the Plan was then drawn up by the BRPs to achieve the covert liquidation of the Company for ABSA's benefit. In pursuance of the Plan, the BRPs intentionally attempted to circumvent the Employees' statutory rights.

Ad paragraph 39 (including sub-paragraphs)

226. The allegations in this paragraph are denied.

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227. I had no interest in purchasing the farms. On my assessment, the real opportunity for profit lay in the Company's continued operation. Thus, my intention had always been to invest in the Company for the purposes of rescuing it.
228. As explained above, it was Pattinson who suggested that I come on board as a director, and Masterton who suggested that I purchase the Company's shares. Pattinson reiterated that suggestion at a further meeting, and indeed by way of Whatsapp message.
229. In fact, Pattinson went so far as to advise me to seek a valuation of the shares from BDO so that my purchasing them would not constitute a voidable disposition (given that the Trust was provisionally sequestrated at the time).
230. I obtained the valuation from Mr Killian of BDO and proceeded to purchase the shares on Pattinson's advice.

Ad paragraph 40

231. The allegations in this paragraph are denied.
232. I was not involved in the development of the plan after 20 September 2024. As aforesaid, I was opposed to a 'wind-down' plan in that I believed the Company had value and could be returned to profitability. Of course, my view has now changed as a result of the BRPs allowing the Company to be stripped of its core assets.
233. Furthermore, I was never going to be the purchaser of the Company's assets in terms of 'phase one' of the Plan. 'Phase one' contemplates the disposal of

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the Company's immovable assets to a single buyer. As aforesaid, I never contemplated purchasing the Company's immovable assets.

234. Rather, I believed the opportunity for profit lay in the Company's continued operation. Thus, I sought to raise finance in order to consolidate and restructure Company's debt so that it could be returned to profitability. To reiterate, my plan was always to rescue the Company which, on a proper interpretation of the Act, should have been the exercise performed by the BRPs

235. In this context, I was an 'investor' rather than a 'purchaser'. This is why I am referred to by the BRPs as an investor in the transcripts of the creditors meeting (copies of which are annexed hereto as "KM8" and "KM12").

Ad paragraph 41

236. Save to state that the Employees were unlawfully excluded from participating in the consideration of the Plan, and that their interests were sublimated by its terms (in pursuance of the Scheme) I admit that the Plan was adopted by the creditors.

Ad paragraph 42

237. The allegations in this paragraph are denied.

238. The BRPs drafted the Plan, and I was not involved in its development.

239. In any event, it is clear that there could never have been any serious intention to implement phase one of the Plan given ABSA's stance in relation to the Trust's debt.

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240. In this regard, I attach my correspondence with ABSA on this point as "KM25".

Ad paragraph 43

241. The allegations in this paragraph are denied.

242. I had no intention of acquiring the farms. Rather, as aforesaid, I intended to acquire the Company and return it to profitability.

243. In any event it was Absa's stance in relation to the Trust's debt (and the Company's suretyship in respect thereof) that scuppered the deal.

Ad paragraph 44

244. Save to admit that I received the emails referred to as DM11 and DM12, and that I alerted Pattinson to the advertisement of the auction per WhatsApp message on 25 January 2025, the allegations in this paragraph are denied.

245. Despite receiving the emails referred to above, I challenged the BRPs on the legal and procedural manner in which the purported auctions were to proceed. Much correspondence passed between our legal representatives, however, my questions remained unanswered.

246. As such, I was not aware that the auctions were to proceed in the manner in which they ultimately did.

247. I only became aware that the BRPs were proceeding with the auctions when I received a copy of the auction advertisement from a client in the UK. I immediately forwarded a copy of the advertisement to Pattinson in the hopes that I could obtain some clarity from him.



Ad paragraph 45

248. I admit that the BRPs' attorneys addressed this correspondence to my attorneys.

249. However, I pause to state that all the information they request from me was under their control as the appointed practitioners. Furthermore, they had been in control of the Company since November 2023, whereas I had only come on board in October 2024. They were far better placed than I to locate this information.

Ad paragraph 46

250. I admit that my attorneys wrote to the BRPs objecting to the auction on account of irregularities, and indeed that said auctions were not in the best interests of the Company (or indeed the Employees).

251. It is patently clear that selling the farms without reserve price at auction was not in the best interests of the Company. Furthermore, selling them as going concerns resulted in the purchasers obtaining the right to sell the harvested produce (as a result of which the Company lost out on R40,000,000 in profit).

Ad paragraph 47

252. Save to deny that van Schalkwyk had no mandate to act on my behalf, I admit that the BRPs attorneys addressed this correspondence to my representatives in the terms referred to.

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Ad paragraph 48

253. Save to admit that this correspondence passed between the parties, the allegations in this paragraph are denied.
254. As aforesaid, I was never in control of the Trust.
255. Furthermore, my requests for information, and the litigation I caused to be instituted were, to the best of my knowledge and belief, in the best interests of the Company and in furtherance of its ends. As such, it is patently clear that I was not conflicted.

Ad paragraph 49

256. Save to state that there were very good reasons for launching the application when I did, and that there was nothing untoward about me doing so, I admit that the urgent application as launched on 25 February 2025, and that it was set down to be heard later that same day.

Ad paragraph 50

257. The allegations in this paragraph are denied. Every fact I deposed to was true and correct.

Ad paragraph 51

258. Save to deny that the arguments advanced on behalf of the BRPs were factually correct and good in law, it is admitted that the urgent application was dismissed with costs.

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Ad paragraph 52

259. Save to state that an unsigned affidavit by Le Roux was again filed in support of the legal proceedings (on the understanding that Le Roux would depose to the affidavit and confirm its contents as true and correct), the allegations in this paragraph are denied.
260. As aforesaid, it has now come to light that Le Roux was unable (or unwilling) to depose to the affidavit as a result of the undertaking he provided to the National Prosecuting Authority.
261. At the time, I was not aware of this undertaking, and verily believed that Le Roux would depose to the affidavit, and that its contents were in fact true and correct.

Ad paragraph 53

262. The allegations in this paragraph are denied.
263. My reasons for bringing the urgent application were sound. I did not advance the litigation maliciously or vexatiously. That I was unsuccessful for procedural reasons is of no moment, as I am advised I would likely be successful on the merits in due course
264. In any event, it was the BRPs decision to seek costs against the Company which resulted in it suffering a loss. It is the BRPs who seek to shield their personal finances at the expense of the Company.



Ad paragraph 54

265. The allegations in this paragraph are denied.
266. It is clear from the terms of the Plan that there would be a change in securities.

Ad paragraphs 55 and 56

267. The allegations in this paragraph are denied.
268. As aforesaid, it was Pattinson who suggested that I obtain a valuation for the shares from BDO so as to avoid the transaction being deemed a disposition without value. Indeed, it was Masterton's idea that I acquire the shares in the first place.

Ad paragraph 57

269. Save to admit that Mr Johann Swart resigned and set out his reasons therefore in an email dated 1 October 2024, the allegations in this paragraph are denied.
270. The BRPs misconstrue my intentions. I merely indicated that I would remain responsible for the governance of the Company, and that I would take my responsibility as a director earnestly.
271. Rather than play open cards, the BRPs attempt to hide their mismanagement away by refusing to acknowledge my right to interrogate their explanation of the state of the Company's affairs.

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Ad paragraph 58

272. Mr Masterton has no personal knowledge of these allegations, and he has not annexed a confirmatory affidavit confirming them. As such, they fall to be struck out.

Ad paragraph 59

273. The allegations in this paragraph are denied.
274. The BRPs assertion that they are simply 'unaware' of the identity of the Company's employees because of the Group's 'convoluted' record keeping is simply not sustainable. As set out above, the documentary records clearly indicate which individuals were employed by the Company, and on what basis. These records have been under the BRPs control since their appointment in 2023.

Ad paragraph 60

275. The allegations in this paragraph are vague and unsubstantiated and accordingly fall to be struck out.
276. In any event, the factual position is as follows:
- 276.1. An agreement of sale was entered into between Blue Crane and Kaap Agri in respect of the farms. Blue Crane never took possession of the farm Hemelsvlakte nor enjoyed benefit therefrom.
- 276.2. Indeed, no farming was undertaken on Hemelsvlakte for Blue Crane's benefit.

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276.3. No employees were working on the farm for Blue Crane's benefit.

276.4. Indeed, it was the BRPs who were responsible for signing the agreement of sale and the relevant power of attorney.

276.5. In fact, the BRPs facilitated the transaction without consulting me.

Ad paragraph 61

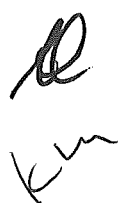
277. Save to admit that the BRPs sent the emails referred to and that they "refused to pay salaries or wages" the allegations in this paragraph are denied.

278. As aforesaid, while I was aware of the BRPs intention to auction off the properties (purportedly in terms of 'phase three' of the Plan) I had challenged the legal and procedural grounds upon which they proposed to do so. As such, I was unaware that the BRPs were proceeding with the auctions, despite my challenges.

279. Furthermore, as explained above, The BRPs have been in possession of the Company's records since their appointment in 2023. As demonstrated, these records clearly indicate which individuals are employed by the Company and on what basis.

Ad paragraph 62

280. Save to state that the applicants in that application were not entitled to relief, it is admitted that such an application was brought and that I was cited as a respondent therein.

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Ad paragraph 63

281. The allegations in this paragraph are admitted to the extent that they conform with what is said below.
282. As indicated earlier, the BRPs had not kept me apprised of the sale of the Company's farms in terms of the auctions carried out in February 2025. Indeed, the terms upon which occupation of the farms would be afforded to the purchasers were never discussed with me
283. I am advised that, ordinarily, a purchaser will only take occupation of immovable property upon transfer. This expectation is enhanced when one considers that the Company had just completed the harvest (and the produce thereof was still on the farms, and still capable of being sold for profit).
284. Accordingly, I had no idea that the purchasers intended to take immediate occupation of the farms, indeed as going concerns, and start farming for their own benefit within two weeks of the auction and even before registration of the transfer had been effected.
285. There had been no discussion with the Employees regarding their position and right to work following the purchasers' occupation of the farms. In fact, the Employees' rights in this regard were completely ignored.
286. Everyone, including myself was surprised when the purchaser arrived on the farms and took over control of the operations.



287. Unsurprisingly, I was averse to the purchasers taking occupation on this basis given that it could jeopardise the farms' organic certification (at great detriment to the Company).

288. The BRPs' failure to regulate an orderly hand-over of the possession of the farms was reckless, and in my view, irreparably detrimental to the Company.

289. In the absence of transparency about the process of occupation (and indeed the auctions themselves) I was instrumental in restricting the purchasers' access to the farms. However, for the reasons stated above, I was acting in the best interests of the Company and its employees in doing so.

Ad paragraphs 64 and 65

290. The allegations in these paragraphs constitute hearsay and accordingly, fall to be struck out.

291. Further legal argument will be addressed to the Court on this point at the hearing.

Ad paragraph 66

292. Save to state that I have not been complicit in any unlawful activity, the allegations in these paragraphs are noted.

293. In any event, I maintain that the auctions pursuant to which the purchasers acquired a right to occupy the farms were irregular and liable to be set aside.

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Ad paragraphs 67 to 69

294. Save to admit that an answering affidavit was filed in the application concerning unrestricted access to the properties, and that I signed the offer to purchase and the resolution authorising the sale of Hemelsvlakte and Boschkrall, the allegations in these paragraphs are denied.
295. Regarding the sale of the farms, however, I wish to clarify the following:
- 295.1. I was always in favour of disposing of assets which did not meet the Company's core business: organic citrus farming. Indeed, I was also in favour of disposing of assets which were heavily indebted or bonded to ABSA.
- 295.2. In any event, these farms were sold prior to the adoption of the Plan.
296. As such, in the affidavit I never denied factual knowledge of the purported sale of the farms Hemelsvlakte and Boschkraal; rather I challenged the legal and procedural manner in which the purported sale was concluded. More specifically, I took issue with the fact that:
- 296.1. on the BRPs' version, Hemelsvlakte was purportedly sold despite not belonging to the Company, which would have vitiated the sale for lack of authority; and
- 296.2. the purported sale was concluded without full disclosure to all affected persons, as required in terms of section 141 and 152 of the Act.
297. In this context, the use of the phrase "without the necessary authority and without full disclosure" in the answering affidavit refers to these legal and

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procedural deficiencies, not to any lack of awareness of the transaction *per se*. Any suggestion that I “blatantly lied” is therefore unfounded and constitutes an intentional misinterpretation of my legal position.

298. Van Schalkwyk was not, as alleged, compelled to withdraw as attorney of record on ethical grounds. He elected to withdraw following the advice of counsel in chambers before the Honourable Mr. Justice Malusi. It was confirmed during those chambers proceedings that Mr. Van Schalkwyk would withdraw, and that this would mark the end of the issue. This understanding was conveyed to the BRPs, and the matter was to be considered closed.
299. However, the BRPs sought to raise the same issue again after Van Schalkwyk’s withdrawal. The Honourable Mr. Justice Malusi reminded them of what had been agreed in chambers, upon which the Applicants withdrew their objections.
300. In relation to the allegation that I or my attorney “had already been provided with all the contracts” concerning the sale of various properties — including the property purportedly sold to Colin MacKenzie’s client, the Elmarie Trust— this is expressly denied. In this regard, I attach the following:
- 300.1. Correspondence from the BRPs’ attorneys, listing properties sold at auction (annexed hereto as “KM26”); and
- 300.2. Two emails from the BRPs’ attorneys, enclosing partial sets of contracts (annexed here to as “KM18”).
301. As is evident from the above, the documentation provided by the BRPs’ attorney was incomplete, sporadic, and did not include any sale agreement or

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disclosure regarding the Kariega property or the Elmarie Trust. As such, Mr. Van Schalkwyk's statement that he was not aware of the sale was accurate and not misleading.

Ad paragraph 70

302. The allegations in this paragraph are denied.
303. I have not frustrated the implementation of the Plan. It is clear that the farms were auctioned in February 2025 pursuant to 'phase three' of the Plan.

Ad paragraph 71 (including sub-paragraphs)

304. The allegations in this paragraph are denied.
305. Freshgro was appointed as an agent of the Company (with a mandate to market its produce in Europe) and was never a customer.
306. In any event, the Company already had access to the European market, through retailers such as Sainsbury's and Tesco, through its preferential relationship with Blue Crane CC. As aforesaid, this rendered the Freshgro transaction an unnecessary and wasteful expenditure.
307. Furthermore:
- 307.1. At some point, SAFresco had contacted Marika (in her capacity as a trustee of the Trust) and requested confirmation of the Trust's banking details so that it could pay over the proceeds of sales of produce.
- 307.2. At the time, the Trust did not have an active bank account (as it had been frozen by ABSA). As a work-around, the Trust's attorney, Cindy

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Jonker, advised that I should make the bank account of one of my entities, SM Holdings, available to receive funds on behalf of the Trust.

307.3. On Cindy's advice I did so. Accordingly, when requested by Freshgro to provide the Trust's banking details, Marika provided it with SM Holding's bank account details.

308. The problem with determining to which entity the proceeds belonged arose from the fact that the Group's produce had been sent to SAFrescowith no record as to which fruit had been derived from which entity. Rather, all the produce had been intermixed and sold in the Company's name.

309. Marika's email (annexed as DM-30) clarifies this point.

310. In any event, it is incumbent on the BRPs to establish that these funds were in fact due to the Company. This they have failed to do.

Ad paragraphs 72 and 73

311. Save to state that the application was with merit, and that I ought to have been awarded the relief I sought, the allegations in the paragraph are admitted.

Ad paragraph 74

312. Save to admit that I launched these proceedings, and that I ought to have been awarded the relief I sought in that application, the allegations in this paragraph are denied.

313. I did not force the BRPs to oppose the application, they chose to do so (despite themselves maintaining that the Company ought to follow a 'wind-down' plan akin to a liquidation).

314. Also, the Boschkraal and Hemelsvlakte transactions were concluded prior to the adoption of the Plan and were approved on the basis that the farms did not contribute to the core business of the Company and were heavily indebted to ABSA.

Ad paragraphs 75 and 76

315. Save to admit that I launched the liquidation application referred to, and that I was the deponent in the founding affidavit annexed to that application, the allegations in these paragraphs are denied.

316. I did not in fact participate in the meeting, via the virtual platform, from the start. Rather, I only phoned Pattinson towards the end of the meeting and was able to address the meeting by speaker phone. In this context I indicated that Standard Bank required a further five days for their committee to consider the funding application.

317. It is important to reiterate, however, that I was never going to be a 'phase one' purchaser as contemplated in the Plan. I never intended to acquire the Company's immovable assets. Rather, my proposal was to consolidate and refinance the Company's debts.

318. This is because, as aforesaid, I was opposed to the winding down of the Company. At the time, I was of the view that there were yet prospects for its

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rescue, and that the opportunity for profit lay in the Company's continued operation.

319. The fact that the BRPs refer to me as an 'investor' rather than a 'purchaser' in the transcript of the meeting confirms my sentiments.

Ad paragraph 77

320. The allegations in this paragraph are denied.
321. More specifically, it is clear that I have always acted in the best interests of the Company, and in accordance with my duties as a director.
322. Furthermore, I have never impeded the BRPs in the performance of their duties and functions, nor have I impeded their development or implementation of the Plan (in terms of which the Company's farms were auctioned off to various purchasers in February 2025).

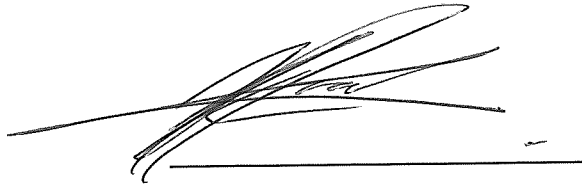
Ad paragraph 78

323. For all the reasons set out in this affidavit, the BRPs are not entitled to such an order.

CONCLUSION

324. In the circumstances, I pray that the application be dismissed with costs, including the costs occasioned by the employment of counsel on scale C.





KIRAN MOODLEY

I HEREBY CERTIFY that the deponent has acknowledged that he] knows and understands the contents of this affidavit, which was signed and sworn before me at Port Elizabeth on this the 19 day of JUNE 2025, the regulations contained in Government Notice No R1258 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been complied with.



Commissioner of Oaths

Name:

Address: ASHLEIGH DYKE

Designation: Commissioner of Oaths
Admitted Attorney
BDO106 Park Drive, St. Georges Park
Port Elizabeth, 6001
Tel: 041 374 3222

1. Blackie Swart Family Trust (IT390/2004) Trustees: Marike Swart Johann Swart Fanie Strydom Former sole shareholder of Proximitas (Provisionally Liquidated)	2. Proximitas Investments 60 (Pty) Ltd 2001/012801/07 Director: K Moodley Under business rescue together with Blue Crane Experts CC	3. Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd 2017/318606/07 In business rescue	4. Blue Crane Exports CC 2011/060809/23 Liquidated	5. Tracto Trading 100 CC 2011/077156/23 In business rescue
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BLACKIE SWART GROUP



Proximitas Investments 60 (Pty) Ltd
2001/012801/07
Director: K Moodley
Under business rescue together with Blue
Crane Experts CC

Blue Crane Organics (Pty) Ltd
2024/578906/07
Director: K Moodley
Sole shareholder of Proximitas

11/11/20

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PROXIMITAS INVESTMENT 60 (PTY) LTD
BUSINESS RESCUE
PACKHOUSE MEETING

HELD ON 14 DECEMBER 2023

In attendance:

Mr Pat Pattison – Business Rescue
Mr David Masterton – Business Rescue
Employees



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Recording & Transcriptions

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CERTIFICATE OF VERACITY

I, the undersigned, hereby certify that, *in as far as it is audible*, the foregoing is a **VERBATIM** transcription of the proceedings as was ordered to be transcribed by Gauteng Transcribers by means of a digital recorder in the matter of:

PROXIMITAS BUSINESS RESCUE PACKHOUSE MEETING

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PROBLEMS EXPERIENCED WITH RECORDING

- For noting: I could not clearly hear some of the workers who addressed Mr Pattison as they did not stand at the microphone and this led to indistinct words, especially when they mumbled.

DATE COMPLETED: 5 JUNE 2025

TRANSCRIBER: A WOLMERANS



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VERGADERING OP 14 DESEMBER 2023

[00:00:00]

VOORSITTER: Die eerste ding wat ek wil vra vandag. Is dit Engels of Afrikaans vandag?

PEOPLE MUMBLE A RESPONSE

CHAIRPERSON: Okay. Ek gaan probeer Afrikaans en English. Het ons 'n translator nodig? Do we need a translator for any of the other Xhosa speakers?

PEOPLE MUMBLE A RESPONSE

CHAIRPERSON: Sorry, you say.

10 WERKER: [Onduidelik]

VOORSITTER: Gaan hulle vang? Anders gaan jy my help neh. Kom staan hierso. Kom. Jy *like* gesels. Kom. Okay, middig almal. Laat ons begin asseblief. Soos Marika gesê het ek is Pat Pattinson and Mnr David Masterton. Ons is business rescue practitioners.

20 So what a business rescue practitioner is, is someone that is employed to look after a company that is in financial distress. Now financial distress simply means that the company is battling to pay its debts as and when they become due. So die maatskappy sukkel om sy rekeninge te betaal soos wat dit nodig word. Dit beteken nie dat die maatskappy op die punt van toemaak is nie. It does not mean it is going to close, it does not mean it is going to liquidate. You are in business rescue. Business rescue is daar om seker te maak en om te voorkom dat die maatskappy in likwidasie ingaan.

So it is there to prevent the liquidation and prevent the closure. If you have any questions, just raise your hand, introduce yourself and then ask your question. Yes, sir

EMPLOYEE: [Indistinct]

CHAIRPERSON: Who am I? That attitude, we can just park it for now, I will explain everything to you. As I already said, I am Pat Pattinson. I am a Senior Business Rescue Practitioner and I am now in charge of all of the companies and all of the staff.

10 EMPLOYEE: [Indistinct]

CHAIRPERSON: No, no, los hom. Hy is geregtig om te vra. Does that answer your question? So after this you come and speak to me and we will do a breathalyser, alright. Any other questions ladies and gentlemen?

Okay, so you understand what business rescue is?
Julle verstaan wat business rescue is.

GORDON: As ek nou reg verstaan, ek is Gordon van Boskraal.

CHAIRPERSON: Gordon van Boskraal. Dagsê Gordan.

20 GORDON: So Mnr gaan nou ons eienaar wees?

VOORSITTER: Nee, nee, ek is te bom om lemoene te boer my vriend. Ek gaan nou mooi vir jou verduidelik wat ons rol is hierso neh. Maar net om jou vraag te antwoord wat jy gevra het. Die mense wat op die oomblik in beheer is van die maatskappy hulle bly in beheer. They are still the



owners, they are still the managers, they are still in charge. We are just here in an overseeing capacity. Ons gaan net seker maak dat alles reg loop, dat dit in die wet loop en sal met die krediteure gesels. So ons vervang nie die mense nie. Ek is nou hulle baas. Verstaan jy?

So business rescue is a legal principle. It is a concept contained in the Companies Act. So dit is 'n wetlike proses. Dit is nie iets wat jy vrywillig doen nie. En as ek aangestel is, is ek aangestel deur die hof. Business rescue
10 practitioners are appointed by, through the Companies Act, and thereby officers of the court.

Okay. So the purpose of a business rescue practitioner is to oversee the business. To make sure that where the business spends the money is in the best interest of the business. Sodat die geld wat gespandeer word gespandeer word in die besigheid en dat daar nie Ferarri's en Porsche's gekoop word nie. Okay. We are not saying that that is what is happening in this business. I am just giving an example. So please do not ask me afterwards for a lift in the Porsche;
20 it does not exist. Dit was net 'n voorbeeld gewees. Yes. Ekskuus, net jou naam eers en watter plaas jy is.

SAMUEL: Samuel Sanders, Boskraal.

VOORSITTER: Samuel van Boskraal.

SAMUEL: Ja.

VOORSITTER: Samuel van Boskraal. Dagsê Mnr.

SAMUEL: (Onduidelik) nou eers hierdie tyd van die jaar.

VOORSITTER: Ek gaan nou met jou gesels. Dit is 'n goeie punt maar dit is een van die goete wat ek nou gaan sê. Dankie Samuel. En as ek vergeet om te vra dan vra jy my weer.

Okay. So part of what we do is to oversee the management and the finances of the company. Maar 'n ander deel wat ons doen is om met die krediteure, dit is ons groot werk, om met die krediteure te onderhandel. It is to talk with
10 the creditors. Now the creditors are those people that we owe the money to. They want their money. They start taking legal steps. And the company could then get into difficulties with liquidators and attorneys and the sheriff of the court and all those type of things.

So die krediteure van 'n maatskappy, dit is die ouens vir wie ons die geld skuld; hulle wil hulle geld hê. Ons skuld dit vir hulle, maar ons het dit nie om te betaal nie. So die practitioner is die eend wat gebel word en vra waar is my geld. So as I said, it is a legal concept. Business rescue
20 begin wanneer die maatskappy in financial distress is.

Nou financial distress, soos ek verduidelik het is wanneer die company nie die goed kan betaal nie. It is when a company cannot pay. So it is not something that we could have planned months ahead. It is not something that we knew about months ago. Ons het nou uitgevind daarvan. Ons



het gegaan vir business rescue soos die Maatskappy Wet sê. We found out about it recently. Nou, jy gaan, jy doen jou business application by die CIPC, the Companies Intellectual Properties Commission, or the court. As daai ouens dan vir jou sê okay, nee jy is reg. Jy is in financial distress. Want dit is jou eerste toets. Jy moet kan bewys jy is in financial distress. You have to prove that the company is in financial distress.

The second test is a reasonable prospect. So voor ons
10 by die stappe kom van business rescue wil ek gou reasonable prospect verduidelik. A reasonable prospect is why we are not simply closing the company. Why are we not liquidating it? Ek moet vir die hof en almal kan verduidelik hoekom is dit beter om die maatskappy te probeer red as om net toe te maak.

Wanneer ons dit gedoen het, dan kom die CIPC terug na ons toe ek hulle sê okay, die maatskappy is nou in business rescue; the company is in business rescue, so now you are permitted to appoint a practitioner. And you have got
20 a certain amount of days to appoint that practitioner. Wat wettelik gedoen is en dit is wat David aangestel is.

Okay. Dan binne seker hoeveelheid dae moet jy 'n eerste vergadering met die krediteure hê. Jou krediteure lis eerste. Dan moet jy met die staff hê, en jy moet met al die staff ontmoet.



So, for those that were here this morning, vir die wat vanoggend hier was en ons nie met julle gepraat het nie, we apologise for that. Ons vra om verskoning, maar dit was omdat ek met almal wou praat en nie net met sekere ouens nie. Dit affekteer julle almal. So julle het almal 'n reg om na my te luister, as julle nou wil of nie.

SOMEONE SAYS "DANKIE"

So, the next step for us here is to continue our investigation into the company. Once we have done that
10 investigation, as ons klaar alles nagegaan het en ons het dit, wat is investigate in Afrikaans? Ons het alles ondersoek, dan moet ek en David 'n plan saamtrek. Ons moet daai plan vir die krediteure gee.

It is called a business rescue plan. And that business rescue plan will show how we intend to rehabilitate the company. Hoe gaan ons die ouens terug betaal. How long we are going to take to pay them back, etcetera, etcetera. However, throughout that process we must maintain current payments. Ons moet die huidige betalings op datum hou. So
20 julle salarisse moet betaal word in terme van die Maatskappy Wet.

Ja, jy het 'n vraag gehad, Mnr? Eers jou naam asseblief, as jy nie omgee nie.

JOEY: Joey.

VOORSITTER: Joey, en jy is van?

JOEY: Boskraal as well.

VOORSITTER: Boskraal ook. Boskraal is besig vandag.

JOEY: [Onduidelik] al voorentoe gaan. [Onduidelik] seker ding doen. Volgens wat jy nou praat gee ons 'n bewys. Jy is [onduidelik] se mense.

VOORSITTER: Okay. So jy glo my nie.

JOEY: Nee, is glo nie.

VOORSITTER: Dis reg. Ek sê altyd vir die mense, in God I trust, everyone else I want paperwork. So jy is 100 persent
10 reg. Ons sal die papiere vir julle kry. Enige iemand is regtig op die dokumente. Dit is nie 'n onredelike vraag nie. Everyone is entitled to the documents that show, first of all, that the company is in rescue, and secondly, that we are appointed. So, we will make this paperwork available. A little bit later on, we are going to form a committee from the staff. We will make sure that that committee has got it, and that they can circulate it between you guys. Fair?

Okay. Where was I? Okay. So the business rescue plan is going to be published. Dit gaan na die krediteure toe
20 en die krediteure stem dan of hulle daai plan wil aanvaar of nie. Reg. So dit is nie 'n besluit wat ek maak of David maak of Marika maak nie. Dit krediteure, die mense wie ons die geld skuld hulle gaan stem op daai plan. They are going to decide.

So, what we need as the practitioners is the cooperation

from all the staff to make sure that the business does not deteriorate. Ons moet seker maak die besigheid gaan aan en dat daar nie skade gelei word nie. Ons commitment aan julle is om ons beste te doen om julle te betaal. and we expect a commitment from you guys to give your best for this business to save your jobs. Because my job is safe. I get paid either way. But I am trying to save your jobs, and we need to work together. Okay. Enige vrae wat julle het. Any other questions?

10 WERKER: My vraag is [tussen beide]

CHAIRPERSON: Just your name again for the record?

GORDON: Gordon.

VOORSITTER: Ek weet dit is Gordon, maar ek gaan dit weer vra. Daai ou rekord dit. Ons moet almal se name hê.

GORDON: Hoekom nou nuwe mense aanstel en ons is [onduidelik].

VOORSITTER: Watter nuwe mense? Praat jy van my?

GORDON: Nee, nee, nie van Mnr nie.

VOORSITTER: Nee, dit is hoekom ek vra. Ek wil weet.

20 GORDON: Nuwe werkers en voorname en so.

VOORSITTER: So ek weet nie presies waarvan jy praat nie. Onthou ek is baie nuut. We have only been here 2 weeks. Ons is net 2 weke hier so.

GORDON: Nee, net 'n voorbeeld.

VOORSITTER: So moontlik is dit om iemand te replace wat

gegaan het. Moontlik is dit om iemand in te kry wat die werk beter kan doen. Of moontlik is dit 'n gap wat daar was wat 'n rede was vir die distress wat ons nou probeer regmaak.

So the question was, why are we employing additional or more people, while the company is in financial distress? Simple answer is, we might be replacing staff that has left. We might be replacing staff that was fired. We might be filling a gap that was there previously that could have prevented the financial distress. I cannot answer the specific
10 question because I do not know the details. These are just examples. Answer your question?

GORDON: Ja.

CHAIRPERSON: Perfect. Any other questions? Kom voortoe vir ons. Is jy ook van Boskraal?

EMPLOYEE: Ja, I am standing all the foreigners here. I was just asking. I do not understand exactly. It is like, we do not understand Afrikaans.

CHAIRPERSON: Okay, that is why I spoke English as well.

EMPLOYEE: I am asking exactly why, I do not know if there
20 is another one guy, a foreigner who is [indistinct], what is it? Or they will ask. I was trying to ask this guy, my friend, but I cannot ask what he said.

CHAIRPERSON: Okay, what is the question, my friend? I am not...

EMPLOYEE: All talk I did not get [intervenes]

CHAIRPERSON: Okay, so you want us to speak in English?

EMPLOYEE: Ja.

CHAIRPERSON: But everything I said in Afrikaans was just a copy of what I said in English. I was just doubling up so people can understand. I did not say something different in Afrikaans to what I said in English. Am I right in saying that, guys? I did not say anything different in English in Afrikaans. I was just repeating everything. So if you understand English, you understood everything I said. As jy nie verstaan
10 nie ons gaan daai man vra om vir jou te translate.

Okay. You are welcome. Those who did not understand can come to me afterwards and ask questions, okay. Any other questions ladies and gentlemen.? You are lying. There is questions you want to ask but you are too shy. Does no one want to ask me about retrenchments, reductions in salaries, short time? No one wants to ask those questions? Okay, perfect. Then I will not answer them.

Let us carry on then to the next step, ladies and gentlemen. Yes, sir.

20 EMPLOYEE: We are going on holiday, our wages are still short. You see, we go on holiday on 3 weeks leave.

CHAIRPERSON: Yes.

EMPLOYEE: Is that short time?

CHAIRPERSON: Did anybody tell you about short time?

EMPLOYEE: Huh!



CHAIRPERSON: Did anybody tell you about short time?

EMPLOYEE: We worked the whole half year working short time.

CHAIRPERSON: I cannot answer.

EMPLOYEE: Short time [intervenes]

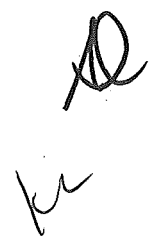
CHAIRPERSON: My friend, if you ask me a question, let me answer it.

EMPLOYEE: Okay.

CHAIRPERSON: I do not know about short time. I am not
10 aware of current short time. So if there was short time before
the beginning of business rescue, that short time will
continue through the process. Business rescue changes
nothing. Okay.

So the question, just so everybody knows, the
gentleman said that people are going on holiday for 3 weeks
and he wants to know if there are any short time. My answer
is simple. As I explained, I do not change the business. It
is still to the management and if that short time was in place
before the beginning of business rescue, that short time will
20 continue now until we provide different information. Happy
with that?

Okay. Ek gaan dit net in Afrikaans ook sê. Die vraag
was gewees. As die ouens op verlof nou gaan vir 3 weke, of
daar short time gaan wees gedurende daai proses? As daar
short time was voor business rescue dan gaan short time



aangaan. Business rescue gaan dit nie verander nie. As business rescue dit gaan verander dan sal ek of David met julle almal praat, soos nou, en verduidelik van die short time. Ek weet nie van die short time nie. Ek is nog net 2 weke hier. Maar as dit verander sal ons julle laat weet. Does everybody understand that question and answer? Okay. Any [intervenes]

EMPLOYEE: Why can you not give us the answer? Management, give management an answer.

10 CHAIRPERSON: Is this a management meeting? No, it is my meeting. So I am not going to answer it.

EMPLOYEE: Can management give us an answer.

CHAIRPERSON: Not today, because this is my meeting. Okay. My meeting. Any other questions, ladies and gentlemen? Come now, there must be.

Okay. I will ask the question around retrenchments. Ek sal vir julle Antwoord rondom retrenchments. Op hierdie stadium word geen retrenchments, as julle praat gaan ek jou vorente toe roep neh. Ekskuus ek moet jou hoor. Ek is half
20 blind, praat met my.

WERKER: [Mompel] Boskraal

CHAIRPERSON: Boskraal. Hoe het ek dit geweet.

WERKER: Ek vra hoekom ons werk short time? Ons werk vol maar [mompel]

VOORSITTER: Soos ek vir daai man gesê het, ek weet nie.

WERKER: Mnr sê ons werk, weet van die mense van die company, short time. Ons wil net dit vra.

CHAIRPERSON: Ek.

WERKER: Van die maatskappy.

CHAIRPERSON: Okay. Jou naam is weer.

IGNATIUS: Ignatius.

VOORSITTER: Ignatius. Okay, ladies and gentlemen, Ignatius asked the question that if management are aware of the short time? Weet management van die huidige short time
10 wat in plek is? Dit is nie 'n management meeting nie. So ek gaan nie namens management Antwoord nie. Maar ek gaan vra, Marika weet julle daarvan?

MARIKA: [Onhoorbaar]

VOORSITTER: Hulle weet daarvan. Nou weet ek ook daarvan. Ek sal inkyk daar, maak ek het nie van te vore geweet nie. So volgende keer as ons ontmoet dan kan julle my meer detail, including you sir, you can ask me more about the short time. I will try and give more answers, okay?

This meeting here, ladies and gentlemen, is about the
20 business rescue. Hierdie vergadering is rondom die business rescue, nie die res van die besigheid nie. Ek sal julle graag wil Antwoord, maar ek het nie al die vrae nie. Ek is nog net 2 weke hierso. I do not have all the answers around the business right now. Sorry, yes sir?

WERKER: Môre, Diedrick [onduidelik], manager, Blue Crane.

CHAIRPERSON: Blue Crane.

WERKER: Hoe lank sal die proses omtrent vat?

VOORSITTER: Twee keer 'n week, behalwe Sondag.

WERKER: Hoe lank?

VOORSITTER: Geen idee nie. The question is, how long will business rescue be? I can confirm that I have been involved with a business rescue that took 48 days. Ek was by business rescue wat 48 dae gevat het. Ek was ook by een wat nou al 6 jaar aan die gang is en nog nie klaar is nie. It
10 all depends on the business. It all depends on the creditors. It is not an answer I can give you, unfortunately.

You had a second question, sir?

WERKER: Ja, in verband met hierdie plase [onduidelik]. Gaan julle 'n plan maak aan ons beskikbaar te stel dat ons [onduidelik]?

CHAIRPERSON: Okay. Guys, I am a business rescue practitioner. Sorry, the question is, if we are going to get money in order to purchase certain materials, equipment, whatever the case may be. Of ons gaan geld beskikbaar
20 maak vir die plaas om materiaal en goed aan te koop? No, we are not finance guys. We are not lenders. We are not bankers. We are not allowed to, in law, to provide funds.

However, the process of business rescue allows for post commencement finance. So ek en David is nie bankers. Ons is nie lenders nie. Ons kan nie geld vir julle gee nie, al wou



ons. Maar business rescue maak provision dat ons post commencement finance kan vra. Whether ons dit gaan kry of nie kan ek nie Antwoord nie. I do not know if we are going to get it. It all depends on the information we get from the business. That is the best answer I can give you now. We are going to try, but I cannot guarantee. Ons gaan prober maar geen beloftes nie.

EMPLOYEE: Ja, but there you [indistinct]. I am working with tyres. There is no solution. There is no case. I cannot
10 pay the tyres, there is no solution, there is no tyres. Who buys that?

CHAIRPERSON: Santa Claus. My friend he is asked the question I cannot answer. If there is no money. I do not have money. Okay, any other questions? Yes, sir.

WERKER: [Onduidelik] geantwoord.

VOORSITTER: Ek het gevra of dit reg is toe sê hy ja.

WERKER: ... off season neh, short time. In season tyd, maar dit is nie short time nie. Dit is wat ons vra.

CHAIRPERSON: Okay. So he is asking me why... Anybody
20 want to join me up front guys? Okay. So the question is, why do we work short time out of season but there is no short time in season. Hoekom werk ons buite die seisoen short time maar in die seisoen is daar nie short time nie.

Dit is vir my 'n heel logiese antwoord. In season there is work. There is a lot of work to be done in season. Binne

die seisoen word daar werk gedoen. So ek neem aan buite die seisoen is daar dalk minder werk. Soos ek sê nee, ek is nie 'n lemoen boer nie. So ek kan nie vir jou antwoord maar ek kan vir Marika vra. Maar vir my is dit logies dat in season gaan jy besiger wees as out of season. Is that not right? Okay, do you have another question? Help me out here.

WERKER: Ek het 'n ander vraag.

VOORSITTER: Okay, laat ek net met die ou klaarmaak want
10 ek graag elke ou antwoord. En ek is jammer as ek verkeerd verstaan. Ek is nie 'n lemoen boer nie. So Marika if you can help me, or Johannes or anybody.

JOHANNES: You are right, exactly right. Ons moet besluit. Seisoen tyd het ons al die hande aan boord nodig. ek gaan dit nou in Afrikaans sê en Engels later.

So dan het ons al die manne se hulp nodig om die oes af te kry. Maar nou moet ek besluit. Gaan ek die helfte van julle afsit? Gaan ek die helfte retrench of gaan ons bietjie short time? Toe ek met almal praat oor short time toe
20 verduidelik ek ook vir hulle ons gaan either moet retrench of ons gaan maar so aangaan tot dinge beter gaan.

So nou moet julle besluit. Maar ek wil hê julle moet besluit watter van die helfte van die mense gaan waai en daai helfte gaan besluit watter ander helfte gaan waai. Dit is my probleem. So dit is my antwoord.



VOORSITTER: Okay. So in kort. In seisoen is daar meer werk. Buite seisoen is daar minder. Ek gaan vir jou opvolg en kyk. Ek weet nie. Maar ek gaan nou jou te terugkom. Onthou as die committee gevorm word wat ons nou-nou oor gaan praat dat jy moet daai ouens die vraag weer vra dat ek na jou toe terug kom. Okay. Yes, sir, you had a question. Just your name.

WERKER: My naam is Mongesi Nkalitshana.

CHAIRPERSON: Boskraal.

10 MONGESI: Boskraal.

CHAIRPERSON: Yes, sir.

MONGESI: Die ding wat my regtig my hart seermaak dit is nou die derde jaar wat ons so sukkel. Daar eerste jaar, 2021, Mnr het gesê dit gaan net daar jaar is om die short time te doen. Toe is ons nou te vrede daaroor. En toe sien ons regtig die plaas, die maatskappy het swaarheid gekry hier en daar. Maar is ons toe nou te vrede. 2022 toe hoor ons dit is alweer so. Dit was nie met ons besluit of ons gesê nie. Dit was net gesê dit sal weer short time. En weer short time
20 weer 2022. Two times. En weer nou 2023 en weer two times, three times.

En nou die ding wat my regtig stukkend maak binnekant, Mnr moet daai ding regtig mooi kyk. Ons, ons se Mnr se permanent werkers. Ons laat daai lemoene, ons werk daai boom eers wat die ouens, die seasonals daai boom flenter

gemaak het. Ons laat daai boom weer ander siel kan kry en laat daai boom weer ander vrugte kan kry. Laat die maatskappy nog ander kan kry. Dan is die mense, die seasonals, werk hier van die Oos-Kaap af. Waar is, hulle is in Noord-Kaap. Dan daarso die duiwe is alright daarso. As hulle gekom het daarso, hulle gaan net waar daar geld is. As is hulle klaar is daar in die Kaap hulle weet in Oos-Kaap die lemoene is reg. Dan kom hulle weer nou om daai bome wat dit nou so mooi gemaak het laat hy nou vrugte dra en al daai
10 goete, dan maak hulle nog steeds kaal. As hy nou kaal daai boom gemaak het dan moet ek hom weer regmaak. Maar after time, wat kry ek? Niks nie. Is net short time, short time.

Wat ek vra asseblief, kyk Mnr, die maatskappy moet net daai punt mooi kyk. Want ons permanent werkers hulle kan nie so swaar kry nie. Dit is hierdie mense wat nou buitekant werk, die seasonals wat nou kan swaar kry. Nie ons wat die boom van kleins af grootmaak en ons laat daai boom, hy is so klein maar hy is so groot naderhand. Naderhand dan is
20 ons wat swaarkry.

JOHANNES: Die groot ding is, sodra dit goed gaan met 'n maatskappy dan kan hy kyk na sy mense. Maar soos ek nou-nou vir jou verduidelik het, ek moet besluit gaan ek helfte van die mense retrench en vir ander mense laat aangaan. Van binnekant af wil ek hê jy moet jou vol pay kry. As jy vol pay

kry jy weet daar is vleis in die pot. Almal is happy. Ek verstaan dit. Maar op die einde van die dag ons moet net deurtrek. Ek weet nie. Ek kan nie vir julle antwoorde gee nie wanneer ons gaan deurdruk, maar ons gaan deurdruk. So eerste ding wat gaan verander sodra dit beter gaan is short time.

VOORSITTER: Okay. Van my kant af wil ek jou net ook antwoord. Rondom om daai short time vir die laaste 3 jaar; ek is 3 weke hierso, nie 3 jaar nie. Maar soos ek vir daai
10 man gesê het ek sal na jou toe terugkom. Ek gaan daarna kyk. Kyk na alternatiewe. Kyk wat ons kan doen om die short time minder of makliker te maak. Maar aan die einde van die dag soos jy ook gesê het en die *lanie* gesê het as dit nie moontlik is nie, moet 'n ou verkyk. Wat verkies jy? Short time of retrenchment.

So my commitment is guys to the question of why the company has been doing short time, not one year, two years, three years and why when the seasonal workers come in and he did not put it as politely, but I say when they *donner die*
20 *bome* op, they fix it in order to have the next crop. Why are they the guys on short time. It is not a question that I can answer. I have not been around, but my commitment is to look into it and see if there are any alternatives available. Fair?

Any other questions, ladies and gentlemen. Boskraal.



PERCY: Percy. Blue Crane.

CHAIRPERSON: Percy from Blue Crane. Yes, sir.

PERCY: We are [indistinct] the situation of the company. But when you are on short time like that, at the end we end up seeing the management, they are more whites. They say we are in a finance crisis. We can say the company is employing more management. But while you are saying we are trying to save while we are on short time. That is why we have the problem. It is not normal to employ more people while we
10 are in crisis.

CHAIRPERSON: Okay. So that that ties up to one of the other questions asked before. I am asking you, because someone else asked the question about employing people while we in financial distress.

PERCY": Maybe they [indistinct].

CHAIRPERSON: Okay. No, but fair question. So die vraag is, hoekom seker ouens op short time is word daar meer management aangestel. Ek is nie presies seker wie is die management wat aangestel is nie. En ek nie presies seker
20 wie dit was nie.

But as I said earlier, it could potentially be because there was a gap. There was someone that was supposed to be in that position but because he was not there is why we are now in financial distress. Dit is hoekom daar nou short time is. So if that person was there from the beginning,

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maybe would not have ended there. I am not saying that is it I am guessing it because I have not been around. Okay. I do not know. Who was it that was employed? Tell me that first?

PERCY: No, we are just giving examples. We cannot say this one and point, but just giving examples. When you are crises maybe we can spare that money. We can buy something for the farm on short time. That is the idea.

CHAIRPERSON: And that is what I said to that gentleman
10 I am going to investigate the short time. I will check who else was employed and why they were employed and I will try and come back to you. But as I stand here now guys, I have been here three weeks, I do not know. And that is why I am talking to everybody so that I can get these questions and we can solve the problem together. I am not doing it just in the office with management. I am talking to you guys. I will be here.

So die vraag wat hy wel gevra het was. Hoekom word daar nog management aangestel? Ek het verduidelik ek weet nie hoekom nie en moontlikheid is dat daar 'n opening was
20 en daai opening gevul is deur management kon dit dalk seker foute voorkom het wat business rescue and financial distress kon voorkom het. Maar ek weet nie. Ek het nog nie genoeg geinvestigate nie. En dit is hoekom almal hier is vandag en nie net sekere mense nie sodat ek al daai vrae kan kry en ons kan kyk oor hoe ons die besigheid kan red. Happy with

that one, sir?

PERCY: [Not audible]

CHAIRPERSON: Any other questions? I am starting to doubt if you are gentlemen.

EMPLOYEE: I am 30 years with the company. You going out of the company, working 20 years for the company. You are going out of the company for R4 000. What happened there?

CHAIRPERSON: I have no idea.

EMPLOYEE: 20 years you working for the company, but the
10 company fire you. You are going out for R4 000. What is wrong?

CHAIRPERSON: Did you get fired?

EMPLOYEE: No, I am not fired.

CHAIRPERSON: Not yet?

WERKER: People here.

CHAIRPERSON: So there is people here that is been fired?

EMPLOYEE: People there in location.

CHAIRPERSON: So they were fired?

EMPLOYEE: They were fired.

20 CHAIRPERSON: But they are not here?

EMPLOYEE: They working here many hours. They are going out with R4 000.

CHAIRPERSON: My friend, your question is completely irrelevant.

EMPLOYEE: I am not your friend. I am your colleague.

CHAIRPERSON: I am not. You are not my colleague. You work for me.

EMPLOYEE: I am not your friend.

CHAIRPERSON: Okay. Guys, I am not going to respond to that at the moment. It has got no relevance to where we are. Wat gebeur het my vorige mense wat gefire het, soos hy sê, hy kan bly wees hy is nie gefire nie. Hy het iets gekry.

EMPLOYEE: [Mumbling reply from the back]

CHAIRPERSON: Any other questions, ladies and
10 gentlemen? Not my friend. I do not see any hands. Am I missing it? I do not have my glasses on. Yes, sir. Just your name first, please.

EMPLOYEE: [Indistinct].

CHAIRPERSON: Yes, sir. Your question?

EMPLOYEE: Why in this company some other people get paid in normal hours, while we are on short time? There are some other workers who are not in short time.

CHAIRPERSON: Okay, so the question is. Why I am on short
20 time and not others? Hoekom is sekere mense op short time en nie almal nie.

In any business there are different operations. In elke besigheid is daar verskillende werke wat gedoen moet word. Certain people can go on a short time because they are not required as much as the others. I am using examples here. I am not talking about this business. Others can be that they

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are, you know, making turns to go in short time. I do not know the question right now, but there are motivations and I can almost guarantee you there will be a reason. That is redes hoekom party mense permanent aanbly en ander op short time is. Dit is gewoonlik as gevolg van die posisie wat jy binne die maatskappy vul. I do not know in your specific case. I have not been here long enough. Maar hierdie spesifieke situasie kan ek ongelukkig nie Antwoord gee nie. But again, we are going to form a committee and I will chat
10 to you guys a little bit later again. I do not have an answer for you, my friend. I am sorry.

WERKER: Mnr het ook gepraat van hulle gaan [onduidelik], die werk. Ek maar nie voorbeeld. Ek is a water man. Ek kan die water so check Mnr met die bumpers(?). Die water werk met die bumpers. Ek ken die [onduidelik] spuit deur die bumpers. Is al Mnr.

CHAIRPERSON: Okay. Guys, we are going slightly off track here. You are asking me operational questions. You are asking me things that I do not know. I do not know. Ek weet
20 nie wat 'n water man is nie. Dit is nie wat ek doen nie. Ek kan nie vir jou antwoord, al wil ek.

I am not trying to be difficult guys, but I do not know the industry the way you guys do. I do not know what a waterman does and why he would be required in the next or not.

So I want us to stick to the concept of business rescue

and not the operational and the management stuff. That is the questions we can feed through to management and I will help you get those answers. I just do not have them now. Ek het nie die antwoorde nie. Okay. Hierdie ding is rondom business rescue. Nie short time nie. Nie ouens wat gefire was, en daai tipe goed nie. Ek probeer antwoord so goed ek kan.

Alright. Any questions about the business rescue guys? Okay. So the next formal.... Yes, sir.

- 10 MONGESI: Ja, Mnr, dit is al weer ek. Mongesi. Ek wil gevra het kan Mnr nie na die plan toe gaan nie want lyk vir my, ons Mnr se kop nou warm maak.

VOORSITTER: Hy is lankal warm.

MONGESI: Laat Mnr nou punt toe kom.

VOORSITTER: Ja, ek probeer nice wees en almal se vrae antwoord. I am trying to do the right thing by answering the questions, but guys, I do not have those answers. Okay. So that is why we are going to bring it back to business rescue. Ons gaan dit terug bring na die business rescue toe.

- 20 Die volgende ding wat ons moet doen voordat julle op langnaweek kan gaan, vir die wat gaan. Ons moet praat oor 'n committee. Dit is baie moeilik vir my om almal bymekaar te kry want elke ou is op 'n ander plaas en daai tipe van goed. Ek weet nie of julle representative of staff het net. Whether you have got representation and staff group.

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For business rescue, in terms of the Companies Act, we can get you guys to form a committee and that committee can then communicate to us. In die terme van besigheid rescue kan ons staff representatives kry wat dan met die practitioners praat en dan so gesels want julle is almal op verskillende plase end dit is moeilik om almal bymekaar te kry.

So my question is, is there a committee like that at the moment? Is daar so 'n committee. Okay. Wie is op daai
10 committee? Kan daai ouens op die committee net vorentoe kom asseblief. Guys, workers' reps, please. How many of us are in the group? How many guys? Marika, how many on the workers' rep?

MARIKA: Is daar van die workers [intervenies]

LADY: One to two per farm.

MARIKA: Ja, about, I would say 20.

CHAIRPERSON: So we have no fixed idea. We do not have a list of names, anything like that. Get that through to me, please, with cell phone numbers. Not now, but with cell phone
20 numbers.

Okay, I am still talking to everybody, please. I need to know from you guys around the back, not them. Is there anybody here that is opposed to these guys representing you for the purposes of business rescue as well? Are you guys opposed? Is daar enige iemand wat nie hierdie ouens wil hê

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op die committee vir business rescue nie. Steek net jou hand op en sê vir ons hoekom. Wat het hulle jou gemaak?

Okay. So guys, for the purposes of business rescue, you are going to be my first point of call. The questions that I could not answer here, you must get them for me, please. We are going to create a WhatsApp group between myself, David, and you guys, where we can put the questions and the comments on and I will communicate and give you guys updates. It is then your responsibility to give that same
10 information, the feedback to everybody else.

Ons gaan 'n Whatsapp groep stig. Ek gaan informasie na julle gee. En julle moet dan seker maak dat al die ander mense daarvan weet. Die vrae wat vanoggend gevra is wat ek nie kon antwoord nie moet julle weer vir my deurstuur en julle moet my aanhou irriteer tot ek dit geantwoord het. Okay. Is julle happy om dit te doen? Is daar enige een van julle wat nie dit wil doen nie? Is there anybody here that do not want to take that responsibility?

Okay, so please make sure that that lady have got your
20 names and your cell phone numbers in order to represent me in the business rescue. Maak seker sy het julle naam en julle nommer want dan gaan ek met julle gesels vir die business rescue.

The rest of the guys, please do not think that this means you are not allowed to talk to me. If I am here, if you have a



comment, you have a question, you want to see me, make sure that these guys know about it. As hier enige iemand hier is wat nog steeds met my wil praat, of as hierdie ouens julle nie reg help nie, julle mag nog steeds met my praat. Hierdie is net om bietjie tyd te spaar. Is there anybody here that does not understand that? Enige iemand wat nie verstaan hoekom die committee daar is nie?

And in business rescue, refer ons na as 'n committee. In business rescue, we call them a committee. So you are
10 my business rescue committee. Julle is my business rescue committee. Reg.

Okay. Enige vrae van julle ouens af? Okay. Are there any questions from anybody else? About business rescue, please? Anything else? Yes, sir.

WERKER: [Mompel]

CHAIRPERSON: Yes, sir.

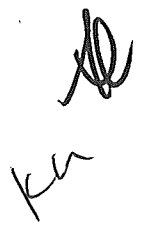
WERKER: Sir, ek wil net weet. U sê, Mnr het gesê eers vir 2 weke hier.

VOORSITTER: Nee, is nog het 2 weke hier. Van 2 weke
20 terug. Is nie van te vore nie.

WERKER: Weet nie vir hoe lank nie.

VOORSITTER: Ja, ek weet nie hoe lank nie.

WERKER: Want ek wil nou, ek wou geweet het, hoe lank sal hierdie reddingsplan wat u mee besig is om die company te red, hoe lank sal dit vat? Basies gaan dit nie het die company

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beïnvloed, dit beïnvloed ons.

VOORSITTER: Geensins.

WERKER: Soos Mnr Hector gesê het daar is nie geld wat van die krediteure afkom nie.

CHAIRPERSON: Okay. So guys, two parts to the question from the gentleman. Number one, he was under the impression that I am only going to be here for two weeks. That is not what I said. I said I have only been here for two weeks. Hy het gedink ek is net nog vir 2 weke hier, maar ek
10 sê ons is nog net 2 weke hierso.

Die ander vraag was dieselfde as die Mnr hier agter gevra het. Ek het nou sy naam vergeet. Hoe lank gaan die proses vat? The same question as to how long it is going to take. It all depends on the creditors. It all depends on you, the staff. It is not something that in law, there is a deadline. Daar is nie 'n reël of 'n wet wat sê hoe lank dit gaan vat nie. En elke besigheid is anderste.

Die derde punt wat hy gelig het is nie 'n vraag nie. The other thing he mentioned that is not necessarily a question,
20 is the inability of the company to buy. Dit is dat die company nie by hulle suppliers kan koop nie want hulle is nie betaal nie. Dit het geen impak op business rescue nie. Dit is nie veroorsaak deur die business rescue nie. En gaan nie opgelos word deur die business rescue nie.

The business rescue is not the reason you guys cannot

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buy. And unfortunately, we cannot fix that at this point in time. Okay. We are here to help you. We did not create the problem. We are not responsible for it. Ons het nie die probleem gemaak nie en ons kan ook nie noodwendig oplos sonder julle nie. Not without the staff and the creditors.

My job is to get the creditors to agree as quickly as possible to also help us. My verantwoordelikheid is seker te maak dat die krediteure en die suppliers ons so gou as moontlik gaan help. Dit is die beste wat ek vir jou kan
10 antwoord.

Ongelukkig is ons in 'n baie slegte tyd van die jaar. Ek verstaan dit. A very bad time of the year. But guys I promise you having this meeting in business rescue, ek waarborg julle dat hierdie vergadering in business rescue is better than the alternative. The alternative would have been, die alternatief so gewees het dat ek vandag vir julle sê dit is julle laaste dag hierso.

So guys, please, work with us and make sure that we get paid next month and next month. There is only one
20 alternative. And if we are not going to work together, it might not happen all at once. Maar dit sal gebeur. Het dit jou vraag beantwoord Mnr?

Okay, anything else, guys? You are eating into your own holiday time now. Anything else? Is your hands up or you are just stretching, in yellow? Just stretching. Okay,

perfect. I do not have my glasses on, so I cannot see.

Anything else? Guys, then from me, thank you very much for the time. I apologise for the questions I could not answer. We have one more that I cannot answer.

WERKER: ... as ek reg verstaan ons is in dieselfde boot, almal.

VOORSITTER: Julle almal, ja.

WERKER: So net ons.

VOORSITTER: Hoe meen jy? Wie anders?

10 WERKER: Nee, ek vra. Net julle.

VOORSITTER: Nee, ek vra, wat bedoel jy wie anders? Die management [intervenies]

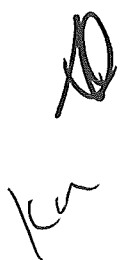
WERKER: Almal.

VOORSITTER: Almal hier is in dieselfde bootjie. Niemand gaan anders. I am not the owners of this company. I am not a shareholder. I am here for you. I work for the staff, not for them.

WERKER: Nee, ek vra nie.

20 CHAIRPERSON: That is one thing you guys must understand. Guys, one last question, a very valid one. The question is, who is impacted? Wie word geaffekteer? En daar is geen separation tussen hierdie werkers, daai werkers, die klas, daai klas, management, water man, wat? Daar is geen separation nie.

I do not work for management. I do not work for the



shareholders. I work for the creditors, and you as staff are the creditors. Ek werk vir julle. Ek is hier om seker te maak julle het werk. Nie hulle te beskerm nie. Antwoord dit jou vraag? Yes sir. Hulle gaan julle moer want hulle wil gaan party.

WERKER: Ja, Mnr. Jy sê almal. Hoekom is dit sekere mense wat klere kry?

VOORSITTER: Hoe meen jy klere kry?

WERKER: As jy werk vir die company.

- 10 VOORSITTER: My vriend, ek weet nie. Ek het vir die committee gegee. My friend, I cannot answer you. I do not know.

Why is my wife making chicken tonight? Why is my wife making chicken tonight? Nee, maar tell me, why is my wife making chicken tonight? You do not know. I do not know. Ek verstaan jou vraag en gaan na jou toe terugkom. Praat met die committee. Maar ek weet nie nou nie. Yes, sir.

WERKER: Kan ek iets vra Mnr?

CHAIRPERSON: About business rescue?

- 20 WERKER: Ja. Ons werk vir een maatskappy, ons.

VOORSITTER: Vyf maatskappye.

WERKER: Wat ons vir werk. Die man hy is baie jare voor my. Maar ek werk vir dieselfde maatskappy soos ons het dieselfde tyd kontrak geteken, ons. Nou hoekom is ons uurloon, miskien ek is 'n trekker drywer, die man is miskien

'n general worker. Maar ons uur is dieselfde.

VOORSITTER: Sê my gou? Hoe moet ek dit weet? Hoe moet ek dit weet? Ek is 2 weke hierso. I do not even know what your salary is. I do not know what his is. That is not a fair question. Die vraag wat hy my vra is, hoekom pay hy minder as die ander ou? Ek weet nie eers wat sy pay is nie. Guys, I cannot answer that. It is not a fair question. It is not about business rescue. I do not know.

Any questions about the business rescue, guys? Guys,
10 I am going to keep you until you go quiet and we can go. Come now. Guys, please. I am going to let you go now. Just give me two more minutes. There is a lot of questions and a lot of concerns that you guys have. Your questions and your concerns are valid. We are going to try and get answers. But you must be fair. I do not know everything about the business. David do not know everything. Ask the question. Give us the opportunity to come back to you.

David, anything from your side before we wrap up?

DAVID: No, nothing from my side.

20 CHAIRPERSON: Alright, ladies and gentlemen, thank you very much for your time. You have got the committee. You have got any questions, anything I did not answer, hold me to it. I will get back to you, but I do not know now. Enige vrae wat ek... Guys, please, show some respect. You can all come back, please.

Wat ek gesê het, daar is baie vrae wat ek nie vandag kon antwoord nie. Ek is nie lank genoeg hier nie. Ek weet nie. Ek is nie moeilik nie. Gee my die opportunity om die vrae te kry.

And then before anybody leaves the door, please make sure that you have signed the register. Those that have not registered will not go on holiday and will not get paid. I am joking. Ek maar net 'n grap.

Guys, please, just sign the register before you leave.

10 Thank you for your time. Have a good weekend.

MEETING CONCLUDES

[00:45:58]

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PROPOSED BUSINESS RESCUE PLAN

FOR

Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

by

Quinton (Pat) Pattinson

&

David Masterton

ON

3 July 2024

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1. DEFINITIONS

- 1.1. **"Acquittance"** means a document executed by a creditor in terms of which that creditor advises the Business Rescue Practitioner/s that such creditor will not look to the Business or the Business Rescue Practitioner/s for any payment of benefit under the Business Rescue Plan, to the extent of the amount stated in the acquittance;
- 1.1. **"Act"** means the Companies Act 71 of 2008 as amended;
- 1.2. **"Affected Persons"** means affected persons as defined in Section 128 (1) of the Act and in relation to the Company means a shareholder, a creditor and the employees of the Company;
- 1.3. **"Assets"** means all assets of the Business as reflected in the books of account of the Business as at the commencement date;
- 1.4. **"Auction Value"** means an estimate of the realisable value of the Business assets on a public auction where a sale is concluded on a forced sale, upon the fall of the hammer, to the highest cash bidder during an auction which was reasonably well advertised and attended by members of the public;
- 1.5. **"BRP/s"** means Pat Pattinson and David Masterton as defined in Regulation 126 to the Act;
- 1.6. **"BR360 C"** means Business Rescue 360 Cape (Pty) Ltd which contracts Pat Pattinson and David Masterton as the Business Rescue Practitioner/s of the business;
- 1.7. **"Business Rescue"** means the proceedings in terms of Chapter 6 of the Act and as defined in Section 128 (1)(b);
- 1.8. **"Business Rescue Plan"** means this document which is a business rescue plan prepared in terms of Section 150 of the Act by the Business Rescue Practitioner/s on the 3rd of July 2024.
- 1.9. **"Claims"** means secured, preferent or concurrent claims as envisaged in the Insolvency Act, against the Business, the cause of action in respect of which arose, prior to or on the commencement date, of whatsoever nature and from whatsoever cause, including claims, arising from contract or delict, actual and contingent, prospective, conditional and unconditional, liquidated and unliquidated, assessed and unassessed and whether or not due for payment of performance, specific or otherwise, and including all claims arising out of any agreements entered into by the Business on or prior to the commencement date, all such claims to be determined, calculated and admitted as secured, preferent or concurrent in accordance with the same ranking, as envisaged in the Insolvency Act, that attached to them upon the issue of a winding up order in respect of the Business, whether or not such claims are proved;

- 1.10. "**Creditor/s**" means all legal entities, including natural persons, having secured, preferent and/or concurrent claims against the Business as at the commencement date as envisaged in the Insolvency Act;
- 1.11. "**Concurrent Creditors**" means creditors having concurrent claims as envisaged in the Insolvency Act;
- 1.12. "**The Business**" means Proximitas Investments 60 (Pty) Ltd (in business rescue), a business duly incorporated in terms of the Laws of South Africa under registration number 2001 / 012801 / 07;
- 1.13. "**Commencement Date**" means 29 November 2023 being the date upon which the resolution to voluntarily begin with business rescue proceedings was filed with the Commission;
- 1.14. "**Commission**" means the Companies and Intellectual Property Commission of South Africa which is a division of the Department of Trade and Industry and is responsible for the register of companies in South Africa;
- 1.15. "**Disputed Claim**" means a claim that was submitted, but not approved by the practitioner/s. These claims will be confirmed or amended prior to distribution and are dealt with in terms of the included dispute resolution mechanism in this plan.
- 1.16. "**Factoring**" means that a creditor consents to accept a full and final settlement of its outstanding historic debts to an amount less than offered in the plan, but paid immediately upon acceptance between the Business and the Creditor;
- 1.17. "**Historic Debt**" means the debt owed by the Business as at the date of filing;
- 1.18. "**Independent Creditors**" means all Creditors having Claims against the Business other than creditors related to the Business and its subsidiaries and/or directors;
- 1.19. "**Insolvency Act**" means the Insolvency Act 24 of 1936 as amended;
- 1.20. "**Legal Moratorium**" means the moratorium granted by section 133 of the Act in terms of which no legal action against the Business can be commenced;
- 1.21. "**Moratorium period**" means the period after the publication of the business rescue plan during which the Business proposes to make no payments towards the historic debts;
- 1.22. "**PCF**" means Post Commencement Financing provided by a financier to the Company as envisaged in terms of section 135 of the Act;
- 1.23. "**Power of Attorney**" means the legal document that is received by a person to obtain the authority to act for another person in legal or financial matters, in the specified format

provided by the BRP/S;

- 1.24. **"Preferent Creditors"** means creditors having preferent claims as envisaged in terms of the Insolvency Act;
- 1.25. **"Proceedings"** means business rescue proceedings as provided for in Chapter 6 of the Act;
- 1.26. **"Proof of Claim"** means the full and total claim of a Creditor against the Business, in the specified format provided by the BRP/S subject to the final approval by the BRP/S;
- 1.27. **"Related Parties"** means, as provided in Section 2 of the Act, all persons and/or companies and/or legal entities related either directly or indirectly to the Business as at the Commencement Date;
- 1.28. **"Secured Creditors"** means creditors having secured claims as envisaged in the Insolvency Act;
- 1.29. **"Statutory Obligations"** means, the legally mandated duties and responsibilities that directors must fulfill in their role as custodians of the company. These obligations are designed to promote good corporate governance, transparency, accountability, and the protection of the interests of the company, its shareholders, employees, and creditors. These obligations include, but are not limited to, any and all submissions to SARS, provident funds, bargaining councils and other statutory bodies;
- 1.30. **"Substantial Implementation"** means in terms of section 132(2)(c)(ii) of the Act, the notice that is to be filed by the BRP/S confirming that a Business Rescue Plan has been implemented;
- 1.31. **"The Final date"** means the date upon the last payment in respect of the adopted Business Rescue Plan at a meeting envisaged in terms of section 152 of the Act is made;
- 1.32. **"The Meeting"** means the meeting convened in terms of section 151 (1) of the Act;



2. EXECUTIVE SUMMARY

- 2.1. The Business, known as Proximitas Investments (Hereinafter referred to as "Proximitas" or "The Business") is a company that operates in the Citrus industry.
- 2.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act¹ on 29 November 2023.
- 2.3. The Business timeously notified all the affected persons known to the practitioner/s of the business rescue proceedings as per the Act.²
- 2.4. The BRP/S received their notice of appointment on 29 November 2023.
- 2.5. Based on the information received from the Business, it was thus concluded in terms of the Act³ that a reasonable prospect of a successful business rescue does exist and the proposal and details of same is contained in this business rescue plan.
- 2.6. The basis of the business rescue plan is that:
- 2.6.1. Proximitas will utilise post commence financing in order to finalise the 2024 Harvest.
 - 2.6.1.1. PCF already secured from ABSA Bank.
 - 2.6.2. By harvesting and exporting of the 2024 harvest.
 - 2.6.3. The Sale of certain selected immovable assets (in a preferent order of non-income generating assets first).
 - 2.6.4. Concurrent creditors to be settled over an additional two harvests (two years)
- 2.7. Please note Annexure D for the draft list of immovable assets belonging to the business.
- 2.8. The BRP/S convened and presided over a first meeting of creditors on 12 December 2023.⁴
- 2.9. The affected persons will now have the opportunity to peruse the Proposed Business Rescue Plan before voting on it no later than 15 July 2024.
- 2.10. The details pertaining to this vote will be sent out in a Circular shortly.

¹ Section 129 of the Companies Act 71 of 2008.

² Section 129 (3)(a).

³ Section 128 (1)(b)(iii).

⁴ Section 147 (1).

- 2.11. Please use the time provided to address any questions, queries and suggested amendments to the Business Rescue Practitioner/s, via email, before the meeting to vote on this plan. This will allow the Business Rescue Practitioner/s the time needed to consider any suggestions.
- 2.12. Further please note that unfortunately no further proof of claims can be accepted by the Business Rescue Practitioner/s as ample time and opportunity was provided and these claims form the basis of determining the voting rights of the affected persons.
- 2.13. This plan makes provision for full and final settlement to creditors from proceeds generated from the 2024 and 2025 harvests, the secured creditors will be settled from the proceeds of the sale of the abovementioned assets, and as such there will be no further funds available for any claims not contained in this proposed plan. There will be no form of recourse from any creditor that is not included in this proposed Business Rescue Plan.
- 2.14. The Practitioner/s cannot accept liability for any late claims and/or post-business rescue debt and/or any other matters that arise after the vote on this plan.
- 2.15. It is important to note that the person representing the creditor during the meeting to vote needs to be the appointed public officer or the appointed proxy of the creditor.
- 2.15.1. If a creditor appoints a proxy, then the proxy needs to be in possession of a Power of Attorney document and mandated to ensure they can vote on the proposed business rescue plan and be in a position to apply their own minds during the meeting, considering discussions and amendments that might take place during the meeting.
- 2.15.2. If you have not received a Power of Attorney document to complete, please contact the Business Rescue Practitioner/s.
- 2.16. Calculations and projections provided are based on information provided by the owners, management, accounting statements and the affected persons.
- 2.17. Due to the limitations in law, the practitioner/s did not have the time nor the funds or the *locus standi* to perform a full investigation, due diligence or confirmation audit on the information received nor to employ third parties to verify and scrutinise same.

2.18. This Proposed Business Rescue plan provides for the business to continue operating with less farms and expenses. The financial information shows the impact of the disposal of farms and the continued operation as per attached Annexure I.

2.19. The costs relating to the business rescue proceedings will be settled from the ongoing income generated from the business and the sale of assets within the group. The business rescue fees are of course payable in full in priority to any other debts, but the payment of the rescue costs will be included in the financial projections and calculations in order to ensure that the business is able to trade in a profitable manner going forward.

2.19.1. These costs include but are not limited to practitioner's fees and contingencies, short-term insurance, accounting and other continued statutory obligation fees.

2.20. The practitioner/s will file for substantial implementation as soon as is practicable after the proposed business rescue plan has been adopted, and the following milestones achieved:

2.20.1. The successful adoption of the proposed business rescue plan.

2.20.2. Sale of immovable assets.

2.20.3. The completion of the 2024 and 2025 harvest.

kr 10

3. SALIENT FEATURES: PART A – BACKGROUND OF THE COMPANY⁵

3.1. The Business, known as Proximitas Investments 60 (Pty) Ltd (Hereinafter referred to as "Proximitas" or "The Business") is a company that operates in the Citrus industry. It is primarily responsible to produce the fruit which is then exported.

3.1.1. Proximitas is part of a group of entities consisting of 4 businesses and 1 trust. The group will be referred to as the "Blackie Swart Group" at all times.

3.1.2. The group, as a whole caters for a niche market focusing their efforts on producing top quality organic citrus fruit for export – with a minimalist focus on traditional, nonorganic fruit and a small portion of fruit that is also sold to juice providers.

3.1.3. This entity was established in 2001 and was, until the date of filing for Business Rescue, under the control of Marika Swart – the Director. The business is however currently managed in a full-time capacity by Mr. Pattinson who is the senior business rescue practitioner and who has taken full management control of the business. Mr. Pattinson is accompanied by Mr. Masterton, an experienced business rescue practitioner, who has taken full control of all financial-related matters such as the banking accounts, payroll etc. for the group of companies.

3.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act⁶ on 29 November 2023.

3.3. The full details regarding the cause of the financial distress of the business are dealt with in the sworn statement, and the first meeting of creditors (the minutes of which are attached hereto as Annexure A). However, some of the more important factors have been listed below:

3.3.1. The practitioners were provided with the following reasons for the financial distress:

⁵ Section 150 (2) of the Companies Act.

⁶ Section 129 of the Companies Act 71 of 2008.

3.3.1.1. The cost of exporting the fruits had gone up significantly due to a strike that happened and caused a shortage of logistical support – meaning an increase in the price thereof.

3.3.1.2. There were additional costs involved with shipping when some fruits had to be re-routed due to quality issues. The quality issues alluded to are to do with a certain "black spot" that was present on the citrus during the transportation phase – which unfortunately meant the EU wouldn't accept the fruit and it had to be shipped to another location for sale. This caused the fruit to yield a significantly lower price than was originally anticipated as it had to be sold as normal fruit and not organic fruits.

3.3.1.3. There were also significant changes in the rainfall in the area which affected the farming activities on the farms and hindered their ability to a sufficient amount of fruit for export – not only was there a shortage in volume, but as mentioned before, there were some quality concerns.

3.3.2. Although the reasons for the financial distress are sound, and are indeed contributing factors, the practitioners have (during their ongoing investigation) concluded that these were simply "additional reasons" to the financially distressed situation in which the group now finds itself and that more concerning reasonings were:

3.3.2.1. There has been a large amount of overcapitalization on some of the farms, starting with the costs of purchasing some of these farms. – It was noted that farms were purchased far above the acceptable market value.

3.3.2.2. The businesses/group own a large amount of non-income generating assets such as guesthouses, holiday homes, hunting farms and other assets which are a cashflow drain on the business.

3.3.2.3. In general, record keeping is rather poor across the group of companies, and it has proven difficult to not only obtain correct information, but any information at all. Information that should be readily available is often times not present and this has also added to the delays in certain processes throughout the course of the business rescue to date.

3.3.2.4. Poor financial decision-making. As mentioned above, purchase of farms way

above market value, investments into property that will never show a return on that investment, extending of loans that have little chance of ever being recovered.

3.4. The reasons for the financial distressed situation in which the business finds itself are as above, however, many of these issues have been addressed as part of the ongoing business rescue process and the details of which will be given in full later in this plan.

3.5. Per the Act⁷; the draft list of immoveable assets of the Business are as per the attached Annexure D containing a List of Material Assets.

3.6. Per the Act⁸; The liability of the business is based on the proof of claims received from 11 creditors (totaling 19 claims) and totals about R 322 927 991. A list of creditors with their respective claims is attached as Annexure B.

3.7. These claims are then broken down into the following Classes:

Secured Claims	:	8 Claims	for about R 178 373 306
Concurrent Claims	:	11 Claims	for about R 144 554 685

3.7.1. Please note that intercompany loan accounts will be subordinated for the benefit of the remaining creditors. Meaning simply that they will only be repaid once the creditors have been settled in terms of this plan.

3.7.1.1. Please note that the subordination does not inhibit ABSA Bank from collecting on any loan accounts they hold valid cessions over. It only provides that shareholders, directors, trustees, beneficiaries and or members will not be repaid any loans until creditors are settled, this includes ABSA as a creditor.

3.7.1.2. The total debt to creditors is thus R322 927 991 with R66 221 183 being as a result of securities / cessions for connected entities that Proximitas will be in a position to claim back.

3.7.2. It must be noted that the proof of claims submitted to the Business Rescue Practitioner/s does not automatically assure the Creditor that they will receive this amount as discrepancies might be found when comparing the amount in the books of the Business to the proof of claim received.

⁷ Section 150(2)(a)(i).

⁸ Section 150(2)(a)(ii).

3.8. Please further note that this plan refers to the fact that no legal fees, interest, collection fees or any cost other than the capital amounts can be provided for on the historic debts due to creditors. Only the capital amounts due will be considered in the dividend calculation if such debt is not specifically provided for in this proposed Business Rescue Plan.

3.9. It is evident that should the business be placed into traditional liquidation; the costs thereof will result in a situation where the income from liquidation proceedings will not be sufficient, and creditors will in all likelihood be liable for a cost contribution in such a scenario should they prove a claim against the business.

3.10. The Business Rescue Practitioner/s thus remain of the opinion that this proposed business rescue plan provides for a much better return to all the affected parties than could materialise in an immediate and traditional liquidation.

3.11. The probable dividend in Liquidation compared to the Business Rescue dividend is as stated below:

Creditor Class	Liquidation	Business Rescue
Secured (Kaap Agri + ABSA) :	34.82 and 60.18 Respectively cents in the rand	100 cents in the rand
Preferent (in liquidation) and PCF (in Business Rescue) :	N/A – No staff in this business	N/A – No staff in this business
Concurrent Claims :	18.17 cents in the rand	100 cents in the rand

*Please note that these values are estimates made in good faith and based on information received from the business, asset lists received, and a very brief explanation and rough calculations are included in Annexure H (LND account).

3.12. Below is a complete list of the holders of the Company's issued securities.⁹

Name	Issued Securities
Blackie Swart Familie Trust	100%

⁹ Section 150(2)(a)(iv).

3.13. Attached as Annexure F¹⁰ is a copy of the written fee agreement of the practitioner/s as approved by the business and the directors.

3.13.1. At the meeting to consider the proposed business rescue plan, the practitioner will hold a separate vote for the consideration of the proposed fee agreement.

3.14. No creditor has made any representations to the Business Rescue Practitioner/s and this business rescue plan includes no informal proposal made by a creditor.¹¹

¹⁰ Section 150(2)(a)(v).

¹¹ Section 150(2)(a)(vi).

4. SALIENT FEATURES: PART B – PROPOSAL BY THE PRACTITIONER/S¹²

4.1. This Proposed Business Rescue Plan does make provision for a specific moratorium period¹³ to be granted, payments on the historic debt to the secured creditors of the business will commence once the properties have sold and transfer has taken place, and concurrent creditors will in turn be settled from the profits of the 2024 and 2025 harvests, the moratorium period will terminate at this time.

4.2. The offer in terms of this plan and the payment that is to be made to all creditors shall be in full and final settlement of such debt and all creditors shall by adoption of the Proposed Business Rescue Plan accede to the discharge of the whole of the debt in terms of the Act,¹⁴ with no interest or legal fees to any concurrent creditors.

4.3. Proposals as set out herein Below:

4.3.1. Proximitas Investments is one of the trading entities and owns 11 immovable assets. This includes no less than 8 farms where citrus is being grown, one hunting farm and at least two residential homes.

4.3.1.1. The 8 citrus farms do contribute to the operations of the business, but the hunting farm and all residential properties are non-income generating and will be sold as part of the business rescue process.

4.3.1.1.1. Additionally, 5 of the 8 farms have been identified to also be sold as their contribution does not warrant continued ownership and with the agreement of senior management of the group, these 5 farms were identified to be sold in the first round of sales.

4.3.1.1.2. Hemelsvlakte with a market value of R 39 087 000.

4.3.1.1.3. Waterkloof with a market value of R 43 026 000.

4.3.1.1.4. Boschkraal with a market value of R 100 380 000.

4.3.1.1.5. Lafranette with a market value of R 45 000 000.

4.3.1.1.6. Beginsel with a market value of R 12 658 000.

¹² Section 150 (2).

¹³ Section 150(2)(b)(i).

¹⁴ Section 154(1).

4.3.1.2. Thus, a total value for the above of R 240 151 000.

4.3.1.3. In addition to the above farms, there are also two residential properties that will be sold and are valued at R 2 950 000.

4.3.1.3.1. It would be prudent to mention that an offer on one of these properties has been received for R 1 680 000.

4.3.2. The total remaining creditors' debt is thus about R 191 740 539.

4.3.2.1. Please note that R66 221 183 is for connected debt, and this can be claimed back from the respective debtors in the group.

4.3.3. It is the intention of the practitioners to sell the 5 identified farms and two residential properties to settle the debt of the entity.

4.3.3.1. All concurrent creditors, will be settled from the sale of unsecured assets and from the profits of the 2025 harvest.

4.3.4. The income generated from the 2024 harvest will then be used for operating expenses.

4.3.5. Considering the above, it is clear that the sale of the identified immovable assets of Proximitas Investments and the 2025 harvest is sufficient to settle all its debt and security obligations.

4.3.5.1. Any debt settled as a result of securities on behalf of another entity will be collected from that entity if at all possible.

4.3.5.2. Any surplus funds will then be used to settle the indebtedness of ABSA bank for as a result of their various securities in the group.

4.3.6. No compromise to creditors is envisaged and all statutory obligations will be honoured in full including but not limited to VAT Claw Back (if applicable) and Capital Gains Taxes.

4.3.7. Staff will be transferred to the new owners of the farms, and this combined with other cost savings will assist with reducing the financial drain on the group.

4.3.8. Please note that all assets that are to be sold will be done in terms of section 134 of the Companies act, thus the waterfall of payments will start with any party that holds a valid security over such an asset.

4.3.9. Once the business rescue process for Proximitas Investments has concluded, the business will be handed back to its directors for continued operations.

4.3.10. Of high importance is the fact that ABSA bank has made some Post Commencement Finance (PCF) available in order facilitate the 2024 harvest and this PCF will be repaid from the income from the harvest.

4.3.11. As part of the PCF agreement ABSA has been provided with additional securities over immovable assets and should these assets be sold, ABSA will receive all free income until their PCF is settled in full.

4.3.11.1. More on PCF

4.3.12. Similarly, Freshgro has provided PCF on an ongoing basis and will be settled from the income of the 2024 harvest first.

4.3.12.1. Part of the PCF was the facilitation of the export and freight for the 2024 harvest and the invoicing for the harvest will be done via Freshgro as Blue Crane could not secure all certifications in time.

4.3.13. All surplus funds will be used to reduce the indebtedness of ABSA bank based on the various securities it holds over the group. It might be agreed with ABSA on an ad hoc basis to make some funds available for the continued trade of the respective entities.

4.4. The order of payment of claims and costs for this business rescue will follow the parameters as set out in Section 134 and 135 of the Act¹⁵ and is summarised as follows:

4.4.1. First - The fees and expenses still due to the practitioner/s in terms of Section 143 of the Act¹⁶ will be paid in terms of Section 135 of the Act.¹⁷ These expenses will include all costs to facilitate the business rescue process including but not limited to the accounting costs, legal, broker fees, short-term insurance, banking fees and statutory obligations as defined in the definitions to this rescue plan.

4.4.1.1. The practitioners' fees are per the annexed agreement. Should there be any arrears in fees due to the practitioners, these will also enjoy preferences afforded

¹⁵ Section 150(2)(b)(v).

¹⁶ Section 143.

¹⁷ Section 135 (3)

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by the Act for post-commencement finance.¹⁸

4.4.1.2. All practitioners' fees must however be settled first from any available funds as and when they are due.

4.4.2. Second - All creditors, including but not limited to staff, sub-contractors and or suppliers who have assisted the business with the completion of the ongoing trading of the business will be settled next from proceeds, for any of the work done or goods supplied to complete this work post business rescue commencement.

4.4.3. Third – any party that provided post-commencement finance will be repaid their respective loans in terms of their respective loan agreements; this may result in preference being given to Post Commencement Financiers, above that of Post Commencement Creditors as per point 4.4.2 of this plan as a result of secured assets being sold.

4.4.4. Fourth – Secured Creditors:

4.4.4.1. The secured creditors, such as ABSA Bank, will at all times be considered when properties are being sold and their various securities will be respected. Should a creditor hold security over an asset, that security will be settled first from the income generated from the sale of that asset.

4.4.5. Fifth – The Concurrent Creditors will be repaid 100 cents in the Rand based on the claims received and contained in Annexure B, alternatively that all of the proceeds from the sale of unsecured immovable assets in proportion and the 2025 harvest to settle as much of the debt as possible by the end of the 2025 Harvest (October 2025).

4.4.6. Sixth – SARS

4.4.7. Any and all future exposure to SARS with regards to the continued trading of the business will be paid as and when it becomes due in the ordinary course of business.

4.4.8. The pre-rescue indebtedness to SARS (if any) will form part of the concurrent claims against the business and will be repaid with the remaining concurrent claims in terms of

¹⁸ Section 135.

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this rescue plan.

4.4.8.1. This plan makes no provision for a VAT claw back as creditors will be settled 100 Cents in the Rand.

4.4.8.1.1. However, should a compromise be required due to insufficient funds being raised from the sale of assets and or the 2025 harvest, the company will submit this information to SARS and honor its VAT claw back submissions by no later than 31 December 2025.

4.5. Dispute Resolution Mechanism:

4.5.1. Should any affected person dispute any of the provisions of this business rescue plan, such disputes may be raised at any time prior to the voting on the business rescue plan. These disputes, of whatsoever nature, will be addressed after the adoption of the plan.

4.5.2. Should the dispute arise out of the adoption of the plan or as a result of any supposed voting irregularities, these disputes must be resolved as bellow:

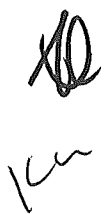
4.5.2.1. Such disputes must be raised within 5 working days of the adoption of the proposed business rescue plan and notice must be formally provided to the practitioner/s in this regard to prevent the plan from being implemented.

4.6. The implication of the abovementioned is that the creditors shall have no further right of recourse and shall not be entitled to enforce the debt, or any balance thereof owed by the business immediately before the beginning of the Business Rescue Process as the Business Rescue Plan does not provide for the institution of any further action. An extract from the Act is given below for ease of reference:

Section 154: Discharge of debts and claims

"A Business Rescue Plan may provide that, if it is implemented in accordance with its terms and conditions, a creditor who has acceded to the discharge of the whole or part of a debt owing to that creditor will lose the right to enforce the relevant debt or part of it."

If a Business Rescue Plan has been approved and implemented in accordance with this Chapter, a creditor is not entitled to enforce any debt owed by the Company immediately before the beginning of the Business Rescue Process, except to the extent provided for in the Business Rescue Plan."



4.7. The main benefits of adopting this business rescue plan are:¹⁹

4.7.1. There is no risk of a cost contribution in business rescue and creditors cannot be held liable to fund any part of the business rescue process should they lodge their claims.

4.7.2. The process is not subject to the cumbersome supervision of the Master of the High Court and provisions of the Companies Act and Insolvency Act relating to meetings of creditors, submissions and approvals of accounts and advertising thereof.

4.7.2.1. This proposed business rescue plan removes the attorney's fees associated with a liquidation and removes the costs of a liquidator and the Masters Fees.

5. SALIENT FEATURES: PART C – ASSUMPTIONS AND CONDITIONS USED²⁰

5.1. This Business Rescue Plan is based on the following assumptions.²¹

5.1.1. Firstly, based on the assumption that all the creditors have submitted their claims or are satisfied that the amounts contained in Annexure B are correct.

5.1.1.1. The Business Rescue Practitioner/s have contacted all the affected persons, known to them, that might have a claim against the Business via email and/or telephone.

5.1.1.2. The Business Rescue Practitioner/s have provided the creditors with ample time and opportunity to supply their proof of claims.

5.1.1.3. This Proposed Business Rescue Plan is based on the assumption that no liquidation proceedings have commenced against the business prior to the filing for Business Rescue.

5.1.1.4. It is further assumed that the business is in fact a legally registered business and is registered with the Commission as "in business" or alternatively "in business rescue".

¹⁹ Section 150(2)(b)(vi).

²⁰ Section 150 (2).

²¹ Section 150(2)(c)(i).

5.1.2. While the Business Rescue Practitioner/s have taken every effort to secure the most reliable and accurate information, this plan is based on the information received from the relevant parties and although the Business Rescue Practitioner/s have endeavored to confirm its accuracy, the funds and time allotted to them during Business Rescue Proceedings in addition to the limitations in law did not allow for a full due diligence or confirmation audit to be performed.

5.1.2.1. This proposed business rescue plan is thus prepared based on the assumption that the information provided is accurate. The Business Rescue Practitioner/s and their associates make no representation as to its accuracy and cannot be held liable for any eventualities arising from the use of the information provided.

5.1.3. Irrespective of these assumptions, this proposed business rescue plan will be binding on all creditors should a successful vote on the plan be achieved in terms of the Companies Act.²²

5.2. This Business Rescue Plan is based on the following conditions that need to be satisfied for it to be fully operational.²³

5.2.1. The First condition is that a successful vote in favour of the Proposed Business Rescue Plan needs to take place in terms of the Act²⁴ for the plan to come into operation.

5.2.2. The second Condition is that no contracts, agreements or commitments have been entered into during the business rescue proceedings without the Business Rescue Practitioner's express consent and signature to any documentation during the business rescue proceedings.

5.2.2.1. This has the result that any such agreements are void and cannot be entertained or honoured by the business in terms of The Companies Act.²⁵

5.2.3. The third condition is that a full freeze on all directors' loan accounts with the Business is put into place. Repayments of the members debit loan accounts (monies owed by the members to the business) will be actively pursued by the practitioner/s for the benefit of

²² Section 152 and Eravin Construction Matter.

²³ Section 150(2)(c)(i).

²⁴ Section 151 and 152.

²⁵ Section 137(4).

the creditors.

5.2.3.1. All credit loan accounts will be repaid in terms of this proposed business rescue plan.

5.2.4. The fourth condition relates to SARS obligations by the business - The business will continue to honor its obligations to SARS with regards to the statutory submissions and obligations that have to be maintained going forward.

5.2.5. The fifth condition is that after the date of adoption of this Plan, the rights of all creditors of the Company shall be confined to the right to claim payment in terms of this plan. Specifically relating to the proposed repayment schedule and that the business will not deviate from the schedule to favour any one creditor above another.

5.2.6. The sixth condition is that any compromise contemplated in this business rescue plan is conditional upon the company fully meeting its obligations to creditors as set out in this business rescue plan. In the event of any breach by the company of its obligations to creditors in terms of the business rescue plan, the practitioner/s reserve the right to provide the creditors with a new or amended business rescue plan for consideration.

5.2.7. The seventh condition is that no directors, shareholder or surety will be permitted to claim against the business for any claims against them as a result of any compromise reached in this proposed business rescue plan.

5.2.8. It is clear that should the above proposals be approved and subsequently implemented, that the group as a whole should be able to achieve a full rehabilitation. All three of the rescue plans will need to be adopted for each to become binding. If a single plan is not adopted, it will invalidate the others, and new plans will need to be prepared and presented to the respective creditors.

5.2.9. The practitioners remain confident that a reasonable prospect for a rescue exists for each entity individually, and even more so for the group as a whole, provided that the proposals outlined herein are accepted by the affected persons of each respective entity.

5.2.10. Should any group of creditors reject their respective proposal, the practitioners remain confident that by amending the business rescue plans, each entity could be

rehabilitated based on its own merits. However, this would require some compromises in repayments.

5.3. These conditions will allow the BRP/S sufficient leverage while they implement the proposed business rescue plan to ensure a successful rehabilitation of the business.

5.4. Once the following has been completed the plan will be considered fully implemented:²⁶

5.4.1. A successful vote on this proposed plan has been achieved and that disbursement to creditors is limited to the extent as allowed for in this proposed business rescue plan and no creditor will be permitted to pursue any debt other than in the manner proposed by the payment schedule.

5.5. The BRP/S will, at this point and at their sole discretion, file a Notice of Substantial Implementation of the Business Rescue Plan in accordance with the Act.²⁷

5.5.1. It is proposed that the Company will continue trading, although not in its current format, after the implementation of this BR Plan²⁸ and therefore the projected income statement is attached hereto as Annexure I.

6. MEETING TO DETERMINE THE FUTURE OF THE COMPANY²⁹

6.1. This Proposed Business Rescue Plan is published to the affected persons on 3 July 2024 and a meeting to vote has been scheduled to take place on 15 July 2024, a circular will follow with details of the meeting to vote.

6.2. Should you not be in a position to attend the meeting you may appoint a proxy to vote on your behalf and the practitioner/s will accept such nominations.

²⁶ Section 150(2)(c)(i).

²⁷ Section 132(2)(c)(ii).

²⁸ Section 150(2)(c)(iii).

²⁹ Section 151.

7. CONSIDERATION OF THE BUSINESS RESCUE PLAN³⁰

7.1. Two votes will take place during this meeting as per the Act;³¹

7.2. The first vote will be to determine if the affected persons wish to adjourn the meeting and have the Business Rescue Practitioner/s make amendments to the Proposed Business Rescue Plan.

7.3. The second vote will be to determine if the Proposed Business Rescue Plan will be approved and implemented subject to the rest of the conditions set out in the Act.³²

³⁰ Section 152.

³¹ Section 152 (1).

³² Section 152.

8. QUALIFICATION OF BUSINESS RESCUE

8.1. Business Rescue is a process introduced by Chapter 6 of the Companies Act of 2008 and the aim of it is clearly stated in the Act.³³

8.2. The first part of the definition of Business Rescue states that it is a process designed at rehabilitating financially distressed Businesses.

8.3. The second part of the definition is that if a turnaround of the Business is not possible that the Business Rescue Process must provide a better return to creditors and shareholders than what would be realised through the immediate and traditional liquidation of the Business.

8.3.1. This is further confirmed in the matter of *Carroll v Michael Carroll CC* (2018/22808) [2019] ZAGPPHC 74 (15 March 2019)) Re: Section 141(2) does not apply if a better return is received by creditors compared to the dividend to be received by creditors upon immediate liquidation.

8.4. This is done via the temporary supervision of the Business by a Business Rescue Practitioner or practitioners, where these practitioners must determine the exact financial position of the Business and prepare a Business Rescue Plan which the creditors will vote on.

8.5. In order for a Business to qualify for Business Rescue some conditions must exist as per the Act.³⁴

8.5.1. The first condition is that the Business must be financially distressed as defined in the Act.³⁵

8.5.2. The second condition is that the Business Rescue Practitioners must believe that a reasonable prospect of a rescue exists as defined in the Act.³⁶

³³ Section 128 (1)(b).

³⁴ Section 129 (1).

³⁵ Section 129 (1)(a).

³⁶ Section 129 (1)(b).

8.6. Based on the initial investigation of the Business by the Business Rescue Practitioner/s, from the information provided, it was determined that the Business qualifies for both conditions as required by the Act.

8.7. The Business was indeed financially distressed as it could not pay all its expenses as and when they became due.

8.8. The Practitioner/s were at the time of the first creditors' meeting of the view, based on the information provided to them at that time, that a reasonable prospect of a successful rehabilitation of the business did exist.

8.8.1. The practitioner/s are still of this belief and thus the proposed business rescue plan has been published in the format in which it has been published.

9. OVERVIEW OF THE BUSINESS RESCUE PROCESS

9.1. The Business commenced Business Rescue Proceedings in terms of the Act³⁷ by virtue of passing a resolution stating that it is in financial distress and therefore needed to file for Business Rescue.

9.2. The process of business rescue as contained in Chapter 6 of the Companies Act was duly followed with the following milestones achieved:

Action	Date
Business Rescue Resolution passed	28 November 2023
Resolution adopted by CIPC	29 November 2023
Business Rescue Practitioners Appointed	29 November 2023
Business Rescue notice submitted to affected persons	6 December 2023
First meeting of Creditors	12 December 2023
Business Rescue Plan published	3 July 2024
Vote on the proposed business rescue plan	15 July 2024

³⁷ Section 129.

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10. INVESTIGATION OF THE AFFAIRS OF THE COMPANY

10.1. The business rescue practitioner/s did investigate the affairs of the business in terms of the Act.³⁸

10.2. Subsequent to this investigation the business rescue practitioner/s concluded that:

10.2.1. The practitioner/s still believe there to be a reasonable prospect to provide a better return to the affected persons than in a liquidation.

10.2.2. The company remains in financial distress and the business rescue process must continue.

10.2.3. Due to the limitations in the law, the practitioner/s did not have the time nor the funds to investigate all potential aspects of any potential non-compliance – Though none is suspected.

³⁸ Section 141.

11. VOTING ON THE PLAN**11.1. The first vote**

11.1.1. This vote will be to determine whether the creditors wish for the Business Rescue Practitioner/s to end the meeting, amend this Business Rescue Plan and then present an amended plan at a follow-up meeting.

11.1.2. The Business Rescue Practitioner/s request that these amendments are received before the meeting so as to include these in the discussions of the voting meeting with the creditors.

11.2. The second vote

11.2.1. This vote will be to determine whether the creditors accept or reject the Proposed Business Rescue Plan.

12 ANNEXURES TO THE BUSINESS RESCUE PLAN

12.1 The following annexures are attached to this Proposed Business Rescue Plan:

Annexure A:	Outcome of 1st Creditors Meetings
Annexure B:	List of Creditors of the Business
Annexure C:	Company Registration Documents
Annexure D:	Material list of Assets of the Business
Annexure E:	Certificate of the Business Rescue Practitioners
Annexure F:	Written Fee Agreement (Proposal)
Annexure G:	Disclaimer
Annexure H:	Liquidation and Distribution Account
Annexure I:	Projected Financials

We thank you for your time offered to determine the future of this Business Rescue process for Proximitas Investments.

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure A : Outcome of 1st Creditors Meeting

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13 December 2023

CIRCULAR 03

THIS DOCUMENT IS A CIRCULAR TO THE AFFECTED PERSONS RELATING TO THE BUSINESS RESCUE PROCESS OF **PROXIMITAS INVESTMENTS 60 (PTY) LTD** IN TERMS OF THE COMPANIES ACT, 71 OF 2008 AS AMENDED (THE ACT).

OUTCOME OF THE 1ST MEETING OF CREDITORS

The business rescue practitioners¹ wish to advise all the affected parties the outcome of the 1st meeting of creditors of **Proximitas Investments 60 (Pty) Ltd** (Herein after referred to as "Proximitas" or "The Business") - held on 12 December 2023.

Mr Pattinson gave a brief introduction of the Business Rescue team and welcomed all of the affected persons to the meeting. The business rescue team consists of Mr. Pattinson – a senior business rescue practitioner with more than 50 successful substantial implementations of business rescue plans with a career in business turnarounds spanning over more than 15 years, and Mr Masterton who is an experienced business rescue practitioner with nearly a decade of turnaround experience. Mr Durandt will be assisting in an administrative capacity.

1. CONDITIONS FOR BUSINESS RESCUE

1.1. The practitioner explained the process of filing for business rescue and why a business would consider business rescue and the conditions of filing for business rescue.

1.2. The first question - Is the Company Financially distressed? **YES**

1.3. Based on information at hand, yes, the business cannot pay its debts as and when they become due and payable, therefore it is clear that the business is in financial distress in terms of the Act² and has filed for Business Rescue in terms of the Act³.

¹ Quinton Pat Pattinson, Senior Business Rescue Practitioner and David Masterton, Experienced Business Rescue Practitioner.

² Section 128(1)(f) of the Companies Act 71 of 2008.

³ Section 129 of the Companies Act.



1.4. Had the directors decided not to file for business rescue, they would be compelled in terms of the Act⁴ to deliver a formal written notice (in the form of a CoR123.5) to every affected person detailing:

- 1.4.1. That the business is in financial distress.
- 1.4.2. The reasons for the financial distress.
- 1.4.3. The reasons for the company's decision to not file for business rescue.

1.5. Second Question - Does a reasonable prospect of a rescue exist? YES

1.5.1. Based on the information provided to the practitioners to date, there does appear to be a reasonable prospect of a successful rehabilitation and organic turnaround of the business.

1.5.1.1. It will require the systematic restructuring of the business and may require the sale of some of the non-income generating assets that are currently draining cashflow from the business – but the practitioners are very much of the belief that a reasonable prospect exists, based on the information provided to date.

1.5.1.2. The business has also informed the practitioners that the buyers for the fruit are already lined up and the difficulty going forward will simply be getting the fruits to market.

1.6. Further, should a rehabilitation of the business not be possible, the practitioners will be required to at the very least seek a better outcome for the affected persons than that which they would receive in an immediate and traditional liquidation. As provided for in terms of the Act⁵ and the judgment of *Carrol v Michael Carrol*.⁶

1.7. The practitioners in this matter are not farming experts, and as such will not assume full operational control of the business. The day-to-day activities will continue to be run by the current management of the business under the supervision of the practitioners. The practitioners are wholly responsible for the rehabilitation and restructuring of the business.

⁴ Section 129(7) of the Act.

⁵ Section 128(1)(b)(ii) of the Act.

⁶ *Carroll v Michael Carroll CC In Re: In the application for the Liquidation of: Michael Carroll CC (under supervision)* (2018/22808) [2019] ZAGPPHC 74.

2. INFORMATION PROVIDED:

2.1. Please note once again that the information as provided during this, the first meeting of creditors, is as received from the business. It is highly likely that the information presented at a later date may vary as additional information is provided and a more detailed reporting can be given to all the affected persons.

Creditors	: +- R33,39 Million
Loan Accounts (Receivable)	: R48,49 Million (per 2023 AFS)
Loan Accounts (Payable)	: R78,46 Million (per 2023 AFS)
Debtors	: TBC
Assets	: TBC

2.2. Proximitas was established in 2001 and the Blackie Swart Familie Trust is the shareholder of the Business. Proximitas owns farms on which citrus is grown (among other assets) – the citrus is in turn supplied to Blue Crane, who is responsible for the export and sale of the citrus that is produced on the various farms belonging to the interconnected entities. The citrus is all packed at the Goodhope Packhouse and is shipped and distributed from there and this responsibility is that of Blue Crane's.

2.3. Proximitas Investments is one of 5 entities that are currently experiencing financial distress. 4 of them are businesses and 1 is a trust. The businesses and the trust are all so intertwined, it would effectively be impossible and definitely impractical to attempt to save only one at the exclusion of the rest. Therefore, the entire group is currently in business rescue, except the trust, wherein a quasi-rescue approach is being taken to attempt to rescue the trust as well.

2.4. It must at this stage be confirmed that the business rescue practitioners work for the creditors, and not the directors/members of the business. The practitioners will consult with the management, but do not take instructions from them. The role of a business rescue practitioner is to at all times balance the rights of all the affected persons.⁷

⁷ Section 7(k) of the Companies Act.

2.5. The practitioners, for this first meeting, rely heavily on information supplied by the business – however, there will be a vast investigation done into the affairs of this business before the proposed business rescue plan is published.⁸

3. REASONS FOR THE FINANCIAL DISTRESS:

3.1. The reasons for the financial distress, as presented by the business to the practitioners is as follows:

3.1.1. Proximitas is one of the interconnected entities of a larger group – all of which are experiencing financial distress. The company responsible for the exporting of the fruits (Blue Crane) had experienced the challenges as listed below. As a result thereof, a knock on effect was created that has caused the challenges being faced by the entire group of companies.

3.1.1.1. Blue Crane is responsible for the exporting of most of the fruit that is harvested to the European Union as there is a big market there for organic fruits.

3.1.1.2. The cost of exporting the fruits had gone up significantly due to a strike that happened and caused a shortage of logistical support – meaning an increase in the price thereof.

3.1.1.2.1. There were additional costs involved with shipping when some fruits had to be re-routed due to quality issues.

3.1.1.3. The quality issues alluded to above are to do with a certain “black spot” that was present on the citrus during the transportation phase – which unfortunately meant the EU wouldn’t accept the fruit and it had to be shipped to another location for sale.

3.1.1.4. This caused the fruit to yield a significantly lower price than was originally anticipated as it had to be sold as normal fruit and not organic fruits.

3.2. Although the reasons for the financial distress are sound, the practitioners will continue with their own investigation into the affairs. A more formal feedback will be provided at the next meeting of creditors.

3.3. Further, the practitioners would like to investigate the mitigation factors that should have been in place to prevent the severity of the financial distress so that events such as this may be prevented going forward.

⁸ Section 141 of the Companies Act.

4. IMPORTANT DATES:

4.1. Below are the notable dates regarding the business rescue proceedings to date:

Board Resolution Submitted	: 28 November 2023 (133 Protection date)
CIPC returned	: 29 November 2023
Practitioner Submitted	: 29 November 2023
CIPC returned	: 1 December 2023
1 st Meeting of Creditors	: 12 December 2023
2 nd Meeting of Creditors (Discussion of Fees)	: To be confirmed
1 st Meeting with Staff	: Proposed 14 Dec 2023

5. FORMING A COMMITTEE

5.1. The Business Rescue Practitioner advised the attendees that they can form a committee of creditors in terms of the Act.⁹ The practitioner confirmed the purpose of such a committee and noted that in a rescue of this nature, it may be favourable for creditors to be able to communicate directly with the practitioners. The decision as to whether or not to form a committee remains in the hands of the creditors.

5.2. The attendees voted against this proposal.

5.2.1. The business rescue practitioner will thus interact with all the creditors of the business directly. There will be no need for the formation of a committee and the information will flow directly between the relevant parties.

6. REQUEST FOR AN EXTENSION

6.1. The plan is currently due to be published on the 5th of February 2024 – having given consideration to the *dies non* days in terms of upcoming public holidays and the festive season.

6.2. Based on the discussions had in this meeting, it is proposed that another meeting similar to this one is held on the 14th of February 2024 so that the practitioners can provide further feedback to the creditors.

⁹ Section 147.

6.2.1. The nature of the rescues and the interconnected entities make the publication date of the 5th of February 2024 a practical impossibility.

6.2.2. The practitioners require more time to adequately attain all the relevant information as required for the publication of a business rescue plan¹⁰ and this will require more time.

6.3. A unanimous vote was achieved in this regard and therefore the next meeting will be on the 14th of February 2024 where a further update will be given, and further extensions be requested should it be necessary.

6.4. Although not required in terms of the Act – an additional meeting will be held on the 20th of December 2023. This meeting will be a “general” meeting concerning all 5 entities and will be for the purposes of a general update. All the relevant affected parties will be notified of this meeting in due course.

7. PROOF OF CLAIMS

7.1. The practitioner confirmed that Jaco Durandt has sent out the proof of claim forms and these proof of claim forms must be completed and returned to Jaco Durandt on the prescribed document. Same is also available – along with all other documentation relating to the business rescue – on the website of the practitioner at <https://pattinson.biz/> under the “Business Rescue” tab at the top right of the page.

7.2. Please provide us with these proof of claims as soon as possible as we would like to compare the claims received to those values contained in the books of the company.

8. PROJECT BASED FINANCE

8.1. The practitioner took some time to explain what post commencement finance (PCF) is and how project-based finance differs from PCF. Project-based finance being similar in nature to PCF, but for a far more specific nature and the ordinary course of action would be that the Project-based finance will be provided on a relatively short-term basis until the goal or purpose for which the funding is granted, is achieved.

¹⁰ Section 150 of the Act.



9. QUESTIONS / COMMENTS

9.1. On what do the practitioner's base their belief that there is a reasonable prospect of a rescue?

9.1.1. Operationally, the business is still viable. Hence the proposed organic turnaround of the business. The basis is not solely on the potential sale of the assets.

9.1.2. However, it was confirmed that, once the information has been properly presented – it will be possible to identify the non-income generating assets (of which there are many) that are putting a drain on the business and selling these assets.

9.1.3. If the drain from the non-income generating assets is stopped, and the business is able to trade normally, the practitioners believe that the business can organically trade out of the financial distress.

9.1.3.1. Lastly, should it become necessary to sell all the assets of the business, it will result in a better outcome than in liquidation (BrIL). Confirmed in the Carroll matter – that a BrIL is a valid ground and confirmation of a reasonable prospect of a rescue.

9.2. Will the Section 141 investigations be used to determine if there were any reasons, other than stated, that led to the financial distress? Also, should it become clear that the directors/members are not able to fulfil their duties, will they potentially be removed?

9.2.1. The practitioners confirmed that the information received thus far has been received directly from the auditors of the business and that Mr. Masterton is currently going through the details thereof meticulously. The management have been somewhat "cut out" of this process as the last thing the practitioners would like is to have their opinions skewed by the management's explanations.

9.2.2. The practitioners again confirmed that they are in the process of the full Section 141 investigations into the affairs of the business and all reportable findings, will be reported. As mentioned, at this early stage in the process, the practitioners simply do not have enough information to make any such determinations as to the current management of the business – time must be afforded to do these investigations and all relevant legislation must be considered, including the intellectual property of the business.

9.3. The Blackie Swart Familie Trust, being so intertwined with the other businesses in the group – how do you intend to deal with the trust?

9.3.1. Originally, the thought was to appoint one of the practitioners as a trustee on the trust as well, with a veto right in order to help with a quasi-rescue turnaround process for the trust in line with the goals of business rescue. However, due to the information received thus far concerning all the entities – the practitioners will first be consulting with an attorney to see what options are available to the practitioners with regards to a process that will be beneficial to the trust as well.

9.3.2. There is of course the alternative of sequestrating the trust, this will however not be beneficial to any parties as a result of the numerous cross-sureties between the entities and the amount of usable land in the trust – being one of the larger income generators.

9.4. Some creditors have various securities over assets, moveable and immovable – will the practitioners allow access to the assets for inspection of their condition?

9.4.1. The practitioners have no objection to these inspections as long as the party who wishes to carry out such an inspection gives the practitioners notice of their intention to do so. Furthermore, this will be permitted in so far as the property rights are respected in terms of Section 134 of the Act.

Kind Regards

Quinton Pattinson

patp@businessrescue360.co.za

082 749 6462

David Masterton

davidm@businessrescue360.co.za

082 569 3813

Jaco Durandt (admin clerk)

jacod@businessrescue360.co.za

076 773 4595

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Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

Annexure B : List of Creditors of the Business

It must be noted that the proof of claims submitted to the Business Rescue Practitioners does not automatically assure the creditor that they will receive this amount as discrepancies might be found when comparing the amount in the books of the business to the proof of claims received.

Due to the limitations in law, the practitioners did not have the time nor the funds or the *locus standi* to perform a full investigation, due diligence or confirmation audit on the information received nor to employ third parties to verify and scrutinize same.

Please further note that this plan refers to the fact that no legal fees, interest, collection fees or any cost other than the capital amounts can be provided for on the historic debts due to creditors. Only the capital amounts due will be considered in the dividend calculation if such debt is not specifically provided for in this proposed Business Rescue Plan.

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Proxitima - Finance Sheet

Nr	Creditor	Acronym	Capital Amount	Interest & Admin Fees	Legal Fees	Amount Due	% Voting Interest
1	ABSA Agri Loan Facility with Account Number 80-8069/9236	SC	R 4 638 226,99			R 4 638 226,99	1,43%
2	ABSA AVAF loan accounts: 9562-8210, 9562-8287, 9562-8376, 9562-9810 and 9563-0281	SC	R 4 520 105,40			R 4 520 105,40	1,39%
3	BSFT (Inter-Company Loan)	CC	R 93 686 206,88			R 93 686 206,88	28,87%
4	BSFT (Inter-Company Loan)	CC	R 20 592,00			R 20 592,00	0,01%
5	ABSA Mortgage Loan Facility account number: 80-9081-3710	SC	R 2 938 906,99			R 2 938 906,99	0,91%
6	ABSA Overdraft Facility account number: 40-5972-7655	SC	R 10 979 935,16			R 10 979 935,16	3,38%
7	ABSA Overdraft Facility account number: 30-5282-3417	SC	R 24 125 160,98			R 24 125 160,98	7,43%
8	ABSA Term Loan Facility Account Number: 30-5335-7152	SC	R 75 440 446,53			R 75 440 446,53	23,25%
9	ABSA Term Loan Facility Account Number: 30-5382-6288	SC	R 24 823 740,48			R 24 823 740,48	7,65%
10	Bayrac	CC	R 2 019,60			R 2 019,60	0,00%
11	ESKOM	CC	R 1 033 173,97			R 1 033 173,97	0,32%
12	SARS	CC	R 894 605,10			R 894 605,10	0,28%
13	Strydom and Partners	CC	R 133 917,50	R 24 745,81		R 158 663,31	0,05%
14	Sunday's River Water Use Association	CC	R 608 079,92	R 75 376,85	R 678 079,92	R 1 361 536,70	0,42%
15	Humansdorp Co-Op	CC	R 120 247,64			R 120 247,64	0,04%
16	Charles Wodley	SC	R 30 906 783,65			R 30 906 783,65	9,52%
17	Kaap Agri	CC	R 10 575 189,42	R 799 730,59	R 16 376,86	R 11 391 296,87	3,51%
18	Kaap Agri	CC	R 35 314 400,21			R 35 314 400,21	10,88%
19	Sundays River Valley Municipality	CC	R 2 166 253,10			R 2 166 253,10	0,67%
TOTAL		19	R 322 927 991,52	R 899 853,26	R 694 456,78	R 324 522 301,56	100,00%
SUMMARY BY CREDITOR ACRONYM							
SC	Secured Creditors	8	R 178 373 306,18	R -	R -	R 178 373 306,18	54,96%
CC	Concurrent Creditors	11	R 144 554 685,34	R 899 853,26	R 694 456,78	R 146 148 995,38	45,04%
CC	Post Commencement Finance	-	-	-	-	-	0,00%
CC	Disputed Secured Creditors	-	-	-	-	-	0,00%
CC	Disputed Concurrent Creditors	-	-	-	-	-	0,00%
CC	Disputed Post Commencement Finance	-	-	-	-	-	0,00%
TOTAL		19	R 322 927 991,52	R 899 853,26	R 694 456,78	R 324 522 301,56	100,00%

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure C : Company Registration Documents (CoR123.1)



150 "KM3"
COR 123.1



COMPANIES AND INTELLECTUAL PROPERTY COMMISSION REPUBLIC OF SOUTH AFRICA

Date: 29/11/2023
Customer name: JACO DURANDT
Customer code: JA2976
E-mail address: JACO@PE-PARALEGAL.CO.ZA
Rereference Number: 60000866762

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 29/11/2023 for:

Company / Close Corporation Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD
Registration Number: 2001/012801/07
Company / Close Corporation Status: BUSINESS RESCUE

The application was duly registered on 29/11/2023 and the effective date of commencement of business rescue proceedings is recorded as 29/11/2023.

Yours sincerely,

Commissioner: CIPC

The Companies and Intellectual Property Commission of South Africa
P.O Box 429, Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za



2001/012801/07



60000866762

1 of 3

Document issued by the Commissioner of Companies And Intellectual
Property Commission on Wednesday, 29 November 2023 at 11:11

151 "KM3"

Certificate of Confirmation

Registration Number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60



ENTERPRISE INFORMATION

Registration number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD
Registration Date: 18/06/2001
Business Start: 18/06/2001
Enterprise Type: PRIVATE COMPANY
Enterprise Status: BUSINESS RESCUE
Financial Year End: SEPTEMBER
Main business/Main object: FINANCIAL INTERMEDIATION, EXCEPT INSURANCE AND
PENSION FUNDING FINANCIAL INTERMEDIATION, EXCEPT
INSURANCE AND PENSION FUNDING
Tax number: 9015465140
Addresses: Postal Address Address Of Registered Office
P O BOX 130 KANAALPLAAS
KIRKWOOD KIRKWOOD
3363 3363
6120 6120
Company Records Location:



2001/012801/07



60000866762

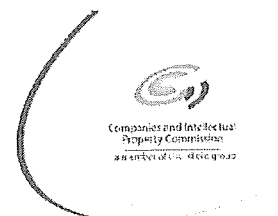
2 of 3

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Document issued by the Commissioner of Companies And Intellectual
Property Commission on Wednesday, 29 November 2023 at 11:11

Certificate of Confirmation

Registration Number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60



Registration Number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

AUDITORS

Name

Postal Address

ACTIVE MEMBERS / DIRECTORS

Full Name	Director Type	ID Number	Appoint. Date	Cellphone Number	Address
SWART MARIKA	DIRECTOR	7401150035080	11/07/2017	0828011505	Postal: PO BOX 378, KIRKWOOD, KIRKWOOD, 3363, 6120 Residential Address: STEENBOK VLAKTE, KIRKWOOD, KIRKWOOD, 3363, 6120
SWART JOHANN	DIRECTOR	7508155153088	14/11/2023	0818039403	Postal: WATERKLOOF FARM, KIRKWOOD, KIRKWOOD, 3363, 6115 Residential Address: WATERKLOOF FARM, KIRKWOOD, KIRKWOOD, 3363, 6115



***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure D : Material List of Assets of the Business

10
10

Fixed Asset Register

Proximitas Investments 60 (Pty) Ltd

Estimated Liquidation Values

No	Asset Description	Value (R)
1	Hemelsvlakte Farm	R 23 452 000,00
2	Waterkloof Farm	R 25 815 000,00
3	Boschkraal Farm	R 60 230 000,00
4	Lafranette Farm	R 27 000 000,00
5	Beginsei Farm	R 7 959 000,00
6	2 x Residential homes	R 1 770 000,00
7	Goodhope Farm B&B	R 20 076 000,00
8	Goodhope Farm (Packhouse)	R 41 967 000,00
9	Moreweg Farm	R 3 837 000,00
10		
11		
R		212 106 000,00

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure E : Certificate of the Business Rescue Practitioners

A handwritten signature in black ink, consisting of a stylized 'N' followed by a horizontal line.

Building 5 | Waterfront Business Park | Pommern Street | Humeral | Port Elizabeth | 6001 | South Africa
PO Box 28302 | Sunridge Park | 6008 | Port Elizabeth | South Africa
C (+27) 82 749 6462 | E info@businessrescue360.co.za | W www.businessrescue360.co.za

156 "KM3"

BR360

3 July 2024

BUSINESS RESCUE CERTIFICATE
In terms of Chapter 6 of the Companies Act, No 71 of 2008
for
Proximitas Investments 60 (Pty) Ltd
With Reg nr: 2001 / 012801 / 07

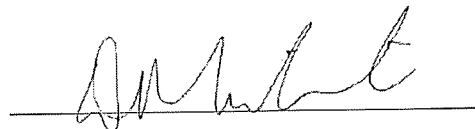
Herewith we, the undersigned appointed Business Rescue Practitioners for the abovementioned company, certify the following with regards to the proposed Business Rescue Plan as published to the affected persons:

1. Any and all actual information provided in the plan appears to be accurate, complete, and up to date.
2. The financial statement projections are estimates made in good faith on the basis of factual information and assumptions provided by the directors, staff or external service providers of the company, and as set out in the statements.
3. Due to the limitations in law, the practitioners did however not have the time nor the funds to perform a full due diligence, confirmation audit on the information received, nor employ third parties to verify and update any outstanding annual financial statements and accompanying tax returns.

Quinton (Pat) Pattinson
Snr Business Rescue Practitioner
patp@businessrescue360.co.za



David Masterton
Experienced Business Rescue Practitioner
davidm@businessrescue360.co.za



Directors: Pat Pattinson HDIP (BUSMAN) (PTP-SA), David Masterton CA (SA) CFE MDP B-BBEE
Geneva Capital Group (GCG) Independent Member Firm. *Business Rescue 360 Cape (Pty) Ltd Reg No 2021/534306/07*



***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure F : Written Fee Agreement (Proposal)

AD
KM

PROPOSAL MADE BY:

Business Rescue 360 (PTY) LTD U/a BR360

2021 / 534306 / 07

*(duly represented by
Quinton Pattinson
and*

David Masterton)

(hereinafter referred to as the "Practitioners")

TO

Business Trading Name : Proximitas Investments
Business Registered Name : Proximitas Investments 60 (Pty) Ltd
Business Registration No : 2001 / 012801 / 07
Contact : J de Lange
Email Address : johannesdl@srvalley.co.za

*(duly represented by Johannes De Lange)
(hereinafter, referred to as "the Client")*

WHEREAS The Client wishes to enter into a professional working agreement with **BR360**, and

WHEREAS **BR360** accepts this request based on the terms as set out in this proposal, and

The parties hereby agree as follows:

PROJECT SCOPE AND FEES

Herewith the proposal of the terms and objectives of our engagement and the nature and limitations of the services that BR360 will provide.

BR360 proposes to perform the following services as requested by the client and report to the client the outcomes resulting from our work. The client upon signature hereof will have agreed to accept the terms as set out for this project by BR360.

PROJECT PURPOSE

To submit the business to voluntary business rescue proceedings in order to facilitate the rehabilitation of the business by providing for the temporary supervision of the business and the development and implementation of a business rescue plan to restructure the affairs and liabilities of the business in a manner that maximises the likelihood of the company continuing in existence on a solvent basis or alternatively provide for a better return to the affected parties than would result from the immediate and traditional liquidation of the business.

PROJECT DESIRED OUTCOME

The desired outcome is the successful implementation of a business rescue process, achieving the goals as set out in the definition of business rescue contained in section 12B(1)(b)(i) to (iii) of the Companies Act (the Act)

Where "Business Rescue" means the proceedings as set out in Chapter 6 of (the Act) to facilitate the rehabilitation of the company that is financially distressed.

PROJECT COSTING

BR360 proposes the following fee structure for the completion of the abovementioned project.

The terms of which are as follows:

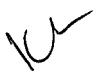
The Business Rescue Practitioner has agreed to be paid a retainer of R 50 000 (Plus VAT) per month, per practitioner for the duration of the business rescue process. This equates to 25 hours per month instead of charging the permitted R 2 000 per hour per practitioner.

1	Overnight charges (per night plus expenses):	Direct cost only
2	Dedicated administrative service provider (per month):	R 5 500
3	Subsistence allowance for travel only (per day)	R 1 500
4	Travel per Kilometer traveled (p/km)	R 8.40

Contingencies:

In terms of the Companies Act Section 143(2), the consultancy will be entitled to contingencies, the consultancy hereby proposes the following:

1. Although the business and the consultancy may reach an agreement in relation to terms for payments and fee structures, it is a requirement in terms of the Companies Act, that the agreed to fees must be approved by creditors at a meeting called for that purpose.
2. The Business Rescue Practitioner will be entitled to receive a R 0.00 (Plus VAT) success fee on the adoption of the proposed business rescue plan.
3. The Business Rescue Practitioner will be entitled to receive a 12.5% dividend on all immovable assets sold as part of the Business Rescue of the Company.
 - a. This is to be shared between all parties involved in a sale including but not limited to Property Practitioners, Auctioneers and lead generators.
4. The Business Rescue Practitioner will be entitled to receive a 12.5 % dividend on all movable assets sold as part of the Business Rescue of the Company.

- a. This is to be shared between all parties involved in a sale including but not limited to Auctioneers and other lead generators.
5. Should the business be sold as a going concern and or the shares or members interest or part thereof be disposed the Business Rescue Practitioner shall be entitled to a commission of 12.5 %.
- a. This is to be shared between all parties involved in a sale including but not limited to Property Practitioners, Auctioneers and lead generators.
6. The Business Rescue Practitioner shall be entitled to a success fee of 0.00 % of any post commencement finance that is raised for the business during the business rescue process or thereafter.
7. The Business Rescue Practitioner will be entitled to receive a R 0.00 (Plus VAT) success fee as soon as he files for substantial implementation of the business rescue process.

AGREEMENT OF TERMS

1. This fee agreement must be read with the terms and conditions as set out in the letter of engagement, memorandum of agreement and any other agreement that may be concluded between the client and the consultancy.
2. All third party and sub-contractor's fees are for the account of the client.
3. Penalty interest equal to the maximum Mora Interest allowed as per the Prescribed Rate of Interest Act (Act No. 55 of 1975) will be levied on all outstanding invoices.
4. The client shall within five (5) working days of receipt of invoices raise any queries it may have in respect of such invoices, whereafter the amounts reflected will be accepted as correct and the client will be barred from raising any further queries.
5. All attorney's debt collectors' costs will also be recovered from the client on the attorney-and-client scale or on the official tariffs applicable to registered debt collectors. This is inclusive of the collection commission costs of the debt collector at a rate of no more than 15% on the full amount outstanding.
6. The client will place all the equipment, not yet secured with any other party of the business, as security and all invoices raised will be considered as secured on this basis.
7. The solvency or insolvency of the client shall have no effect upon the terms of payment of these fees. Reliance will be placed on the security over the assets as per point 5 above and should it not be possible to attach any such items, a deposit will be required to commence work and to secure fees at the onset of the project.
8. The client will be responsible for the payment of the costs relating to the professional indemnity cover for the appointed business rescue practitioner/s. It is a requirement in law that practitioners obtain professional indemnity cover for each individual rescue appointment.
 - a. It is a requirement of our Professional Indemnity Insurance that we limit our liability in regard to professional engagement services provided, to a maximum of two times fees billed for a specific project or matter. The client and BR360, therefore agree and accept that BR360's liability in respect of professional engagements, shall be limited in this way.
9. The submission and payment of any statutory obligations remains the responsibility of the directors/shareholders of the company.

J. Fole Langa

_____ Signature	<i>Johann Siso</i> Name	<u>21/05/24</u> Date	<i>Kirkwood</i> Signed at
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By signing this document, the client confirms that this letter and the contents herein have been brought to their attention, and that the signatories have been duly authorized by the relevant parties to sign this letter on their behalf and the signature confirm the accuracy of the information provided and that BR360 may use this information for invoicing, referencing and marketing purposes.

AL *Km*

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure G : Disclaimer

A handwritten signature in black ink, consisting of a stylized 'D' followed by a horizontal line and a small flourish.

DISCLAIMER

All the affected parties' attention is specifically drawn to the disclaimer provisions set out hereunder:

1. The business rescue practitioners have compiled this proposed business rescue plan¹ based on the information provided to them by, *inter alia* the directors, creditors and third parties which information the business rescue practitioners will endeavour to confirm its accuracy.
2. The BRPs have relied on the information provided and accepted all documents delivered to them as being authentic and a true reflection of the business, its property and its financial situation.
3. However, as a result of the limitations in law and availability of funds and time, the practitioners have not carried out a full confirmation audit of the company's documents as provided, nor have the practitioners had adequate time and/or opportunity to independently verify all the information provided.
 - a. This does not deter from the fact that the practitioners present the information as contained in the proposed business rescue plan as 'reasonable' and 'fair'. Where estimates are made,² these are estimates only, but are made in good faith³ and the practitioners acknowledge that the affected persons must be able to adequately apply their minds when considering the proposed rescue plan and to determine whether or not to vote in favour of the adoption of such plan.⁴
 - b. The business rescue practitioners have taken all reasonable and necessary steps to verify information and data provided to them within the time constraints and resources available to them and the company as provided for in the Act.⁵

¹ Section 150 of the Companies Act 71 of 2008.

² Where forecasts - specifically financial forecasts - are made, they are based on the data made available to the BRPs and in good faith.

³ Section 150 (4) (b) of the Act.

⁴ Section 150 (2) of the Companies Act 71 of 2008.

⁵ Chapter 6 of the Companies Act.



- c. Business rescue is inherently a public affair and the BRPs have a duty to disclose to any affected persons sufficient and accurate information for such affected person and/or creditor to make an informed decision as to the affairs of the company and to vote on the plan. This implies that certain trade secrets, client data and other information will inevitably be made available to affected persons.⁶
- 4. The BRPs have, where relevant, engaged expert third party professionals such as legal advisors, accountants, valuers and financial advisors and have relied on such professional opinions in compiling this proposed business rescue plan.
- 5. The BRPs do not express an opinion outside of their expertise and where relevant, such opinions are informed by advice received from the relevant professional.
 - a. Any such statement of opinions expressed by the BRPs are so given in good faith and based on the information the BRPs believe to be true and correct.
- 6. The BRPs do not accept any responsibility, in any way whatsoever, to any party in respect of any errors that may be the result of incorrect information that was provided to them and used in this proposed business rescue plan.
- 7. All affected parties are advised to obtain independent legal opinion in respect of the content of this plan. Should they require such opinions, the BRPs cannot advise an affected person, as such action may be deemed to be prejudicial.
 - a. Nothing contained in this proposed business rescue plan shall be deemed to constitute legal 'advice'. Although reference is made to the Companies Act and various other forms of legislation, the BRPs hereby confirm that they are not attorneys and the opinions given and statements made are simply their understanding of the law and such statements/opinions are given without prejudice.

⁶ The Protection of Personal Information (POPI) Act, as an essential data protection legislation, acknowledges the need for businesses to safeguard personal information and trade secrets. In compliance with the Act's requirements, balanced with the Companies Act requirements, certain elements of personal information or proprietary knowledge may be included within the business rescue plan to ensure its validity and efficacy.


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8. The Act⁷ compels the BRPs to investigate the affairs of the company, however the BRPs do not have powers like that of a liquidator to subpoena witnesses and interrogate them. The investigations into the affairs of the company are based on the information provided and the documents made available to the BRPs, by those willing to provide such information.
9. All notifications made to affected parties and particularly the creditors, are based on the information provided to the BRPs by the directors and as extracted from the accounting records made available to the BRPs. The BRPs have taken all reasonable and necessary steps to determine who are affected persons and given such persons due notice.
10. The BRPs have contacted all the affected persons, known to them, that might have a claim against the business via email and/or telephone.
11. This proposed business rescue plan will be binding on all creditors should a successful vote on the plan be achieved in terms of the Act.⁸

⁷ Section 141 of the Companies Act 71 of 2008.

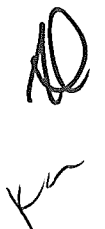
⁸ Section 152 of the Companies Act 71 of 2008.



***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure H : Draft Liquidation and Distribution Account

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**DRAFT LIQUIDATION AND DISTRIBUTION ACCOUNT
FOR THE AFFECTED PERSONS OF**

**Proximitas Investments 60
(Pty) Ltd**

Registration nr: 2001 / 012801 / 07

*For the purposes of displaying the proposed scenario should
Proximitas opt to liquidate*

**Please bear in mind that the information contained herein is as received from the business, its management, accountants and other parties. Claims included in the LND account are as received by the affected persons and have not been fully scrutinised, but for the purposes of this exercise, the LND account appears to be a relatively accurate description of the facts and the draft is prepared in good faith. Furthermore, it is not a complete LND account in that it does not provide for specific properties belonging to a specific account number – secured creditors are bundled together in an attempt to simplify the account and to show an estimate of what can be expected in a liquidation scenario as opposed to a Business Rescue.*



Encumbered Asset Account Number 1: Proceeds of the sale of the farms (Boschkraal, Beginsel, Goodhope B&B and Goodhope Farm)
 sold in favour of ABSA BANK under the various Accounts and Bonds - Instalment sale and Bonds

Receipts

Description	VAT	Receipts
-------------	-----	----------

Boschkraal, Beginsel, Goodhope B&B and Goodhope Farm Sold, based on the values received by the independent valuers	R15 986 782,61	R130 232 000,00
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Totals		R130 232 000,00
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Section 89 Costs

Description	VAT	Payments
-------------	-----	----------

Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R168 848,59
Bond Cost per Pro-rata Schedule	R16 017,26	R122 798,98
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R1 915 259,74	R14 683 658,00
Pro - Rata Insurance	R14 415,53	R110 519,08
Auctioneers Commission	R1 698 678,26	R13 023 200,00
Pro - Rata Auctioneers Advertising Cost	R6 006,47	R46 049,62
SARS VAT per this Account		R13 336 405,35
Totals		R41 491 479,62

Output VAT (Received)	R15 986 782,61
Input VAT (Paid)	R3 650 377,26
SARS VAT per this account	R13 336 405,35

Positive Means owing to SARS

Total Available for Distribution	R88 740 520,38
Total Due to Creditor	R147 466 522,53
Proposed Dividend (cents in the rand)	60,18
Shortfall	R58 726 002,15

Encumbered Asset Account Number 2: Proceeds of the Farm Hemelsvlakte
sold in favour of Kaap Agri in terms of their Bond

Receipts

Description	VAT	Receipts
Proceeds of the Farm Hemelsvlakte, per the independent valuation done	R3 058 956,52	R23 452 000,00
Totals		R23 452 000,00

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R30 406,02
Bond Cost per Pro-rata Schedule	R2 884,37	R22 113,47
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R344 897,35	R2 644 213,00
Pro - Rata Insurance	R2 595,93	R19 902,12
Auctioneers Commission	R305 895,65	R2 345 200,00
Pro - Rata Auctioneers Advertising Cost	R1 081,64	R8 292,55
SARS VAT per this Account		R2 401 601,59
Interest payable - if applicable (not deducted as a 589 cost just listed here to show calculation.		-
Totals		R7 471 728,76

Output VAT (Received)	R3 058 956,52
Input VAT (Paid)	R657 354,93
SARS VAT per this account	R2 401 601,59
Positive Means owing to SARS	

Total Available for Distribution	R15 980 271,24
Total Due to Creditor	R45 889 589,63
Proposed Dividend (cents in the rand)	34,82
Shortfall	R29 909 318,39

Free Residue Account

Receipts

Description	VAT	Receipts
Remainder of the Unsecured Immovable Assets sold, Subject to the Valuation done by the Independent party	R7 620 260,87	R58 422 000,00
Totals		R58 422 000,00

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R75 745,38
Bond Cost per Pro-rata Schedule	R7 185,33	R55 087,55
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R859 184,41	R6 587 080,50
Pro - Rata Insurance	R6 466,80	R49 578,80
Auctioneers Commission	R762 026,09	R5 842 200,00
Pro - Rata Auctioneers Advertising Cost	R2 694,50	R20 657,83
Legal Fees	R24 130,43	R185 000,00
Second meeting adverts	R58,70	R450,00
Inspection and confirmation adverts	R71,74	R550,00
Bank Charges	R163,04	R1 250,00
Pettes, postage and stationery	R37,17	R285,00
SARS VAT per this Account		R5 958 242,65
Totals		R18 776 127,71

Output VAT (Received)	R7 620 260,87
Input VAT (Paid)	R1 662 018,22
SARS VAT per this account	R5 958 242,65
Positive Means owing to SARS	

Total Available for Distribution	R39 645 872,29
Total Due to Creditors who will share in Free Residue	R218 207 199,90
Proposed Dividend (cents in the rand)	18,17
Shortfall	R178 561 327,61

Pro Rata Master's Fees

Asset Account:	Total Assets:	Master's Fee:
EAA 1	R130 232 000	R168 846,59
EAA 2	R23 452 000	R30 406,02
Free Residue	R58 422 000	R75 745,38
Total Asset Value:	R212 106 000	R275 000

Calculate Total Masters Fee

212106000			
211956000	R1 000		R1000 for 1st R150 000
42391,20	R274 000		R275 for Each R5 000
Total Master's Fee	R275 000		

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**Pro Rata Insurance Cost**

Asset Account:	Total Assets:	Insurance
EAA 1	R130 232 000	R110 519,08
EAA 2	R3 452 000	R19 902,12
EAA 3	RO	RO,00
EAA 4	RO	RO,00
EAA 5	RO	RO,00
EAA 6	RO	RO,00
EAA 7	RO	RO,00
EAA 8	RO	RO,00
Free Residue	R59 422 000	R49 578,80
Total Asset Value:	R212 106 000	R180 000

Encumbered Asset Account Number 1

Sale amount	%	Standard Commission		
130 232 000,00	10	13 023 200,00		
	Vat on Sale			
Sale Ex VAT	113 245 217,39			
Sale VAT	16 986 782,61	2 548 017,39		
		254 801,74		
Commission ex VAT		12 768 398,26		
Commission Inc VAT		14 683 658,00	X VAT	VAT
			12 768 398,26	1 915 259,74

Encumbered Asset Account Number 2

Sale amount	%	Standard Commission		
23 452 000,00	10	2 345 200,00		
	Vat on Sale			
Sale Ex VAT	20 393 043,48			
Sale VAT	3 058 956,52	458 843,48		
		45 884,35		
Commission ex VAT		2 299 315,65		
Commission Inc VAT		2 644 213,00	X VAT	VAT
			2 299 315,65	344 897,35

Free Residue Account

Sale amount	%	Standard Commission		
58 422 000,00	10	5 842 200,00		
	Vat on Sale			
Sale Ex VAT	50 801 739,13			
Sale VAT	7 620 260,87	1 143 039,13		
		114 303,91		
Commission ex VAT		5 727 896,09		
Commission Inc VAT		6 587 080,50	X VAT	VAT
			5 727 896,09	859 184,41

Total Trustees Fees:

23 914 951,50

VAT Schedule

Account	Output VAT	Input VAT	Payable / Refund
Encumbered Asset Acc 1	R16 986 782,61	R3 650 377,26	R13 336 405,35
Encumbered Asset Acc 2	R3 058 956,52	R657 354,93	R2 401 601,59
Encumbered Asset Acc 3	R0,00	R0,00	R0,00
Encumbered Asset Acc 4	R0,00	R0,00	R0,00
Encumbered Asset Acc 5	R0,00	R0,00	R0,00
Encumbered Asset Acc 6	R0,00	R0,00	R0,00
Encumbered Asset Acc 7	R0,00	R0,00	R0,00
Encumbered Asset Acc 8	R0,00	R0,00	R0,00
Free Residue	R7 620 260,87	R1 662 018,22	R5 958 242,65

Totals	R27 666 000,00	R5 969 750,41	R21 696 249,59
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Payable to SARS if positive, Refund from SARS if negative

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DISTRIBUTION ACCOUNT

No	Creditor	Claim Amount	Secured claim	Secured award	Preferent claim	preferent award	Concurrent claim	Concurrent award	Deficiency
1	AESA	R 147 466 522,53	R 147 466 522,53	R 63 740 520,36			R 58 726 002,15	R 10 570 680,39	R 48 155 321,76
2	KAAP Agri	R 45 889 589,63	R 45 889 589,63	R 15 980 271,24			R 29 909 318,39	R 5 388 677,31	R 24 525 641,08
3	Concurrent Creditors	R 218 207 199,90					R 218 207 199,90	R 39 277 295,98	R 178 929 903,92
Total		R 411 681 812,06	R 193 356 112,16	R 104 720 791,62	R -	R -	R 306 842 520,44	R 55 231 653,68	R 251 610 866,76

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***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure I: Projected Financials

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Proximitas Investments 60 (Pty) Ltd	2024
	TOTAL
Revenue Exports	80 742 698
Revenue Local	20 409 906
Cost os sales Exports	56 519 889
Cost os sales Local	10 080 000
Commission - Blue Crane Exports	807 427
Gross profit	33 745 288
Total GP	33 745 288
GP %	41,79%
Other Income	6 085 623
Guesthouse Sumareast	311 140
Insurance Claim	180 530
Profit on sale of assets	5 593 953
Expenses	29 727 812
Accounting fees	112 250
Advertising	-
Bad debts	-
Bank charges	238 508
BRP fees	2 100 000
Computer expenses	15 000
Consulting fees	18 526 500
Consumables B&B	26 427
Courier	75 000
Depreciation	1 828 295
Electricity & water	3 235 099
Entertainment	-
General expenses	-
Insurance	1 403 960
Cleaning	-
Legal fees	150 000
Loss on sale of assets	-
Medical expenses	-
Member remuneration	-
Motor vehicle expenses	110 000
Office equipment	-
Payroll system	-
Petrol/diesel	-
Printing & stationery	25 000
Provident fund	-
Rent	337 522
Repairs and maintenance	500 000
Salaries & wages (fixed)	873 635
Staff garnishees	-
Staff training	-
Staff transport	-
Staff welfare	21 453
Security	56 600
Subscriptions	1 142
Telephone & internet	91 421
Travel & accommodation	-
Uniforms/safety	-
Union fees	-
Workmen's Compensation	-
Net income before depreciation and finance costs	10 103 099
Depreciation / Asset Repayment	-
Finance expenses	10 355 415
Finance costs	10 355 415
Interest paid	-
Net Income	-252 316
NP%	-0,31%
Taxation Payable	-
Net Income after Taxation	-
BR repayments (historical debt)	-
Net cash flow	-252 316

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BALANCE SHEET FOR:

Proximitas Investments 60

	2025	Estimation 2024
ASSETS		
Non-current assets	104 105 025	155 434 983
Property, plant and equipment	103 636 232	105 232 451
Loan receivable		1 240 521
Fixed deposits		-
Related party borrowings	-	48 493 218
Other non-current assets	468 793	468 793
Current assets	27 728 353	27 561 104
Trade receivables	13 145 092	27 561 104
Other receivables and prepayments		-
Inventory on hand		
Loan to director/shareholder		
Cash and cash equivalents	14 583 261	-
Current tax receivable		-
Total Assets	131 833 378	182 996 087
EQUITY AND LIABILITIES		
Equity	37 729 265	35 196 346
Share capital/ Members contributions	3 110 100	3 110 100
Retained earnings/ (Accumulated loss)	32 113 216	32 338 562
Revaluation reserves	2 505 949	-252 316
Non-current liabilities	93 904 113	93 904 113
Loans payable		
Long-term borrowings	-	-
Loans from director/shareholder	-	-
Related-party borrowings	93 904 113	93 904 113
Deferred tax		-
Current liabilities	-	53 895 628
Current portion of long-term borrowings		-
Vat Clawback		894 695
SARS	-	42 470 605
Creditors claim	-	10 530 328
ABSA Bank	-	
Total Equity and Liabilities	131 633 378	182 996 087





ANNEXURE J

To Whom It May Concern

This annexure is attached to all proposed business rescue plans to provide a summary of how the group will be rehabilitated and to reiterate the interconnectedness of the group. It serves as a high-level overview and cannot be read in isolation from the respective business rescue plans.

The four entities in business rescue will each naturally require their own business rescue plans to be published, voted on, and adopted by their creditors. The trust will simply present a proposal to its creditors with the hope that this proposed plan is accepted to the extent that it is reasonable to be implemented by the trustees and other key decision-makers.

It is the view of the practitioners that if they are allowed to implement these business rescue plans, together with the rehabilitation of the trust, all creditors will be substantially better off in comparison with a liquidation or sequestration of any of these entities.

The practitioners further acknowledge that the plans are potentially premature and that it may be necessary to publish amended plans in the future. The publication of these plans is necessitated by the insistence from creditors that the publication of the business rescue plans cannot be delayed. Should the practitioners have had the time to fully investigate the respective entities, additional information would have been shared.

The outcomes of these plans would not materially change the projected dividends paid to creditors.

In order to fully investigate the affairs of the group, the practitioners need to perform a "mini forensic audit" on the respective entities, and at best, this would take another 6 months once all information is received by the practitioners. It is important to note that we have requested the information and have gone to the extent of formally requesting some information via our attorneys Fluxmans without the courtesy of a reply.

The practitioners however agree that it is not reasonable for creditors to wait for this before publishing any plans.

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1. DEFINITIONS:

- 1.1. "**Act**" means the Companies Act 71 of 2008 as amended;
- 1.2. "**Affected Persons**" means affected persons as defined in Section 128 (1) of the Act and in relation to the Company means a shareholder, creditor and the employees of the Company;
- 1.3. "**Assets**" means all assets of the Business as reflected in the books of account of the Business as at the commencement date;
- 1.4. "**Auction Value**" means an estimate of the realisable value of the Business assets on a public auction where a sale is concluded upon the fall of the hammer, to the highest cash bidder during an auction, reasonably well advertised and attended by members of the public;
- 1.5. "**BRP/s**" means Pat Pattinson and David Masterton as defined in Regulation 126 to the Act;
- 1.6. "**Business Rescue**" means the proceedings in terms of Chapter 6 of the Act and as defined in Section 128 (1)(b);
- 1.7. "**Creditor/s**" means all legal entities, including natural persons, having secured, preferent and/or concurrent claims against the Business as at the commencement date as envisaged in the Insolvency Act;
- 1.8. "**Concurrent Creditors**" means creditors having concurrent claims as envisaged in the Insolvency Act;
- 1.9. "**Commission**" means the Companies and Intellectual Property Commission of South Africa which is a division of the Department of Trade and Industry and is responsible for the register of companies in South Africa;
- 1.10. "**Historic Debt**" means the debt owed by the Business as at the date of filing;
- 1.11. "**Independent Creditors**" means all Creditors having Claims against the Business other than creditors related to the Business and its subsidiaries and/or directors;

- 1.12. **"Insolvency Act"** means the Insolvency Act 24 of 1936 as amended;
- 1.13. **"Legal Moratorium"** means the moratorium granted by section 133 of the Act in terms of which no legal action against the Business can be commenced;
- 1.14. **"Moratorium period"** means the period after the publication of the business rescue plan during which the Business proposes to make no payments towards the historic debts;
- 1.15. **"PCF"** means Post Commencement Financing provided by a financier to the Company as envisaged in terms of section 135 of the Act;
- 1.16. **"Preferent Creditors"** means creditors having preferent claims as envisaged in terms of the Insolvency Act;
- 1.17. **"Proceedings"** means business rescue proceedings as provided for in Chapter 6 of the Act;
- 1.18. **"Proof of Claim"** means the full and total claim of a Creditor against the Business, in the specified format provided by the BRP/S subject to the final approval by the BRP/S;
- 1.19. **"Related Parties"** means, as provided in Section 2 of the Act, all persons and/or companies and/or legal entities related either directly or indirectly to the Business as at the Commencement Date;
- 1.20. **"Secured Creditors"** means creditors having secured claims as envisaged in the Insolvency Act;
- 1.21. **"Statutory Obligations"** means, the legally mandated duties and responsibilities that directors must fulfil in their role as custodians of the company. These obligations are designed to promote good corporate governance, transparency, accountability, and the protection of the interests of the company, its shareholders, employees, and creditors. These obligations include, but are not limited to, any and all submissions to SARS, provident funds, bargaining councils and other statutory bodies;



2. EXECUTIVE SUMMARY:

2.1. The shareholders, members, directors and trustees together with their legal and financial advisors met with Pattinson, Masterton and Durandt during the course of November 2023 on several occasions. The respective financial distresses of the entities were discussed and based on the information provided at that time the shareholders, members, directors and trustees together with their legal and financial advisors of the entities decided to submit the businesses to formal business rescue proceedings and to provide Mr Masterton with a power of attorney to act on behalf of the trust to facilitate the rehabilitation of the group.

2.2. The group consists of the following five entities :

- 2.2.1. Blackie Swart Family Trust with Reg No: IT 390 / 2004
- 2.2.2. Blue Crane Exports CC, Reg No: 2011 / 060809 / 23 (in BR)
- 2.2.3. Proximitas Investments 60 (Pty) Ltd, Reg No: 2001 / 012801 / 07 (in BR)
- 2.2.4. Tracto Trading 100 CC, Reg No: 2011 / 077156 / 23 (in BR)
- 2.2.5. Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd, Reg No: 2017 / 318606 / 07 (in BR)

3. INFORMATION RECEIVED FROM VARIOUS STAKEHOLDERS:

3.1. The information received from the shareholders, members, directors and trustees cannot be relied on as the practitioners have discovered inconsistency from their very basic investigation into the entities.

3.2. The writer will furnish only select high-level examples to substantiate this assertion, recognizing that further investigation and confirmation by the practitioners are necessary.

3.2.1. It is common practice for these entities not to separate expenses and to simply capture the expenses into the account of whatever business indicated a profit, irrespective of whether that entity actually made the payment or benefited from the expense incurred.

3.2.2. Loan accounts between the entities do not correspond to each other for the same periods.



- 3.2.3. Asset registers do not match between what was contained in the financials versus the information provided by senior management and what could be found on the ground.
- 3.2.4. The trial balances don't balance, with significant suspense accounts, some opening balances carry these suspense accounts forward.
- 3.2.5. There are connected loan accounts in the AFS from entities not connected to the entities and where transactions were settled years ago.
- 3.2.6. The entities are unable to provide the most basic source documents for both assets and liabilities; this extends to Section 45 documents for connected loans, substantial purchases and expenses incurred.
- 3.2.7. In some cases, the line items on the asset register refer to the entities where these assets were purchased from, and provide no description of the asset itself. Substantial personal purchases were also captured and written off in the business.
- 3.2.8. It is a concern that the holiday home was purchased in the trust and that all furniture and fittings may have been expensed in an incorrect manner.
- 3.2.9. The entities were unable to provide any copies of payslips for salaried staff, and the practitioners were informed that this was never done.
- 3.2.10. Payments to external businesses were captured to loan accounts, but when this was questioned, the practitioners were informed that these payments were not loans but for the payment of invoices. The practitioners have asked for these invoices since early December without any being provided to date.
- 3.2.11. A substantial amount of information has been requested from both senior management and the accountant and remains outstanding. This information should be at the fingertips of any businesses and readily available.
- 3.2.12. Virtually no response has been received from formal Letters of Demand in relation to the connected loan accounts to individuals.



3.2.13. The practitioners have been unable to secure copies of the latest signed AFS's, with some AFS's outstanding since 2021 and no signed AFS for Steenbokvlakte can be presented. This has resulted in some submissions being outstanding to SARS.

3.2.14. Immediately before the commencement of the rehabilitation processes, some retrenchments were initiated, whilst senior management knew they did not have the funds to settle these retrenchment packages.

3.2.15. The practitioners were originally informed that no funds would be needed for the 2024 harvest as the business had secured funding from one of their overseas clients as part of an equity transaction. The practitioners communicated with this investors who were just as surprised with the statement as the practitioners.

3.3. The above is not intended to insinuate any wrong doing or to lay any blame, it is simply to motivate that substantial investigations is still do be done.

4. SECTION 141 INVESTIGATION:

4.1. Some irregularities have been found and will be reported to the appropriate authorities for further investigation once the internal investigations are complete. The seriousness and nature of some of these matters do not allow for the practitioners to openly discuss them at this point in time.

4.2. Where possible, these findings will be shared with affected persons as and when prudent to do so.

4.3. It is however necessary for the respective financials to be updated and corrected in order for them to be used to facilitate the Section 141 investigation.

4.4. It can, however, be stated that the outcomes of these investigations will not materially affect the dividends that are intended to be paid to creditors.



5. POST BUSINESS RESCUE OBLIGATIONS:

5.1. It has been determined that substantial irregularities have become evident on the annual financial statements provided to the practitioners and in some instances these financials have not been completed and or submitted to the CIPC or SARS. This must be corrected and any debt and or penalties and fines will have to be paid by the respective entities in full as they will not be subject to any compromise in terms of Chapter 6 of the Companies Act.

5.1.1. It is estimated that this process could take as much as 12 months in order to correctly state the current and future affairs of the business.

5.2. Based on the partial information that has been shared with the practitioners to date, it is clear that additional investigations into the respective entities affairs, business, property, and financial situation would be required.

5.2.1. The delay in this respect is predominantly the financials of the entities that needs to be corrected and or completed.

5.2.2. Based on their interactions with senior management and trustees, the practitioners have identified significant doubts about the current leadership's business acumen and their capacity to manage a group of this size. Consequently, it is necessary to recruit an external Chief Executive Officer and Chief Financial Officer, as well as to appoint a Chief Operating Officer. Consideration may be given to existing staff for the COO position.

5.2.3. Additionally, the hierarchy must be reshuffled to appropriately size the group. This process will include realigning staff roles and is likely to involve some retrenchments and changes in positions.

6. REASON FOR CURRENT FINANCIAL DISTRESS:

6.1. From the onset, the practitioners were informed that the financial distress of the respective entities was the result of a poor harvest caused by black spots, excessive rainfall, and other natural occurrences that negatively affected the exported fruit. The affected fruit was then rejected by the overseas clients; it had to be repacked and redirected at a substantial cost to the company, resulting in financial losses.



6.2. It is, however the view of the writer that the given explanation for financial distress is not factually accurate. While it is true that black spots were discovered and the fruit was rejected, repacked, and redirected, this was not due to natural occurrences as inferred by the management of the respective entities. The practitioners believe that the black spots were largely the result of poor farming practices, which in turn were due to insufficient funding provided to the farm managers and their teams. The lack of funds and the reason for the ultimate financial distress should be attributed to the failure of senior management, who allocated funds towards purchasing additional farms, that required substantial funding to purchase and then maintain. They further expended resources on non-income-generating assets such as holiday homes, personal homes, and other non-business-related expenses.

6.2.1. This will be investigated and reported in accordance with Section 141 of the Companies Act.

6.3. Had senior management not incurred these costs, sufficient funds would have been available for proper spraying, weeding, fertilization, and other necessary farming activities and the funding of exports, including but not limited to paying freight forwarders and shipping companies. It was the neglect of these essential practices that created conditions conducive to the development of black spots and other issues leading to the rejection of the fruit.

6.4. However, this requires that the rehabilitation of the entities focuses on proper farming practices. By way of a simple example: Valencia fruit should be harvested at around 40 to 45 tons per hectare. The current yield for the farms is between 11 and 12 tons per hectare. (The previous record yield from these farms was 56 tons.) Although this yield provides a breakeven for the respective farms, it is insufficient to cover the costs of the businesses while unrelated expenses must also be met.

6.5. The rehabilitation of the businesses thus requires a two-pronged approach. The first step is the sale of all unrelated and non-contributing immovable assets. This will not only generate an immediate cash injection but will also reduce the monthly costs for the businesses in terms of insurance, electricity, water, staff, and other recurring expenses. These savings can then be redirected to the farming activities of the businesses and possibly to the repayment of historical debt. The second, and probably most crucial step, is the re-implementation of

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proper farming practices. It is projected, and confirmed by external parties, that the business could increase its yield from 11 to 12 tons per hectare to around 30 tons with relative ease. The cost savings from the sale of immovable assets will be sufficient for this purpose. The actual income from the sales could then be allocated to the creditors.

7. PROPOSED REHABILITATION PROCESS:

7.1. Blue Crane Exports CC:

7.1.1. Blue Crane is a CC that was purely used for exporting the fruits and, as such, held all of the certifications and licencing required for the farms to export.

7.1.2. It is the writer's view that this entity is the biggest inhibitor of the group's rehabilitation process. This entity has no material assets, and several loans were incurred by the connected entities to pay for the operations of this entity. Additionally, the services of an external freight company were used to assist with the exports and paid by the trust for work that was to be done by Blue Crane.

7.1.3. It must further be noted that almost all licensing and certification that are to be maintained by Blue Crane have lapsed, and the practitioners were tasked with renewing these in order to export the 2024 harvest.

7.1.4. Another point of concern is that the staff member (employed by the trust) charge with the exporting and freight operations of Blue Crane is also the managing director of the external company used to assist Blue Crane.

7.1.5. The total debt of Blue Crane to its creditors is in excess of R 44m. It is thus the intention of the practitioners to provide a business rescue plan that will be more advantageous than the immediate and traditional liquidation of Blue Crane and base payments on the R 45.347m owed to it (of which we envisage around R4.6m is collectable) by other entities within the group. Failing this, Blue Crane will be liquidated.

7.1.6. The services previously provided by Blue Crane have been outsourced to a new and truly independent service provider and are being performed at a substantial cost saving.

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7.1.7. During the rehabilitation process, Blue Crane will receive 1% (one) of total turnover from all connected entities to finance its operations and business rescue costs in order to use the certification currently held by Blue Crane.

7.1.8. Once the business rescue process for Blue Crane has concluded, the business will be handed back to its member for continued operations or its closure.

7.2. Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd:

7.2.1. Steenbokvlakte is one of the trading entities and owns two farms where citrus is being grown for the group. These farm contributes only a small portion to its turnover and future growth plans would have seen these farms as substantially better contributors, but under the current circumstances the group cannot afford the cost of developing these farms and they are both currently running at a loss.

7.2.2. These farms are:

7.2.2.1. Look Out with a market value of R 7 176 000 and a forced sale value of R 4 305 000.

7.2.2.2. Steenbokvlakte with a market value of R 6 545 000 and a forced sale value of R 3 927 000.

7.2.3. The proposal to creditors are to sell both farms in order to settle the debt of this business.

7.2.4. The total debt of the business is about R 3 137 887.

7.2.4.1. Of this about R 3 082 730 is owed to Blue Crane and must be paid to Blue Crane from the proceeds of the sale to settle its debts.

7.2.4.2. The remaining R 55 157 is owed to SARS and the Sundays River Water Use Association and will be paid in full from the proceeds of the sales.

7.2.4.3. In addition to the above, the farm Steenbokvlakte stand as security to Kaap Agri for the amount of R 10 575 189. This is security only and the debt originates from the Blackie Swart Familie Trust.

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7.2.4.3.1. However, it is a valid security and as such the income from the sale of this farm will be held in trust until this portion of the debt is settled by the trust.

7.2.5. Should enough income be generated from the sale of Look Out to settle all of the debt of this business, it would be beneficial for the business to keep Steenbokvlakte as this portion is used for the manufacturing of organic fertiliser.

7.2.5.1. It is a requirement to use only organic fertiliser and it is substantially cheaper to manufacture this inhouse. This will also become the main income for the business as it will sell the fertiliser to the rest of the group as an independent entity divorced from the rest of the group.

7.2.5.2. All surplus funds will be used to reduce the indebtedness of ABSA bank based on the various securities it holds on the group. It might be agreed with ABSA on an ad hoc basis to make some funds available for the continued trade of the respective entities.

7.2.6. Irrespective of the above, it is clear that the sale of the immovable assets of Steenbokvlakte is sufficient to settle all its debt and security obligations.

7.2.6.1. Any surplus funds will then be used to settle the indebtedness of ABSA bank as a result of their various securities.

7.2.7. No compromise to creditors is envisaged and all statutory obligations will be honoured in full including but not limited to VAT Claw Back (if applicable) and Capital Gains Taxes.

7.2.8. Staff will be transferred to the new owners of the respective farms and this combined with other cost savings will assist with reducing the financial drain on the group.

7.2.9. The income generated from this year's harvest will be used for operating expenses and will not be used to settle creditors.

7.2.10. Please note that all assets that is to be sold will be done in terms of section 134 of the Companies act, thus the waterfall of payments will start with any party that holds a valid security over such an asset.



7.2.11. Once the business rescue process for Steenbokvlakte has concluded, the business will be handed back to its shareholders for continued operations or its closure.

7.3. Tracto Trading 100 CC:

7.3.1. Tracto Trading 100 is one of the trading entities and owns four immovable assets. This includes two farms where citrus is being grown for the group and two portions of land that generates no income for the business.

7.3.2. These farms do contribute to the operations of the business, but are located in the Addo area making it difficult to manage and costly to get the products to the packhouse. With the agreement of senior management of the group, these two farms were identified to be sold in the first round of sales.

7.3.3. These farms are:

7.3.3.1. Imithana with a market value of R 18 270 000 and a forced sale value of R 10 962 000.

7.3.3.2. Middelpoos with a market value of R 21 830 000 and a forced sale value of R 13 100 000.

7.3.4. The portions of Land:

7.3.4.1. Section 1 – Chateke, no valuation was done on this immovable property as the practitioners only became aware of them some time into the rescue process.

7.3.4.2. Section 2 – Chateke, no valuation was done on this immovable property as the practitioners only became aware of them some time into the rescue process.

7.3.4.2.1. An offer has been presented to the practitioners for these two portions for about R 5,2m and as this is more than what was originally paid for them these offers will be accepted.

7.3.5. The total debt of the business is about R 1,385,064

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7.3.5.1. Of this about R 1 012 851 is owed to Blue Crane and must be paid to Blue Crane from the proceeds of the sale to settle its debts.

7.3.5.1.1. All other intercompany loan accounts will be subordinated for the benefit of creditors and securities.

7.3.5.2. The remaining R 372,213.66 is owed to SARS, the Sundays River Water Use Association and ESKOM these creditors will be paid in full from the proceeds of the sales.

7.3.5.3. In addition to the above, Kaap Agri hold additional securities in the form of an acknowledgement of debt for the amount of R 10 575 189 in this entity. This is security only and the debt originates from the Blackie Swart Familie Trust.

7.3.5.3.1. However it is a valid security and as such the income from the sale of this farm will be held in trust until this portion of the debt is settled by the trust.

7.3.5.4. Further to the above, the farms Middelpoos and Imithana stands as security to Mr Charles Wooley for the amount of R 30 906 783. This is security only and the debt originates from the Blackie Swart Familie Trust.

7.3.5.4.1. However it is a valid security and as such the income from the sale of this farm will be held in trust until this portion of the debt is settled by the trust.

7.3.5.5. All surplus funds will be used to reduce the indebtedness of ABSA bank based on the various securities it holds over the group. It might be agreed with ABSA on an ad hoc basis to make some funds available for the continued trade of the respective entities.

7.3.6. Irrespective of the above, it is clear that the sale of the immovable assets of Tracto Trading is sufficient to settle all its debt and security obligations.

7.3.6.1. Any surplus funds will then be used to settle the indebtedness of ABSA bank as a result of their various securities.


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7.3.7. No compromise to creditors is envisaged and all statutory obligations will be honoured in full including but not limited to VAT Claw Back (if applicable) and Capital Gains Taxes.

7.3.8. Staff will be transferred to the new owners of the respective farms and this combined with other cost savings will assist with reducing the financial drain on the group.

7.3.9. The income generated from this year's harvest will be used for operating expenses and will not be used to settle creditors.

7.3.10. Please note that all assets that are to be sold will be done in terms of section 134 of the Companies act, thus the waterfall of payments will start with any party that holds a valid security over such an asset.

7.3.11. Once the business rescue process for Tracto Trading has concluded, the business will be handed back to its member for continued operations or its closure.

7.4. Proximitas Investments 60 (Pty) Ltd:

7.4.1. Proximitas Investments is one of the trading entities and owns 11 immovable assets. This includes no less than 8 farms where citrus is being grown, one hunting farm and at least two residential homes.

7.4.2. The 8 citrus farms do contribute to the operations of the business, but the hunting farm and all residential properties are non-income generating and will be sold as part of the business rescue process.

7.4.2.1. Additionally 5 of the 8 farms have been identified to also be sold as their contribution does not warrant continued ownership and with the agreement of senior management of the group, these 5 farms were identified to be sold in the first round of sales.

7.4.2.1.1. Hemelsvlakte with a market value of R 39 087 000 and a forced sale value of R 23 452 000.

7.4.2.1.2. Waterkloof with a market value of R 43 026 000 and a forced sale value of R 25 815 000.



7.4.2.1.3. Boschkraal with a market value of R 100 380 000 and a forced sale value of R 60 230 000.

7.4.2.1.4. Lafranette with a market value of R 45 000 000 and a forced sale value of R 27 000 000.

7.4.2.1.5. Beginsel with a market value of R 12 658 000 and a forced sale value of R 7 959 000.

7.4.3. Thus a total value for the above of R 240 151 000 market value and R 144 456 000 forced sale value.

7.4.4. In addition to the above farms, there are also two residential properties that will be sold and is valued at R 2 950 000 market value and R 1 770 000 forced sale value.

7.4.4.1. It would be prudent to mention that an offer on one of these properties have been received for R 1 680 000.

7.4.5. The total debt of the business is about R 274,872,148.79 of which about R 93,706,798 is for interconnected company loans that will be subordinated for the benefit of creditors.

7.4.6. The total creditors debt is thus about R 181 165 350.

7.4.7. It is the intention of the practitioners to sell the 5 identified farms and two residential properties to settle the debt of the entity.

7.4.7.1. ABSA bank is by far the largest creditor of Proximitas Investments and it would be suggested that we only settle 70% of their debt and allow the business to continue trading and to then settle the remaining debt in the remaining time on the respective loan agreements.

7.4.7.2. All creditors, including the 70% of ABSA debt will be settled from the sale of assets in proportion.

7.4.8. The income generated from the 2024 harvest will then be used for operating expenses and the repayment of the remaining ABSA debt.

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7.4.9. Considering the above, it is clear that the sale of the identified immovable assets of Proximitas Investments is sufficient to settle all its debt and security obligations.

7.4.9.1. Any surplus funds will then be used to settle the indebtedness of ABSA bank as a result of their various securities.

7.4.10. No compromise to creditors is envisaged and all statutory obligations will be honoured in full including but not limited to VAT Claw Back (if applicable) and Capital Gains Taxes.

7.4.11. Staff will be transferred to the new owners of the farms and this combined with other cost savings will assist with reducing the financial drain on the group.

7.4.12. The income generated from this year's harvest will be used for operating expenses and will not be used to settle creditors. ABSA bank will receive further payments from surplus funds collected from connected entities and from the 2025 harvest until settled in full.

7.4.13. Please note that all assets that are to be sold will be done in terms of section 134 of the Companies act, thus the waterfall of payments will start with any party that holds a valid security over such an asset.

7.4.14. Once the business rescue process for Proximitas Investments has concluded, the business will be handed back to its directors for continued operations or its closure.

7.4.15. Of high importance is the fact that ABSA bank have made some Post Commencement Finance (PCF) available in order facilitate the 2024 harvest and this PCF will be repaid from the income from the harvest.

7.4.16. As part of the PCF agreement ABSA has been provided with additional securities over immovable assets and should these assets be sold, ABSA will receive all free income until their PCF is settled in full.

7.4.17. Similarly Freshgro has provide PCF on an ongoing basis and will be settled from the income of the 2024 harvest first.



7.4.17.1. Part of the PCF was the facilitation of the export and freight for the 2024 harvest and the invoicing for the harvest will be done via Freshgro as Blue Crane could not secure all certification in time.

7.5. Blackie Swart Family Trust:

7.5.1. Blackie Swart Family Trust is a Trust and also one of the trading entities within the Blackie Swart Group. The Trust owns Nine farms where citrus is being grown for the group. With the agreement of senior management and trustees, 3 farms were identified to be sold in the first round of sales.

7.5.1.1. Mon Repos with a market value of R5 807 000,00 and a forced sale value of R3 484 000,00

7.5.1.2. Osberg with a market value of R17 980 000,00 and a forced sale value of R10 788 000,00

7.5.1.3. Waterkloof with a market value of R43 026 000,00 and a forced sale value of R25 815 000,00

7.5.1.4. Please note that the trust also owns other additional immovable assets, other than farms that have also been identified for sale.

7.5.2. Of crucial importance is the fact that a sequestration application have been lodged against the trust, as such, all assets sold and all payments made will require additional consent from the applicant party and key creditors.

7.5.3. The proposal to creditors is to sell the abovementioned farms and the other immovable assets in order to settle the some of the debt of the trust.

7.5.3.1. The remaining debt will be serviced through the continued trading of the group – with the remaining debt being long-term borrowings such as bonds taken to purchase farms etc.

7.5.4. The total debt of the business is approximately R201 000 000.

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7.5.4.1. The creditors list is extensive, and many creditors have submitted claims, the bulk of the debt is however due to the bank – having provided funding for the purchase of the bulk of the farms.

7.5.4.2. Of this total debt, approximately R2.7mil is owed to connected parties, only the loans owed to Blue Crane will be settled, as it is part of the business rescue plan of Blue Crane. All other loans to connected entities will be subordinated for the benefit of creditors.

7.5.4.2.1. Valid securities are held over several assets of the trust. Should any of these assets be sold, such security portions will be settled, either directly from the sale if the assets that stands as security, alternatively the funds from the sale of the asset will be held in trust until the debt is settled by the entity that incurred the debt.

7.5.4.2.1.1. Concessions may be requested from the bank in instances where funding is required to continue operations of the business on an Ad-hoc basis and this consent is not a condition of the proposed business rescue plan.

7.5.4.2.2. All surplus funds will be used to reduce the indebtedness of ABSA bank based on the various securities it holds on the group. It might be agreed with ABSA on an ad hoc basis to make some funds available for the continued trade of the respective entities.

7.5.5. Irrespective of the above, it is clear that the sale of the immovable assets of the Trust will make a substantial difference in the debt that is due.

7.5.5.1. It is envisaged that only long-term borrowings will remain and all short-term facilities and current arrears could be settled from the sale of the assets. If there is any shortfall, this will be settled in terms of the continued trading of the group.

7.5.6. No compromise to creditors is envisaged and all statutory obligations will be honoured in full including but not limited to VAT Claw Back (if applicable) and Capital Gains Taxes.

7.5.7. The income generated from this year's harvest will be used for operating expenses and will not be used to settle creditors.

7.5.8. Please note that all assets that is to be sold will be done in terms of section 134 of the Companies act, thus the waterfall of payments will start with any party that holds a valid security over such an asset.

7.5.9. Of high importance is the fact that CitroWide has provided PCF (Post-Commencement Finance) on an ongoing basis and will be settled from the income of the 2024 harvest before any concurrent creditors. Additionally, CitroWide has been granted additional securities over the entities in business rescue in accordance with Section 135 of the Act.

7.5.10. The assistance was provided to the entire group, and repayment will be made from the first available free cash from any of the respective entities. However, in the case of the trust, this will occur with the consent of key creditors and the bank.

8. SALE OF IMMOVABLE ASSETS.

8.1. The immovable properties made available to the business rescue practitioners will be actively promoted for a 60-day period following the adoption of the respective business rescue plans, by both the practitioners and appointed property brokers. Should any of the immovable assets remain unsold after this period, an auctioneer will be appointed to sell these remaining assets within the subsequent 60 days.

8.2. All offers received will be Subject to Confirmation (STC) by ABSA and any party that holds a valid security over a specific immovable asset, unless the sale covers the full settlement of such securities.

8.3. Additionally, for the trust assets only, further consent may be required from key creditors and lenders.



9. CONCLUSION

9.1. It is clear that should the above proposals be approved and subsequently implemented, that the group as a whole should be able to achieve a full rehabilitation. All four of the rescue plans will need to be adopted for each to become binding. If a single plan is not adopted, it will invalidate the others, and new plans will need to be prepared and presented to the respective creditors.

9.2. The practitioners remain confident that a reasonable prospect for a rescue exists for each entity individually, and even more so for the group as a whole, provided that the proposals outlined herein are accepted by the affected persons of each respective entity.

9.3. Should any group of creditors reject their respective proposal, the practitioners remain confident that by amending the business rescue plans, each entity could be rehabilitated based on its own merits. However, this would require some compromises in repayments.



BLUE CRANE CITRUS COMPANY

LARGEST ORGANIC CITRUS FARM IN

RECOVERY



*Mooted to become the
largest citrus and allied
organic products farm in*

*Prepared by
Chief Agricultural Economist
Anton Scheepers*



August 2024

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EXECUTIVE SUMMARY

A cluster of farms in the Sundays River Valley is currently collectively owned by the brother and sister combination of Marika and John Swart.

The cluster makes up approximately 100,000 ha of farmland. For the purposes of this submission these farms will be known collectively as the ~~Blue Crane Citrus Company~~. Mr Blackie Swart was the original landowner and the father of Marika and Johann. He sadly passed away in 2017. His wife also passed away a few years later. Through a combination of errors as well as unforeseen circumstances the farms have now become economically distressed, to the point that Marika placed the farm in business rescue at the end of 2023. It has subsequently proved to be a mistake, in view of the fact that a talented agricultural management team would have been able to restructure the debt and introduce much required capital onto the balance sheet.

It is no secret that a range of creditors are now lining up, very much concerned about the future of this business and posing question marks surrounding the management of the farms.

Mr Kiran Moodley was approached in May, through various networks on-and-off the farm to become a ¹BEE investor into the farm. Mr Moodley, subsequently brought his own team onto the farm, which included Anton Scheepers, a well-known agricultural development economist in South Africa, with over 40 years' experience in the industry and also a former head of exports and marketing of the Department of Agriculture in KZN. Anton was joined by Dean Pillay, with vast experience in the banking, finance and international trading sector.

This brief back to office report, hereafter known as the report, wishes to raise concerns about specific management flaws that were picked up, by the previous administration as well as allude to the obvious and potential recovery of the farms, without having to sell any farmland, but dispensing with non-core assets. The proposed plan will also point to recovery suggestions. This recovery plan will also consider significant alterations to the current administration, the supply chain, as well as the marketing plan.

The purpose of this submission is to emphatically communicate to all stakeholders, with particular emphasis on concerned creditors, that the new management structure headed by Mr Moodley and guided by Mr Scheepers as well as Mr Pillay, are more than able, to restore the fortunes of the farm, as well as address the debt concerns of the creditors, to the collective satisfaction of all concerned.

Prepared by
Chief Agricultural Economist

Anton Scheepers

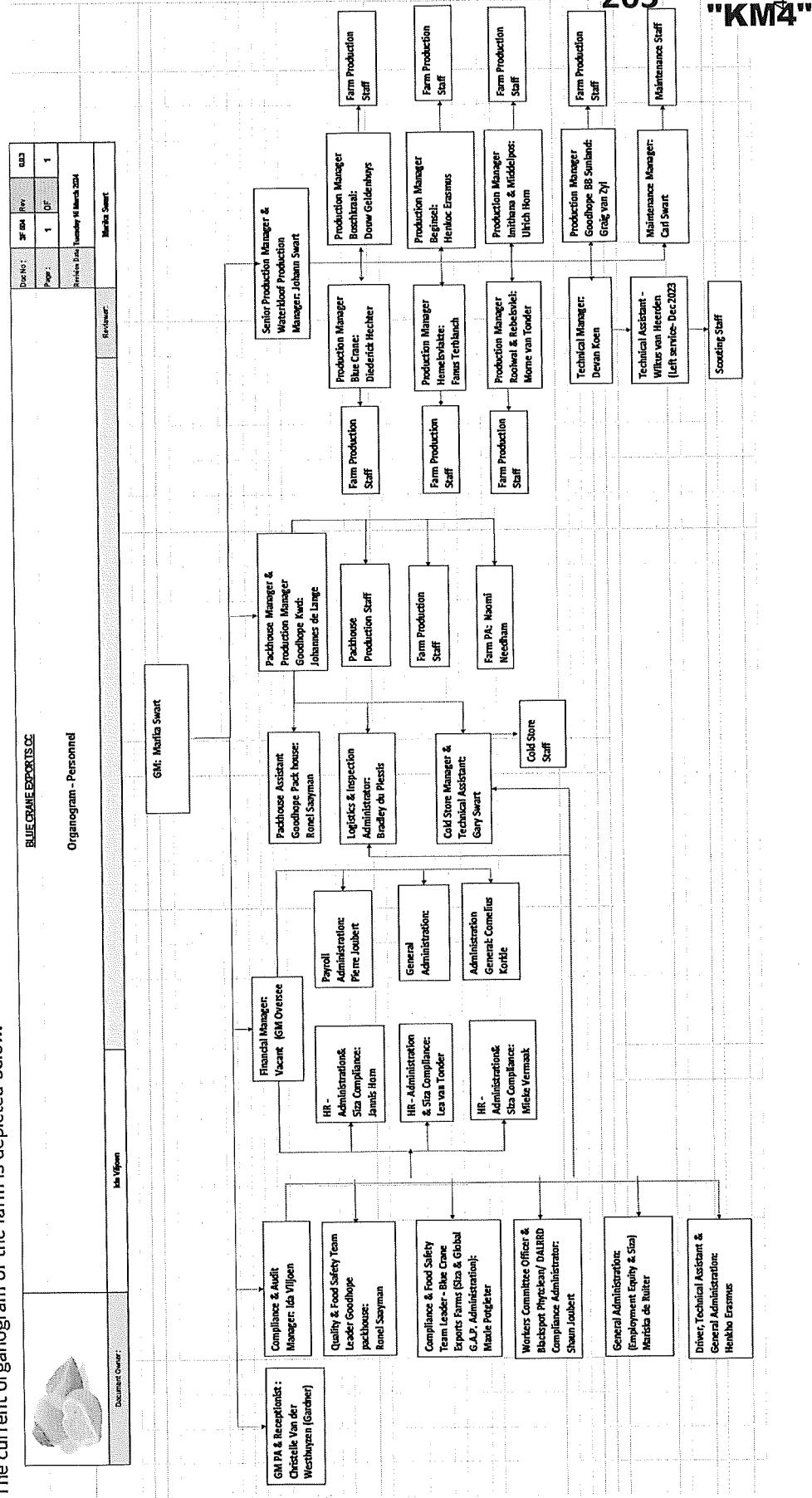
¹ black economic empowerment



HISTORY AND STATUS QUO

Management

The current organogram of the farm is depicted below.



In short, Marika was responsible for driving all administrative functions at the administration centre, while Johann was looking after all primary production functions, with Johannes heading the key pack house functions. By his own admission, Johann is not at all interested and does not see himself as an administrator. This really left Marika, completely in the deep end, being guided by the questionable advice she received from some of her former administrators, who have since left the farm.

The farm is financially distressed due to the following major reported reasons provided by the previous administration and it is quoted here:

2021 season

- Due to more online orders in 2021 during Covid, there were lots of containers stuck in ports like San Francisco and Shanghai.
- This caused a major container shortage.
- This resulted in shipping delays, vessels bypassing PE & Coega.
- We had a lot of containers being transferred from one vessel to another because of this.
- There were quite a bit more quality issues due to longer transit times.
- At end of August and during September, there was a major container shortage.
- We finished packing Valencia's around 4/9 but the first available containers we could load, were only released on 25/9.
- Due to the late arrival of this vessel, after duty deadline on 15/10, we could not load all the fruit and we had to sell the rest locally.
- Shipping costs also skyrocketed during this season because of the shortage of containers.

2022 season

- The season started in April with a worker strike in Kirkwood.
- Workers were intimidated and threatened to such an extent that nobody showed up for work.
- We started packing on 14 Apr 2022 and then the strike started – this fruit that we packed could not be exported, as nobody was allowed to return to work. We only resumed packing on 11 May 2022.
- This had a detrimental impact on the fruit, because specially the lemons that had to be harvested were now hanging on the trees for another 4 weeks. That caused a backlog as this fruit had to be harvested first
- This affected the overall quality of, especially, the lemons. Because they were already yellow in colour, it had a major impact on the shelf life and the arrival with much decay in the EU.
- We also suffered a lot of damage at the hands of the striking workers.
- A house on one of the farms was burnt to the ground.
- We also lost farming equipment as well as crates full of fruit ready to be delivered to the packhouse, that was set alight. We suffered a loss of more than R5 million.
- The container shortages had not been resolved and we struggled the whole season.
- The shipping lines increased the costs drastically and their attitude was pay or send your fruit by other means.



- MSC increased the Canada rate by a large margin.
- FCM became a major issue in the EU, because of that they implemented new loading protocols.
- This was done without giving us sufficient time to adhere to the new protocols.
- We did not get immediate guidelines from DALRRD on the loading protocols.
- We thus loaded a vessel just before the due date and were assured that that would not affect the reception of the containers in the EU.
- This was however not the case and many containers from SA were suddenly stuck in EU ports.
- We had to report these containers to CGA, who were involved in talks with the EU to resolve this.
- However, despite all our efforts and contacts with CGA, nothing happened.
- Eventually, after about 6 weeks of the containers being stuck in the ports, we were helped by DALRRD to release the containers.
- Due to demurrage and decay, the fruit was not suitable to be sold and we had to carry this loss.
- During the Valencia season, we once again experienced container shortages.
- Also, Eosta, notified us that they did not want any more Valencia's as Groenheuwel had loaded 70 containers for them.
- Thus, again we had Valencia's that we could not export and had to sell it locally.
- When Marika visited their cold store in Waddinxveen, she took photos of both our fruit and Groenkloof's fruit, which was on the floor.
- Groenkloof's fruit showed major decay and our fruit looked very good.
- And yet, when we got final account sales the price was very low and their explanation – decay.
- The Euro exchange rate also fell to an average of 16.53 for the year – lower than the USD which was 16.69.
- Because most of our fruit is destined for the EU, this also caused a major loss.
- We were also affected by the increase of R 4.33 per hour for farm workers in 2022.
- This 23% increase had a major effect on our wage bill and subsequently caused a greater loss in an already taxing year.

2023 season

- More containers available and shipping costs also came down.
- Because we have been dealing with CBS since 2013, we were absolutely shocked when we got our first hit in Antwerpen.
- Because the first fruit is packed relatively green, the CBS is not so obvious on the sorting line, and only shows later.
- We had a lot of containers arriving in a short space of time, and suddenly it was chaos as we had to redirect a lot of containers to countries outside of the EU, or send them back to the UK (which is not such a big market.)
- Thus, we had to sell the fruit as conventional as well as these buyers were not registered as organic receivers.
- Rerouting, delays and decay caused a huge financial loss.

- Because of the rain last year, the quality of the lemon crop was also not very good.
- Due to the fact that we could not export lemons until the beginning of August again, the fruit became overripe and the quality was very poor, but because we needed the revenue, we decided to send the fruit.
- The prices were not good due to decay on the fruit.
- Container shortages at the end of season again caused delays, we waited 2 weeks for containers to become available.
- When we eventually got containers, the arrival date was after the duty deadline and the buyers did not want the fruit anymore.
- We were stuck with 35 940 cartons of Valencia's that we had to sell locally.
- During this season we also experienced increased rainfall figures.
- From January – March 2023 we had 151mm of rain, this was a major influence on the internal quality of the lemons.
- In May, when the picking season started, we had 112mm.
- That meant that there were delays in getting fruit picked and into packhouse for packing, because the orchards were too wet to pick.
- The pallet weights of all the varieties increased due to this increased rainfall.
- Due to the increased moisture, the acid levels in the fruit drops (diluted), the fruit is heavier but the shelf life of the fruit diminishes.
- Thus, the lemons that were supposed to be packed in W20 and stopped by DALRRD and only packed in W25 - had poor quality and no shelf life.



INFORMATION TECHNOLOGY

Of particular concern now, is that the current administrative systems, clearly exhibit the following key shortcomings:

- The current IT system is only known to one administrator
- The current IT system is not currently employed to its full
- The current system is really designed for a "mom and dad" type farm, and not for a large corporation such as Blue Crane farms.
- The system cannot be updated by independent operators, thereby creating a choking point where the master administrator is completely overburdened, thus thwarting prudent decision-making, reporting, as well as monitoring and evaluation.
- There are not enough administrators working on this vital nervous system on the farm. Data input needs to be facilitated by many more employees at various levels and stages along the supply chain.
- The current system does not accommodate any form of monitoring and evaluation of stock levels to satisfactory levels, fuel consumption levels, fertiliser levels, packaging levels, orchard status, real-time commercial calculations, quick decision-making and reporting.
- Although an elaborate system of personnel record-keeping was created, the critical issue of productivity and performance/reward mechanisms were never addressed and accommodated.
- Essentially all the "lights on the farm are still switched off", in that no immediate decisions can be made in order to report accurately and timorously to stakeholders. Impossible to identify where the farm is haemorrhaging fuel, productivity and other inputs. This makes it absolutely impossible to make any prudent business decisions.
- There is no post farm gate process of supply chain engineering. These costs are largely charged in US dollars and should receive significantly more attention.
- No adequate industry level clear-cut transaction cost comparison is possible.
- Marketing costs are largely left to trust. The amount of 7% that the current export agent is earning, is exceptionally high if against total invoice value.

PERSONNEL AND ADMINISTRATIVE REQUIREMENTS

Upon closer examination of the administrative systems currently being employed, I would like to make the following observations.

Absence of appropriate IT system (Addressed with Plan Ahead software)

- There is no clear proper IT system that is really the nerve centre of the entire cluster of farms.
- In the absence of an appropriately Integrated Farm Management (IMP) system, the new team found excessive paperwork to wade through, with double capturing being necessitated
- The current administrative system does not afford management the opportunity to make the following key decisions:
 - To identify where the project is hemorrhaging from a fuel, orchard, labour, productivity, transaction cost, market return and monitoring and evaluation point of view.
 - Impossible to get rid of laggards and reward performers
 - Impossible to make clear informed financial decisions
 - In possible to make informed strategic and supply chain decisions
 - Hardly possible to differentiate between markets due to the fixed position of one Pieter in the process
 - Clearly impossible to avoid bunching of labour
 - Basically, impossible to appropriate funds where required, such as:
 - Intelligent Capex purchases
 - Intelligent maintenance activities
 - Appointment of appropriate strategic and multi skilled personnel to ensure that redundancies are in place
- Poor accountability of all stakeholders including managers and shareholders
- Impossible to clearly monitor and evaluate processes on the farm
- Impossible to allocate appropriate resources were required most on the farm
- Little to no effort made to engage the DTIC export marketing and investment assistance schemes (EMIA) - had this been done markets would have been sufficiently diversified and stratified in order to grow market share
- Accurate timeous record-keeping requires to be maintained at all stages along the supply chain, in order to empower management in their decision-making.
- The current system does afford accurate projections, with the result that all future trading is based on speculation which leads to spot trading and delayed supply chain engineering, which can never offer an optimised cost benefit solution.
- Where there is no accurate and timorous accounting, it is impossible to project creditworthiness and accountability to the following:
 - Operational staff



INSUFFICIENT APPROPRIATE STAFF

In the first place it is important to ensure that there are adequate redundancies in place along the entire supply chain of the farm. This suggests considerable training in multi-skilling staff and ensuring that key areas on the farm, particularly when it comes to management decisions are comfortably disposed of.

Where this is not done, parties dealing with the farms will be frustrated and the Blue Crane Exporters will lose credibility. The farm urgently requires the following key functions, which will be met by the new administration, through introductions made by Mr. Moodley and his team:

On-farm

- A chief financial officer – Dean Pillay
- A strategic manager, linking operations of the farm with administration and managing the entire supply chain - Anton Scheepers
- A personal assistant to back up as a strategic manager, ensuring that the farming operations continue as per the Integrated Farm Management plan (IMP) – Marika Swart
- A head of Administration - Dominique McQueen (also point 3 new administrators)
- A finance clerk working closely with the head of administration - TBA
- A farm administrative manager - Anton Scheepers with Johannes
- A farm operations manager – Johann Swart

In the supply chain

- An independent clearing and forwarding agency
- They must be cost efficient
- Perfect cost benefit balance
- Appoint an excellent logistics intermodal partner(s) in our trading markets. Highlight USF's before appointing such a strategic partner
- Their IT system must integrate with our Plan Ahead system

Marketing operatives

- Need to continue to work with Pieter, but on our terms and rates, 7% is laughable. This figure needs to be brought down from about R10 M to under 1 million. Note well, as the appointee performs in the marketing so will his/her commission increase. All following marketing penetration activities will be performed by Anton Scheepers.
- Work a lot closer with Veganis their returns are the highest.
- Appoint an Eastern European individual to take over markets administratively post Anton opening such markets with EMIA (DTIC) assistance.



- The transaction costs here would be much lower. This person would be enumerated against sales per box and also be encouraged to consider other markets using the same methodology he/she was trained to do by myself.
- Note well that this person could then also manage the trade finance, secured in Europe.
- This person could also fulfil an ³SGS type function, by disputing any quality challenges by the buyers. This is a regular occurrence in the Middle East, in order to reduce the invoice price.

Fedgroup impact farming option

Consider the attached file on the FEDGROUP IMPACT FARMING
(Appendix II)



³ SGS South Africa | We are the world's leading testing, inspection and certification company.

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LOOKING FORWARD

It is a well-known fact that the world is moving towards organically produced foodstuffs. The main reason for this is the health benefits. Citrus is no different. The attached report in Appendix IV attest to this key fact, that this market segment is growing in leaps and bounds

The transition period

The entire management of the BCC will change. None of the previous managers will make any executive decisions. All management decisions will forthwith be made by the CEO, CAE, HOP and ably assisted by the HOA. This effectively translates into the buy-in administration of Mr Kiran Moodley.

It is critical that the income generating elements of the previous administration not be disturbed for the next two weeks. This to ensure that there is absolute continuity in the supply of fruit, as well as a collection of all returns.

In the meanwhile, it is absolutely imperative that the following take place:

- All critical information as it pertains to the recovery of the farm is to be immediately shared with the new administration of the BCC.
- An urgent meeting with the administration of Freshgrow needs to take place, communicating the intention of the BCC to scrutinise every single transaction of the past season, in order for Freshgrow to appreciate that accurate record-keeping and trade prudence is being demanded by the BCC.
- Note well that the new administration of the BCC, will forthwith deal directly with the markets through its appointed proxies, after the last citrus have been dispatched for collections and supply chain clarity
- An amount of 10 million Rand is to be immediately transferred from the proceeds of the trade into the account of the BCC this is to be used for the following purposes:
 - Payment of salaries of the new administration
 - Fixing and maintaining all tractors
 - Ensuring that all implements and movable equipment are maintained for the summer crops in particular and thereafter for the ongoing production husbandry of the citrus
 - Fixing and maintaining all bakkies (services, licences and tyres)
 - Purchasing of the pas software
 - Training on the PAS software
 - Ensuring that all administration maintenance and critical stocks are replenished for operational efficiency
 - Operational expenses in servicing all pumps as well as irrigation infrastructure
 - Operational expenses in order to prepare for the new non-citrus season:

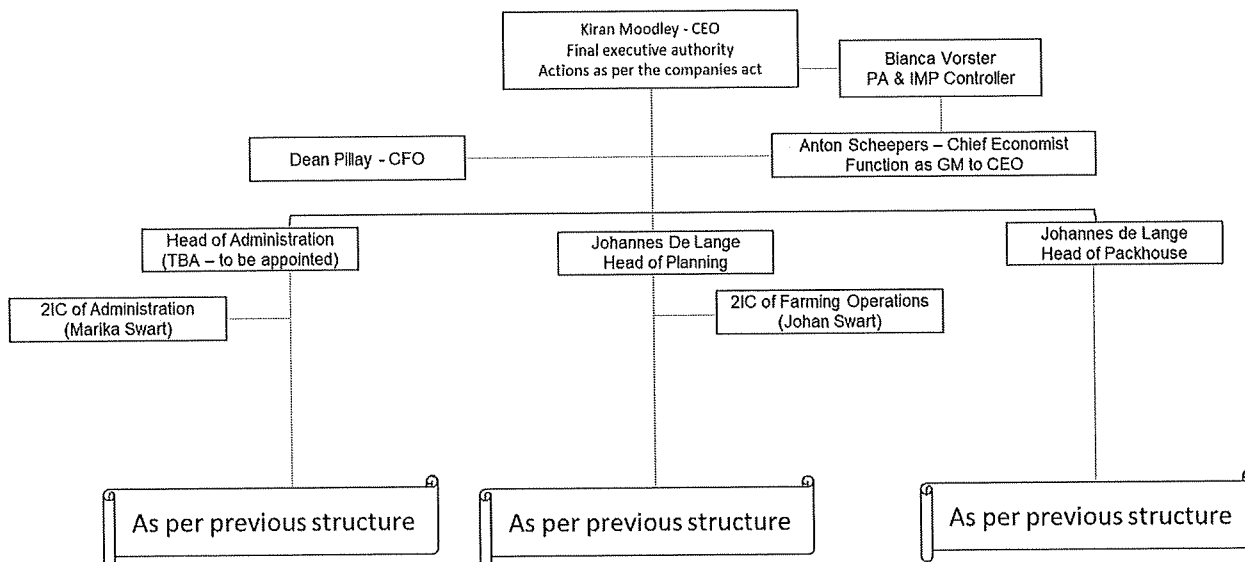


- Visits to Gauteng in order to engage all statutory and industry organisations in order to implement the incubation farm
- Engaging with Alexander the great (Carim Cedhoum) in order to compare packaging prices. This with the purpose to consider new packaging material for the summer as well as new citrus crops. Purely exploratory
- Engaging with the DTIC in order to prepare for the CEO and CAE visit to Europe to open up new markets, engage with current sellers as well as to conclude supply engineering with intermodal logistics suppliers. Visits will include Oman, Eastern Europe as well as central Europe and the UK
- Engaging with input suppliers on the purchasing of the summer crops
- The CAE as well as the HOP and HOA will engage as a special task team to digitally assemble the IMP. This IMP will be attached to a constitution and signed off by all permanent staff:
 - All staff will work according to labour units. Example in the report
 - Staff underperforming would be reprimanded and could even be removed
 - New more cost-effective staff will be introduced to the administration as per the organogram
 - The IMP will be managed very closely with the PAS in order to ensure compliance
- Three new ladies will be appointed to the administration as per the organogram below.
- Once the IMP has been completed, a whole day workshop will be arranged as facilitated by the CAE, HOP and HOA whereby all staff members will be trained on the IMP. Signatories to the constitution will be made aware of their critical responsibilities as well as requirements to comply legally to their functions. The system of laggard removal and performance rewarding will be communicated clearly, thereby instilling a sense of productivity against reward across the farms operations. The IMP and PAS will essentially determine the pace and rhythm on the farm. This will be benchmarked against industry standards and rigorously enforced by all managers.
- A period of very intensive training will follow that will include but not be limited to:
 - the new ladies will be trained and multiskilled to the new tasks - overseen by the HOA
 - all administrative staff members will be multiskilled
 - the new management will utterly familiarise themselves with all administrative, compliance and operational aspects of the farms, hereafter known as the BCC.

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THE NEW MANAGEMENT STRUCTURE OF BCC

NEW ORGANOGRAM OF BLUE CRANE CITRUS



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NEW MANAGEMENT AND STAFF - ROLES AND RESPONSIBILITIES

Labour units and pas with imp

The BCC presents a very demanding and skilled management requirement. It is frankly impossible to manage such a huge operation without the appropriate industry benchmarked software, hence the introduction of PAS, that will be integrated with an IMP, in order to track performance against predetermined budgets. The IMP as well as the budget would largely be quantified and managed where personnel is involved along the lines of the **labour units**. This is purely for monitoring and evaluation purposes, to ensure that the entire farm is managed efficiently and productivity is optimised. The IMP will also pick up any form of hemorrhaging, such as for example where specific operational activities on the farm were not completed timeously, that would invariably lead to the BCC hemorrhaging precious resources and more importantly not being in sync with the IMP that will ultimately deliver the predicted results. In this regard the PAS is a vital instrument in order to be able to ensure that the requisite turnover is achieved, not by mere chance but by carefully tracking progress and making the required adjustments in order to ensure that the predictions will in fact realise. This approach aligns to industry benchmarked practices as well as executive behaviour.

ROLES AND RESPONSIBILITIES

Staff member	Position	Function	Comments
Kiran Moodley	CEO	Final executive authority Actions as per the companies act Assists CAE with interactions with government and other strategic role players Chairperson of the executive When required works closely with auditors, banks and creditors Assists CAE in business development as and when required Sets the vision Chair monthly executive meetings	
Dean Pillay	CFO	Actions as per the companies act Signs off on all major CAPEX purchases above R1000 Serves on the executive Works very closely with the HOA, HOP, CFO as well as the CAE. Works chiefly with auditors, banks and creditors Responsible for all financial matters as it pertains to the IMP and PAS (in forward planning, maintenance as well as monitoring and evaluation)	Note well he is to be advised of operational expenditures as per the IMP, but purely for his notification as they would have been preapproved
Anton Scheepers	Chief agricultural economist (CAE)	Performing as GM on the farm Reports directly to CEO Responsible for administration of IMP Responsible for administration of PAS Primary responsibility to oversee all exports from the farm Assist the HOP with forward planning and populating the IMP and PAS	Note well the emphasis will be not just on maintenance but on production optimisation as well as growth of the BCC

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		Responsible for penetrating new markets Responsible for business development Responsible for supply chain engineering Responsible for trade finance Responsible for new enterprise development (example sweet potatoes and pumpkins) Responsible for oversight over the incubation farm (IF) - planning, promotion and implementation Responsible to design the demand template in order to assist HOP in scheduling via a supply template Responsible for liaison with government Responsible for new funding applications Responsible for implementation of Executive decisions where strategic policy is involved Undertake spot checks with HOP on-farm to ensure that IMP and PAS is observed and kept up-to-date Serves on the executive Chair fortnightly farm general management meetings	
Johannes De Lange	Head of planning and pack house (HOP)	Primarily responsible of forward planning and populating the IMP and PAS Oversee collection of fruit from the orchards - worked very closely with Johan Swart Assist in management of the farm Management of the pack house Primarily responsible for monitoring and evaluation of the farm production activities Part of planning in scheduling to international markets, receive demand template from CAE Responsible for new enterprise development (example sweet potatoes and pumpkins) Responsible for all staff matters in pack house (productivity and discipline) Undertake spot checks with CAE on-farm to ensure that IMP and PAS is observed and kept up-to-date Serves on the executive Co-chair fortnightly farm general management meetings (when CAE not available - but perform a leading role at these meetings as well)	
Dominique McQueen	Head of administration (HOA)	Assist in managing the IMP Assist in managing the PAS Responsible for audits Prepare legal and compliance matters for CFO as well as CAE Responsible for all staff matters (salaries and bonuses as well as leave) Responsible for general staff matters (emergency drills, staff morale et cetera)	

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		Work directly with CFO in affecting payments with her staff (on-farm as well as administration) Responsible to keep asset register up-to-date Responsible to advise on fixed as well as mobile asset maintenance, as per the IMP Responsible for reporting on fuel farm Responsible for processing of log sheets of all vehicles Responsible for reporting on stock levels on farms Responsible to keep newsletter up-to-date Responsible to keep website up-to-date Responsible for first aid Assist CFO as well as CAE as well as CEO in preparation of reports Serves on the executive	
Marika Swart	2IC of administration	Assist in managing the IMP Assist in managing the PAS Responsible for audits Prepare legal and compliance matters for CFO as well as CAE Responsible for all staff matters (salaries and bonuses as well as leave) Responsible for general staff matters (emergency drills, staff morale et cetera) Work directly with CFO in affecting payments with her staff (on-farm as well as administration) Responsible to keep asset register up-to-date Responsible to advise on fixed as well as mobile asset maintenance, as per the IMP Responsible for reporting on fuel farm Responsible for processing of log sheets of all vehicles Responsible for reporting on stock levels on farms Responsible to keep newsletter up-to-date Responsible to keep website up-to-date Responsible for first aid Assist CFO as well as CAE as well as CEO in preparation of reports Serves on the executive	
Jannis Horn	Head of IT	Work closely with Bianca Vorster Ensure that PAS as well as IMP are up-to-date Arrange bespoke additional IT programming to facilitate management on-farm Assist HOA & CAE in all matters Administration Work closely with PLAN AHEAD	
Johan Swart	2IC of farming operations	Work very closely with CAE on operational matters Responsible for all harvesting teams Ensure that IMP as well as PAS is strictly observed Responsible for all irrigation - installation, operational as well as maintenance	

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		Responsible for all orchards - establishment, operational as well as maintenance Responsible for new enterprise development (example sweet potatoes and pumpkins) Responsible for all movable assets in production Responsible for storage/stock levels on-farm Responsible for personnel discipline Responsible for all movable as well as immovable production assets (operations, planning and maintenance) Oversees maintenance unit. Assist to populate IMP as well as PAS	
Bianca Vorster	PA to CEO as well as CAE	Normal PA duties Control officer for PAS as well as IMP	
Ronel Saayman	Quality and food safety team leader	ZIC in the pack house Responsible for stores for pack house Assists HOP as required	
Christelle van der Westhuizen	PA to HOA	Receptionist PA to HOA Assists with audits Assists as required in administration	
Maxie Potgieter	Administrator	Assist HOA & CAE in all matters Administration	Note well all these ladies will be responsible for performing linkage roles with the clearing agents (the forwarding role will be completely outsourced to an independent freight forward on a tender basis). All these ladies will be multiskilled in order to back each other up and for redundancy purposes. We must ensure absolute continuity at all times. No bottlenecks because only one person knows what's going on. (No sorry she is in a meeting rubbish)
TBA	Administrator	Assist HOA & CAE in all matters Administration	
TBA	Administrator	Assist HOA & CAE in all matters Administration	
TBA	Administrator	Assist HOA & CAE in all matters Administration	
Gary Swart	Cold store manager and technical assistant	Responsibility to look after the cold store is Assist HOP in the cold store and pack house Assist with scheduling of exports with CAE Responsible for booking all trucks to Pack house - as per the IMP and PAS	
Naomi Needham	Pack house assistant	Assist with responsibilities in the pack house as well as stores for the pack house and cold storage facilities	
FARM MANAGERS			

Diederick Hechter	Production manager – Blue Crane	Reports directly to CAE and HOP Oversight over harvest teams Also responsible for spraying programs Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	Note well that Diederick is particularly adept to operating spraying equipment
Douw Geldenhuys	Production manager - Boschkraal	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Fanus Terblanch	Production manager - Hemelsvlakte	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Henkok Erasmus	Production manager - Beginsel	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS	

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		Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Morne Van Tonder	Production manager – Rooiwal & Rebelsvlei	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Ulrich Horn	Production manager – Imithana & Middelspos	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Craig Van Zyl	Production manager – Goodhope & BB Sunland	Reports directly to CAE and HOP Oversight over harvest teams Responsible for maintenance of immovable assets Must report stock levels Maintain IMP and PAS Oversight of implementation as per the IMP and PAS Responsible for oversight over movable assets, equipment and implements Must keep logs of all vehicles Responsible for updating maintenance records	

		Place timorous orders for all requirements (maintenance, inputs, repairs et cetera) Responsible to ensure that all fuel drawn was captured on the PAS	
Devan Koen	Technical manager	Maintenance	
Dolf	Maintenance manager	Reports directly to HOA Works very closely with HOP as well as Johan Swart	

The new management structure will implement the following reforms with immediate effect:

- The Plan Ahead citrus software which is the industry standard in South Africa, will be loaded during the week of 26th of August on all computers, notebooks as well as tablets, thereby empowering multiple functionaries to access the program simultaneously, with the ability to eradicate duplication, facilitate daily real-time information and above all eradicate hemorrhaging on the farm. This suggests that orchard workers would be able to load data onto the program, whilst marketing, warehouse, pack shed, maintenance staff, fuel farm operatives, administration and management will all be able to add data onto the program, thereby enabling management to make prudent decisions based on accurate recent data.
- All Administration members as well as farm managers will be trained on the PAS system, to ensure compliance with the various audits, as well as paving the way for future accurate record-keeping and prudent reporting and accountability. The tremendous glut that currently exists at the current IT desk, will be completely circumvented. This will put managers in a position to be able to make important decisions timeously and accurately, without having to scream and shout at employees to ensure compliance.
- Dr Hennie Swart will forthwith be reinstated as the outsourced spraying and fertilising agent. During the 2020 and 2021 seasons, when the farms experience a bumper crop, Dr Swart was involved in these activities to the obvious benefit of the farm. For unexplained reasons he was asked by the previous administration to leave. This instruction is not being rescinded by the latest administration.
- Mr Johannes Swart is also being reinstated as head of planning, a position that he held with the previous owner Blackie Swart. Through unfortunate circumstances, he withdrew from the process due to health reasons, but has since recovered and has been reinstated to this key position by the new management of the BCC.
- Serious consideration of the cost benefit of each staff member will be considered during the week of 26th of August. Salaries will be commensurate the returns and functions derived from each staff member. Implemented 1st of September.
- New managers will sell off non-core immovable assets
- New management will immediately commence with a summer production programme for 100ha of sweet potatoes to Dave Baker in the UK. Steps will also be taken to commence with a Hokaido (30ha) and Butternut (30ha) pumpkin production programme for Pieter de Keizjer and David Baker in Europe.

Expected revenues are as follows:

100 ha of sweet potatoes = R66 000 per ha totals to R6,6M nett.

30 ha of Hokkaido pumpkins = R45 000 per ha totals to R1,35M.

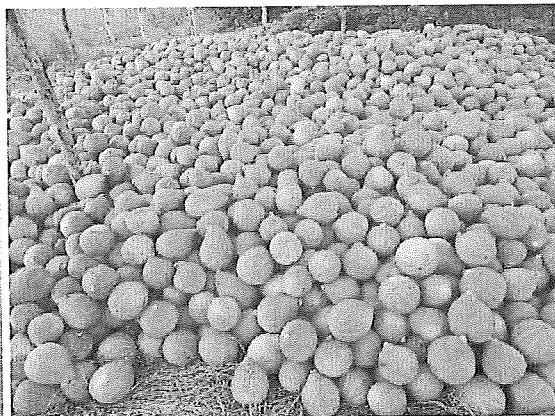
30 ha of butternut pumpkins = R32 400 per ha totals to R972 000 nett.

This will result in a collective summer net yield of R8,922M nett.

- Once bankable orders have been received from the same, BCC will immediately commence with the following program:
 - the costing of the supply chain
 - verifying the economic feasibility of the program:
 - market price
 - underwritten orders
 - availability of technical support
 - availability of seed, fertiliser as well as packaging material
 - availability of equipment (production husbandry as well as product beneficiation)
 - the identification of irrigable land to be used for this program
 - the identification of staff that will be absorbed with this program
 - the identification of tractors and equipment to be absorbed with this program - note well that the 200,000 Rand equipment offering in the Gamtoos Valley that Marika has identified, will be considered for this exercise.
 - the availability of packaging facilities for the product
 - soil preparation and production with irrigation
 - harvesting, beneficiation and trade



Hokkaido Pumpkins in great demand in the EU



Note well that funding of this new enterprise, that will ensure a 12-month cash flow on the farms, will be funded from the current proceeds from the past citrus season.

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- Considerable supply chain engineering will take place over the forthcoming 3 months, in order to reduce transactional costs with the appropriate international intermodal supply chain partner of choice.
- The farm will open its own markets, with its own chief agricultural economist. Blue Crane Citrus will diversify its own markets. Direct relations with markets through its own international markets.
- Management will immediately commission an INCUBATION FARM, that will rebrand one of the farms as a land reform project, thereby granting continued future grant and technical access to:
 - The Department of Agriculture and Land Reform (DALRD)
 - The Department of Trade and Industry and Competition
 - The Agriseta
 - The Citrus Growers Association of South Africa Grower Development Company
 - ⁴Lima Agricultural Foundation
 - The University of Fort Hare and Agricultural College of Fort Cox, to name but a few
 - The Department of Small Business
- Naturally soft capital in the wake of a land reform project, now becomes available through the likes of:
 - IDC
 - DBSA
 - ECRDA
 - ECDC, etc.

⁴ LIMA is the implementation agent for the Citrus Growers Association of South Africa in the land reform programs with funding they received from the Jobs Fund

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FURTHER FARM DEVELOPMENT

The CAE enjoys extensive experience in setting up Incubation Farms as an accredited development economist with the Department of Agriculture. He has established a very good relationship with government over the years. The intention here is merely to develop 150 hectares of additional citrus, paid for by the South African government. This fruit would now dramatically increase the turnover and profitability of the BCC, by reducing farm gate unit (carton) costs and further reducing logistics transactional costs, through the power of improved economies of scale

- Key benefits to the establishment of an INCUBATION FARM on Hemelsvlakte, include but are not limited to:
 - Substantially more citrus being funneled through the Blue Crane farms supply chain, thereby reducing unit production cost farm gate, as well as local and international transaction costs, thereby rendering the Blue Crane farms considerably more profitable
 - In addition to securing the additional citrus, without the obligatory investment by the ⁵Blue Crane farms, the farms will earn an industry related lease income from land that is not currently productive.
 - Consider the other benefits that will accrue to the Blue Crane farms, in supporting government and industry to mentor and develop farmers and functionaries along the entire citrus development chain.
 - Huge international opportunities will also open up, for exchange student programs for example, whilst the land reform farms would also qualify for assistance from the likes of:
 - The GIZ of Germany
 - The FAO of the European Union
 - The Foreign Commonwealth Development Office of the United Kingdom
 - USAID, NORAD, DANIDA, JICA and many others

The idea of setting up the incubation farm, is to attract public and international donor funding into primary production on land of the BCC, that would lead to a dramatic increase in turnover of the BCC, without the BCC actually having to invest into such development. Some of the ancillary activities of the incubation farm, such as the lease income and training income, not to mention options with agri-tourism will further act as a "cash cow" to BCC.

- Wonderful opportunities in agri-tourism will also open, with ongoing support from the likes of:
 - Department of Tourism
 - Tourism industry councils
 - Regional industry councils in the greater Nelson Mandela Metropole
 - NGOs in the province, as well as in the region absorbed with promoting agri-tourism
- The new management will reconsider an appropriate cargo agent aka freight forwarding. The cost and efficiency of SPEN will be weighed against this new company.

⁵ these will be made by the statutory and other development agencies as mentioned

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Note well that the new management will engage the previous management as the Blue Crane Citrus company (BCC). This will be a brand-new company with its own account. Blue Crane exports will immediately be shut down.

The new management intends to rectify and restore the project as a matter of urgency in the following ways:

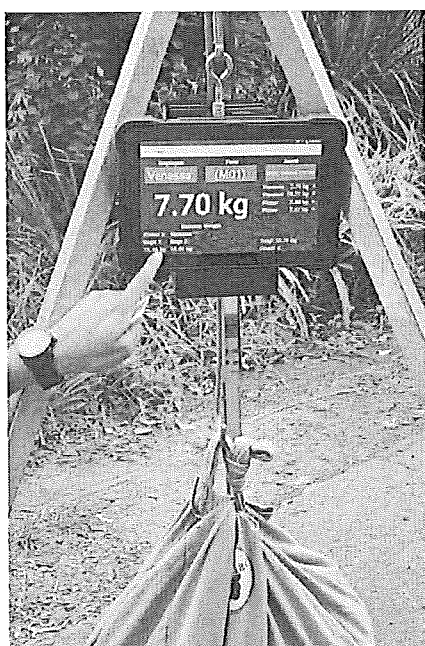
- All operational profits need to be transferred to the operational account of the BCC in order for the BCC to perform the following critical functions:
 - To spray the juvenile trees in order to avert a catastrophe in turnover in 2025. As indicated could lose up to 5,4 million Rand in 2025 in lost revenue.
 - To be able to replace bakkie tyres and purchase all licences in order for the farms to be compliant.
 - The BCC will immediately proceed with urgent maintenance and repairs to its operational equipment which would include:
 - Irrigation infrastructure servicing and maintenance, such as the replacement of irrigation heads, critical to ensuring a bumper crop
 - Pumps servicing and maintenance
 - Bakkies servicing and maintenance
 - Tractors (seven at the workshop at present) - tractor batteries would immediately be replaced, where required in order for tractors to be able to be switched off and thereby conserve tens of thousands of rands over the course of a month.
 - Critical accounts such as the SARS account, will immediately be settled
 - Electricity will be restored where required
 - Staff will be paid, such as the workshop manager

In short, the appropriate actions will be taken to ensure that the BCC delivers a bumper season in the 2025 year, in order to optimise its ability to be able to satisfactory address the concerns of all creditors.

- A number of administration staff would need to be replaced, as the functions could be performed by new staff members at a fraction of the price. The staff members would include the following:
 - Ida that cost the company approximately R40 000/pm
 - All outsourced staff are to be dismissed, barring Bianca Vorster
- The BCC will immediately upon receipt of funds install the industry standard **Plan Ahead Software for citrus (PAS)** which includes smart technology when capturing harvest data in the field, as well as track all fuel consumption. The PAS will cost approximately R82 771,25, but the savings will run into the millions. Obvious benefits follow below:
 - Effortless Automation: Cut down on manual errors with automated payroll processes.
 - Always Compliant: Stay ahead of tax regulations effortlessly.
 - User-Friendly: Intuitive interface for easy navigation and quick adoption.

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- Able to track fuel expenditure to a litre
- able to capture harvest volumes digitally instantly per harvester
- tracks all vehicles on the farm
- tracks all production on the farm
- tracks all operational activities on the farm
- tracks all performance and productivity on the farm - combats bunching of labour
- produces pressure on infield staff managers
- able to generate reports instantly
- stop all haemorrhaging on the farm (all theft)
- assist implementation programs on an Integrated Farm Management basis
- assist in tracking budgetary expenditures as per previous years planning
- massively reduces loads on management and administration
- comfortably tracks all storage, as well as consumption patterns on the farm
- able to track all the various components of the farm, in status, performance, cost and the like



In field digital scales



Fuel tracking device

- The CAE accompanied by the CEO, will visit markets in Europe with the assistance of the DTIC in order to achieve the following:
 - Meet with current marketers and enforce the accuracy of the new systems employed
 - Engage directly with larger markets particularly in Eastern Europe and the Middle East

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[Signature]

- Establish own trading company in Europe, in order to have a more direct relationship with markets and also engaging with many European banks endowed with various trade finance options, but only available for domestic transactions. Accordingly, the European BCC company will now invoice the markets directly. This would ensure that all future trade will be underwritten. See Appendix III but Pieter de Keijzer confirms this approach.
- The CAE is on record, as indicating that the turnover of the BCC will more than double in the 2025 year, with these prudent steps being taken here. By shipping directly to end users instead of via distributors such as your EOSTA and on sell to markets and demand a ridiculous "packaging fee", when no other markets demand this, will save BCC millions.

The CAE is on record as having stated, that with the measures employed in this document the turnover of the BCC will be more than double the 2024 season in the coming summer and 2025 citrus season.

- The BCC will also engage with a very large ⁶intermodal logistics supplier and strike an arrangement with them whereby they will enjoy exclusivity from the BCC in supplying Europe, in exchange for vastly reduce shipping and port transactional charges, charged in Euros.
- If need be, the BCC will appoint a new marketer to oversee and expand markets opened by the CAE directly. Such a marketer would probably be based in Eastern Europe. This action will ensure that the markets are diversified and that the trade risk is appropriately distributed. Note well that this marketer would also be paid on a commission basis. The harder he/she works, the greater the returns.
- Provided that the market is good for it, the PCC would consider a system of ⁷predatory pricing and even credit provision in order to penetrate large and lucrative markets, such as the hospitality industry, supermarkets and catering concerns.
- The BCC will attempt to export its ⁸citrus pulp directly to large distributors in Europe in order to increase the Euro reservoir in the offshore BCC company. This will further expedite efforts to reduce transactional costs, by paying from this account for all sea freight import and port charges in both the despatching and receiving ports.
- The international BCC company, will be based in a tax haven/free trade zone in order to be more tax efficient.

As former head of the Department of Agriculture KZN's exports and marketing division, CAE enjoys 40 years of experience in penetrating international markets. Not once has the CAE returned from an international mission without a successful market penetration sortie. One of the reasons, is the depth to which the CAE undertakes his desktop investigation of international target markets, with the assistance of the ITC (International Trade Centre of the World Trade Organisation) and his knowledge of global trading

⁶ Clearing, warehousing, handling, staging and truck redistribution

⁷ early reduction and pricing, until demand picks up when the prices are restored to industry-standard

⁸ Instead of to domestic buyers in South Africa

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RISK MITIGATION

- Introduce a summer crop - sweet potatoes and Hokkaido pumpkins
- Arrange logistics from the European side to ensure reduced transactional costs and availability of containers
- Arrange for all markets to be underwritten and diversified as indicated
- Improve profitability by producing better quality fruit:
 - Timeous spraying and fertilization
 - Increased productivity through IMP and PAS
 - Reduced theft as a result IMP and PAS - including the hardware
- Improved data capture and storage, accessible to all managers. Information does not disappear when people leave the farm, or leave the employ of BCC
- The constitution will enshrine absolute confidentiality and protection of intellectual property
- Employ excellent cost-effective security company
- Introduce incubation farm in order to ensure that sufficient citrus pass through the pack house and further increase profitability of the BCC - but will the presence of an incubation farm in the valley will also attract positive sentiment from the community as well as government in times of industrial action.
- Ensure that all staff are multiskilled in order to ensure continuity and timeous response to the public, markets, supply chain service providers, input suppliers, government, for managers, creditors and banks.

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IMPLEMENTATION MATRIX (to next citrus season)

Execution of Recovery Plan by Blue Crane Citrus Company											
Activity	Resource	September	October	November	December	January	February	March	April	May	
Spray juvenile trees with liquid fertiliser	Hennie Swart & CFO										
Purchase Plan Ahead software and hardware and arrange for the training of staff	CAE & CFO										
Pay outstanding labour fees	HOD & CFO										
Maintain Irrigation by replacing spray heads	All farm managers										
Service pumps	Johan Swart										
Service and repair tractors and implements and movable equipment	Dolf										
Purchase 12 tablets for PAS and IMP system	HOA & CFO										
Appoint three ladies in administration at the expense of IDA	HOA & CAE										
Multiskill all staff including new appointments	HOA & CAE										
Lodge applications for incubation farm	HOA & CAE										
Lodge applications for International primary market investigation (EMIA)	HOA & CAE										
Develop IMP	HOA & CAE										
Load all data on new software	HOA & CAE										
Implement PAS and IMP	HOA & CAE										
Begin soil preparation for sweet potatoes and pumpkins	HOP & Johan Swart & CFO										
Plant sweet potatoes and pumpkins	Johan Swart & relevant farm manager										
Undertake full International Investigation as described	CAE & CEO										
Prepare first back to office report for creditors and stakeholders	CFO & CAE & HOA										
Ship first sweet potatoes and pumpkins to Europe	HOP & CAE										
Secure first funding to begin to Implement Incubation farm – CASP from the DALRD	CAE & HOA										
Arrange for comprehensive maintenance of packing line	HOP & CFO										
Execute conventional citrus orchard production husbandry as per the IMP and PAS	CFO & HOP & CAE & Johan Swart & all farm managers										
Prepare second back to office report for creditors and stakeholders	CFO & CAE & HOA										
Lodge further funding applications for Incubation farm	CAE & HOA										

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BUDGET CALCULATIONS AND BANKING INFORMATION COMMENTARY

See appendix V, for a comprehensive breakdown and analysis of the budget calculations and banking information commentary.

TO SUMMARISE

New entrant management members enjoy vast experience in recovering Brownfields projects such as this. New management also enjoys the technical experience as well as relational contacts within the public and organised agricultural sectors, to be able to leverage significantly more aid and support to this endeavour.

New management is also on record as having recovered major business enterprises in the past. Management has also been super successful in opening up international markets not just for private companies but also for the industry at large. Agricultural economists brought on board with the new management structure, has resuscitated dozens of other agricultural projects across the African continent, by restructuring debt, introducing new commercial partnerships, introducing new technologies, introducing industry benchmarked Integrated Farm Management plans, as well as by adjusting the business model to target higher yielding markets.

The new team is exceptionally confident that they will be able to turn the Blue Crane farms around; when considering that they should be able to double the current turnover by targeting more profitable markets along better engineered supply chains. The new team will also employ so-called "crowdfunding" options, that have taken the agricultural industry by storm both locally as well as abroad.

Specific cost saving, as well as increased turnover measures include the following:**• Short term measures**

- Personnel **salaries** to be eroded in line with cost benefit against industry norms.
- **Freight forwarding to be outsourced** and rates pre-negotiated over a season
- International marketing agent (Pieter De Keyser), **rates to be renegotiate** it
- **International Euro disbursed packing fees employed by EOSTA to be rescinded**
- Introduction of **new software**, will reduce load on management as well as on administration and remove the need for very specialised in-house finance bookkeepers. The new software will facilitate the following considerable savings on the farm:
 - Fuel theft will be completely eradicated

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- Linked to a system of labour units the software will ensure appropriate levels of productivity, incorporating a reward system and removing laggards
- Logistics as well as supply chain costs will be calculated in advance and fixed and negotiated on a bulk discounted basis
- Stock levels will be carefully monitored
- All executive actions on the farm will be implemented against predetermined IMP link to the projected budget of the previous year. This will facilitate accurate record-keeping and facilitate monitoring and evaluation and remove all forms of hemorrhaging.
- Cognizance needs to be taken of the fact that approximately **15% of the farm's orchards are juvenile** and will become economically active in the following season
- Cognizance needs to be taken of the fact that 94 number of hectares of the farm Boschkraal will **become fully organic from 2025 onwards** and thus attract a premium price
- It is important to appreciate that with significantly **improved fertilisation, pest control as well as timorous irrigation, the farm will produce at least 10-20% more produce** from the 2024 orchards in 2025. This is a very conservative estimation.
- The Blue Crane Farms will be **exporting directly** and most definitely not via any exporters such as Freshgrow.
- All international **trade will be underwritten** (trade finance) in order to take pressure off the firm's own balance sheet. No further losses there.
- Product will be diverted from **EOSTA to Veganis**. Veganis have secured the national ⁹Aldi contract for organic oranges.

Eosta B.V.	Cartons	Price / carton		
Lemons	56,930	€ 12.58	€ 13.76	€ 783,208.10
Navels	46,620	€ 2.43	€ 15.79	€ 736,265.62
Valencias	92,120	€ 5.28	€ 10.86	€ 1,000,464.63
				€ 2,519,938.35
Total Produce Nordic	Cartons	Price / carton		
Lemons	6,050	€ 9.59		
Navels	15,340	€ 7.98		
Valencias	20,080	€ 3.99		
Veganis	Cartons	Price / carton		
Lemons	24,190	€ 26.34		
Navels	7,780	€ 18.22		
Valencias	18,610	€ 16.14		
ABC	Cartons	Price / carton		
Navels	2,960	€ 6.22		
Agricolli	Cartons	Price / carton		
Navels	9,220	€ 4.22		

- **Logistics will be arranged from the European side.** Drawing on the economies of scale a large intermodal logistics company can attract. In return the farm will commit to a global exclusivity agreement in advance with the same logistics company.

⁹ Major German supermarket group - [Current Fresh Hits | ALDI SOUTH \(aldi-sued.de\)](#)

- In Eastern Europe a new sales agent will be appointed, operating from the premises of the logistics firm, thereby reducing costs and servicing markets opened by the farm's resident agricultural economist.
- Non-core immovable assets on the farm/Jeffreys Bay/Kirkwood to be sold, generating approximately 15 million Rand.
- Medium to Long-term measures (from 6-18 months):
 - Sweet potato program to Dave Baker to the UK.
 - Introduction of an ¹⁰Incubation Farm (Note group re-branded as a Land Reform Effort)
 - Lease income
 - Additional fruit - improved economies of scale, fixed costs, packhouse as well as logistics rates will be reduced
 - Catering income for students (Stakeholders, Dept of Agriculture Development and Land Reform, Local ¹¹Universities and Agricultural colleges, CGA GDC, Agrisetas, National Agricultural Marketing Council, DTIC and Dept of Small Business)
 - Agri-tourism income
 - Catering units appropriately utilised
 - Game farm (Osberg) will realise much needed income as part of a fixed program with Dept of Tourism as well as the regional Nelson Mandela Municipality Tourism
 - Exchange students/research with European universities (citrus beneficiation)
 - Catering and industry promotion centre

The new management team have excelled over the past many years in managing past corporations such as this.



Anton Scheepers

Chief agricultural economist
for Mr Kiran Moodley

¹⁰ Not for Profit Organisation (NPO) linked to a Community Development Trust, linked to a student development program, not shareholders.

¹¹ Nelson Mandela Bay as well as Fort Hare

APPENDIX I

Condition of vehicles' tyres



FV03 Farm Vehicle Inspection Checklist VER: 1.1.1

Created	2024-07-01 16:14:11
Final Save	2024-07-01 16:25:10
Completed By	Max Potgieter

Farm Vehicle Inspection

Date	2024-07-01
Completed by:	Maxie Potgieter
Business in which the vehicle is	Proximitas Investment 60 (Pty) LTD
Site where vehicle is used/ stored:	Goodhope BB (Sunland)

Licensing Info:

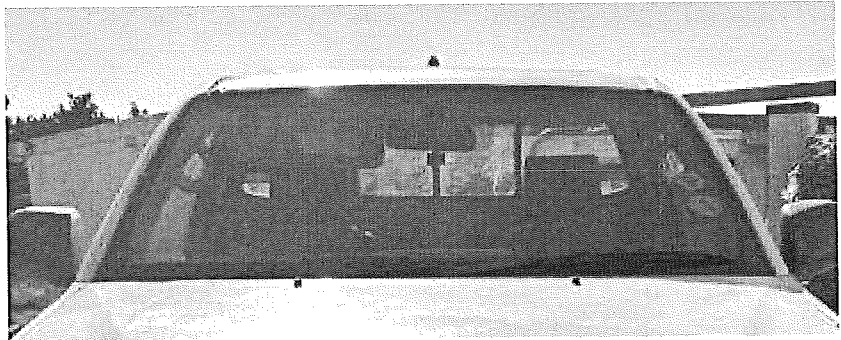
Registration Number:	HDX414EC
VIN Number:	AHTDR22G705529903
Make:	TOYOTA
Model:	HILUX
Expiry Date	2024/05/31
Odometer Reading:	263566

Vehicle Images

Front Image



Wind shield Image

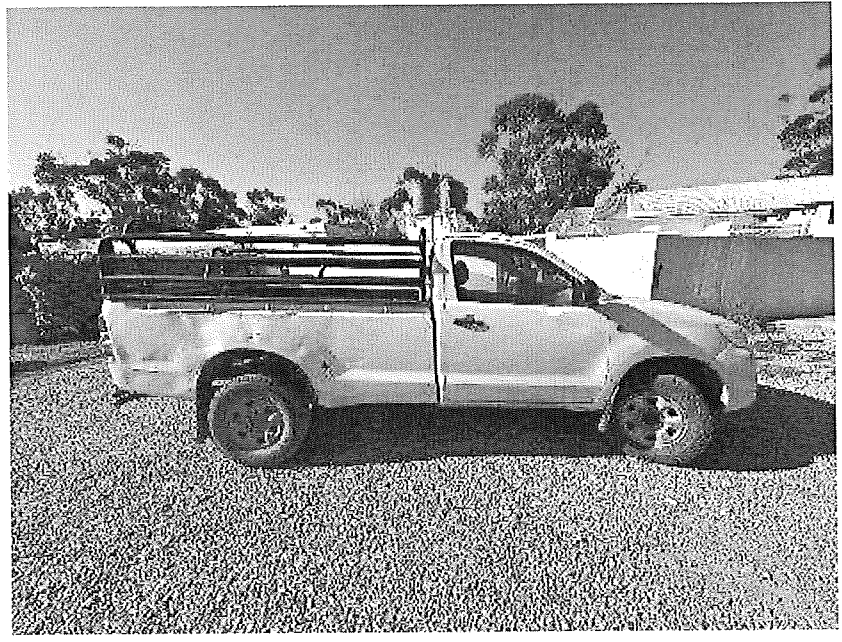


Any visible cracks or chips?

No

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Right Image



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RECOVERY PLAN

236

"KM4"

Behind of Image



Left Image

NO FILE

Damage on any panels?

Yes

State of Tyres

minimal tread left on most tyres

Spare Tyre available?

No

Interior Image



Vehicle clean and tidy?

Yes

Comments

The interior is clean from papers and clutter, but the das could due with a internal wipe down

Vehicle Emergency Accessories

Handwritten signature/initials

Emergency Tri-angle available? Yes

Wheel spanner available? Yes

Jack available? Yes

Chevron plates on back of vehicle or taillights in place and working? Yes

Vehicle Service book available? Yes

Vehicle Manual available? Yes

Concerning issues:

The major concern is that two of the wheel struts are broken

Image of area of concern:



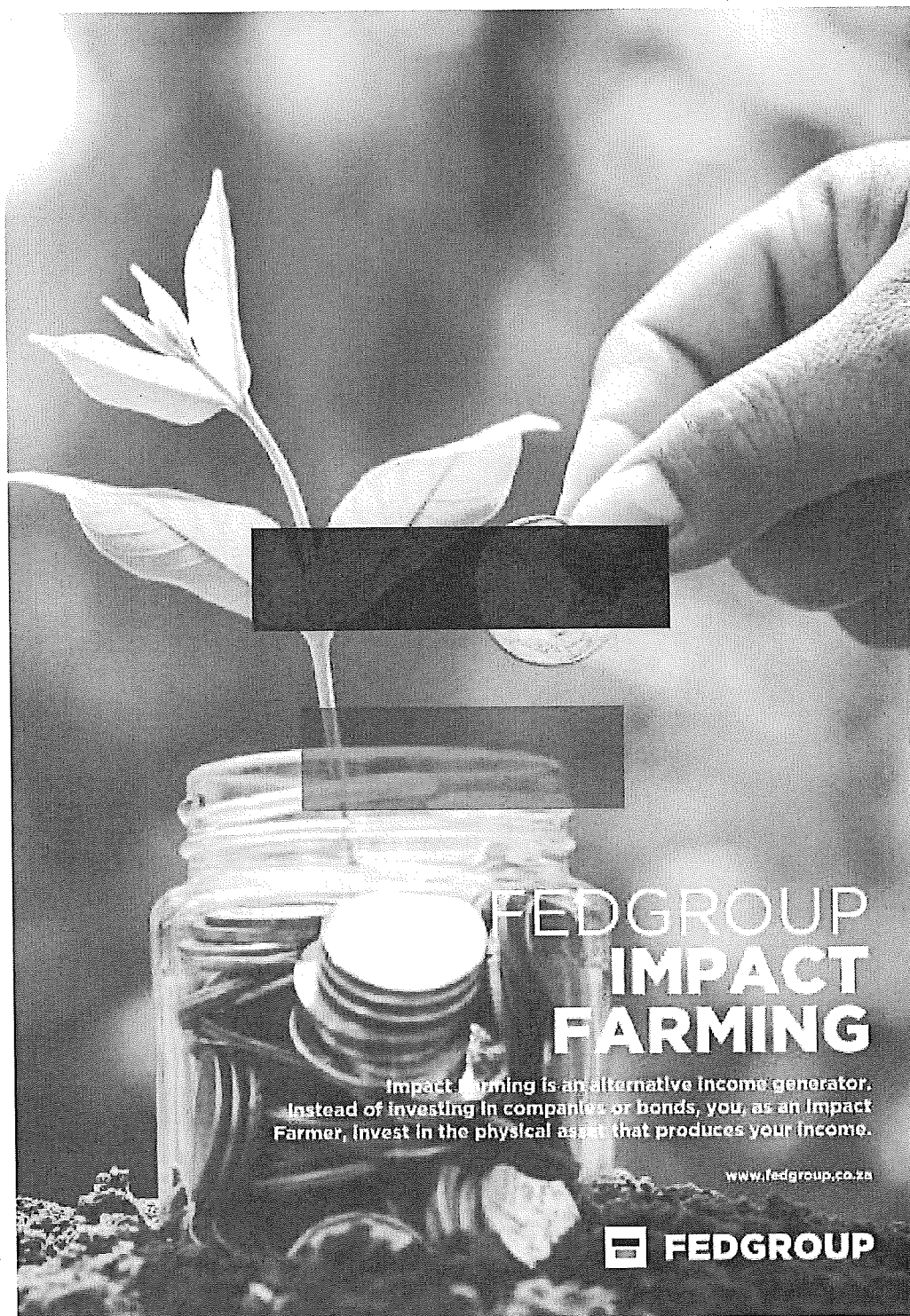
General Vehicle Overview Report

The vehicle has dents and scratches along the body, but the windshield is free of chips or cracks. The major concern is that two of the wheel struts are broken, and the wheel hub needs to be replaced urgently. Additionally, some of the tyres are smooth with minimal tread left, and there is no spare wheel.

Comment

APPENDIX II

Fedgroup (Crowdfunding)



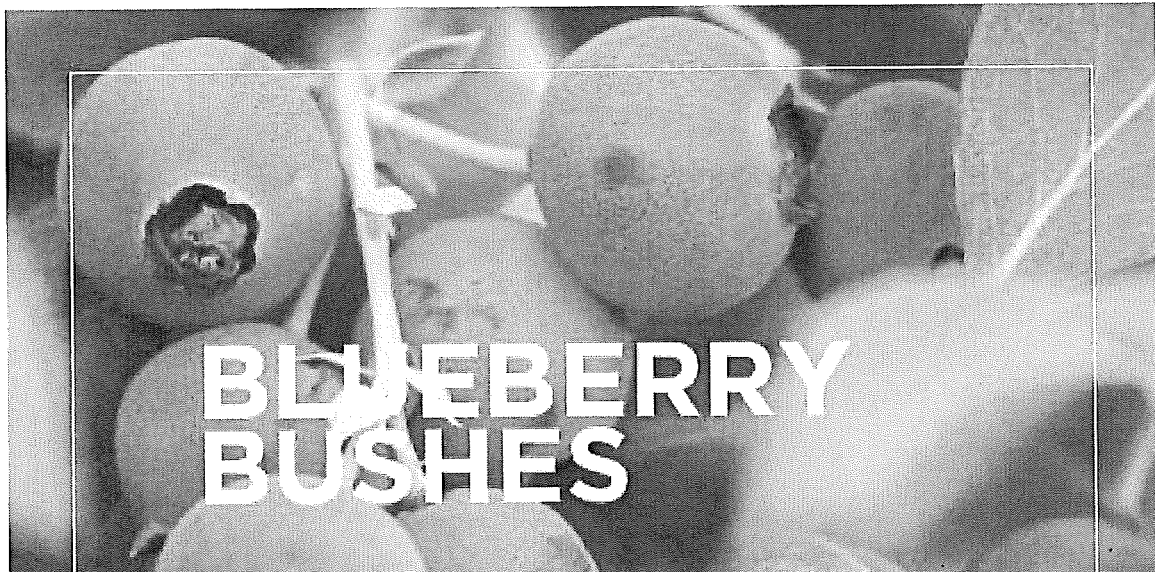
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BLUEBERRY BUSHES

Invest in blueberry bushes on a smart blueberry farm.

Earn an income up to twice a year from the harvest of your blueberries.

10% to 12% p.a.* At the end of the investment term *Returns start low and ramp up over time as your asset matures.	R250 Investment amount	8-year Investment term
--	--	--

Interesting Fact:
The blueberry's fibre, potassium, folate, vitamin C, vitamin B6 and phytonutrient content, coupled with its lack of cholesterol, all support heart health. The fibre in blueberries helps lower the total amount of cholesterol in the blood and decreases the risk of heart disease.

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PISTACHIO TREES



Invest in a pistachio tree on a premier pistachio farm.

Earn an income up to once a year from the harvest of your pistachios.



14% to 16% p.a.*
At the end of the investment term

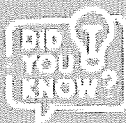
*Minimum investment of R250 000
R250 000 investment in your pistachio tree



R250 000
Investment amount



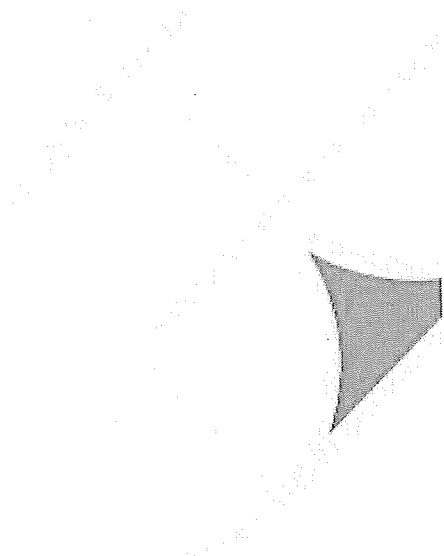
15-year
Investment term



Interesting Fact:

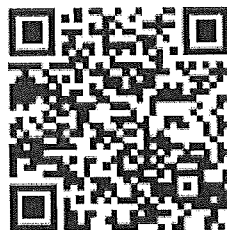
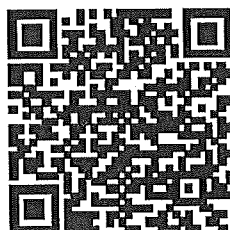
The pistachio nut orchard was established in the KAROO in the 1990's, an area which relates a lot to the Middle-Eastern desert-like climate, where they flourish in severely hot summers and extremely cold winters.

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Invest in income-producing alternative assets.

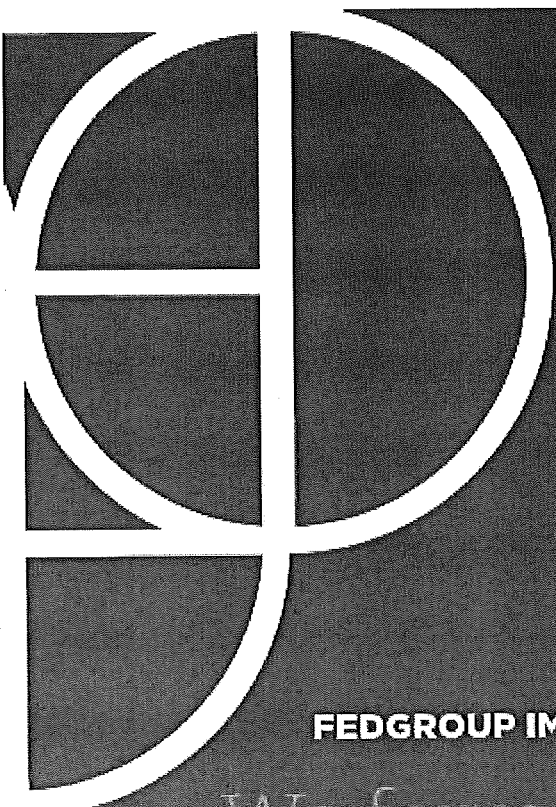
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CONTACT US

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APPENDIX III

Reports from Pieter de Keijzer in Europe

Dear Anton,

Thank you for your email and clear outlook on how you all want to turn thing around in a positive way. Great to read and really hope we can make it work together. I agree with you that opening an office in the EU will come with a lot of benefits. I have been working for Camposol (one of the largest Peruvian Agricultural companies). They also have a sales office in The Netherlands which helped them a lot with opening the doors to almost every retailer in the EU just by giving them on the one hand a direct relation with the grower but also the service of a traditional importer. It works!

Regarding sweet potato; we can definitely look into that. Beside Veganis I think we can attract more clients for this. Keep me posted please.

Please find a statement attached.

Please let me know if something needs to be adjusted or clarified.

Kind regards and keep up the good work,

Pieter



FRUITPRINT

Pieter de Keijzer
Spindermolen 44
3371 RN Hardinxveld-Giessendam
The Netherlands
T +31 6 23407197
pieter@fruitprint.eu
www.fruitprint.eu

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FRUITPRINT

To Whom it may concern / Blue Crane Stake holders

Dear all,

With this letter I want to give an outline for the upcoming season(s) in terms of marketing their fruit on their behalf.

- We strongly believe that more markets will and can be opened for the organic citrus fruits from Blue Crane. At this stage we are present in France, Austria, The Netherlands and Switzerland but we are able to open markets as well in the Scandinavia, Eastern Europe and of course Germany. Also we would like to explore the far east market where the organic consumption is still relatively small but due to the number of people living there it is an interesting market where a good growth can be expected especially with premium fruit.
- When new planning and prediction software will be implemented we see a very good possibility for a serious growth in turnover as consistency in your planning will be rewarded by the market and gives the tools to open more doors on the market side
- As we all know, CBS has obstructed volumes in this and the past seasons. With new managers in place we believe also that CBS can be countered with aggressive timeous spraying programs which will give a direct higher return to the farm as more volumes can be exported to the high end markets.

In terms of pricing please find below our expectations for the upcoming season:

Organic lemons	-	Average € 20,00 per 15kg box
Organic oranges	-	Average € 17,00 per 15kg box
Soft citrus	-	Average € 19,50 per 15kg box

All prices mentioned are nett return prices to the farm

When it comes to the farm Boschkraal (90ha) we see a very good potential in the EU market for the fruit coming from this farm. Although not organic certified yet, there is a very good market for in conversion or so called Chemfree programs. These programs are giving on an average a 15% higher return compared to conventional fruit and the market is big and still growing.

Fruitprint BV
Kleinkeizerslaan 14
1173 RH Huisdorp
Tel: +31 (0)20 6214011

Vaste
Chambre of Commerce
Organic Certification
Website

0160273020001
Boschkraal 1900601
11100 NIE 000 01
www.fruitprint.nl

Bank
Account number
IBAN
Swift/BIC

01602
0160200601601
NL0160200601601
0160200601601

Prepared by
Chief Agricultural Economist
Anton Scheepers

Handwritten signature/initials: "km" and "AD"



FRUITPRINT

If you want to speak with me personally about market opportunities in general or specific for Blue Crane, please do not hesitate to reach out to me.

As being in the market for organic citrus for the past 16 years I see a bright future for the fruit from Blue Crane.

Kind regards,

Pieter de Keijzer

Pieter de Keijzer

MD Fruitprint BV

pieter@fruitprint.eu

+31623407197

Fruitprint BV
Speldamseweg 14
1116 AH Amsterdam, Netherlands
pieter@fruitprint.eu
Tel. +31623407197

Verkeert
Transit of Commerce
Organic Certification
Website

003571416204
003571416204
111000 WIE BIO 01
www.fruitprint.eu

Bank
Account number
BIC
Swift/Bic

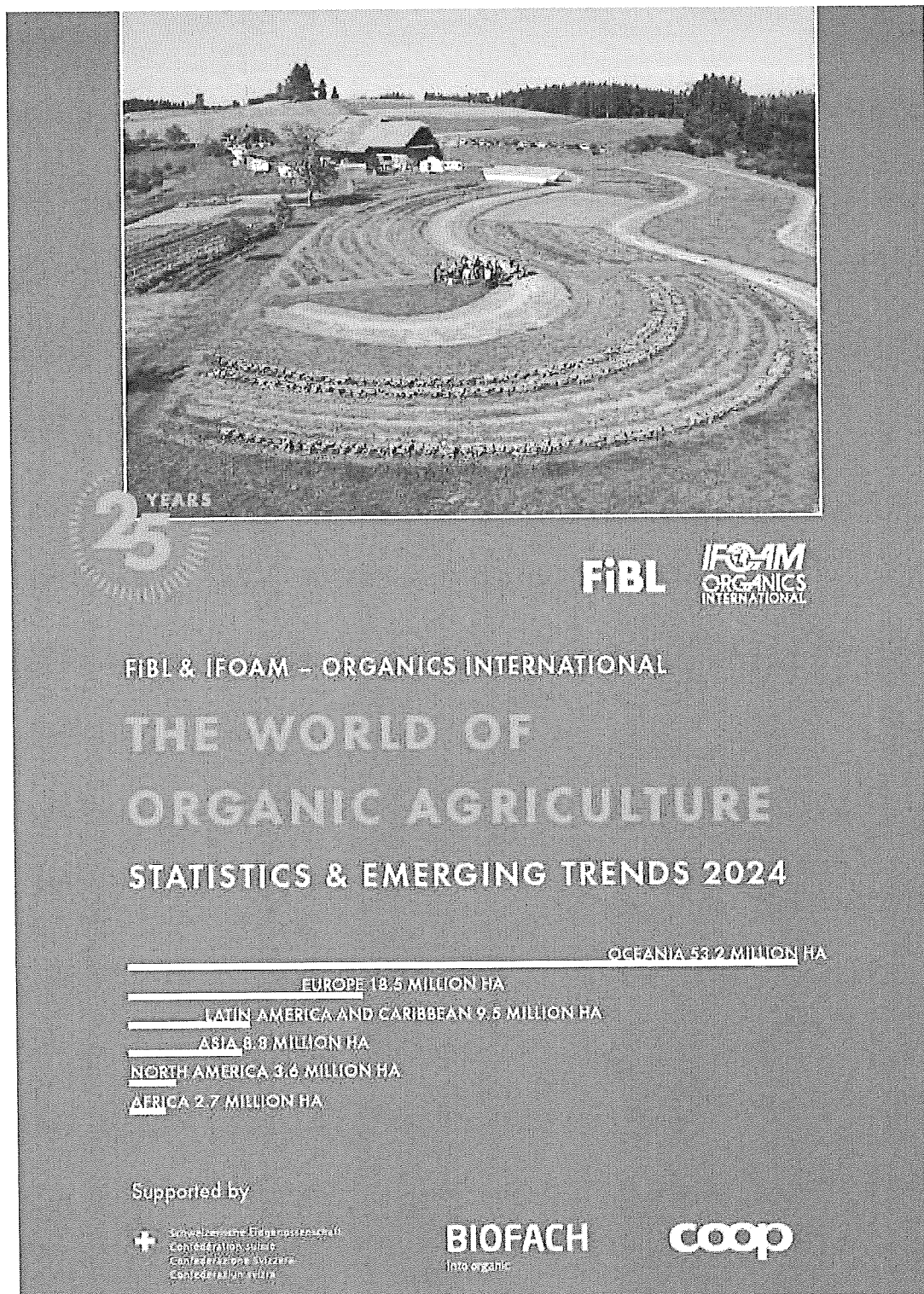
IBAN
003571416204
NL 1100002000001105
003571416204

Prepared by
Chief Agricultural Economist
Anton Scheepers

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APPENDIX IV

Important organic fruit report excerpt



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16.4.2 Citrus fruit

Table 42: Citrus fruit: Organic area by country 2022

Country/Territory	Organic area [ha]	Organic share [%]	Area fully converted [ha]	Area under conversion [ha]	Export to EU [MT]	Export to USA [MT]
Argentina	3'342	2.8	3'342			2'930
Benin	2	0.03	2			
Bolivia	0.1	0.0002	0			
Brazil	536	0.1	399	137	4'777	
Burkina Faso	88	36.7	88		7	
Cambodia	0.3	0.003	0			
Canada	2	0.0	2			
Chile	338	1.3	338		2'379	
China	13'000	0.4	7'000	6'000		
Colombia		0.0			7'524	
Costa Rica	16	0.1				
Côte d'Ivoire	7	0.1	7			
Croatia	24	1.2	25	18		
Cyprus	86	2.8	73	13		
Dominican Republic	86	0.2	86		760	2
Ecuador	722	2.0	708	14		
Egypt	1'303	0.7	1'303		1'296	
France	812	17.4	512	300		
French Guiana (France)	25	0.0	13	12		
French Polynesia	1	0.9	1			
Georgia	5	0.03	5			
Ghana	1'047	4.2	1'047		13	
Greece	2'136	4.7	2'136			
Grenada	0.1	0.01	0			
Guadeloupe (France)	12	0.0	3	9		
Guatemala	935	3.9	935		707	
Honduras	22	0.2	22			
Iran	18	0.01	5			
Israel	261	1.5	253	9	129	
Italy	31'218	21.5	26'718	4'500		21
Jamaica	0.02	0.0002	0		0	
Japan		0.0				
Lebanon	26	0.2	23	3		
Madagascar	44	0.3	44			
Malta	0.2	0.0	0			
Martinique (France)	4	0.0	4	0		
Mexico	21'492	3.3	21'492		253	8'491
Morocco	1'935	1.5	1'935		1'134	
Nepal	7	0.02	7			
Nicaragua	56	0.2	56			
Nigeria	46	0.01	46			
Paraguay	419	3.7	399	20		
Peru	561	0.7	428	132	4'716	
Portugal	406	1.9	327	79		
Réunion (France)	73	0.0	63	10		
Senegal	1	0.02	1			
South Africa	1'099	1.1	819	280	18'263	
Spain	25'821	8.7	17'454	6'531		325
Sri Lanka	11	0.1	11		0	
Tanzania	689	1.1	689			
Togo	3	0.1	3			
Trinidad and Tobago	1	0.03	1			
Tunisia	198	0.4	198		47	
Türkiye	708	0.4	369	339	115	
United Arab Emirates	0.1	0.02		0		
United States of America	5'477	2.0	5'477			
Viet Nam	226	0.1	204	22		
Total citrus fruit	115'346	1.1	95'073	18'427	42'740	11'769

Source: FiBL survey 2024, based on information from the private sector, certifiers, and governments. Export data from European Commission/Traces and USDA/GATS. For detailed data sources, see annex, page 335. Blank cells: No data available.

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Table 4: World: Organic imports to the European Union and US by region 2022

Exporting region	Import destination	2022 exports [MT]	1-year growth [MT]	1-year growth [%]
Africa	Export to EU	483'436	54'855	12.8%
	Export to USA	65'997	35'876	119.1%
Africa total		549'432	90'731	19.8%
Asia	Export to EU	553'718	-55'884	-9.2%
	Export to USA	60'666	-4'453	-6.8%
Asia total		614'384	-60'337	-8.9%
Europe	Export to EU	425'153	-90'034	-17.5%
	Export to USA	290'763	118'555	68.8%
Europe total		715'916	28'522	4.1%
Latin America	Export to EU	1'216'711	-39'746	-3.2%
	Export to USA	1'542'680	135'476	9.6%
Latin America total		2'759'391	95'730	3.6%
Northern America	Export to EU	30'076	-12'432	-29.2%
	Export to USA	192'919	55'116	40.0%
Northern America total		222'995	42'684	23.7%
Oceania	Export to EU	17'681	-2'932	-14.2%
	Export to USA	15'876	2'296	16.9%
Oceania total		33'557	-636	-1.9%
Total exports to EU and US		4'895'676	196'694	4.2%
Total exports to EU		2'726'775	-146'173	-5.1%
Total exports to US		2'168'901	342'867	18.8%

Source: TRACES/European Commission, GATS/USDA, compiled by FiBL

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Global Statistics › Organic Retail Sales

World: The countries with the largest markets for organic food 2022

Source: FiBL-AMI survey 2024

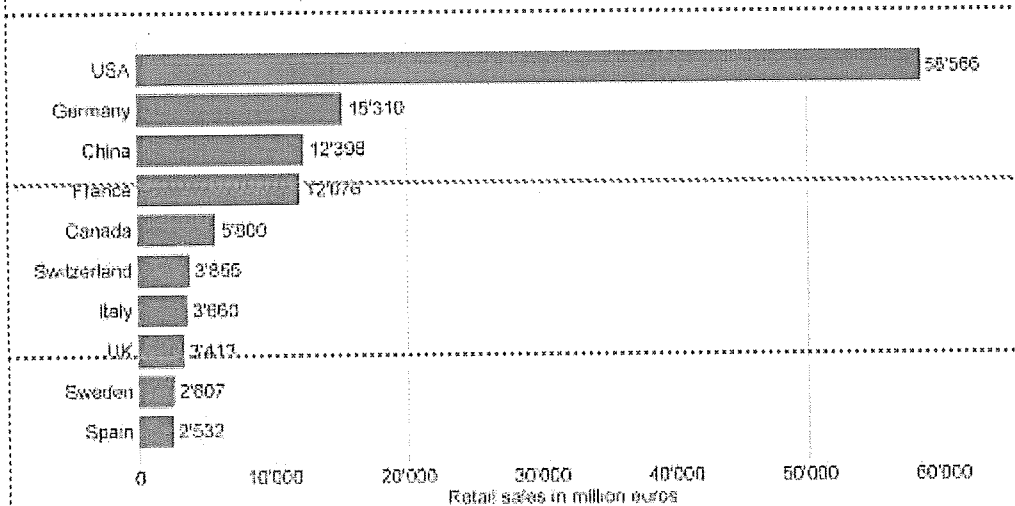


Figure 12: Global market: The countries with the largest markets for organic food 2022

Source: FiBL-AMI survey 2024, based on data from government bodies, the private sector and market research companies. For data sources, see annex, page 335.

World: The ten countries with the highest per capita consumption 2022

Source: FiBL-AMI survey 2024

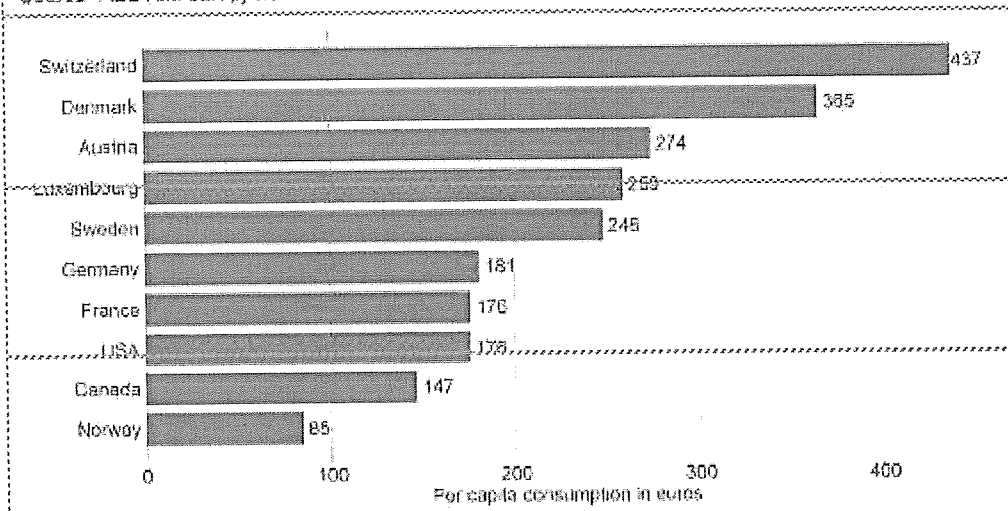


Figure 13: Global market: The ten countries with the highest per capita consumption 2022

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Regional citrus trade trends

Larger market growth in Russia, North America and Asia (Eastern & South East Asia)(based on import)

EU trends taking both intra EU and import value)

	Av 17-15	Av 07-05	var % Av 17-15/07-05	var vol in T Av 17-15/07-05
Russian Federation	1,538,638	999,967	54%	538,671
North America	1,458,143	942,986	55%	515,158
EU	7,159,663	6,491,865	10%	667,798
Eastern Asia	1,110,163	858,031	29%	252,132
South-East Asia	545,985	385,482	42%	160,503
Southern Asia	86,739	18,375	372%	68,364
Central Asia	82,445	20,430	304%	62,015
South America	99,019	38,031	160%	60,988
Eastern Africa	52,456	20,454	156%	32,002
Europe	675,361	650,834	4%	24,527
Middle Africa	14,529	931	1461%	13,598
Oceania	50,583	39,071	29%	11,512
Northern Africa	21,296	12,872	65%	8,424
Caribbean	6,813	5,512	24%	1,301
Central America	112,556	111,381	1%	1,175
Western Africa	10,883	11,562	-6%	-678
Southern Africa	17,703	28,938	-39%	-11,235
Middle East	624,562	703,832	-11%	-79,270



Table 11 - Total import of citrus fruit
Tableau 11 - Importations totales d'agrumes
Cuadro 11 - Importaciones totales de cítricos

	2011	2012	2013	2014	2015	2016	2017	2018	2019
(...thousand tonnes / milliers de tonnes / miles de toneladas...)									
Bulgaria	69.0	66.5	72.2	87.0	94.4	106.6	96.4	98.3	107.3
Czechia	161.0	162.2	162.7	157.8	174.7	169.1	148.1	161.6	156.6
Denmark	109.0	89.9	88.5	79.2	85.0	87.0	81.6	83.6	99.5
Finland	71.5	72.2	71.4	72.1	74.0	79.2	70.2	73.7	80.5
France	943.9	1 042.6	1 034.3	1 015.1	1 065.0	1 103.3	1 118.3	1 109.9	1 094.6
Germany	1 079.1	1 119.9	1 140.2	1 015.8	1 109.0	1 137.9	1 086.7	1 119.1	1 114.5
Italy	362.6	416.4	434.6	364.0	468.9	355.2	483.2	407.6	454.8
Lithuania	97.1	114.2	115.0	113.4	117.0	83.6	76.0	75.9	72.0
Netherlands	990.6	1 009.8	1 039.7	978.7	1 045.9	1 148.3	1 254.1	1 243.3	1 300.3
Norway	71.6	71.9	75.1	71.9	75.9	81.0	78.2	79.4	75.1
Poland	424.9	459.4	454.2	444.8	470.4	478.8	501.7	477.1	510.6
Portugal	96.2	94.3	120.0	126.1	131.1	163.5	203.6	194.3	182.5
Romania	168.8	171.1	204.1	229.7	243.5	266.0	247.0	247.2	253.4
Russian Federation	1 656.8	1 576.1	1 701.1	1 649.4	1 535.2	1 522.9	1 561.2	1 599.7	1 724.0
Serbia	91.4	82.8	85.8	92.1	83.4	97.0	80.3	89.1	91.8
Spain	169.7	192.6	195.8	164.2	206.1	275.6	260.7	216.7	232.3
Sweden	184.3	171.3	179.3	171.8	180.6	187.4	182.1	184.6	168.3
Switzerland	129.8	132.7	135.6	133.5	143.9	145.9	144.6	146.9	149.9
Ukraine	413.5	382.8	443.4	328.0	232.0	291.6	265.4	342.8	407.1
United Kingdom	694.1	696.3	715.4	718.4	741.9	770.2	738.4	741.7	728.2
Others	524.1	507.3	520.2	549.2	553.2	569.9	534.7	551.5	577.2

Chief Agricultural Economist

Anton Scheepers

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Oranges, Fresh: Production, Supply and Distribution in Selected Countries
(1,000 Metric Tons)

	2019/20	2020/21	2021/22	2022/23	Jan 2023/24	Jul 2023/24
Production						
Brazil	14,870	14,676	16,932	15,482	16,500	15,300
China	7,400	7,500	7,550	7,600	7,630	7,630
European Union	6,268	6,531	6,728	5,580	5,475	5,475
Mexico	2,530	4,649	4,595	4,854	4,870	4,870
Egypt	3,200	3,570	3,000	3,600	3,700	3,700
United States	4,766	3,980	3,108	2,312	2,536	2,502
Turkey	1,700	1,300	1,750	1,320	1,731	1,731
South Africa	1,457	1,558	1,680	1,630	1,620	1,687
Vietnam	1,017	1,161	1,583	1,583	1,583	1,583
Morocco	806	1,039	1,150	783	820	820
Argentina	700	750	726	623	900	650
Australia	485	505	535	505	530	530
Costa Rica	285	290	300	305	250	250
Chile	135	200	164	180	175	177
Guatemala	170	167	160	168	168	168
Other	289	297	350	355	331	331
Total	46,078	48,173	50,319	46,880	48,819	47,404
Fresh Dom. Consumption						
China	7,240	7,291	7,460	7,544	7,560	7,458
European Union	5,963	5,855	5,949	5,660	5,525	5,625
Brazil	4,967	4,582	4,669	4,500	4,530	4,400
Mexico	1,596	2,416	2,391	2,440	2,528	2,534
Vietnam	1,062	1,236	1,639	1,618	1,618	1,628
Egypt	1,372	1,519	1,400	1,700	1,400	1,600
Turkey	1,348	1,018	1,283	1,083	1,394	1,340
United States	1,409	1,233	1,170	1,310	1,191	1,301
Morocco	654	897	965	704	715	730
Russia	426	446	489	460	483	484
Argentina	428	478	549	478	608	450
Iraq	393	364	449	404	438	438
Saudi Arabia	369	428	410	417	426	414
United Arab Emirates	233	187	218	273	226	273
United Kingdom	219	238	250	215	220	210
Other	1,754	1,855	1,940	1,658	1,741	1,666
Total	29,433	30,143	31,131	30,464	30,603	30,548
For Processing						
Brazil	9,915	10,118	12,291	11,009	12,000	10,932
Mexico	900	2,200	2,150	2,385	2,300	2,304
United States	3,050	2,498	1,839	872	1,200	1,077
European Union	848	1,026	1,111	624	610	640
South Africa	100	240	355	369	160	588
Egypt	335	350	300	300	300	350
China	400	350	249	220	230	225
Australia	195	226	215	210	200	200
Argentina	190	186	116	116	220	168
Costa Rica	213	215	212	218	180	168
Other	182	196	231	182	222	219
Total	16,408	17,605	19,069	16,505	17,622	16,871

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APPENDIX V

Budget calculations and banking information commentary

August 2024

Analysis document

Budget calculations:

The below assessment of cash flow requirements was done in consultation with current information and provides a summary view of a practical and reasonable version of expected income and expenses, for the season current as well as ahead.

Sales:

The income includes organic and conventional fruit income, waste fruit including the lemon oil and juicing income as well as the income from income-generating properties deriving income outside of farming activities. All income streams are required to maintain economies of scale and to satisfy certain aspects related to the successful operation of the business. In terms of property income, actual occupancy rates and forward booking schedules have been used to derive the income. These properties (non-farm) are used to facilitate the accommodation of certain external role-players that are responsible for the audit and certification functions required, within the organic crop environment, hence their importance. Further enhancements to these properties can be made in seasons to come. Expected additional income can also be earned once on-farm accommodation for employees is brought up to expected code. This can be used to maintain and provide upkeep to these buildings.

You will note an introduction of certain cash crop activity, which has already been discussed with clients in the overseas market with interest expressed to accept all products into existing markets, alongside current citrus export. This is to existing clients so market is defined and appetite for demand has been confirmed.

Indicative pricing has been used and yield values have been margined downwards towards the upper limit of the conservative estimate. This data has been sourced via an economist and enforces the decision to diversify Rand value crop yield per Ha. This will also impart a longer season, as the nominal overlap between cash crop harvesting and citrus harvesting will supplement the cash flow positively. Significance of this cash crop relies heavily on the ability to implement a fertilisation/spraying programme as soon as possible. It'll also ensure a greater probability of achieving the expected yield in the new season on citrus crop.

Farm Boschkraal yield values also steadily increase as juvenile trees bear incrementally to capacity.

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CONSOLIDATED FARMS INCOME
BUDGET

	2024-2025		2025-2026		2026-2027		2027-2028	
	307 643	cartons	413 328	cartons	470 322	cartons	530 982	cartons
	409,00	R/ctn	421,27	R/ctn	433,9	R/ctn	446,93	R/ctn
			110 656	Boschkraal	117 572	Boschkraal	124 488	Boschkraal
			421,27		433,9		446,93	
Sales	142 496 441		247 301 003		280 450 000		317 989 927	
Sales Organic Fruit	125 825 987		220 738 740	see income sheet	255 091 969	see income sheet	292 946 155	see income sheet
Sales Conventional Fruit	11 500 454							
Sales Waste Fruit	4 300 000		3 500 000		2 500 000		1 500 000	
B&B Income	870 000		870 000					
Net Income butternuts			8 461 814		8 715 668		8 977 138	
Net Income sweet potatoes			13 730 450		14 142 364		14 566 634	

Past performance (crop yield):

Historic data shows farm yield capacity, without some of the later farm acquisitions, to be in excess of 500 000 cartons in a season. This data is based on information of actual sales between 2017 and 2023 and average carton count per season sold in this period is 457 582 cartons. See below table for reference.

This leads me to conclude that the farm has substantially underperformed in the current season, most likely due to inadequate resources in the year prior.

Blue Crane Exports	Season	Carton count
	2023	Total Cartons 339 943
	2022	Total Cartons 491 452
	2021	Total Cartons 529 945
	2020	Total Cartons 621 952
	2019	Total Cartons 395 868
	2018	Total Cartons 448 984
	2017	Total Cartons 374 934
		Average: 457 582

Important factors governing future performance:

- Interest rate environment – South Africa currently appears to be at the peak of it' interest rate cycle, proposing that there is a strong possibility that a decline in the Repo rate in the short-term future will have a positive impact on the cost of current borrowings.
- Currency volatility – Financial instruments can be used to avail of a more stable margin on foreign sales, such as forward exchange contracts and CFC accounts, with funds only repatriated when in need.
- Supply and demand – our foreign liaisons are in process of confirming by way of written communication regarding the demand for organic citrus and related cash crop which we intend growing. This will secure offtake and these markets are well positioned to accommodate the expected volumes that the farms cumulatively will be able to produce.
- Sales price of crop – unlike growers who require an agent to source a market and become price-makers on their behalf, the group currently has their own client base/foreign market liaisons who have been in a working relationship with the farms for many years. We are aware of end user pricing and require no additional

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function within the value chain that would erode the profit margin, such as the case of the current status quo, with the appointment of FreshGro.

- Business structures and tax efficiency – the intention is for the group of entities to successfully trade themselves out of the current position by way of trading under a NewCo, being the entity to house all assets, shareholding and liabilities. In the longer term, this will allow for segmenting of income generating assets, export entities and the separation of the growing and pack house functions.
- Communication and oversight – with a fully-fledged set of skills involved in the daily operations of the business, it would be reasonable to have regular reporting to the creditors by way either an internal creditor liaison function (part of role of new CFO or CEO) or the consideration of having bi-monthly reports, measured against proposed milestones.
- New organisational structure to be implemented with immediate effect – this is in process of finalisation, however does include a full overhaul of the finance function and better alignment of skills into the operational part of farm operations.
- Our current pack house manager, Johannes de Lange has a wealth of experience and has learnt farming from the founders, enabling him to have local knowledge second to none. More reliance will be placed on him to ensure adequate programmes being in place for fertilisation, spraying, nutrition and water resources allocation.

Debt obligation:

In below calculations, it has been budgeted to allow for an interest payback of R10m towards current debt, to be structured in conjunction with discussion with creditor/s.

Capital moratorium would be a consideration for bank debt, with forward focus on the areas of most concern i.e. limit reduction programme on working capital facilities and settlement schedule to be drawn up in order to settle finance agreements in order of priority.

Finance restructure recommendations:

Property related finance can also be rescheduled on term, back to 120 or preferably 180 months.

Asset finance can be paid off with agreements with the lowest balances being disposed of first.

For example, the settlement of all instalment sale agreements (ISA) will provide an additional R113,950pm into monthly cash flow. In order to accomplish this, an estimated R3,350,250 will need to be spent, which is reasonable to expect to achieve within the next 18 months. Thereafter, a phased approach can be implemented, with surplus cash flow generated by the settlement of debt closest to end of term, or with the least value to be used to further accelerate servicing of the remaining creditors.

Entity Name	Type	Interest Rate	Outstanding	Payment
9568-4187	ISA	P+ 0.35%	482 038	13 406,87
9568-4225	ISA	P+ 0.35%	208 966	5 889,77
9568-4284	ISA	P+ 0.35%	471 688	13 121,94
9568-4314	ISA	P+ 0.35%	101 488	2 931,46
9568-4322	ISA	P+ 0.35%	115 818	3 325,00
9568-4365	ISA	P+ 0.35%	137 313	3 917,56
9562-8210	ISA	P+0.33%	303 706	11 847,00
Prepared by 9562-8287 Chief Agricultural Economist	ISA	P+0.33%	317 085	12 363,00
9562-8376	ISA	P+0.33%	370 602	14 426,00

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9562-8910	ISA	P+0.33%	404 049	15 716,00
9563-0281	ISA	P+0.33%	437 497	17 005,00
			3 350 250	113 949,60

Medium term debt can also be incorporated into longer term solutions, with surplus collateral on hand.

		Balance:	Proposed term change:	Current term:
80-8069-9263 Agri loan P-0.50%	18 000 000	5 468 033	180	120
30-5282-3417 Term loan P+0.00%	26 300 000	23 267 413		180
30-5335-7152 Term loan P+0.00%	80 000 000	72 758 810	180	120
30-5382-6288 Term loan P+0.25%	27 000 000	23 922 786	180	120
30-5242-5047 Term loan P+0.00%	20 000 000	18 496 609		180
30-5873-4818 Term loan P+1.51%	35 000 000	35 509 956	180	60

Cost of sales:

Expenses are listed here in summary and provide a fair reflection of what current expenses are, citing source documents on hand for these values. Any estimation done is in conjunction with prior information and assumed escalations as per industry norms.

Important to note is that within this budget, allowance has been made for costs to be as close to actual as possible, with those estimated being done so above the expected actuals, in order to demonstrate financial prudence.

Permanent salary also includes budget for staff involved in a new finance team, including controller and or debtors/creditors officer and a financial manager. This allows for swift and sound decision making, with competent individuals in place in order to have good financial governance in place. This also brings in the ability to provide better reporting on interim performance to both management and creditors.

A full skills matrix will be conducted to review the current staff compliment, optimise certain roles within the group, upskill and develop people and if needs be, reduce staff numbers for roles not within the new structure.

Key areas of concern have been addressed, such as shortfalls in providing adequate resources to the spraying and fertilising programme. If done in expectation with plans proposed and with the budget as allocated, all indications are that the 34% increase in yield is easily attainable.

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CONSOLIDATED FARMS INCOME							
BUDGET							
	2024-2025		2025-2026		2026-2027		2027-2028
	307 643	cartons	413 328	cartons	470 322	cartons	530 982
	409,00	R/ctn	421,27	R/ctn	433,9	R/ctn	446,93
			110 656	Boschkraal	117 572	Boschkraal	124 488
			421,27		433,9		446,93
Sales	142 496 441		247 301 003		280 450 000		317 989 927
Sales Organic Fruit	125 825 987		220 738 740	see Income sheet	255 091 969	see Income sheet	292 946 155
Sales Conventional Fruit	11 500 454		-				
Sales Waste Fruit	4 300 000		3 500 000		2 500 000		1 500 000
B&B Income	870 000		870 000				
Net Income butternuts			8 461 814		8 715 668		8 977 138
Net Income sweet potatoes			13 730 450		14 142 364		14 566 634
Cost of Sales	51 544 605		63 120 426		67 756 705		72 711 061
Courier & Lab Costs-Packhouse & Farms	300 000		300 000		321 000		343 470
Fertilizer and Sprays	32 760 000		32 760 000		35 053 200		37 506 924
Freshgro commision	2 461 144		4 191 872		4 703 152		5 243 760
Irrigation	1 563 461		1 563 461		1 672 903		1 790 006
Packaging Cost	45,51 14 000 000		23 845 093		25 514 250		27 300 247
PPE farms & packhouse	270 000		270 000		288 900		309 123
Training farms & packhouse	140 000		140 000		149 800		160 286
Welfare Funds	50 000		50 000		53 500		57 245
Gross Profit	90 951 836		184 180 577		212 693 295		245 278 866
Operating Costs	66 704 683		66 604 683		71 069 011		75 852 842
Accounting Fees	336 000		336 000		359 520		384 686
B&B costs	250 000		250 000		267 500		286 225
Bank Charges	1 100 000		1 100 000		1 177 000		1 259 390
Bus service & repairs	75 000		75 000		80 250		85 868
Cleaning & Sanitation	150 000		150 000		160 500		171 735
Computer Expenses	480 000		480 000		513 600		549 552
Depreciation	1 500 000		1 400 000		1 300 000		1 200 000
Diesel for packhouse burners & generator	800 000		800 000		856 000		915 920
Electricity	6 500 000		6 500 000		6 955 000		7 441 850
Entertainment Expenses	50 000		50 000		53 500		57 245
Farm diesel	5 000 000		5 000 000		5 350 000		5 724 500
Fines	5 000		5 000		5 350		5 725
Health & Safety	200 000		200 000		214 000		228 980
Inspection & Certifications-farms	200 000		200 000		214 000		228 980
Inspection & Certifications-packhouse & audits	1 995 172		1 995 172		2 134 834		2 284 272
Insurance	1 680 000		1 680 000		1 797 600		1 923 432
Internet & Computer Fee	300 000		300 000		321 000		343 470
Licences	150 000		150 000		160 500		171 735
Membership Fee	600 000		600 000		642 000		686 940
Packhouse Maintenance	800 000		800 000		856 000		915 920
Pest Control	115 000		115 000		123 050		131 664
Printing & Stationery	180 000		180 000		192 600		206 082
Rates & Taxes	890 000		890 000		952 300		1 018 961
Rental of forklifts for season & ozone machines	765 000		765 000		818 550		875 849
Repairs & Maintenance Farms	1 100 000		1 100 000		1 177 000		1 259 390
Salaries	10 820 540		10 820 540		11 577 978		12 388 436
Security	-		-		-		-
Service vehicles	250 000		250 000		267 500		286 225
Small Assets	100 000		100 000		107 000		114 490
Telephones	120 000		120 000		128 400		137 388
Tracking of vehicles	-		-		-		-
Tractors services & repairs	280 000		280 000		299 600		320 572
Transport Costs-fruit Imithana	280 000		280 000		299 600		320 572
Travel local	50 000		50 000		53 500		57 245
Travel overseas	250 000		250 000		267 500		286 225
Truck service & repairs	100 000		100 000		107 000		114 490
Tyres vehicles	200 000		200 000		214 000		228 980
Wages - packhouse & farm & security	25 482 971		25 482 971		27 266 779		29 175 453
Water	2 300 000		2 300 000		2 461 000		2 633 270
Workmans Compensation	1 250 000		1 250 000		1 337 500		1 431 125
NET PROFIT BEFORE INTEREST & TAX	24 247 153		117 575 894		141 624 285		169 426 024
INTEREST	10 000 000		10 000 000		10 000 000		10 000 000
NET PROFIT AFTER INTEREST & BEFORE TAX	14 247 153		107 575 894		131 624 285		159 426 024

Prepared by
Chief Agricultural Economist
Anton Scheepers

KM
AD

Conclusion:

The above is an initial summary of what has been learnt over the past short period of time and also in studying the information at hand from first-hand sources, utilising my experience in financial services exceeding 20 years. I've also worked closely with the incumbent agricultural chief economist and have great comfort that the proposed changes will bring about the desired results.

I am confident that should the necessary reforms be made and a more robust financial management system not only be in place, but be acted upon as such, that the prospect of reasonable turnaround of the total operations is not only possible but achievable within a short period of time.

Regards

Dean Pillay

072 9000 979

dpillayone@gmail.com

Michelle

From: kiran@doregos.co.za
Sent: Monday, 12 May 2025 09:26
To: frans@noltesmit.co.za
Subject: FW: Rescue Plans
Attachments: Recovery Plan_E.. - BRP 04092024.pdf

From: Cindy Jonker <cindyj@jgs.co.za>
Sent: Thursday, 05 September 2024 9:13 AM
To: Paul Bester <paul@besters.biz>; Warren Parker <wp@jgs.co.za>; David Masterton | Business Rescue 360 <Davidm@businessrescue360.co.za>; Pat Pattinson | Business Rescue 360 <Patp@businessrescue360.co.za>
Cc: dean@doregos.co.za; kiran@doregos.co.za; 'Anton' <anton@aimco.co.za>
Subject: RE: Rescue Plans

Dear Paul

In preparation of our meeting scheduled for tomorrow at 09.00 enclosed herewith the recovery plan authored by the consulting team of the BSFT.

Additionally, as requested in our below email and as offered by Pat telephonically yesterday in the spirit of transparency, please share with us in advance of our meeting scheduled for tomorrow the bank statements relating to the Proximitas bank account which will reflect all monies received and payments made out of such account since inception of the BR process.

Kind Regards

CINDY JONKER

Director
 t +27 41 396 9268
 173 Cape Road, Mill Park, Gqeberha
 PO Box 59, Gqeberha
 Docex 12, Gqeberha

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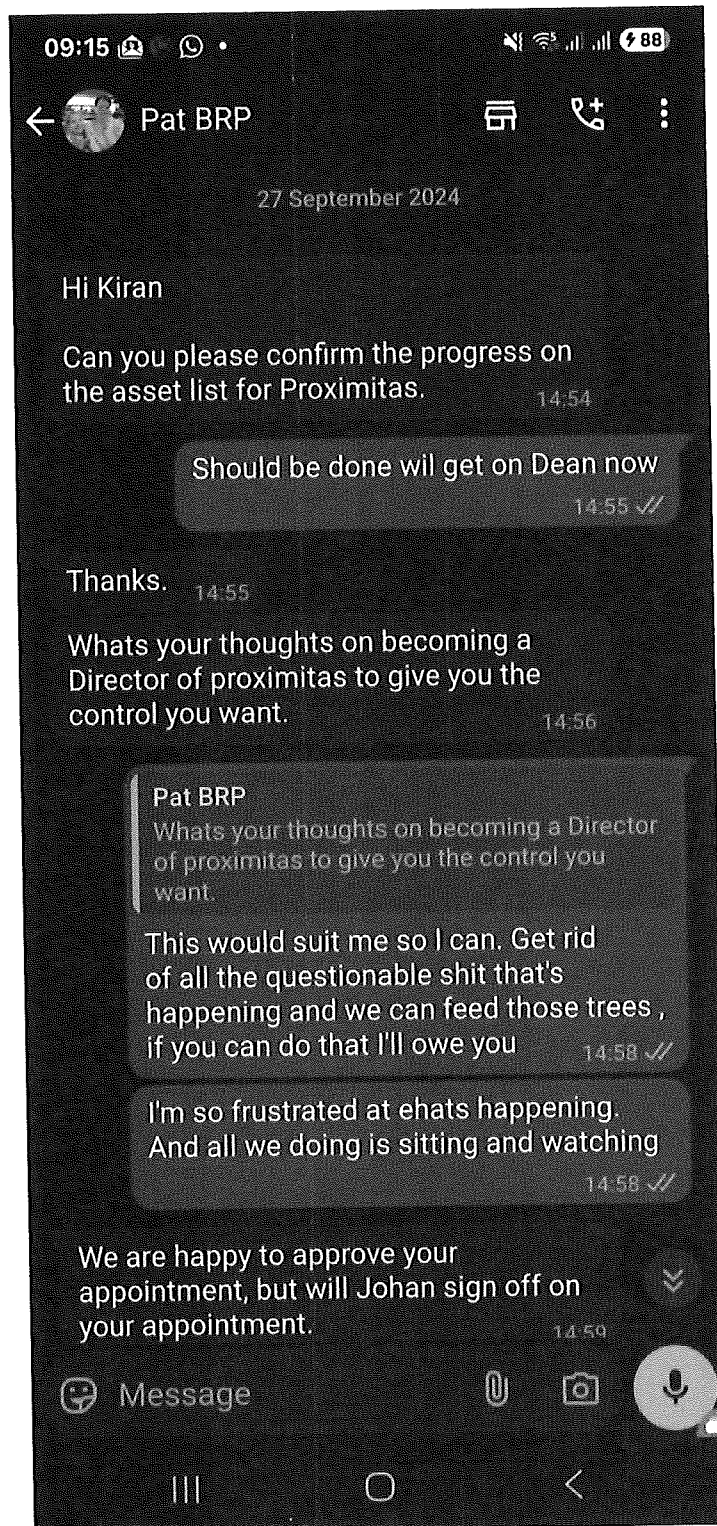
From: Cindy Jonker
Sent: Wednesday, 04 September 2024 11:26
To: Paul Bester <paul@besters.biz>; Warren Parker <wp@jgs.co.za>; David Masterton | Business Rescue 360 <Davidm@businessrescue360.co.za>; Pat Pattinson | Business Rescue 360 <Patp@businessrescue360.co.za>
Subject: RE: Rescue Plans

Dear Paul

We have just spoken to Pat and arranged to meet him and you on Friday am at 09.00 at Nolands' offices for purposes of discussion the plan. We will share the plan with you and the BPRs before Friday's meeting.

Km
 AD

259
"KM6"



KM
AD

Michelle

From: kiran@doregos.co.za
Sent: Wednesday, 07 May 2025 09:59
To: 'Tyne Kingwill'; frans@noltesmit.co.za
Subject: FW: BDO details

From: David Masterton | Business Rescue 360 [<mailto:Davidm@businessrescue360.co.za>]
Sent: Monday, 30 September 2024 13:59
To: dean@doregos.co.za
Cc: Kiran@doregos.co.za
Subject: RE: BDO details

Hi Dean

Please see Craigs email.

Craig Kilian ckilian@bdo.co.za

Cheers
David

From: dean@doregos.co.za <dean@doregos.co.za>
Sent: Monday, 30 September 2024 08:23
To: David Masterton | Business Rescue 360 <Davidm@businessrescue360.co.za>
Cc: Kiran@doregos.co.za
Subject: BDO details
Importance: High

Morning David

I trust that you are well and had a good weekend...

Kiran asked me to reach out to you to ask for the details of Craig Kilian at BDO, for the purposes of the valuation that is required for the purchase of shares in Proximitas.

If on hand, please send to me so that I can engage him for his assistance.

Thanks,

Kind regards,

A handwritten signature in black ink, appearing to be 'KM' followed by a stylized flourish.



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261 "KM8"
106 Park Drive,
St Georges Park,
Gqeberha
PO Box 63814,
Greenacres, 6057

The Directors
Blue Crane Organics (Pty) Ltd

By email: dean@doregos.co.za

10 October 2024

LIMITED SCOPE VALUATION OF PROXIMITAS INVESTMENTS 60 (PTY) LTD

BACKGROUND

Nature of Business

Proximitas Investments 60 (Pty) Ltd ("Proximitas" or the "Company") is incorporated in the Republic of South Africa and its operations include property letting and citrus farming activities. The Blackie Swart Family Trust owns 100% of the Company's shareholding.

Purpose of Valuation

BDO Advisory Services (Pty) Ltd ("BDO") is of the understanding that management of Blue Crane Organics (Pty) Ltd ("Blue Crane" or "Management") requires a limited scope indicative valuation of the Company (the "Valuation").

Information Used

The information used to conduct the Valuation presented in this document was provided by Management.

The following documents and information have been used:

- ▶ Proximitas Investments 60 (Pty) Ltd draft annual financial Statements for the year ended 30 September 2023.
- ▶ Property valuation assessments for the immovable assets;
- ▶ Blackie Swart Family Trust group structure;
- ▶ A list of creditors of the Blackie Swart Trust group with an indication on whether or not the debt is secured;
- ▶ Discussions with Management, represented by Dean Pillay.

BDO Advisory Services (Pty) Ltd
Registration number: 2010/015322/07
VAT number: 4870258011

Chief Executive Officer: B Mokoena

A full list of all company directors is available on www.bdo.co.za

BDO Advisory Services (Pty) Ltd, a South African company, is an affiliated company of BDO South Africa Incorporated, a South African personal liability company, which in turn is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

kan
AD

VALUATION APPROACHES

Approach and Methodology	There are four fundamental ways to measure the value of a business: • Income approach • Market multiple approach • Asset approach • Depreciated cost approach Under each approach, a number of methods are available which can be used to determine the value of a business enterprise. Each business valuation method uses a specific procedure to calculate the business value. No one business valuation approach or method is definitive. Hence, it is common practice to use a number of business valuation methods under each approach. The business value then is determined by reconciling the results obtained from the selected methods. Typically, a weight is assigned to the result of each business valuation method. Finally, the sum of the weighted results is used to determine the value of the subject business. This process of concluding the business value is referred to as the business value synthesis.
Income Approach	The Income Approach to business valuation uses the economic principle of expectation to determine the value of a business. To do so, one estimates the future returns the business owners can expect to receive from the subject business. These returns are then matched against the risk associated with receiving them fully and on time. The returns are estimated as either a single value or a stream of income expected to be received by the business owners in the future. The risk is then quantified by means of the so-called capitalization or discount rates. The methods which rely upon a single measure of business earnings are referred to as direct capitalization methods. Those methods that utilize a stream of income are known as the discounting methods. The discounting methods account for the time value of money directly and determine the value of the business enterprise as the present value of the projected income stream. The methods under the Income Approach include: • Discounted cash flow method • Multiple of discretionary earnings method
Market Multiples Approach	Under the Market Approach to business valuation, one consults the market place for indications of business value. Most commonly, sales of similar businesses are studied to collect comparative evidence that can be used to estimate the value of the subject business. This approach uses the economic principle of competition which seeks to estimate the value of a business in comparison to similar businesses whose value has been recently established by the market. The business valuation methods under the Market Approach are: • Comparative private company transaction method • Comparative publicly traded company transaction method
Asset Based Approach	An asset-based approach is a type of business valuation that focuses on the Net Asset Value of a company. The net asset value is identified by subtracting total liabilities from total assets. There can be some room for interpretation in terms of deciding which of the company's assets and liabilities to include in the valuation and how to measure the worth of each.



CONSIDERATION OF VALUATION APPROACHES

Considering the above-mentioned valuation approaches, we have assessed the following for the Company:

- ▶ **Income Approach - i.e., Discounted Cash Flow Method ("DCF")**
 - The DCF valuation method assumes that the entity will continue to operate as a going concern into the foreseeable future.
 - This approach would not be appropriate for the Company.
- ▶ **Market Multiples Approach - i.e., PE or EBITDA Multiple**
 - The Market Multiple valuation method is applied in the valuation of companies that have a historical record of reliable financial results, i.e., positive profits or EBITDA.
 - This approach will not be used as the Company does not have a historical record of consistent positive earnings.
- ▶ **Asset Based Approach - i.e., Net Asset Value ("NAV")**
 - The NAV or adjusted NAV approach are usually applied if there is uncertainty on a company's ability to continue as a going concern or when a company is asset based and carry these assets at its fair value.
 - This approach would be appropriate for the Company.

Management agreed that BDO should follow the Asset Based Approach using the net asset value ("NAV") method to perform the Valuation.

VALUATION

APPLICATION OF THE NET ASSET VALUE METHOD

The Net Asset Value method calculates the value of the business by subtracting the Fair Value of the liabilities from the Fair Value of the assets. The emphasis of this method is to consider the Fair Value of the assets and liabilities. The generally accepted definition of "Fair Market Value" is the value applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

Assets

Management provided external property valuation reports for the immovable property, plant and equipment ("PPE") owned by the Company. Based on the results of the property valuation reports, the fair value of the immovable property falls within the range of the estimated market value and the forced sale value which is deemed to be 60% of the market value. Given the current uncertain state of the Company, the forced sale value is the most likely fair value. BDO has thus used an amount of R164,257,000 as the fair value of the assets, as depicted on the following page.

It should be noted that value is a subjective concept and the value of interest in an enterprise may differ from one person to another. Therefore, BDO has provided a range of property valuation outcomes as shown on page 6.

The moveable assets as at 30 September 2023 consisted of plant and equipment, computer equipment and software, motor vehicles, storage rooms, furniture and fittings and farming equipment amounting to a carrying value of R5,830,460. No recent data was available to assess the existence or conditions of these assets, however it was understood that any mentionable value has already been included in the valuation of the immovable property and that any other assets are currently of negligible value.

Other assets presented in the AFS consist of trade and other receivables, VAT receivables and bank, cash and cash equivalents amounting to R2,408,280. It was represented that these assets have been recovered and not form part of the valuation of the Company at current.

Liabilities

Based on draft AFS and management representation, BDO reviewed a listing of debt due and payable by Proximitas and included an amount of R258,302,445 in the NAV consideration. A detailed listing can be found in Appendix 1.

Other liabilities as at 30 September 2023 consisted of Deferred tax liabilities, trade and other payables and taxation payable amounting to R34,864,463. Circa R33,000,000 of this relates to trade payables which is already included on the creditors listing in Appendix 1. The balance is of negligible value. No recent data was available to assess, and Management represented that the other liabilities are currently of negligible value.

Based the AFS there are related party loans both owing and receivable. As at 30 September 2023 the net liability was R107,415,761. It is uncertain what the value of these loans are at valuation date due to lack of accounting records. It is also uncertain what the nature of these loans were commercial in nature. For the purpose of this Valuation, we will assume that these loans will be written off. Therefore, the net value would not be considered in this report.



BDO has, however included the loan owed to ABSA by the Blackie Swart Trust in the debt consideration based on Management representation. It must be noted that any receivable due to Proximitas will likely not be realised as it is subject to a separate Business Rescue process of which the outcome is not expected to recover the loan granted.

Net Asset Value

The NAV is thus determined as follows:

Assets ZAR	Market Value	Forced Sale Value
Farm De Rust and Boschkraal	100 380 000	62 500 000
Farm Goodhope B&B	33 460 000	20 076 000
Farm Goodhope	69 945 000	41 967 000
Farm Grootte Schuur	12 658 000	7 955 000
Farm Hemelsvlakte	39 087 000	23 452 000
Farm Lafranette	4 500 000	2 700 000
Farm Morewag	6 395 000	3 837 000
Erf 8633 (TP7886) Uitenhage, Nelson Mandela Bay, Eastern Cape	1 500 000	900 000
Erf 1227 Kirkwood, Kirkwood Mun, Eastern Cape	1 450 000	870 000
Total Assets	269 375 000	164 257 000

Debt	Due and Payable by Proximitas
ABSA Agri Loan Facility with Account Number 80-8069/9236	4 638 227
ABSA AVAF loan accounts: 9562- 8210, 9562-8287, 9562-8376, 9562- 9810 and 9563-0281	4 520 105
BSFT (Inter-Company Loan) (ABSA Vote)	93 686 207
BSFT (Inter-Company Loan) (ABSA Vote)	20 592
ABSA Mortgage Loan Facility account number: 80-9081-3710	2 938 907
ABSA Overdraft Facility account number: 40-5972-7655	10 979 935
ABSA Term Loan Facility Account Number: 30-5282-3417	24 125 161
ABSA Term Loan Facility Account Number: 30-5335-7152	75 440 447
ABSA Term Loan Facility Account Number: 30-5382-6288	24 823 740
Baytrac	2 020
ESKOM	1 033 174
SARS	894 605
Strydom and Partners	158 663
Sunday's River Water Use Association	1 361 537
Humansdorp Co-Op	120 248
Charles Wooley	-
Kaap Agri	11 391 297
Kaap Agr	-
Sundays River Valey Muni	2 166 253
ABSA Connected debt due by Blue Crane CC (ABSA Vote)	1 327
Freshgro	-
Total	258 302 445

	Based on Market Value	Based on Forced Sale Value
NAV (limited to zero)	11 072 555	-

The value of the Boschkraal farm is based on an offer currently on the table as represented by Management. BDO performed a reasonability check using the price per planted hectares to assess whether the offer of R62,500,000 is reasonable.

Based on professional judgement, BDO deems the forced sale value to be the most likely fair value of the Company as it is unlikely that 100% of the estimated market value of the immovable assets will be realised. That brings the implied equity value to zero.

This value is solely subject to the Company taking responsibility for all of the debt at the current amount stated.

It should be noted that value is a subjective concept and the value of interest in an enterprise may differ from one person to another. Therefore, BDO has provided a range of outcomes in the table above based on the percentage of the property market value that could potentially be realised.

NAV Sensitivity					
Realised Property Market Value	100%	90%	80%	70%	60%
NAV	11 072 555	(15 864 945)	(42 802 445)	(69 739 945)	(96 677 445)

DISCLAIMER

The views contained in this executive summary of the valuation are based on such information as was available to us at the time of our assessment, and on estimates, assumptions and other information developed by us from our general historic knowledge of the company and industry. All projections are based on the assessments of the management of the entities. In performing our valuation procedures, we assumed and relied upon, without independent verification, the accuracy and completeness of the information provided to us or otherwise received by us for the purpose of this valuation, whether in writing or obtained through research or discussions with various parties including management of the entities, and we have not assumed, and do not assume any liability, therefore.

We have not carried out an audit on any of the financial information presented to us and accordingly we express no opinion thereon. No independent research or feasibility work has been carried out to substantiate the future projections developed by Management, and on which this valuation is based.

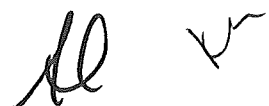
We have no responsibility to update this communication for events and circumstances occurring after the date of this communication. This document is confidential and has been prepared solely to assist you in valuing the entities. This document may not otherwise be used, quoted, reproduced, or circulated in whole or in part, nor may reference be made to the valuation figures contained herein without our prior written consent.

We would be pleased to discuss any aspect of the report with you in more detail should you so require. If you require any clarification or further information, please contact Nato Oosthuizen on +27 (0)82 267 4752 or noosthuizen@bdo.co.za.

Yours sincerely



Director: Nato Oosthuizen
BDO Advisory Services (Pty) Ltd



APPENDIX 1 - CREDITORS LISTING

Creditor	Creditor's Listing	Due and Payable by Proximitas
ABSA Agri Loan Facility with Account Number 80-8069/9236	4 638 227	4 638 227
ABSA AVAF loan accounts: 9562-8210, 9562-8287, 9562-8376, 9562-9810 and 9563-0281	4 520 105	4 520 105
BSFT (Inter-Company Loan) (ABSA Vote)	93 686 207	93 686 207
BSFT (Inter-Company Loan) (ABSA Vote)	20 592	20 592
ABSA Mortgage Loan Facility account number: 80-9081-3710	2 938 907	2 938 907
ABSA Overdraft Facility account number: 40-5972-7655	10 979 935	10 979 935
ABSA Term Loan Facility Account Number: 30-5282-3417	24 125 161	24 125 161
ABSA Term Loan Facility Account Number: 30-5335-7152	75 440 447	75 440 447
ABSA Term Loan Facility Account Number: 30-5382-6288	24 823 740	24 823 740
Baytrac	2 020	2 020
ESKOM	1 033 174	1 033 174
SARS	894 605	894 605
Strydom and Partners	158 663	158 663
Sunday's River Water Use Association	1 361 537	1 361 537
Humansdorp Co-Op	120 248	120 248
Charles Wooley	30 906 784	-
Kaap Agri	11 391 297	11 391 297
Kaap Agr	35 314 400	-
Sundays River Valey Muni	2 166 253	2 166 253
ABSA Connected debt due by Blackie Swart Familie Trust (ABSA Vote)	113 231 357	-
ABSA Connected debt due by Blue Crane CC (ABSA Vote)	1 327	1 327
ABSA Post Commencement Finance	16 000 000	-
Freshgro	3 000 000	-
Total	456 754 986	258 302 445

Based on Management Representation, BDO removed certain items in the liabilities consideration.



PROXIMITAS INVESTMENT 60 (PTY) LTD
BUSINESS RESCUE
MEETING TO VOTE ON BUSINESS RESCUE PLAN

HELD ON 7 OCTOBER 2024

DAVID MASTERTON, N.O.

In attendance:

Pat Pattison
Kiran Moodley
Tiaan
Andrew
Paul
Louis
Rob Parker
Fanie
Gerrit
Wian
Muchara
Hesli
Colin Botha (ABSA)
Njabula
Marius



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CERTIFICATE OF VERACITY

I, the undersigned, hereby certify that, *in as far as it is audible*, the foregoing is a **VERBATIM** transcription of the proceedings as was ordered to be transcribed by Gauteng Transcribers by means of a digital recorder in the matter of:

**BUSINESS RESCUE PLAN MEETING
PROXIMITAS INVESTMENT 60 (PTY) LTD
DAVID MASTERTON, N.O. – KIRAN MOODLEY**

GT NUMBER	: GT80995
CASE NUMBER	: NONE - MEETING
RECORDED AT	: VIRTUAL
DATE HELD	: 7 OCTOBER 2024
NUMBER OF PAGES	: 13

PROBLEMS EXPERIENCED WITH RECORDING

- The names of those persons attending were picked up from the virtual meeting sidebar, but unfortunately all the surnames were cut off.

DATE COMPLETED: 30 MAY 2025

TRANSCRIBER: A WOLMERANS



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MEETING COMMENCES ON 7 OCTOBER 2024 [00:00:00]

CHAIRPERSON: Good afternoon, ladies and gentlemen and welcome to the meeting for Proximitas Investments 60 (Pty) Ltd, 7 October 2024. Again, we are not a very big group, but I would just like to discuss the webinar rules in any event. We have not forced muted any of the microphones. I do, however, ask that if you want to partake, if you want to provide a comment, a question to please raise your hands. I will then call on you in the order that the hands were raised.

10 It is just to prevent us all from talking over each other.

As I mentioned, this is the plan to vote on the proposed business rescue plan as published by the practitioners [sound dipped] and a very simple agenda. We will be presenting the proposed business rescue plan. The practitioners will confirm reasonable prospect. I would like to do that now. As I said, it is a very small, short meeting.

The practitioners do believe that the proposed business rescue plan does provide a reasonable prospect for a rescue. It will be for the rehabilitation of the entity to continue
20 trading, albeit, in a somewhat smaller capacity, but it will continue trading in the organic citrus industry, as it has always done.

We will give the employees the opportunity to take part in the meeting as well to raise any points that they may have. This includes any bargaining councils, unions or any other

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parties representing the staff.

In addition to that, and after the staff has provided their contribution, we will ask Mr Kieran Moodley to also just address the attendees. Mr Kieran Moodley is the potential investor into Proximitas. He has also very recently been appointed as a director of the company to assist with the due diligence process to make sure that he has got proper access to the information that he requires to complete the due diligence. It is my understanding that the due diligence is
10 complete, but that he would need just a little more information over the next couple of days to start implementing the proposed business rescue plan, if adopted.

We will discuss suggested amendments, as they have been presented to us, and possibly discuss their postponement. We will then continue to, of course, vote on that postponement. If the postponement is not given, we will continue voting for the business rescue plan, the practitioners fees, and then lastly, the adoption of the proposed business rescue plan.

20 Ladies and gentlemen, I am going to take a quick pause here if there are any comments, questions before we ask the staff and Mr Moodley to address the creditors. Anybody at all that would like to say something, ask something.

NO REPLY FROM ANYONE

CHAIRPERSON: All right. I am then going to hand over to

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Mr Moodley to address the creditors. He is here with us today. We thought that would be the best to simplify the process. So, ladies and gentlemen, Mr Kieran Moodley.

MR MOODLEY: Good afternoon, everyone. Thanks for giving me the opportunity to speak to the creditors, Pat and David.

Once we have done what we have needed to do in the time that we spent on the farm, there is a lot of areas that still need to be addressed. And by myself now being
10 appointed as the director in working with the BRPs, we are attempting to ensure that all of the issues that are relevant can be resolved quickly.

One of the key areas that we want to attempt to do effectively immediately, provided the BRPs allow us, and obviously that we are working together with them, is to start selling off non-core assets. We want to try and also ensure that the finalisation of the Bosch Pulser is also taken place within the week.

It must also be known, as much as I have got
20 investments in different areas, and much so in retail, being the QSR of Captain Dorigo's, I do come from a background of knowing the citrus business. I have been involved in the citrus business in the Valley in 2013. I was involved in the processing part, which is a juicing company as well. I am known to certain players in the area as well. Some citrus, as

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they were at the time then, I also worked quite well with.

So, in a nutshell, the business has got every reason to be successful. We are now right-sizing the business. We do understand the difficulties. We sympathise with what the BRPs have done. However, had difficulty in obtaining information to a clarity. With me being the new director now, it gives me a lot more comfort, and also ensuring that all the information is collected and that financials can also be finalised as well.

10 It is critical to know that the business in its current form is not viable. It has to be scaled correctly. Hard decisions have to be made, and I am now at least at comfort in order to do so. I am also in comfort in knowing that I can spend more of my resources on the farm, which we have been doing for the last six to eight weeks.

Currently, we are obviously ensuring that the BRPs have full knowledge of what is going on, what is happening. We have got our chief agricultural economist, which is employed by myself, which is not costing any of the entities
20 any money, neither the shareholder. It is actually costing ourselves money that we put into the farm currently. He is on the ground. He is ensuring that the orchard maintenance is taking place as far as we are able to do. And at the moment, what we are seeing is that we are looking at a conservative, brighter future for next season, provided we

40

obviously can start doing what we need to do in a shorter space of time.

If there is any other questions that need to be answered, I will be available to do so. But in a nutshell, we do believe in the business. We do believe that this business has the potential to trade itself out of its current position.

CHAIRPERSON: Perfect. Thank you, Mr Moodley. If there are any creditors present that might want to ask Mr Moodley a question or to pose a question to the practitioners in this
10 regard, please just raise your hands. Any questions at all?

NO REPLY FROM ANYONE

CHAIRPERSON: Perfect. Thank you, ladies and gentlemen. And then, as previously stated, if there are any additional staff members, bargaining councils, unions, sectorial determinations, anybody present that would like to address the creditors.

Again, as per previous meetings, I just remind everybody that the company does not have any staff, but we still need to give the opportunity should there be someone
20 that wants to address on behalf of the employees of the business. Thank you very much for that.

Ladies and gentlemen, then we have had an email from ABSA Bank, in addition to some other creditors who have also asked for minor amendments to the proposed business rescue plan. None of these amendments will really affect



the business rescue plan or its implementation or what the outcomes will be. We do, however, require a little bit of time to just implement it into the proposed business rescue plan in order to send it through.

So we would like to suggest that we do not publish a new plan. We adjourn this meeting and then reconvene for the vote on the 11th of October. We will then vote on this plan, including the amendments to this particular business rescue plan.

10 I am not going to go over to a vote right now. I am going to ask if there is any creditors that have got any questions. And perhaps if there is a representative from ABSA to just confirm what I have asked here. Colin, thank you, I see your hand. Please proceed.

MR BOTHA: Ja, thank you, Pat. I just want to get my camera on here.

CHAIRPERSON: For everybody, Colin represents ABSA Bank.

MR BOTHA: Without prejudice, all our rights remain
20 reserved. We as ABSA are against voting for the plan. So our vote is going to be no without any further extension. What we do suggest is a structured wind-down. The marketing of the assets should commence within five days from voting on the amended plan. And those assets not sold to be auctioned on 50 days post-voting.

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CHAIRPERSON: Okay, Colin, thanks for that. So if I understand you correctly, no postponement for amendments. You are not voting for the postponement, nor are you going to be voting for the plan. We basically, your request is that we do a new plan in the form of a structured wind-down.

MR BOTHA: That is correct, yes.

CHAIRPERSON: With very specific time limits set to that.

MR BOTHA: Yes.

CHAIRPERSON: Colin, so obviously that is taken us a bit
10 by surprise. If you do not mind, and if the creditors do not mind, I am going to ask that we just adjourn this meeting for, let us call it an hour. Let me talk to the shareholders, the creditors, Mr Moodley and everybody else. And then we can just take it up from this point forward.

Ladies and gentlemen, are there any objections for the postponement of this meeting just for an hour so that we can consider Mr Botha's request? Any objections at all? Paul, I see your hand.

PAUL: Pat, more a question from a practical point of view.
20 You say you want to reconvene in an hour. Are you going to send us a new meeting invite?

CHAIRPERSON: I can, or we can just use this exact same link, Paul. I think we will just use the same link. It is going to be the simplest.

PAUL: That is all right. It is just because I am not in town

10

and I obviously want to log in on the appropriate manner.

CHAIRPERSON: Ja, so I think we will use the same link, although the time is not going to be right. We can just everybody use the same link just for simplicity. Otherwise, the registration and everything might cause a little bit of confusion.

PAUL: 100 percent. Thanks, Pat.

CHAIRPERSON: Perfect. Njabula.

NJABULA: Thanks Pat. Just also wanted to confirm the
10 exact time that you are going to reconvene. Is it going to be 1:30?

CHAIRPERSON: 1:30. Yes, sir.

NJABULA: Okay, thanks.

CHAIRPERSON: Perfect. Muchara

MUCHARA: Thank you. I was actually going to request for us to adjourn to 2 PM. if it is possible.

CHAIRPERSON: 2 PM?

MUCHARA: Yes, please.

CHAIRPERSON: All right. Ladies and gentlemen, we have
20 got a suggestion for time at 2 PM. Any objections to 2 PM? I must admit I am also in favour of a little bit more time so we can just have proper discussions.

All right, ladies and gentlemen, then we will reconvene this meeting at 2 PM using the same link that was previously supplied, and we will take it up from this point in order to

consider the request and recommendations from ABSA Bank.
Thank you very much, ladies and gentlemen. I will see you
shortly.

MEETING ADJOURNS

[00:12:10]

MEETING RECONVENES

CHAIRPERSON: Good afternoon, ladies and gentlemen.
Thank for giving us the time we asked for. We have had a
lot of discussions.

The way we understand the request from ABSA Bank is
10 that they do not wish to vote on the proposed business plan
as it stands today. They want us to publish a different plan,
obviously as soon as possible. And they have suggested that
we do it in the form of a structured wind-down.

If I may take the opportunity to just quickly explain what
a structured wind-down is to make sure that what we think it
is and what Colin is looking for is more or less the same
thing.

A structured wind-down is very similar to that of a
liquidation. Insofar, that the assets of the business will be
20 sold, either out of hand or by a public auction in order to
settle the debt of Proximitas. The main difference is being
that because it is not a sheriff-driven auction or a liquidator-
driven auction or a master-driven auction, the practitioners
do have a lot more flexibility to try and secure offers on the
respective assets being sold.

In addition to that, it is a much faster process as we do not need to now apply for liquidation, wait for the provisional order, final order, liquidator appointed, and then obviously the auctioneer appointed at a later stage.

This is vital especially for this business because of the trees. If we go the liquidation route, we are basically abandoning the farms unless we get a liquidating practitioner that is prepared to look after the farms with funds, we are not sure where we will get that from. So it leaves that grey area
10 as to who is going to look after the farms, the trees, and everything else. That is part of what we will obviously have to address in our business recipe plan if it contains the structured wind-up.

Finally, then, if we look at the structured wind-up, it is done in terms of the second part of the definition contained in Section 128 of the Companies Act. The first being the rehabilitation of the company to continue trading profitably into the future. The second part is then to provide a better outcome than that of an immediate and traditional liquidation.

20 The better outcome reflects to all of the affected persons. Those affected persons are, of course, the creditors, it is the staff, but it even includes the shareholders and directors of the company.

Better outcome is not necessarily just financial. It is also the timing that is involved. We can do it so much

10

quicker. We can preserve the farms and trees, etcetera.

So all in all, there is no doubt that a structured wind-up can provide a better outcome than that of an immediate and traditional liquidation. Ultimately, however, it will be our job to convince the creditors to vote for such a structured wind-up rather than just us instigating or starting with the process.

Colin, is that more or less what you have in mind? Yes, you are there. Colin?

MR BOTHA: Yes, Pat. As far as I Am concerned, I am just
10 going to ask Njabulo to come in here and also just to give his opinion.

CHAIRPERSON: Certainly. Thank you. Njabulo?

NJABULA: Thanks, Colin. Thanks, Pat. Yes, it is essentially the intention of what we intend the plan to look like, Pat.

CHAIRPERSON: Perfect. Thanks, gentlemen. So in short, the business risk practitioners will then prepare and publish an amended business risk plan. Thus far, it is our intention to consider a structured wind-down. We will consider the
20 requirements and the discussions as they stand at the moment and publish that into a new business rescue plan.

In short, that means we are not amending the current business rescue plan. It will be a new business rescue plan. Bianca, I see your hand is up. Please proceed, or it will be Mr Vosloo.

Handwritten signature and initials in the bottom right corner of the page.

MR PARKER: It is Rob Parker. Hi, Pat. Ja, I am on Bianca's PC. Listen, let Us not tiptoe around it. ABSA hold the majority voting rights in Proximitas, do they not?

CHAIRPERSON: Correct, sir.

MR PARKER: So would whatever the rest of the creditors want to or do not want to do, quite frankly, become somewhat irrelevant?

CHAIRPERSON: Yes, sir. In a nutshell, you are quite right.

MR PARKER: Okay. So what ABSA is saying is we want to
10 go the same route as what you are going with Tracto Trading; sell, pay, and move on. It is as easy as that. Do not do it as a liquidation. Do it as a structured wind-down. You have explained the benefits. They are self-evident.

My next question is, for example, sales that are already pending, Boschkraal. Should you not, at the very least at this meeting, be passing a resolution, here I am looking to ABSA, to go ahead with those sales before you lose that purchaser and before you have to start again to find a new purchaser?

20 CHAIRPERSON: Rob, you are quite correct, and I think we have reached the conclusion in previous meetings, and we are busy going over the final processes, especially on the Boschkraal. But, yes, we will definitely be communicating with ABSA that holds the security and get their consent.

But if I am not mistaken, Colin, we have done that

Handwritten signature and initials in the bottom right corner of the page.

already. We are proceeding with the sale. We have got the offer that, Rob, that you drew up. We have one or two issues with regards to the assets. Assets that was included on the list that you work with have now been instigated, actually belongs to the trust. So, we are just verifying the ownership of those assets in order to proceed.

So, I do not think the vote on the plan is a reason for the holdup at this point in time.

MR PARKER: No, I would think not. I would think that we
10 should get going with that sale, quite honestly.

CHAIRPERSON: Correct.

MR PARKER: And then the rest will obviously, if I Am understanding ABSA correctly, what they are saying is try and find private treaty sales within a given period of time. If you cannot find private sales within a given period of time, put the rest of the assets up for auction, and let us see where we stand from there.

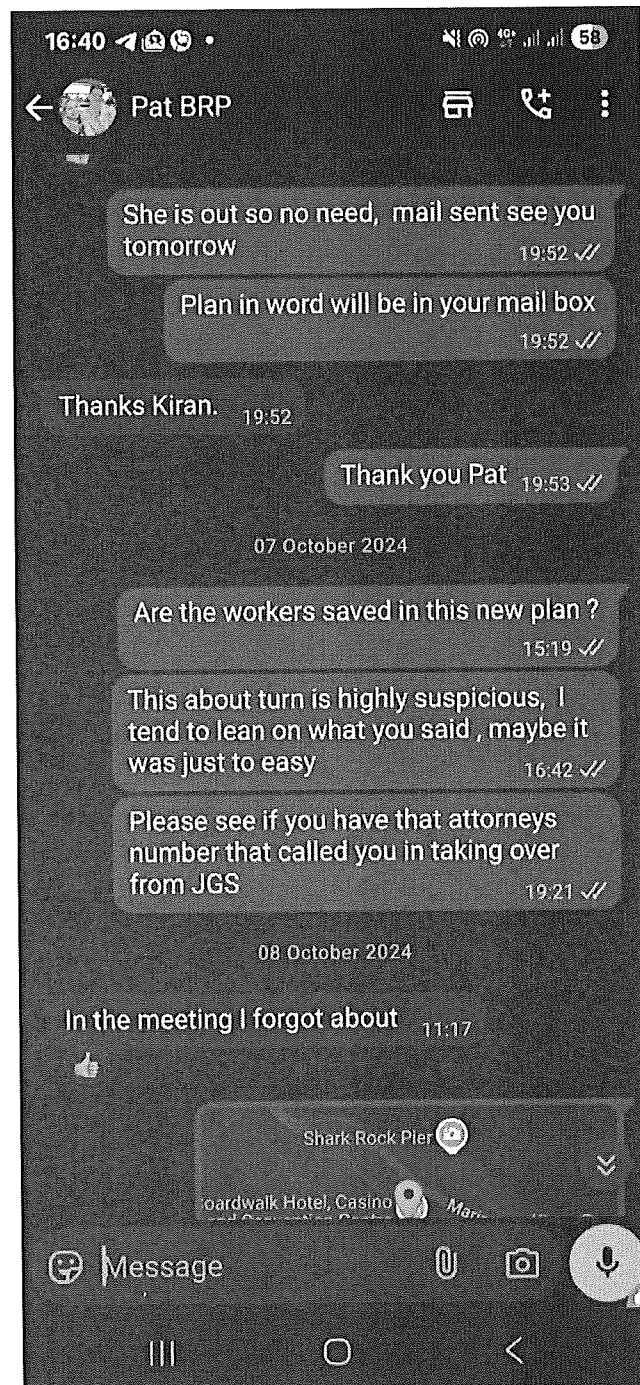
CHAIRPERSON: That is my understanding. (recording stops)

20 MEETING CONCLUDES

[00:06:50]



284
"KM10"



h
10

285, KM11"

Michelle

From: Kiran Moodley <kiran@doregos.co.za>
Sent: Wednesday, 11 June 2025 12:08
To: frans@noltesmit.co.za
Subject: Fwd: FW: Lenings opsomming - Groep BSFT en Prox 60
Attachments: TL Agr - Blackie Swart Fam Trust - 30 5242 5047.pdf; TL Agr - Prox Inv 60 - 30 5282 3417.pdf; TL Agr - Prox Inv 60 - 30 5335 7152.pdf; TL Agr - Prox Inv 60 - 30 5382 6288.pdf

Get [BlueMail for Android](#)

On 11 Jun 2025, at 12:06, dean@doregos.co.za wrote:

See yellow below...

Kind regards,

Dean Pillay
Corporate Development Manager

62 Newton Street
Newton Park, Gqeberha, 6045
(+27 0) 41 363 0064 (Head Office)





+27 (0) 72 9000 979 dean@doregos.co.za www.captaindoregos.co.za

From: dean@doregos.co.za [mailto:dean@doregos.co.za]
Sent: Sunday, 02 February 2025 20:11
To: 'Kiran' <kiran@doregos.co.za>
Subject: FW: Lenings opsomming - Groep BSFT en Prox 60
Importance: High

Hi Kiran

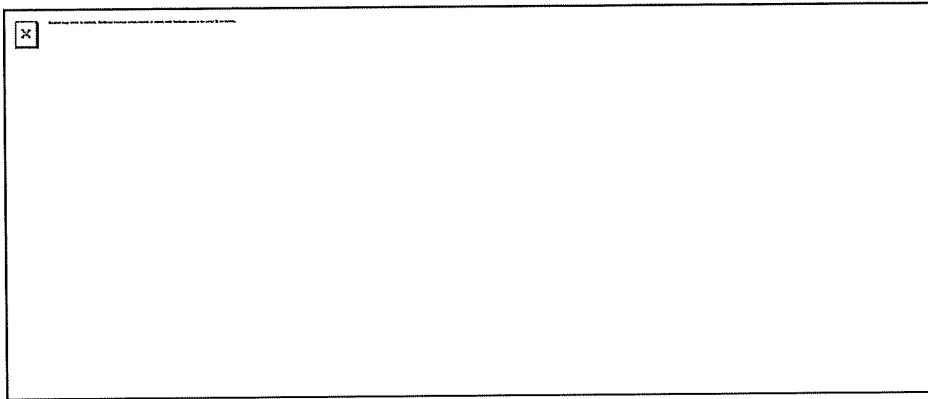
Please see below comment, highlighted in yellow, which did raise a concern for me.

286
"KM11"

It had to do with a swapping of loans from one entity's books to another.

Thanks,

Kind regards,



From: Marika Swart [<mailto:marika@srvalley.co.za>]
Sent: Monday, 29 July 2024 13:59
To: dean@doregos.co.za
Cc: 'Kiran' <kiran@doregos.co.za>
Subject: FW: Lenings opsomming - Groep BSFT en Prox 60

From: Tiekie Grobler (ZA) [<mailto:Tiekie.Grobler@absa.africa>]
Sent: Tuesday, 18 April 2023 09:29
To: Marika Swart <marika@srvalley.co.za>
Subject: RE: Lenings opsomming - Groep BSFT en Prox 60

More Christelle

Handwritten initials/signature

Aangeheg afskrifte van die ooreenkomste – werk op die rekening nommers.

Laat weet indien jul nog iets wil weet.

Groete

Kind Regards

Tiekie Grobler
Transactional Banker
Absa Relationship Banking - Premium

T +27 (0) 41 390 6110
M +27 (0) 76 814 0305
E Tiekie.Grobler@absa.africa
F +27 (0) 86 753 5811

Moffett Office Park, 2nd Floor, Cnr William Moffett and Overbaakens Road, Fairview, Port Elizabeth, 6070

www.absa.africa

Alternative Points of Contact:

Andrew Weber
Relationship Executive | T +27 (0) 41 390 6171 | M +27 (0) 66 335 1840 | E andrew.weber@absa.africa

For all statements and statement related queries, ACB queries, Copy of cheques, Copy of Deposit slips & service related queries, please contact:

+27 (0)80 022 7592 | E mybusinessbanker@absa.co.za

Help desks:
Business Integrator Online / CashFocus - 0860 227 232
Business Internet Banking – 0860 008 600

From: Marika Swart <marika@srvalley.co.za>
Sent: Monday, April 17, 2023 3:12 PM
To: 'Christelle Gardner' <christelle@srvalley.co.za>
Subject: FW: Lenings opsomming - Groep BSFT en Prox 60

Print asb vir my

From: Tiekie Grobler (ZA) [<mailto:Tiekie.Grobler@absa.africa>]
Sent: Wednesday, 02 March 2022 11:51
To: Marika Swart <marika@srvalley.co.za>
Cc: Andrew Weber (ZA) <Andrew.Weber@absa.africa>
Subject: RE: Lenings opsomming - Groep BSFT en Prox 60

More Marika

Aangeheg opgedateerde opsomming asook die volgende –

BSFT rek no 80 6738 0538 - Bevestiging rekening tans opbetaal met n "Bond paid off, not cancelled"
hou – wel verband in plek wat gebruik word as sekuriteit vir oortrokke fasiliteit en lening asook vir die groep.

Prox rek no 80 8069 9263 - Die lening is oorspronklik in 2012 inv BSFT uitbetaal met verbande inv
Prox maar in 2015 is die lening geskuif na Prox omrede sekuriteit daar geregistreer
was – kan ongelukkig nie sien waarvoor die lening oorspronklik aangegaan is
nie.

Laat weet as jy nog iets benodig.

288 KM11"

Groete

Kind Regards

Tiekie Grobler
Transactional Banker
Absa Retail and Business Bank Premium

T +27 (0) 41 390 6110
M +27 (0) 76 814 0305
E Tiekie.Grobler@absa.africa
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Moffett Office Park, 2nd Floor, Cnr William Moffett and Overbaakens Road, Fairview, Port Elizabeth, 6070

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Alternative Points of Contact:

Andrew Weber
Relationship Executive | T +27 (0) 41 390 6171 | M +27 (0) 66 335 1840 | E andrew.weber@absa.africa

For all statements and statement related queries, ACB queries, Copy of cheques, Copy of Deposit slips & service related queries, please contact:

+27 (0)80 022 7592 | E mybusinessbanker@absa.co.za

Help desks:
Business Integrator Online / CashFocus - 0860 227 232
Business Internet Banking – 0860 008 600

From: Marika Swart <marika@srvalley.co.za>
Sent: Tuesday, March 1, 2022 12:18 PM
To: Tiekie Grobler (ZA) <Tiekie.Grobler@absa.africa>
Subject: Lenings opsomming - Groep BSFT en Prox 60

.....
Caution! This email originates from outside Absa and may contain harmful content. Consider and verify the sender before responding, clicking or opening any links or documents. If you consider the email suspicious, forward it to SecMon@absa.africa.
.....

Hi Tiekie

Kan jy my help asb met die volgende?

8067380538 – Rekening is dormant? Is daar enige sekuriteit geteken teen die rekening? Gaan ons die rekening toemaak?

Kan jy my help asb met die volgende – sien meegaande lenings opsomming dokument

Ek wil dit gebruik vir beplanning

Groete

Rika

Absa Bank Limited is a subsidiary of Absa Group Limited and is an Authorised Financial Services Provider and Registered Credit Provider, registration number: NCRCP7.

Absa Bank Limited provides services to Absa Group Limited and its subsidiaries.

289 KM11"

Absa is committed to complying with applicable data privacy laws and to safeguarding the privacy and security of the personal information it collects and processes, in respect of all current and prospective clients. To understand more about how we collect, store, and process your personal information, please view our privacy statement at absa.co.za

This e-mail and any attachments are confidential and intended solely for the addressee and may also be privileged or exempt from disclosure under applicable law. If you are not the addressee, or have received this e-mail in error, please notify the sender immediately, delete it from your system and do not copy, disclose or otherwise act upon any part of this e-mail or its attachments. Internet communications are not guaranteed to be secure or virus-free. We do not accept responsibility for any loss arising from unauthorised access to, or interference with, any Internet communications by any third party, or from the transmission of any viruses. We may monitor replies to this e-mail for operational or business reasons. Any opinion or other information in this e-mail or its attachments that does not relate to our business is personal to the sender and we do not endorse it.

Absa Bank Limited is a subsidiary of Absa Group Limited and is an Authorised Financial Services Provider and Registered Credit Provider, registration number: NCRCP7.

Absa Bank Limited provides services to Absa Group Limited and its subsidiaries.

Absa is committed to complying with applicable data privacy laws and to safeguarding the privacy and security of the personal information it collects and processes, in respect of all current and prospective clients. To understand more about how we collect, store, and process your personal information, please view our privacy statement at absa.co.za

This e-mail and any attachments are confidential and intended solely for the addressee and may also be privileged or exempt from disclosure under applicable law. If you are not the addressee, or have received this e-mail in error, please notify the sender immediately, delete it from your system and do not copy, disclose or otherwise act upon any part of this e-mail or its attachments. Internet communications are not guaranteed to be secure or virus-free. We do not accept responsibility for any loss arising from unauthorised access to, or interference with, any Internet communications by any third party, or from the transmission of any viruses. We may monitor replies to this e-mail for operational or business reasons. Any opinion or other information in this e-mail or its attachments that does not relate to our business is personal to the sender and we do not endorse it.



Term Loan Commercial Terms Outside the National Credit Act No 34 of 2005

Confidential

These Commercial Terms are to be read with the accompanying Standard Terms and our Business Client Agreement (BCA). Together these documents form the Agreement.

Borrower PROXIMITAS INVESTMENTS 60 (PTY) LTD, 200101280107, KANAALPLAAS, KIRKWOOD, 6120
 Loan amount R 26 300 000,00
 Loan account 3052823417

Interest rate Variable 7,25% being the Prime Rate.

Repayment Instalments Instalment: R 2 863 690,76
 Final instalment: R 2 863 690,92
 Date of first instalment: 2020/12/15
 Instalment frequency: annually

Final Repayment Date 15/07/2035

Penalty Interest Rate 8,00% above the Prime Rate.

Fees

Initiation Fee: R 263 000,00 including VAT shall be debited as instructed by you on the Signature Date.
 Monthly Administration Fee: R 100,00 including VAT which is payable monthly by a debit to your Loan Account.

New Security Required The New Security must be in place before the Loan Amount is made available.
 Unlimited Suretyship from BLUE CRANE EXPORTS CC REG NO: 2011/060809/23 ("Suretyship").
 Unlimited Suretyship from BLACKIE SWART FAMILIE TRUST IT390/2004 ("Suretyship").
 Unlimited Cession and Pledge in security of proceeds from LOAN ACCOUNTS provided by BLUE CRANE EXPORTS CC 2011/060809/23
 Unlimited Cession and Pledge in security of proceeds from LOAN ACCOUNTS provided by BLACKIE SWART FAMILIE TRUST IT390/2004
 JOINT CCMB FOR R26 300 000.00 OVER
 - 3RD CCMB OVER REMAINDER OF PORTION 49, REMAINDER OF PORTION 293, PORTION 432 AND 433 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD
 - 3RD CCMB OVER PORTION 48 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD
 - 1ST CCMB OVER PORTION 66 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD
 - 1ST CCMB OVER PORTION 81 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD
 - 1ST CCMB OVER PORTION 82, 176, 177 AND 295 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD

Existing Security The Security listed below
 First and Second ranking mortgage bond by PROXIMITAS INVESTMENTS 60 (PTY) LTD REG NO: 2001/012801/07 over REMAINDER OF PORTION 49, REMAINDER OF PORTION 293, PORTION 432 AND 433 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE & PORTION 48 OF THE FARM STRATHSOMERS ESTATE NO: 42, UITENHAGE RD for R 25 000 000.00

Special Conditions

1. If we register a Bond as security for your Loan, your Instalment amount and your date of first Instalment may change.
2. If the day on which we pay out your Loan is less than 20 (twenty) business days before your first Instalment date, your first Instalment will be due on your selected day, in the month following the day on which we pay out your Loan.
3. You must ensure that no changes, relating to the usage, zoning or anything that may negatively affect the property secured by the Bond, are made to property without our prior written consent. You agree to notify us, in writing, of any changes made to the property and, if necessary, to adjust your insurance policy (if applicable) to accommodate such

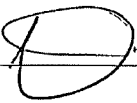
changes

Conditions Precedent The Commercial Terms signed by the parties:

Bank's address for notices Absa Towers West, 15 Troye Street, Johannesburg, 2001

Signed at Port Elizabeth on 3 July 2020

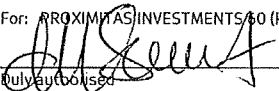
For: Absa Bank Limited
Duly authorised

Signature 
Frederick Johannes Grobler
Name in full
Transactional Banker
Capacity

Employee number: 9003775

Signed at Port Elizabeth on 3 July 2020

For: PROXIMAS INVESTMENTS (PT) LTD


Duly authorised

Marika Swart
Name
Director
Capacity

Duly authorised

Name

Capacity

 
Initial

Term Loan Standard Terms Outside the National Credit Act No 34 of 2005

In this Agreement, Absa Bank Limited is referred to as 'we' or 'us' and the borrower is referred to as 'Borrower' or 'you'. Expressions with a capital letter refer to the same expression in the Commercial Terms and these Standard Terms.

1 Definitions

In this Agreement:

Absa Group Limited	means Absa Group Limited and any of its subsidiaries;
Event of Default	means any one of the events mentioned in Clause 13 (Events of Default);
Finance Documents	means the term loan Commercial and Standard Terms, any security documents, the BCA and any other document which you and we decide;
Interest Period	means monthly;
Loan Account	means the account to which Repayment Instalments are paid and amounts referred to the Commercial Terms are debited;
Loan	means the total capital, interest and fees outstanding under the term loan;
Prime Rate	means the Bank's publicly quoted prime lending rate of interest which varies from time to time;
Material Adverse Effect	means in the reasonable opinion of the Bank, a material adverse effect on: - the business, operation, property, condition (financial or otherwise) or prospects of the Borrower or any provider of Security; - the ability of any Obligor to perform any of its obligations under the Finance Documents; or - the validity or enforceability of any Finance Documents or the rights or remedies of the Bank under the Finance Documents.
Reputation Risk Event	means any act, matter, event which results in, or could, in our reasonable opinion result in damage to the reputation of any part of the Absa Group Limited;
Security	means any Security provided to us;
Security Document	means any document creating Security in our favour; and
Signature Date	means the date of the signature of the party last signing the Commercial Terms.

2 Loan

- 2.1 We agree to lend and you agree to borrow the Loan Amount as set out in this Agreement.
- 2.2 We shall credit the account indicated in your application with the Loan Amount when you have satisfied in form and substance satisfactory to us the Conditions Precedent and any New Security required is in place.

3 Purpose

- 3.1 You shall use the Loan Amount for the purpose you declared when you applied for it.

4 Conditions Precedent

- 4.1 Each Condition Precedent is for our sole benefit and we may by written notice to you waive or defer fulfilment of any Condition Precedent, in whole or in part, or subject to any other condition we may decide.

5 Security

- 5.1 If it is a condition of this Agreement that you provide Security, it must be registered (if required) or in place before we credit the Loan Amount to your account.
- 5.2 If we require Security, you agree not to allow anyone else to acquire an interest in it.
- 5.3 We may at any time require any asset subject to the Security to be professionally valued at your expense.
- 5.4 If an asset that you have ceded to us by way of Security is or will be appropriated by a public authority or otherwise suffers or is likely to suffer a material diminution in sale value, you agree to provide us with alternative or additional security reasonably acceptable to us having regard to the balance outstanding of the Loan within 3 (three) months after we deliver to you written notice requiring additional or alternate security.

6 Repayment

- 6.1 Your Repayment Instalment comprises a capital repayment of the Loan Amount, interest and Fees and any other sums due to us under this Agreement. You may pay the Repayment Instalments in cash, by electronic funds transfer (EFT) or by debit order.
- 6.2 You will repay the Loan in South African Rand.
- 6.3 We may adjust the amount of the Repayment Instalment by prior written notice to you to ensure that you repay the Loan by the Final Repayment Date.
- 6.4 You may not redraw any part of the Loan Amount unless you have a Flexi Reserve Facility.
- 6.5 You are not permitted to deduct or withhold any amounts from the Repayment Instalments.

7 Prepayment and Paying off your Loan Early Voluntary Prepayment

- 7.1 When 90 (ninety) days have elapsed after we have credited your account with the Loan Amount, you may, on 90 (ninety) days' prior written notice to us, pay off all or part of the Loan early.
- 7.2 If you pay off part of the Loan early, we will recalculate and reduce your Repayment Instalment over the remaining term of this Agreement unless you tell us in writing that you want to maintain the amount of your Repayment Instalment.

Initial



- 7.3 If you want to repay the whole of your Loan early, you shall inform us of the date upon which you wish to repay the Loan and we will inform you of the amount required to repay the Loan on that date including any Early Repayment Fee specified in the Commercial Terms.

Mandatory Prepayment

- 7.4 We may require you to pay off the Loan early by giving you 20 (twenty) working days' written notice if:
- we become or are likely to become subject to a law that does not allow us to provide credit to you;
 - as a member of the Absa Group Limited our operation of controls and safeguards relating to international sanctions, the detection and prevention of financial crime and prohibited business activity both within and outside South Africa prevent us, on reasonable grounds, from continuing to provide credit to you; or
 - a Reputation Risk Event has occurred, in which case:
- 7.5 We shall promptly notify you when we become aware of it:
- The Loan will be immediately cancelled; and
 - You shall repay the Loan on the day stated by us in the notice delivered to you.

8 Payments

We will apply sums received to repay the Loan in the following order:

- 8.1 costs or expenses to which we are entitled;
- 8.2 fees, interest, and
- 8.3 to repay the Loan Amount.
- 8.4 We may, at our discretion, debit any sums due from you under this Agreement to any account you have with us.

9 FlexiReserve Facility

If we have granted you a FlexiReserve Facility with this Loan, then the provisions of this clause 9 shall apply.

- 9.1 The FlexiReserve Facility will be available for the period of the Loan.
- 9.2 You may withdraw after making a request to us from the Loan Account all amounts paid by you in excess of the Repayment Instalments.
- 9.3 We will not pay interest on any amounts that you pay to the Loan Account in excess of the Repayment Instalments.
- 9.4 If an Event of Default occurs, we are entitled to cancel the FlexiReserve Facility immediately. We are otherwise entitled to withdraw the FlexiReserve Facility at any time during this Agreement by giving you 10 (ten) business days' notice.
- 9.5 You will pay the FlexiReserve Fee indicated in the Commercial Terms.

10 Interest

- 10.1 You agree to pay interest at the rate stated in the Commercial Terms.
- 10.2 You agree to pay interest at the Interest Rate calculated on the balance outstanding of your Loan each day and added to the outstanding balance of your Loan monthly in arrears.
- 10.3 If your Interest Rate is variable, it will change in line with changes in our Prime Rate. We will notify you in writing of the change to your Repayment Instalment within 30 (thirty) days after the change takes effect.
- 10.4 You agree to pay interest at the penalty rate (Penalty Interest Rate) indicated in the Commercial Terms calculated on all sums overdue under this Agreement each day and added to the outstanding balance of your Loan monthly in arrears, with the Penalty Interest continuing to be charged while the sums are overdue for payment before demand is made.

11 Fees

- 11.1 You will pay the Fees (plus any VAT payable on such fees) to us, as specified in the Commercial Terms. Unless you inform us of your intention to pay the Fees, we will debit the Fees to your Loan Account.

12 Representations and Warranties

You represent and warrant at all times that:

- 12.1 you have taken all necessary actions to authorise the execution of this Agreement;
- 12.2 you have full power and authorisation to comply with your obligations in terms of this Agreement;
- 12.3 the terms of this Agreement do not conflict with and do not breach the terms of any other agreement or undertaking that is binding on you;
- 12.4 all the information that you give us in connection with this Agreement is in all aspects true, complete and accurate;
- 12.5 you are not aware of any facts or circumstances not disclosed to us and which, if made known, could have negatively affected our decision to grant you the Loan;
- 12.6 you are not in default of any of your obligations towards us or any other credit provider;
- 12.7 you are not insolvent and neither you nor anyone else has applied for a sequestration or liquidation order against you (whether provisional or final);
- 12.8 you have not received any compliance notices from the Companies and Intellectual Property Commission; and
- 12.9 you are not under business rescue and no steps have been taken to place you under business rescue.

13 Events of Default

Each of the events or circumstances set out in this Clause 13 is an Event of Default:

- 13.1 you fail to pay on the due date any amount payable under this Agreement;
- 13.2 you fail to comply with any of your obligations under or in connection with or any Finance Document;
- 13.3 you do not comply with any of your obligations under any other agreement with us;
- 13.4 any representation, warranty or undertaking made, or any information provided, in connection with the Loan is or proves to have been incorrect or misleading in any material respect when made;
- 13.5 you or a party who has provided Security on your behalf is unable, to pay its debts when due;
- 13.6 you commit an act of insolvency as defined in the Insolvency Act 24 of 1936;
- 13.7 you or a third party bring an application or other proceedings to have you liquidated, dissolved or de-registered, or you pass a resolution

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- to be liquidated, dissolved or de-registered;
- 13.8 you receive a compliance notice from the Companies and Intellectual Property Commission requesting you to cease carrying on business or trading;
- 13.9 you begin (or pass a resolution to begin) business rescue proceedings or a third party starts business rescue proceedings against you;
- 13.10 an event or circumstance occurs/occurred which has or is likely to have a Material Adverse Effect; or
- 13.11 a compromise with any creditor is made;
- 13.12 the appointment of a liquidator, receiver, business rescue practitioner or other similar officer in respect of you or any party who has provided Security to us;
- 13.13 any similar procedure or step is taken in any jurisdiction;
- 13.14 any expropriation, nationalisation, attachment, sequestration, distress or execution affects any asset or assets provided to us as Security;
- 13.15 any Finance Documents relating to the Loan ceases to be legal, valid, enforceable;
- 13.16 any party who has provided Security gives notice to terminate its obligations or terminates any Finance Document relating to the Loan; or
- If you are in default, we may:
- 13.17 by notice to you, increase the interest, fees and cost; or
- 13.18 by notice to you, end this Agreement and demand immediate payment of the whole outstanding balance of your Loan with continuing interest, fees and costs; and/or
- 13.19 enforce any Security provided in terms of this Agreement.
- 13.20 You hereby authorise us to debit any of your accounts held with us, in reduction, liquidation and settlement of the outstanding balance, if you default under this Agreement.
- 14 Restrictions on Transfer of Water Rights and Land Bank Funding**
- 14.1 If the purpose of the Loan is to finance the growing of crops and you hold water rights over the property on which the crops will be grown, you agree not to cede, assign, sell, encumber or otherwise transfer any part or all of those water rights, without getting our consent in writing beforehand.
- 14.2 For as long as you owe us any amounts under the Loan, you agree not to apply for or accept credit from the Land and Agricultural Development Bank of South Africa ('Land Bank') or any similar institution established by statute, without getting our consent in writing beforehand.
- 14.3 We are entitled to require additional security if we decide to grant consent to transfer your water rights and/or your request for financing from Land Bank.
- 14.4 If, at the time you apply for the Loan, you already have finance from or have applied for finance from Land Bank, you warrant that you have disclosed all material details of such finance to us.
- 14.5 You must inform us in writing of any amendments to pre-existing finance from Land Bank, as well as any amendments to any future finance from Land Bank to which we grant our consent.
- 14.6 If we consent to you applying for finance from the Land Bank and the Land Bank requests information from us regarding specific financing and other transactions concluded between you and us from time to time to enable the Land Bank to assess your finance application, you agree that we may provide such information to the Land Bank.
- 15 Cost and Expenses**
- 15.1 If you default under this Agreement, you agree that we shall be entitled to recover all collection costs, fees and commissions on the attorney-own-client basis incurred by us in enforcing our rights under this Agreement.
- 15.2 You agree that we may debit all collection costs, fees and commissions described in this paragraph to your Loan Account and that they will be added to and form part of the outstanding balance owing to us.
- 16 Change in Circumstance**
- Any change in (or in the interpretation, administration or application of) any applicable law or regulation or the existing requirements of, or new requirements being imposed by, the South African Reserve Bank, the Financial Services Board or other regulatory authority (whether or not having the force of law) which results in an increase in our cost of funding, maintaining or making available the Loan or reduces the income from the Loan, then you shall pay on demand such sum as may be certified by us as being necessary to compensate for such increased cost or such reduction.
- 17 Notifications Binding**
- All notifications or determinations given or made by us shall be binding on you, except in the case of manifest error.
- 18 Renunciation of Benefits**
- You renounce, to the extent permitted under applicable law, the benefits of each of the legal exceptions, division, revision of accounts, no value received, the defence of a wrong calculation, and cession of actions and you declare that you understand the meaning of each such legal exception and the effect of such renunciation.
- 19 Jurisdiction**
- You consent to the jurisdiction of any Magistrates Court in South Africa in respect of any legal proceedings relating to this Agreement, provided that we may at our discretion institute proceedings in any High Court of South Africa or institute arbitration proceedings.

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Term Loan Commercial Terms Outside the National Credit Act No 34 of 2005

Confidential

These Commercial Terms are to be read with the accompanying Standard Terms and our Business Client Agreement (BCA). Together these documents form the Agreement.

Borrower	PROXIMITAS INVESTMENTS 60 (PTY) LTD, 200101280107, KANAALPLAAS, KIRKWOOD, 6120
Loan amount	R 80 000 000,00
Loan account	3053357152
Interest rate	Variable 7,00% being the Prime Rate.
Repayment Instalments	Instalment: R 11 447 181,27 Final instalment: R 11 447 181,26 Date of first instalment: 2021/12/01 Instalment frequency: annually
Final Repayment Date	01/11/2030
Penalty Interest Rate	8,00% above the Prime Rate.
Fees	Initiation Fee: R 600 000,00 including VAT shall be debited as instructed by you on the Signature Date. Monthly Administration Fee: R 100,00 including VAT which is payable monthly by a debit to your Loan Account.
New Security Required	The New Security must be in place before the Loan Amount is made available. 1st ranking mortgage bond over PORTION 3 (PORTION OF PORTION 2) AND PORTION 5 (REMAINING EXTENT) (PORTION OF PORTION 2) OF THE FARM LANDDROST VEEPLAATS NO.84, UITENHAGE RD for R100 000 000,00
Existing Security	The Security listed below Unlimited Suretyship from BLUE CRANE EXPORTS CC (Suretyship). Unlimited Cession and Pledge in security of proceeds from Loan Account provided by BLUE CRANE EXPORTS CC: 2011/060809/23. Unlimited Suretyship from BLACKIE SWART FAMILIE TRUST (Suretyship). Unlimited Cession and Pledge in security of proceeds from Loan Account provided by BLACKIE SWART FAMILIE TRUST: IT390/2004.
Special Conditions	Applicable purchase contract to be obtained : For the purchase of Portion 3 (portion of portion 2) of the farm Landdrost Veeplaats No.84, Uitenhage, Eastern Cape 64.2399 ha. & Remainder of portion 5 (portion of portion 2) of the farm Landdrost Veeplaats No.84, Uitenhage, Eastern Cape 213.3656ha. IF WE REGISTER A BOND AS SECURITY FOR YOUR LOAN, YOUR INSTALMENT AMOUNT AND YOUR DATE OF FIRST INSTALMENT MAY CHANGE. IF THE DAY ON WHICH WE PAY OUT YOUR LOAN IS LESS THAN 20 (TWENTY) BUSINESS DAYS BEFORE YOUR FIRST INSTALMENT DATE, YOUR FIRST INSTALMENT WILL BE DUE ON YOUR SELECTED DAY, IN THE MONTH FOLLOWING THE DAY ON WHICH WE PAY OUT YOUR LOAN. YOU MUST ENSURE THAT NO CHANGES, RELATING TO THE USAGE, ZONING OR ANYTHING THAT MAY NEGATIVELY AFFECT THE PROPERTY SECURED BY THE BOND, ARE MADE TO PROPERTY WITHOUT OUR PRIOR WRITTEN CONSENT. YOU AGREE TO NOTIFY US, IN WRITING, OF ANY CHANGES MADE TO THE PROPERTY AND, IF NECESSARY, TO ADJUST YOUR INSURANCE POLICY (IF APPLICABLE) TO ACCOMMODATE SUCH CHANGES.
Conditions Precedent	The Commercial Terms signed by the parties:

Bank's address for notices Absa Towers West, 15 Troye Street, Johannesburg, 2001

Signed at Port Elizabeth on 1 December 2020

For: Absa Bank Limited
Duly authorised

Signature

Frederick Johannes Grobler

Name in full

Transactional Banker

Capacity

Employee number: 9003775

Signed at Port Elizabeth on 1 December 2020

For: PROXIMITAS INVESTMENTS 60 (PTY) LTD

Duly authorised

Duly authorised

Marika Swart

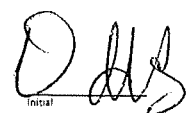
Name

Name

Director

Capacity

Capacity


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Term Loan Standard Terms Outside the National Credit Act No 34 of 2005

In this Agreement, Absa Bank Limited is referred to as 'we' or 'us' and the borrower is referred to as 'Borrower' or 'you'. Expressions with a capital letter refer to the same expression in the Commercial Terms and these Standard Terms.

1 Definitions

In this Agreement:

Absa Group Limited	means Absa Group Limited and any of its subsidiaries;
Event of Default	means any one of the events mentioned in Clause 13 (Events of Default);
Finance Documents	means the term loan Commercial and Standard Terms, any security documents, the BCA and any other document which you and we decide;
Interest Period	means monthly;
Loan Account	means the account to which Repayment Instalments are paid and amounts referred to the Commercial Terms are debited;
Loan	means the total capital, interest and fees outstanding under the term loan;
Prime Rate	means the Bank's publicly quoted prime lending rate of interest which varies from time to time;
Material Adverse Effect	means in the reasonable opinion of the Bank, a material adverse effect on: - the business, operation, property, condition (financial or otherwise) or prospects of the Borrower or any provider of Security; - the ability of any Obligor to perform any of its obligations under the Finance Documents; or - the validity or enforceability of any Finance Documents or the rights or remedies of the Bank under the Finance Documents.
Reputation Risk Event	means any act, matter, event which results in, or could, in our reasonable opinion result in damage to the reputation of any part of the Absa Group Limited;
Security	means any Security provided to us;
Security Document	means any document creating Security in our favour; and
Signature Date	means the date of the signature of the party last signing the Commercial Terms.

2 Loan

- 2.1 We agree to lend and you agree to borrow the Loan Amount as set out in this Agreement.
- 2.2 We shall credit the account indicated in your application with the Loan Amount when you have satisfied in form and substance satisfactory to us the Conditions Precedent and any New Security required is in place.

3 Purpose

- 3.1 You shall use the Loan Amount for the purpose you declared when you applied for it.

4 Conditions Precedent

- 4.1 Each Condition Precedent is for our sole benefit and we may by written notice to you waive or defer fulfilment of any Condition Precedent, in whole or in part, or subject to any other condition we may decide.

5 Security

- 5.1 If it is a condition of this Agreement that you provide Security, it must be registered (if required) or in place before we credit the Loan Amount to your account.
- 5.2 If we require Security, you agree not to allow anyone else to acquire an interest in it.
- 5.3 We may at any time require any asset subject to the Security to be professionally valued at your expense.
- 5.4 If an asset that you have ceded to us by way of Security is or will be appropriated by a public authority or otherwise suffers or is likely to suffer a material diminution in sale value, you agree to provide us with alternative or additional security reasonably acceptable to us having regard to the balance outstanding of the Loan within 3 (three) months after we deliver to you written notice requiring additional or alternate security.

6 Repayment

- 6.1 Your Repayment Instalment comprises a capital repayment of the Loan Amount, interest and Fees and any other sums due to us under this Agreement. You may pay the Repayment Instalments in cash, by electronic funds transfer (EFT) or by debit order.
- 6.2 You will repay the Loan in South African Rand.
- 6.3 We may adjust the amount of the Repayment Instalment by prior written notice to you to ensure that you repay the Loan by the Final Repayment Date.
- 6.4 You may not redraw any part of the Loan Amount unless you have a Flexi Reserve Facility.
- 6.5 You are not permitted to deduct or withhold any amounts from the Repayment Instalments.

7 Prepayment and Paying off your Loan Early

Voluntary Prepayment

- 7.1 When 90 (ninety) days have elapsed after we have credited your account with the Loan Amount, you may, on 90 (ninety) days' prior written notice to us, pay off all or part of the Loan early.
- 7.2 If you pay off part of the Loan early, we will recalculate and reduce your Repayment Instalment over the remaining term of this Agreement unless you tell us in writing that you want to maintain the amount of your Repayment Instalment.

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- 7.3 If you want to repay the whole of your Loan early, you shall inform us of the date upon which you wish to repay the Loan and we will inform you of the amount required to repay the Loan on that date including any Early Repayment Fee specified in the Commercial Terms.

Mandatory Prepayment

- 7.4 We may require you to pay off the Loan early by giving you 20 (twenty) working days' written notice if:
- we become or are likely to become subject to a law that does not allow us to provide credit to you;
 - as a member of the Absa Group Limited our operation of controls and safeguards relating to international sanctions, the detection and prevention of financial crime and prohibited business activity both within and outside South Africa prevent us, on reasonable grounds, from continuing to provide credit to you; or
 - a Reputation Risk Event has occurred, in which case:
- 7.5 We shall promptly notify you when we become aware of it:
- The Loan will be immediately cancelled; and
 - You shall repay the Loan on the day stated by us in the notice delivered to you.

8 Payments

We will apply sums received to repay the Loan in the following order:

- 8.1 costs or expenses to which we are entitled;
- 8.2 fees, interest, and
- 8.3 to repay the Loan Amount.
- 8.4 We may, at our discretion, debit any sums due from you under this Agreement to any account you have with us.

9 FlexiReserve Facility

If we have granted you a FlexiReserve Facility with this Loan, then the provisions of this clause 9 shall apply.

- 9.1 The FlexiReserve Facility will be available for the period of the Loan.
- 9.2 You may withdraw after making a request to us from the Loan Account all amounts paid by you in excess of the Repayment Instalments.
- 9.3 We will not pay interest on any amounts that you pay to the Loan Account in excess of the Repayment Instalments.
- 9.4 If an Event of Default occurs, we are entitled to cancel the FlexiReserve Facility immediately. We are otherwise entitled to withdraw the FlexiReserve Facility at any time during this Agreement by giving you 10 (ten) business days' notice.
- 9.5 You will pay the FlexiReserve Fee indicated in the Commercial Terms.

10 Interest

- 10.1 You agree to pay interest at the rate stated in the Commercial Terms.
- 10.2 You agree to pay interest at the Interest Rate calculated on the balance outstanding of your Loan each day and added to the outstanding balance of your Loan monthly in arrears.
- 10.3 If your Interest Rate is variable, it will change in line with changes in our Prime Rate. We will notify you in writing of the change to your Repayment Instalment within 30 (thirty) days after the change takes effect.
- 10.4 You agree to pay interest at the penalty rate (Penalty Interest Rate) indicated in the Commercial Terms calculated on all sums overdue under this Agreement each day and added to the outstanding balance of your Loan monthly in arrears, with the Penalty Interest continuing to be charged while the sums are overdue for payment before demand is made.

11 Fees

- 11.1 You will pay the Fees (plus any VAT payable on such fees) to us, as specified in the Commercial Terms. Unless you inform us of your intention to pay the Fees, we will debit the Fees to your Loan Account.

12 Representations and Warranties

You represent and warrant at all times that:

- 12.1 you have taken all necessary actions to authorise the execution of this Agreement;
- 12.2 you have full power and authorisation to comply with your obligations in terms of this Agreement;
- 12.3 the terms of this Agreement do not conflict with and do not breach the terms of any other agreement or undertaking that is binding on you;
- 12.4 all the information that you give us in connection with this Agreement is in all aspects true, complete and accurate;
- 12.5 you are not aware of any facts or circumstances not disclosed to us and which, if made known, could have negatively affected our decision to grant you the Loan;
- 12.6 you are not in default of any of your obligations towards us or any other credit provider;
- 12.7 you are not insolvent and neither you nor anyone else has applied for a sequestration or liquidation order against you (whether provisional or final);
- 12.8 you have not received any compliance notices from the Companies and Intellectual Property Commission; and
- 12.9 you are not under business rescue and no steps have been taken to place you under business rescue.

13 Events of Default

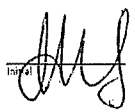
Each of the events or circumstances set out in this Clause 13 is an Event of Default:

- 13.1 you fail to pay on the due date any amount payable under this Agreement;
- 13.2 you fail to comply with any of your obligations under or in connection with or any Finance Document;
- 13.3 you do not comply with any of your obligations under any other agreement with us;
- 13.4 any representation, warranty or undertaking made, or any information provided, in connection with the Loan is or proves to have been incorrect or misleading in any material respect when made;
- 13.5 you or a party who has provided Security on your behalf is unable, to pay its debts when due;
- 13.6 you commit an act of insolvency as defined in the Insolvency Act 24 of 1936;
- 13.7 you or a third party bring an application or other proceedings to have you liquidated, dissolved or de-registered, or you pass a resolution

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- to be liquidated, dissolved or de-registered;
- 13.8 you receive a compliance notice from the Companies and Intellectual Property Commission requesting you to cease carrying on business or trading;
- 13.9 you begin (or pass a resolution to begin) business rescue proceedings or a third party starts business rescue proceedings against you;
- 13.10 an event or circumstance occurs/occurred which has or is likely to have a Material Adverse Effect; or
- 13.11 a compromise with any creditor is made;
- 13.12 the appointment of a liquidator, receiver, business rescue practitioner or other similar officer in respect of you or any party who has provided Security to us;
- 13.13 any similar procedure or step is taken in any jurisdiction;
- 13.14 any expropriation, nationalisation, attachment, sequestration, distress or execution affects any asset or assets provided to us as Security;
- 13.15 any Finance Documents relating to the Loan ceases to be legal, valid, enforceable;
- 13.16 any party who has provided Security gives notice to terminate its obligations or terminates any Finance Document relating to the Loan; or
- If you are in default, we may:
- 13.17 by notice to you, increase the interest, fees and cost; or
- 13.18 by notice to you, end this Agreement and demand immediate payment of the whole outstanding balance of your Loan with continuing interest, fees and costs; and/or
- 13.19 enforce any Security provided in terms of this Agreement.
- 13.20 You hereby authorise us to debit any of your accounts held with us, in reduction, liquidation and settlement of the outstanding balance, if you default under this Agreement.
- 14 Restrictions on Transfer of Water Rights and Land Bank Funding**
- 14.1 If the purpose of the Loan is to finance the growing of crops and you hold water rights over the property on which the crops will be grown, you agree not to cede, assign, sell, encumber or otherwise transfer any part or all of those water rights, without getting our consent in writing beforehand.
- 14.2 For as long as you owe us any amounts under the Loan, you agree not to apply for or accept credit from the Land and Agricultural Development Bank of South Africa ('Land Bank') or any similar institution established by statute, without getting our consent in writing beforehand.
- 14.3 We are entitled to require additional security if we decide to grant consent to transfer your water rights and/or your request for financing from Land Bank.
- 14.4 If, at the time you apply for the Loan, you already have finance from or have applied for finance from Land Bank, you warrant that you have disclosed all material details of such finance to us.
- 14.5 You must inform us in writing of any amendments to pre-existing finance from Land Bank, as well as any amendments to any future finance from Land Bank to which we grant our consent.
- 14.6 If we consent to you applying for finance from the Land Bank and the Land Bank requests information from us regarding specific financing and other transactions concluded between you and us from time to time to enable the Land Bank to assess your finance application, you agree that we may provide such information to the Land Bank.
- 15 Cost and Expenses**
- 15.1 If you default under this Agreement, you agree that we shall be entitled to recover all collection costs, fees and commissions on the attorney-own-client basis incurred by us in enforcing our rights under this Agreement.
- 15.2 You agree that we may debit all collection costs, fees and commissions described in this paragraph to your Loan Account and that they will be added to and form part of the outstanding balance owing to us.
- 16 Change in Circumstance**
- Any change in (or in the interpretation, administration or application of) any applicable law or regulation or the existing requirements of, or new requirements being imposed by, the South African Reserve Bank, the Financial Services Board or other regulatory authority (whether or not having the force of law) which results in an increase in our cost of funding, maintaining or making available the Loan or reduces the income from the Loan, then you shall pay on demand such sum as may be certified by us as being necessary to compensate for such increased cost or such reduction.
- 17 Notifications Binding**
- All notifications or determinations given or made by us shall be binding on you, except in the case of manifest error.
- 18 Renunciation of Benefits**
- You renounce, to the extent permitted under applicable law, the benefits of each of the legal exceptions, division, revision of accounts, no value received, the defence of a wrong calculation, and cession of actions and you declare that you understand the meaning of each such legal exception and the effect of such renunciation.
- 19 Jurisdiction**
- You consent to the jurisdiction of any Magistrates Court in South Africa in respect of any legal proceedings relating to this Agreement, provided that we may at our discretion institute proceedings in any High Court of South Africa or institute arbitration proceedings.

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Term Loan Commercial Terms Outside the National Credit Act No 34 of 2005

Confidential

These Commercial Terms are to be read with the accompanying Standard Terms and our Business Client Agreement (BCA). Together these documents form the Agreement.

Borrower	PROXIMITAS INVESTMENTS 60 (PTY) LTD, 200101280107, KANAALPLAAS, KIRKWOOD, 6120
Loan amount	R 27 000 000,00
Loan account	3053826288
Interest rate	Variable 7,25% being the Prime Rate currently 7,00% plus a margin currently 0,25%.
Repayment Instalments	Instalment: R 3 887 833,44 Final instalment: R 3 887 833,51 Date of first instalment: 2022/02/14 Instalment frequency: annually
Final Repayment Date	14/04/2031
Penalty Interest Rate	8,00% above the Prime Rate.
Fees	Initiation Fee: R 270 000,00 including VAT shall be debited as instructed by you on the Signature Date. Monthly Administration Fee: R 100,00 including VAT which is payable monthly by a debit to your Loan Account.
New Security Required	The New Security must be in place before the Loan Amount is made available. 1st ranking mortgage bond over Portion 33 (Good Hope), Portion 208, Remainder of Portion 34 (Melbourne), Portion 158 (Portion of Portion 34), Portion 206 (Portion of Portion 157), Portion 209, Portion 30, Portion 31 and Portion 32 (Woodlands Annex) of the Farm Selbourne no.115, Uitenhage RD for R27 000 000,00
Existing Security	The Security listed below Unlimited Suretyship from BLUE CRANE EXPORTS CC (Suretyship). Unlimited Cession and Pledge in security of proceeds from Loan Account provided by BLUE CRANE EXPORTS CC: 201106080923. Unlimited Suretyship from BLACKIE SWART FAMILIE TRUST (Suretyship). Unlimited Cession and Pledge in security of proceeds from Loan Account provided by BLACKIE SWART FAMILIE TRUST: IT390/2004.
Special Conditions	IF WE REGISTER A BOND AS SECURITY FOR YOUR LOAN, YOUR INSTALMENT AMOUNT AND YOUR DATE OF FIRST INSTALMENT MAY CHANGE. IF THE DAY ON WHICH WE PAY OUT YOUR LOAN IS LESS THAN 20 (TWENTY) BUSINESS DAYS BEFORE YOUR FIRST INSTALMENT DATE, YOUR FIRST INSTALMENT WILL BE DUE ON YOUR SELECTED DAY, IN THE MONTH FOLLOWING THE DAY ON WHICH WE PAY OUT YOUR LOAN. YOU MUST ENSURE THAT NO CHANGES, RELATING TO THE USAGE, ZONING OR ANYTHING THAT MAY NEGATIVELY AFFECT THE PROPERTY SECURED BY THE BOND, ARE MADE TO PROPERTY WITHOUT OUR PRIOR WRITTEN CONSENT. YOU AGREE TO NOTIFY US, IN WRITING, OF ANY CHANGES MADE TO THE PROPERTY AND, IF NECESSARY, TO ADJUST YOUR INSURANCE POLICY (IF APPLICABLE) TO ACCOMMODATE SUCH CHANGES.
Conditions Precedent	The Commercial Terms signed by the parties:
Bank's address for notices	Absa Towers West, 15 Troye Street, Johannesburg, 2001

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Signed at Port Elizabeth on 14 April 2021

For: Absa Bank Limited

Duly authorised

Signature

Frederick Johannes Grobler

Name in full

Transactional Banker

Capacity

Employee number: 9003775

Signed at Port Elizabeth on 14 April 2021

For: PROXIMITAS INVESTMENTS 60 (PTY) LTD

Duly authorised

Marika Swart

Name

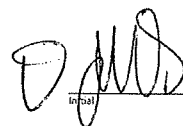
Director

Capacity

Duly authorised

Name

Capacity







Term Loan Standard Terms Outside the National Credit Act No 34 of 2005

In this Agreement, Absa Bank Limited is referred to as 'we' or 'us' and the borrower is referred to as 'Borrower' or 'you'. Expressions with a capital letter refer to the same expression in the Commercial Terms and these Standard Terms.

1 Definitions

In this Agreement:

Absa Group Limited	means Absa Group Limited and any of its subsidiaries;
Event of Default	means any one of the events mentioned in Clause 13 (Events of Default);
Finance Documents	means the term loan Commercial and Standard Terms, any security documents, the BCA and any other document which you and we decide;
Interest Period	means monthly;
Loan Account	means the account to which Repayment Instalments are paid and amounts referred to the Commercial Terms are debited;
Loan	means the total capital, interest and fees outstanding under the term loan;
Prime Rate	means the Bank's publicly quoted prime lending rate of interest which varies from time to time;
Material Adverse Effect	means in the reasonable opinion of the Bank, a material adverse effect on: - the business, operation, property, condition (financial or otherwise) or prospects of the Borrower or any provider of Security; - the ability of any Obligor to perform any of its obligations under the Finance Documents; or - the validity or enforceability of any Finance Documents or the rights or remedies of the Bank under the Finance Documents.
Reputation Risk Event	means any act, matter, event which results in, or could, in our reasonable opinion result in damage to the reputation of any part of the Absa Group Limited;
Security	means any Security provided to us;
Security Document	means any document creating Security in our favour; and
Signature Date	means the date of the signature of the party last signing the Commercial Terms.

2 Loan

- 2.1 We agree to lend and you agree to borrow the Loan Amount as set out in this Agreement.
- 2.2 We shall credit the account indicated in your application with the Loan Amount when you have satisfied in form and substance satisfactory to us the Conditions Precedent and any New Security required is in place.

3 Purpose

- 3.1 You shall use the Loan Amount for the purpose you declared when you applied for it.

4 Conditions Precedent

- 4.1 Each Condition Precedent is for our sole benefit and we may by written notice to you waive or defer fulfilment of any Condition Precedent, in whole or in part, or subject to any other condition we may decide.

5 Security

- 5.1 If it is a condition of this Agreement that you provide Security, it must be registered (if required) or in place before we credit the Loan Amount to your account.
- 5.2 If we require Security, you agree not to allow anyone else to acquire an interest in it.
- 5.3 We may at any time require any asset subject to the Security to be professionally valued at your expense.
- 5.4 If an asset that you have ceded to us by way of Security is or will be appropriated by a public authority or otherwise suffers or is likely to suffer a material diminution in sale value, you agree to provide us with alternative or additional security reasonably acceptable to us having regard to the balance outstanding of the Loan within 3 (three) months after we deliver to you written notice requiring additional or alternate security.

6 Repayment

- 6.1 Your Repayment Instalment comprises a capital repayment of the Loan Amount, interest and Fees and any other sums due to us under this Agreement. You may pay the Repayment Instalments in cash, by electronic funds transfer (EFT) or by debit order.
- 6.2 You will repay the Loan in South African Rand.
- 6.3 We may adjust the amount of the Repayment Instalment by prior written notice to you to ensure that you repay the Loan by the Final Repayment Date.
- 6.4 You may not redraw any part of the Loan Amount unless you have a Flexi Reserve Facility.
- 6.5 You are not permitted to deduct or withhold any amounts from the Repayment Instalments.

7 Prepayment and Paying off your Loan Early

Voluntary Prepayment

- 7.1 When 90 (ninety) days have elapsed after we have credited your account with the Loan Amount, you may, on 90 (ninety) days' prior written notice to us, pay off all or part of the Loan early.
- 7.2 If you pay off part of the Loan early, we will recalculate and reduce your Repayment Instalment over the remaining term of this Agreement unless you tell us in writing that you want to maintain the amount of your Repayment Instalment.

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- 7.3 If you want to repay the whole of your Loan early, you shall inform us of the date upon which you wish to repay the Loan and we will inform you of the amount required to repay the Loan on that date including any Early Repayment Fee specified in the Commercial Terms.

Mandatory Prepayment

- 7.4 We may require you to pay off the Loan early by giving you 20 (twenty) working days' written notice if:
- we become or are likely to become subject to a law that does not allow us to provide credit to you;
 - as a member of the Absa Group Limited our operation of controls and safeguards relating to international sanctions, the detection and prevention of financial crime and prohibited business activity both within and outside South Africa prevent us, on reasonable grounds, from continuing to provide credit to you; or
 - a Reputation Risk Event has occurred, in which case:
- 7.5 We shall promptly notify you when we become aware of it:
- The Loan will be immediately cancelled; and
 - You shall repay the Loan on the day stated by us in the notice delivered to you.

8 Payments

We will apply sums received to repay the Loan in the following order:

- 8.1 costs or expenses to which we are entitled;
- 8.2 fees, interest, and
- 8.3 to repay the Loan Amount.
- 8.4 We may, at our discretion, debit any sums due from you under this Agreement to any account you have with us.

9 FlexiReserve Facility

If we have granted you a FlexiReserve Facility with this Loan, then the provisions of this clause 9 shall apply.

- 9.1 The FlexiReserve Facility will be available for the period of the Loan.
- 9.2 You may withdraw after making a request to us from the Loan Account all amounts paid by you in excess of the Repayment Instalments.
- 9.3 We will not pay interest on any amounts that you pay to the Loan Account in excess of the Repayment Instalments.
- 9.4 If an Event of Default occurs, we are entitled to cancel the FlexiReserve Facility immediately. We are otherwise entitled to withdraw the FlexiReserve Facility at any time during this Agreement by giving you 10 (ten) business days' notice.
- 9.5 You will pay the FlexiReserve Fee indicated in the Commercial Terms.

10 Interest

- 10.1 You agree to pay interest at the rate stated in the Commercial Terms.
- 10.2 You agree to pay interest at the Interest Rate calculated on the balance outstanding of your Loan each day and added to the outstanding balance of your Loan monthly in arrears.
- 10.3 If your Interest Rate is variable, it will change in line with changes in our Prime Rate. We will notify you in writing of the change to your Repayment Instalment within 30 (thirty) days after the change takes effect.
- 10.4 You agree to pay interest at the penalty rate (Penalty Interest Rate) indicated in the Commercial Terms calculated on all sums overdue under this Agreement each day and added to the outstanding balance of your Loan monthly in arrears, with the Penalty Interest continuing to be charged while the sums are overdue for payment before demand is made.

11 Fees

- 11.1 You will pay the Fees (plus any VAT payable on such fees) to us, as specified in the Commercial Terms. Unless you inform us of your intention to pay the Fees, we will debit the Fees to your Loan Account.

12 Representations and Warranties

You represent and warrant at all times that:

- 12.1 you have taken all necessary actions to authorise the execution of this Agreement;
- 12.2 you have full power and authorisation to comply with your obligations in terms of this Agreement;
- 12.3 the terms of this Agreement do not conflict with and do not breach the terms of any other agreement or undertaking that is binding on you;
- 12.4 all the information that you give us in connection with this Agreement is in all aspects true, complete and accurate;
- 12.5 you are not aware of any facts or circumstances not disclosed to us and which, if made known, could have negatively affected our decision to grant you the Loan;
- 12.6 you are not in default of any of your obligations towards us or any other credit provider;
- 12.7 you are not insolvent and neither you nor anyone else has applied for a sequestration or liquidation order against you (whether provisional or final);
- 12.8 you have not received any compliance notices from the Companies and Intellectual Property Commission; and
- 12.9 you are not under business rescue and no steps have been taken to place you under business rescue.

13 Events of Default

Each of the events or circumstances set out in this Clause 13 is an Event of Default:

- 13.1 you fail to pay on the due date any amount payable under this Agreement;
- 13.2 you fail to comply with any of your obligations under or in connection with or any Finance Document;
- 13.3 you do not comply with any of your obligations under any other agreement with us;
- 13.4 any representation, warranty or undertaking made, or any information provided, in connection with the Loan is or proves to have been incorrect or misleading in any material respect when made;
- 13.5 you or a party who has provided Security on your behalf is unable, to pay its debts when due;
- 13.6 you commit an act of insolvency as defined in the Insolvency Act 24 of 1936;
- 13.7 you or a third party bring an application or other proceedings to have you liquidated, dissolved or de-registered, or you pass a resolution

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- to be liquidated, dissolved or de-registered;
- 13.8 you receive a compliance notice from the Companies and Intellectual Property Commission requesting you to cease carrying on business or trading;
- 13.9 you begin (or pass a resolution to begin) business rescue proceedings or a third party starts business rescue proceedings against you;
- 13.10 an event or circumstance occurs/occurred which has or is likely to have a Material Adverse Effect; or
- 13.11 a compromise with any creditor is made;
- 13.12 the appointment of a liquidator, receiver, business rescue practitioner or other similar officer in respect of you or any party who has provided Security to us;
- 13.13 any similar procedure or step is taken in any jurisdiction;
- 13.14 any expropriation, nationalisation, attachment, sequestration, distress or execution affects any asset or assets provided to us as Security;
- 13.15 any Finance Documents relating to the Loan ceases to be legal, valid, enforceable;
- 13.16 any party who has provided Security gives notice to terminate its obligations or terminates any Finance Document relating to the Loan; or
- If you are in default, we may:
- 13.17 by notice to you, increase the interest, fees and cost; or
- 13.18 by notice to you, end this Agreement and demand immediate payment of the whole outstanding balance of your Loan with continuing interest, fees and costs; and/or
- 13.19 enforce any Security provided in terms of this Agreement.
- 13.20 You hereby authorise us to debit any of your accounts held with us, in reduction, liquidation and settlement of the outstanding balance, if you default under this Agreement.
- 14 Restrictions on Transfer of Water Rights and Land Bank Funding**
- 14.1 If the purpose of the Loan is to finance the growing of crops and you hold water rights over the property on which the crops will be grown, you agree not to cede, assign, sell, encumber or otherwise transfer any part or all of those water rights, without getting our consent in writing beforehand.
- 14.2 For as long as you owe us any amounts under the Loan, you agree not to apply for or accept credit from the Land and Agricultural Development Bank of South Africa ('Land Bank') or any similar institution established by statute, without getting our consent in writing beforehand.
- 14.3 We are entitled to require additional security if we decide to grant consent to transfer your water rights and/or your request for financing from Land Bank.
- 14.4 If, at the time you apply for the Loan, you already have finance from or have applied for finance from Land Bank, you warrant that you have disclosed all material details of such finance to us.
- 14.5 You must inform us in writing of any amendments to pre-existing finance from Land Bank, as well as any amendments to any future finance from Land Bank to which we grant our consent.
- 14.6 If we consent to you applying for finance from the Land Bank and the Land Bank requests information from us regarding specific financing and other transactions concluded between you and us from time to time to enable the Land Bank to assess your finance application, you agree that we may provide such information to the Land Bank.
- 15 Cost and Expenses**
- 15.1 If you default under this Agreement, you agree that we shall be entitled to recover all collection costs, fees and commissions on the attorney-own-client basis incurred by us in enforcing our rights under this Agreement.
- 15.2 You agree that we may debit all collection costs, fees and commissions described in this paragraph to your Loan Account and that they will be added to and form part of the outstanding balance owing to us.
- 16 Change in Circumstance**
- Any change in (or in the interpretation, administration or application of) any applicable law or regulation or the existing requirements of, or new requirements being imposed by, the South African Reserve Bank, the Financial Services Board or other regulatory authority (whether or not having the force of law) which results in an increase in our cost of funding, maintaining or making available the Loan or reduces the income from the Loan, then you shall pay on demand such sum as may be certified by us as being necessary to compensate for such increased cost or such reduction.
- 17 Notifications Binding**
- All notifications or determinations given or made by us shall be binding on you, except in the case of manifest error.
- 18 Renunciation of Benefits**
- You renounce, to the extent permitted under applicable law, the benefits of each of the legal exceptions, division, revision of accounts, no value received, the defence of a wrong calculation, and cession of actions and you declare that you understand the meaning of each such legal exception and the effect of such renunciation.
- 19 Jurisdiction**
- You consent to the jurisdiction of any Magistrates Court in South Africa in respect of any legal proceedings relating to this Agreement, provided that we may at our discretion institute proceedings in any High Court of South Africa or institute arbitration proceedings.

Handwritten signature and initials, possibly 'KM' and 'AB'.

Handwritten signature and initials, possibly 'KM' and 'AB'.

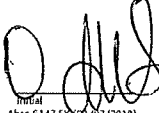


Term Loan Commercial Terms Outside the National Credit Act No 34 of 2005

Confidential

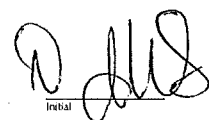
These Commercial Terms are to be read with the accompanying Standard Terms and our Business Client Agreement (BCA). Together these documents form the Agreement.

Borrower	BLACKIE SWART FAMILIE TRUST IT390/2004 KANAAL PLAAS KIRKWOOD 6120
Loan amount	R 20 000 000,00
Loan account	30-5242-5047
Interest rate	Variable 9, 75% being the Prime Rate.
Repayment Instalments	Instalment: R 2 622 738,17 Final instalment: R 2 622 738,19 Date of first Instalment: 2020/12/15 Instalment frequency: yearly
Final Repayment Date	2035/02/15
Penalty Interest Rate	8% above the Prime Rate.
Fees	Initiation Fee: R 200 000, 00 including VAT shall be debited as instructed by you to your Loan Account on the Signature Date. Monthly Administration Fee: R 100, 00 including VAT which is payable monthly by a debit to your Loan Account.


Initial
Absa 6147 EX (01/01/2018)



New Security Required	The New Security must be in place before the Loan Amount is made available. Unlimited Suretyship from BLUE CRANE EXPORTS CC ("Suretyship"). Unlimited Cession and Pledge in security of proceeds from loan accounts provided by BLUE CRANE EXPORTS CC 2011/060809/23 A further CCMB of R 20 000 000,00 Ranking as a 3rd charge over Portions 314 , 355 , 363 ,386, 387,388,389 and 407 of Farm Strathsomers Estate No. 42 Uitenhage RD Ranking as a 1st charge over Portion 440 of the Farm Strathsomers Estate no. 42, Uitenhage RD Ranking as a 1st charge over Portion 145 of the Farm Strathsomers Estate no. 42, Uitenhage RD
Existing Security	The Security listed below Unlimited Suretyship from PROXIMITAS INVESTMENTS 60 (PROPRIETARY) LIMITED including Unlimited cession of the Loan Account ("Suretyship"). First, Second ranking mortgage bond, B72461/07, B70585/2008, over Portions 314, 355, 363, 386, 387, 388, 389, and 407 of Farm Strathsomers No. 42 Uitenhage RD
Special Conditions	If we register a Bond as security for your Loan, your Instalment amount and your date of first Instalment may change. If the day on which we pay out your Loan is less than 20 (twenty) business days before your first Instalment date, your first Instalment will be due on your selected day, in the month following the day on which we pay out your Loan. You must ensure that no changes, relating to the usage, zoning or anything that may negatively affect the property secured by the Bond, are made to property without our prior written consent. You agree to notify us, in writing, of any changes made to the property and, if necessary, to adjust your insurance policy (if applicable) to accommodate such changes
Conditions Precedent	There are no Conditions Precedent
Bank's address for notices	Absa Towers West, 15 Troye Street, Johannesburg, 2001

Initial 





307. "KM11"

Signed at Port Elizabeth on 7 February 2020

For: Absa Bank Limited

Duly authorised

Signature

Frederick Johannes Grobler

Name in full

Transactional Banker

Capacity

Employee number: 9003775

Signed at Port Elizabeth on 7 February 2020

For: BLACKIE SWART FAMILIE TRUST
IT390/2004

Duly authorised

Marika Swart

Name

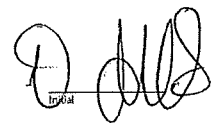
Trustee

Capacity

Duly authorised

Name

Capacity





Term Loan Standard Terms Outside the National Credit Act No 34 of 2005

In this Agreement, Absa Bank Limited is referred to as 'we' or 'us' and the borrower is referred to as 'Borrower' or 'you'. Expressions with a capital letter refer to the same expression in the Commercial Terms and these Standard Terms.

1 Definitions

In this Agreement:

Absa Group Limited	means Absa Group Limited and any of its subsidiaries;
Event of Default	means any one of the events mentioned in Clause 13 (Events of Default);
Finance Documents	means the term loan Commercial and Standard Terms, any security documents, the BCA and any other document which you and we decide;
Interest Period	means monthly;
Loan Account	means the account to which Repayment Instalments are paid and amounts referred to the Commercial Terms are debited;
Loan	means the total capital, interest and fees outstanding under the term loan;
Prime Rate	means the Bank's publicly quoted prime lending rate of interest which varies from time to time;
Material Adverse Effect	means in the reasonable opinion of the Bank, a material adverse effect on: - the business, operation, property, condition (financial or otherwise) or prospects of the Borrower or any provider of Security; - the ability of any Obligor to perform any of its obligations under the Finance Documents; or - the validity or enforceability of any Finance Documents or the rights or remedies of the Bank under the Finance Documents.
Reputation Risk Event	means any act, matter, event which results in, or could, in our reasonable opinion result in damage to the reputation of any part of the Absa Group Limited;
Security	means any Security provided to us;
Security Document	means any document creating Security in our favour; and
Signature Date	means the date of the signature of the party last signing the Commercial Terms.

2 Loan

- 2.1 We agree to lend and you agree to borrow the Loan Amount as set out in this Agreement.
- 2.2 We shall credit the account indicated in your application with the Loan Amount when you have satisfied in form and substance satisfactory to us the Conditions Precedent and any New Security required is in place.

3 Purpose

- 3.1 You shall use the Loan Amount for the purpose you declared when you applied for it.

4 Conditions Precedent

- 4.1 Each Condition Precedent is for our sole benefit and we may by written notice to you waive or defer fulfilment of any Condition Precedent, in whole or in part, or subject to any other condition we may decide.

5 Security

- 5.1 If it is a condition of this Agreement that you provide Security, it must be registered (if required) or in place before we credit the Loan Amount to your account.
- 5.2 If we require Security, you agree not to allow anyone else to acquire an interest in it.
- 5.3 We may at any time require any asset subject to the Security to be professionally valued at your expense.
- 5.4 If an asset that you have ceded to us by way of Security is or will be appropriated by a public authority or otherwise suffers or is likely to suffer a material diminution in sale value, you agree to provide us with alternative or additional security reasonably acceptable to us having regard to the balance outstanding of the Loan within 3 (three) months after we deliver to you written notice requiring additional or alternate security.

6 Repayment

- 6.1 Your Repayment Instalment comprises a capital repayment of the Loan Amount, Interest and Fees and any other sums due to us under this Agreement. You may pay the Repayment Instalments in cash, by electronic funds transfer (EFT) or by debit order.
- 6.2 You will repay the Loan in South African Rand.
- 6.3 We may adjust the amount of the Repayment Instalment by prior written notice to you to ensure that you repay the Loan by the Final Repayment Date.
- 6.4 You may not redraw any part of the Loan Amount unless you have a Flexi Reserve Facility.
- 6.5 You are not permitted to deduct or withhold any amounts from the Repayment Instalments.

7 Prepayment and Paying off your Loan Early**Voluntary Prepayment**

- 7.1 When 90 (ninety) days have elapsed after we have credited your account with the Loan Amount, you may, on 90 (ninety) days' prior written notice to us, pay off all or part of the Loan early.
- 7.2 If you pay off part of the Loan early, we will recalculate and reduce your Repayment Instalment over the remaining term of this Agreement unless you tell us in writing that you want to maintain the amount of your Repayment Instalment.
- 7.3 If you want to repay the whole of your Loan early, you shall inform us of the date upon which you wish to repay the Loan and we will inform you of the amount required to repay the Loan on that date including any Early Repayment Fee specified in the Commercial Terms.

Mandatory Prepayment

- 7.4 We may require you to pay off the Loan early by giving you 20 (twenty) working days' written notice if:
 - we become or are likely to become subject to a law that does not allow us to provide credit to you;
 - as a member of the Absa Group Limited our operation of controls and safeguards relating to international sanctions, the detection and prevention of financial crime and prohibited business activity both within and outside South Africa prevent us, on reasonable grounds, from continuing to provide credit to you; or
 - a Reputation Risk Event has occurred, in which case:
- 7.5 We shall promptly notify you when we become aware of it:
 - the Loan will be immediately cancelled; and
 - you shall repay the Loan on the day stated by us in the notice delivered to you.

8 Payments

We will apply sums received to repay the Loan in the following order:

- 8.1 costs or expenses to which we are entitled;
- 8.2 fees, interest, and
- 8.3 to repay the Loan Amount.
- 8.4 We may, at our discretion, debit any sums due from you under this Agreement to any account you have with us.

9 FlexiReserve Facility

If we have granted you a FlexiReserve Facility with this Loan, then the provisions of this clause 9 shall apply.

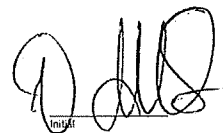
- 9.1 The FlexiReserve Facility will be available for the period of the Loan.
- 9.2 You may withdraw after making a request to us from the Loan Account all amounts paid by you in excess of the Repayment Instalments.
- 9.3 We will not pay interest on any amounts that you pay to the Loan Account in excess of the Repayment Instalments.
- 9.4 If an Event of Default occurs, we are entitled to cancel the FlexiReserve Facility immediately. We are otherwise entitled to withdraw the FlexiReserve Facility at any time during this Agreement by giving you 10 (ten) business days' notice.
- 9.5 You will pay the FlexiReserve Fee indicated in the Commercial Terms.

10 Interest

- 10.1 You agree to pay interest at the rate stated in the Commercial Terms.
- 10.2 You agree to pay interest at the Interest Rate calculated on the balance outstanding of your Loan each day and added to the outstanding balance of your Loan monthly in arrears.
- 10.3 If your Interest Rate is variable, it will change in line with changes in our Prime Rate. We will notify you in writing of the change to your Repayment Instalment within 30 (thirty) days after the change takes effect.
- 10.4 You agree to pay interest at the penalty rate (Penalty Interest Rate) indicated in the Commercial Terms calculated on all sums overdue under this Agreement each day and added to the outstanding balance of your Loan monthly in arrears, with the Penalty Interest continuing to be charged while the sums are overdue for payment before demand is made.

11 Fees

- 11.1 You will pay the Fees (plus any VAT payable on such fees) to us, as specified in the Commercial Terms. Unless you inform us of your intention to pay the Fees, we will debit the Fees to your Loan Account.



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12 Representations and Warranties

You represent and warrant at all times that:

- 12.1 you have taken all necessary actions to authorise the execution of this Agreement;
- 12.2 you have full power and authorisation to comply with your obligations in terms of this Agreement;
- 12.3 the terms of this Agreement do not conflict with and do not breach the terms of any other agreement or undertaking that is binding on you;
- 12.4 all the information that you give us in connection with this Agreement is in all aspects true, complete and accurate;
- 12.5 you are not aware of any facts or circumstances not disclosed to us and which, if made known, could have negatively affected our decision to grant you the Loan;
- 12.6 you are not in default of any of your obligations towards us or any other credit provider;
- 12.7 you are not insolvent and neither you nor anyone else has applied for a sequestration or liquidation order against you (whether provisional or final);
- 12.8 you have not received any compliance notices from the Companies and Intellectual Property Commission; and
- 12.9 you are not under business rescue and no steps have been taken to place you under business rescue.

13 Events of Default

Each of the events or circumstances set out in this Clause 13 is an Event of Default:

- 13.1 you fail to pay on the due date any amount payable under this Agreement;
- 13.2 you fail to comply with any of your obligations under or in connection with or any Finance Document;
- 13.3 you do not comply with any of your obligations under any other agreement with us;
- 13.4 any representation, warranty or undertaking made, or any information provided, in connection with the Loan is or proves to have been incorrect or misleading in any material respect when made;
- 13.5 you or a party who has provided Security on your behalf is unable, to pay its debts when due;
- 13.6 you commit an act of insolvency as defined in the Insolvency Act 24 of 1936;
- 13.7 you or a third party bring an application or other proceedings to have you liquidated, dissolved or de-registered, or you pass a resolution to be liquidated, dissolved or de-registered;
- 13.8 you receive a compliance notice from the Companies and Intellectual Property Commission requesting you to cease carrying on business or trading;
- 13.9 you begin (or pass a resolution to begin) business rescue proceedings or a third party starts business rescue proceedings against you;
- 13.10 an event or circumstance occurs/occurred which has or is likely to have a Material Adverse Effect; or
- 13.11 a compromise with any creditor is made;
- 13.12 the appointment of a liquidator, receiver, business rescue practitioner or other similar officer in respect of you or any party who has provided Security to us;
- 13.13 any similar procedure or step is taken in any jurisdiction;
- 13.14 any expropriation, nationalisation, attachment, sequestration, distress or execution affects any asset or assets provided to us as Security;
- 13.15 any Finance Documents relating to the Loan ceases to be legal, valid, enforceable;
- 13.16 any party who has provided Security gives notice to terminate its obligations or terminates any Finance Document relating to the Loan; or if you are in default, we may:
- 13.17 by notice to you, increase the interest, fees and cost; or
- 13.18 by notice to you, end this Agreement and demand immediate payment of the whole outstanding balance of your Loan with continuing interest, fees and costs; and/or
- 13.20 enforce any Security provided in terms of this Agreement.
- 13.20 You hereby authorise us to debit any of your accounts held with us, in reduction, liquidation and settlement of the outstanding balance, if you default under this Agreement.

14 Restrictions on Transfer of Water Rights and Land Bank Funding

- 14.1 If the purpose of the Loan is to finance the growing of crops and you hold water rights over the property on which the crops will be grown, you agree not to cede, assign, sell, encumber or otherwise transfer any part or all of those water rights, without getting our consent in writing beforehand.
- 14.2 For as long as you owe us any amounts under the Loan, you agree not to apply for or accept credit from the Land and Agricultural Development Bank of South Africa ("Land Bank") or any similar institution established by statute, without getting our consent in writing beforehand.
- 14.3 We are entitled to require additional security if we decide to grant consent to transfer your water rights and/or your request for financing from Land Bank.
- 14.4 If, at the time you apply for the Loan, you already have finance from or have applied for finance from Land Bank, you warrant that you have disclosed all material details of such finance to us.
- 14.5 You must inform us in writing of any amendments to pre-existing finance from Land Bank, as well as any amendments to any future finance from Land Bank to which we grant our consent.
- 14.6 If we consent to you applying for finance from the Land Bank and the Land Bank requests information from us regarding specific financing and other transactions concluded between you and us from time to time to enable the Land Bank to assess your finance application, you agree that we may provide such information to the Land Bank.

15 Cost and Expenses

- 15.1 If you default under this Agreement, you agree that we shall be entitled to recover all collection costs, fees and commissions on the attorney-own-client basis incurred by us in enforcing our rights under this Agreement.
- 15.2 You agree that we may debit all collection costs, fees and commissions described in this paragraph to your Loan Account and that they will be added to and form part of the outstanding balance owing to us.

Handwritten signature and initials, possibly reading 'Initial'.

Handwritten initials 'KM' and a signature.

16 Change in Circumstance

Any change in (or in the interpretation, administration or application of) any applicable law or regulation or the existing requirements of, or new requirements being imposed by, the South African Reserve Bank, the Financial Services Board or other regulatory authority (whether or not having the force of law) which results in an increase in our cost of funding, maintaining or making available the Loan or reduces the income from the Loan, then you shall pay on demand such sum as may be certified by us as being necessary to compensate for such increased cost or such reduction.

17 Notifications Binding

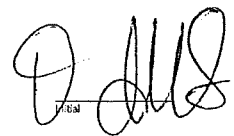
All notifications or determinations given or made by us shall be binding on you, except in the case of manifest error.

18 Renunciation of Benefits

You renounce, to the extent permitted under applicable law, the benefits of each of the legal exceptions, division, revision of accounts, no value received, the defence of a wrong calculation, and cession of actions and you declare that you understand the meaning of each such legal exception and the effect of such renunciation.

19 Jurisdiction

You consent to the jurisdiction of any Magistrates Court in South Africa in respect of any legal proceedings relating to this Agreement, provided that we may at our discretion institute proceedings in any High Court of South Africa or institute arbitration proceedings.



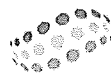
PROXIMITAS INVESTMENT 60 (PTY) LTD
BUSINESS RESCUE
MEETING TO VOTE ON BUSINESS RESCUE PLAN

SECOND MEETING (28 OCTOBER 2024)

DAVID MASTERTON, N.O.

In attendance:

Pat Pattison
Kiran Moodley
Tiaan
Louis
Rob Parker
Fanie
Gerrit
Tiaan
Marius
Muchara
Hesli
Colin Botha (ABSA)
Njabula



Gauteng Transcribers
Recording & Transcriptions

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Tel: (041) 008 5071
Email: EC5@gautengtranscribers.co.za
Website: www.gautengtranscribers.co.za

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CERTIFICATE OF VERACITY

I, the undersigned, hereby certify that, *in as far as it is audible*, the foregoing is a **VERBATIM** transcription of the proceedings as was ordered to be transcribed by Gauteng Transcribers by means of a digital recorder in the matter of:

**BUSINESS RESCUE PLAN MEETING
PROXIMITAS INVESTMENT 60 (PTY) LTD
DAVID MASTERTON, N.O. – KIRAN MOODLEY**

GT NUMBER	: GT80995
CASE NUMBER	: NONE - MEETING
RECORDED AT	: VIRTUAL
DATE HELD	: SECOND MEETING
NUMBER OF PAGES	: 5

PROBLEMS EXPERIENCED WITH RECORDING

- The names on the sidebar today were unfortunately blurred and not clear. Therefore, there are names missing on the cover page.
- There is no date as Mr Pattison did not mention the date, only that it was not correct.
- The recording stopped mid-sentence.

DATE COMPLETED: 30 MAY 2025

TRANSCRIBER: A WOLMERANS



Gauteng Transcribers
Recording & Transcriptions

3rd Floor, Regus House, Fairview Office Park
66 Ring Road, Greenacres, Gqeberha, Eastern Cape
Tel: (041) 008 5071
Email: EC5@gautengtranscribers.co.za
Website: www.gautengtranscribers.co.za



MEETING COMMENCES

[00:00:00]

CHAIRPERSON: Good morning, ladies and gentlemen, and welcome to the Proximitas meeting to vote. I think I have got the wrong date on there, so we will ignore that slide. This is for the vote, for as we now call it the October business rescue plan for Proximitas. The plan has been amended as per the previous suggestions.

Webinar rules as always. We are a small enough group. No one has been force muted. I do not ever ask that if you
10 have got a question or a comment to please raise your hand, and then I will call on you in the order that the hands are raised just to give us a little bit of order to the chaos.

A very simple and short agenda for this meeting. Again, presenting the proposed business rescue plan. It does not include any amendments as of yet because we requested a new plan. So that is why we refer to it as the October plan, just to keep track of how many plans there have been to date.

The practitioners hereby, and as part of the agenda, confirm that we believe that there remains a reasonable
20 prospect for the rehabilitation of the company. We believe that the offer on the proposals contained in the business rescue plan provides far better return than that of an immediate and traditional liquidation. There has been some suggestions. We will go through those now.

Then we will go to three votes, ladies and gentlemen.

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First vote to accept the proposed business rescue plan, including the amendments. A second vote on the fee proposal of the practitioners and then a final vote to accept and adopt the proposed business rescue plan as it stands. At which point we will conclude the meeting.

I will again at this point in time give any of the staff, unions, bargaining councils, sectoral determination representatives an opportunity to address the creditors. As previously stated, the company currently has no staff other
10 than Mr Kieran Moodley has been appointed as the director of the company.

Mr Moodley, would you like to address the creditors at this point in time or reserve that for later?

MR MOODLEY: For later.

CHAIRPERSON: Perfect. Mr Moodley will chat to us at a later stage should it become necessary.

Ladies and gentlemen, the business rescue plan does have a couple of corrections, amendments, and then I will also be going over some points of clarification in the business
20 rescue plan. At the end of every slide, I will give the creditors an opportunity to provide feedback and comment.

Remember, as per the proposed business rescue plan, we ask that everybody forward their suggested amendments, corrections, adjustments prior to the vote on the meeting to give the practitioners fair opportunity to consider those. We

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have received some and we will go through those right now.

Okay, so one of the corrections is in point 4.8.5 that currently or in the previous plan, as you see above, we added in the words "and movable assets". The reason for that is, ladies and gentlemen, that ABSA Bank does hold valid securities over some movable assets. These are under vehicle and asset finance at the moment. So naturally, and although it is inferred through the plan, we need to clarify it here that if we are to sell those assets, we would have to
10 settle that debt in full. If there is a shortfall, obviously we would need to get the approval from ABSA Bank.

This obviously extends to all secured creditors that may hold security over movable assets. But to the best of our knowledge and what we have gone through all the proof of claims, it is only ABSA that holds security over movable assets.

Any comments or questions on that point, ladies and gentlemen?

NO QUESTIONS

20 CHAIRPERSON: We can always circle back at the latest stage. The next suggested amendment is with regards to the concurrent creditors of the company. The suggestion is that we allow for two categories of concurrent creditors. The first category being those with direct debt. In other words, creditors who were owed money at the point of filing for

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business rescue. They total about R2.79 million.

The remaining concurrent creditors are, of course, those contingent creditors as a result of those respective companies. For instance, we have got some debt that stands in Steenbok [indistinct] Proximitas or even the trust. If that debt is not settled in full in that particular entity, the concurrent portion may come across to Proximitas. This is only for the concurrent portion.

So our suggestion is, although we intend to pay both
10 parties in full, is to provide a separate category for the supplying creditors, if we can call them that, and make an additional commitment to settle them from the income of our debtors by the 28th of February 2025.

This is an additional guarantee only. The intention is still to settle them from the sale of assets by that time. If not possible, we will leave sufficient funds from the debtors to settle either the remaining portion or the full portion. It just allows the concurrent creditors that little bit of additional comfort that they will get settled.

20 Ladies and gentlemen, are there any comments or questions regarding this amendment? Claire, please go on.

MR PARKER: It is Rob Parker.

CHAIRPERSON: Mr Parkere.

MR PARKER: Ja, look here I do not quite understand that. Because you have got what you are saying, the concurrent

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creditors there, the 2.8, call it 2.8 million. I am just rounding up, those are people that do not hold security and that are only owed monies by Proximitas. Am I right in saying that, other than group interrelated entities?

CHAIRPERSON: Correct.

MR PARKER: Am I correct in saying that?

CHAIRPERSON: Ja.

MR PARKER: But the other concurrent creditors, for example, my client, Woolly Trust, they are a concurrent
10 creditor in Proximitas of 30 million. They do hold security from another entity. And are you distinguishing them by reason of the fact that they hold security elsewhere?

CHAIRPERSON: That is correct? Because the security they hold is in a different entity.... [recording stops]

MEETING CONCLUDES

[00:06:50]

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PROPOSED BUSINESS RESCUE PLAN

FOR

Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

by

Quinton (Pat) Pattinson

&

David Masterton

ON

15 October 2024

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1. DEFINITIONS

- 1.1. "**Acquittance**" means a document executed by a creditor in terms of which that creditor advises the Business Rescue Practitioner/s that such creditor will not look to the Business or the Business Rescue Practitioner/s for any payment of benefit under the Business Rescue Plan, to the extent of the amount stated in the acquittance;
- 1.1. "**Act**" means the Companies Act 71 of 2008 as amended;
- 1.2. "**Affected Persons**" means affected persons as defined in Section 128 (1) of the Act and in relation to the Company means a shareholder, a creditor and the employees of the Company;
- 1.3. "**Assets**" means all assets of the Business as reflected in the books of account of the Business as at the commencement date;
- 1.4. "**Auction Value**" means an estimate of the realisable value of the Business assets on a public auction where a sale is concluded on a forced sale, upon the fall of the hammer, to the highest cash bidder during an auction which was reasonably well advertised and attended by members of the public;
- 1.5. "**Auction Conditions**" refers to the specific terms and conditions governing the conduct of the auction, including the rules by which bids are made and accepted, the obligations of the buyer and seller, and any other requirements set forth by the auctioneer or the Business Rescue Practitioner. These conditions clarify that the sale of any immovable or movable assets is on an "as is" basis, and no warranties are provided regarding the condition or suitability of the assets. The buyer shall have no recourse against the Business Rescue Practitioner for any latent or patent defects, as the practitioners did not own or occupy the premises, nor did they own or use the movable assets being sold.
- 1.6. "**BRP/s**" means Pat Pattinson and David Masterton as defined in Regulation 126 to the Act;
- 1.7. "**BR360 C**" means Business Rescue 360 Cape (Pty) Ltd which contracts Pat Pattinson and David Masterton as the Business Rescue Practitioner/s of the business;
- 1.8. "**Business Rescue**" means the proceedings in terms of Chapter 6 of the Act and as defined in Section 128 (1)(b);
- 1.9. "**Business Rescue Plan**" means this document which is a business rescue plan prepared in terms of Section 150 of the Act by the Business Rescue Practitioner/s on the **15 October 2024**.
- 1.10. "**Claims**" means secured, preferent or concurrent claims as envisaged in the Insolvency Act, against the Business, the cause of action in respect of which arose, prior to or on the commencement date, of whatsoever nature and from whatsoever cause, including claims, arising from contract or delict, actual and contingent, prospective, conditional and unconditional, liquidated and unliquidated, assessed and unassessed and whether or not due for payment of performance, specific or otherwise, and including all claims arising out of

any agreements entered into by the Business on or prior to the commencement date, all such claims to be determined, calculated and admitted as secured, preferent or concurrent in accordance with the same ranking, as envisaged in the Insolvency Act, that attached to them upon the issue of a winding up order in respect of the Business, whether or not such claims are proved;

- 1.11. **"Creditor/s"** means all legal entities, including natural persons, having secured, preferent and/or concurrent claims against the Business as at the commencement date as envisaged in the Insolvency Act;
- 1.12. **"Concurrent Creditors"** means creditors having concurrent claims as envisaged in the Insolvency Act;
- 1.13. **"The Business"** means Proximitas Investments 60 (Pty) Ltd (in business rescue), a business duly incorporated in terms of the Laws of South Africa under registration number 2001 / 012801 / 07;
- 1.14. **"Commencement Date"** means 29 November 2023 being the date upon which the resolution to voluntarily begin with business rescue proceedings was filed with the Commission;
- 1.15. **"Commission"** means the Companies and Intellectual Property Commission of South Africa which is a division of the Department of Trade and Industry and is responsible for the register of companies in South Africa;
- 1.16. **"Disputed Claim"** means a claim that was submitted, but not approved by the practitioner/s. These claims will be confirmed or amended prior to distribution and are dealt with in terms of the included dispute resolution mechanism in this plan.
- 1.17. **"Factoring"** refers to a creditor's agreement to accept a reduced payment as full and final settlement of their historical debts. This reduced amount is paid immediately upon acceptance of the agreement between the Business and the Creditor.
- 1.17.1. If factoring is to be considered in the proposed Business Rescue Plan, it will be addressed in detail within the Plan.
- 1.18. **"Historic Debt"** means the debt owed by the Business as at the date of filing;
- 1.19. **"Independent Creditors"** means all Creditors having Claims against the Business other than creditors related to the Business and its subsidiaries and/or directors;
- 1.20. **"Insolvency Act"** means the Insolvency Act 24 of 1936 as amended;
- 1.21. **"Legal Moratorium"** means the moratorium granted by section 133 of the Act in terms of which no legal action against the Business can be commenced;

- 1.22. **"Moratorium Period"** refers to the period during which legal proceedings or enforcement actions against a company under business rescue are temporarily suspended or stayed, as provided for in Section 133 of the South African Companies Act. During this period, no legal proceedings, including enforcement of claims or execution of judgments, may be initiated or continued against the company, except with the written consent of the Business Rescue Practitioner, or with the leave of the court.
- 1.23. **"PCF"** means Post Commencement Financing provided by a financier to the Company as envisaged in terms of section 135 of the Act;
- 1.24. **"Power of Attorney"** means the legal document that is received by a person to obtain the authority to act for another person in legal or financial matters, in the specified format provided by the BRP/S;
- 1.25. **"Preferent Creditors"** means creditors having preferent claims as envisaged in terms of the Insolvency Act;
- 1.26. **"Proceedings"** means business rescue proceedings as provided for in Chapter 6 of the Act;
- 1.27. **"Proof of Claim"** means the full and total claim of a Creditor against the Business, in the specified format provided by the BRP/S subject to the final approval by the BRP/S;
- 1.28. **"Related Parties"** means, as provided in Section 2 of the Act, all persons and/or companies and/or legal entities related either directly or indirectly to the Business as at the Commencement Date;
- 1.29. **"Reserve Price"** refers to the minimum price determined by the Business Rescue Practitioner or a Secured Creditor with a claim over the asset being auctioned. The Reserve Price is the lowest acceptable amount at which an asset may be sold at auction. This price remains confidential and is not disclosed to bidders, ensuring the asset will only be sold if bidding meets or exceeds this threshold.
- 1.30. **"Secured Creditors"** means creditors having secured claims as envisaged in the Insolvency Act;
- 1.31. **"Statutory Obligations"** means, the legally mandated duties and responsibilities that directors must fulfill in their role as custodians of the company. These obligations are designed to promote good corporate governance, transparency, accountability, and the protection of the interests of the company, its shareholders, employees, and creditors. These obligations include, but are not limited to, any and all submissions to SARS, provident funds, bargaining councils and other statutory bodies;

- 1.32. **"Subject to Confirmation"** (STC) refers to the condition at an auction where the highest bid received is not automatically accepted, despite the absence of a reserve price. Instead, the sale is contingent upon approval or confirmation by the Business Rescue Practitioner or a Secured Creditor with a claim over the asset being auctioned. The confirming party retains the discretion to accept or reject the highest bid, even if it is the highest or sole bid.
- 1.33. **"Substantial Implementation"** means in terms of section 132(2)(c)(ii) of the Act, the notice that is to be filed by the BRP/S confirming that a Business Rescue Plan has been implemented;
- 1.34. **"The Final date"** means the date upon the last payment in respect of the adopted Business Rescue Plan at a meeting envisaged in terms of section 152 of the Act is made;
- 1.35. **"The Meeting"** means the meeting convened in terms of section 151 (1) of the Act;



2. EXECUTIVE SUMMARY

2.1. The Business, known as Proximitas Investments (Hereinafter referred to as "Proximitas" or "The Business") is a company that operates in the Citrus industry.

2.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act¹ on 29 November 2023.

2.3. The Business timeously notified all the affected persons known to the practitioner/s of the business rescue proceedings as per the Act.²

2.4. The BRP/S received their notice of appointment on 29 November 2023.

2.5. Based on the information received from the Business, it was thus concluded in terms of the Act³ that a reasonable prospect of a successful business rescue does exist, the proposal and details of same is contained in this business rescue plan as presented to the practitioners by the business and its directors.

2.5.1. What is of common cause is that, in order for the business to remain viable until such time as a proposed business rescue plan could be published, the business required Post Commencement Finance (PCF) to conclude the 2024 harvest.

2.5.1.1. This PCF was obtained from ABSA Bank and, to a lesser extent, from Freshgro.

2.5.1.1.1. PCF agreements were concluded where both parties would be settled in full prior to any disbursements to creditors from proceeds of the 2024 harvest, with ABSA Bank receiving first priority.

2.5.1.2. It is important to note that, as of the date of publishing this proposed business rescue plan, all Post-Commencement Finance (PCF) has been fully repaid.

2.5.2. This proposed business rescue plan is aimed at a structured wind-down in terms of the second part of the definition as outlined in Section 128 of the Companies Act. Its objective is to achieve a more favorable outcome than would be possible through traditional liquidation.

¹ Section 129 of the Companies Act 71 of 2008.

² Section 129 (3)(a).

³ Section 128 (1)(b)(iii).

2.6. Please note **Annexure D** for the draft list of immovable assets belonging to the business.

2.6.1. Please note that it serves no purpose to include a list of movable assets, as the immovable assets, namely the farms, will be sold as going concerns. This implies that all immovable assets will be sold along with the movable assets required for the business operations.

2.6.1.1. The practitioners take no responsibility for the accuracy of this asset list, as business rescue does not provide the practitioners with the time or resources to audit what should already be in place in accordance with IFRS 1 and 18, IAS 16, and the requirements of the Companies Act.

2.6.1.2. Please note that, as the respective immovable assets, namely the farming operations, will be sold as going concerns, there will be no movable assets sold separately.

2.7. The BRP/S convened and presided over a first meeting of creditors on 12 December 2023.⁴

2.8. The affected persons will now have the opportunity to peruse the Proposed Business Rescue Plan before voting on it no later than **the 28th of October 2024**.

2.9. The details pertaining to this vote will be sent out in a Circular shortly.

2.10. Please use the time provided to address any questions, queries and suggested amendments to the Business Rescue Practitioner/s, via email, before the meeting to vote on this plan. This will allow the Business Rescue Practitioner/s the time needed to consider any suggestions.

2.11. Further please note that unfortunately no further proof of claims can be accepted by the Business Rescue Practitioner/s as ample time and opportunity was provided and these claims form the basis of determining the voting rights of the affected persons.

2.12. The Practitioner/s cannot accept liability for any late claims and/or post-business rescue debt and/or any other matters that arise after the vote on this plan.

2.13. It is important to note that the person representing the creditor during the meeting to vote needs to be the appointed public officer or the appointed proxy of the creditor.

⁴ Section 147 (1).

- 2.13.1. If a creditor appoints a proxy, then the proxy needs to be in possession of a Power of Attorney document and mandated to ensure they can vote on the proposed business rescue plan and be in a position to apply their own minds during the meeting, considering discussions and amendments that might take place during the meeting.
- 2.13.2. If you have not received a Power of Attorney document to complete, please contact the Business Rescue Practitioner/s.
- 2.14. Calculations and projections used are based on information provided by the shareholders, directors, management team, accountants of the business.
- 2.15. Due to the limitations in law, the practitioner/s did not have the time nor the funds or the *locus standi* to perform a full investigation, due diligence or confirmation audit on the information received nor to employ third parties to verify and scrutinise same.
- 2.16. This Proposed Business Rescue Plan does not make provision for the continuation of the business. Therefore, no financial information will be provided.
- 2.17. The costs relating to the business rescue proceedings will be settled from the sale of immovable assets, or the collection of debtors in terms of this business rescue plan.
 - 2.17.1. These costs include but are not limited to practitioner's fees and contingencies, short-term insurance, accounting, repayment of PCF and other continued statutory obligations and fees of this business.
- 2.18. The practitioner/s will file for substantial implementation as soon as is practicable after the following milestones achieved:
 - 2.18.1. The successful adoption of the proposed business rescue plan.
 - 2.18.2. The sale of immovable assets has been sufficiently implemented and / or approved by the secured creditors, that hold security over these immovable assets, to settle the debt of the business in terms of this business rescue plan.
 - 2.18.3. Fees and contingencies will remain due and paid in terms of the business rescue plan.

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- 2.18.4. Once the practitioners are satisfied that the plan's implementation is sufficiently underway, they will file for substantial implementation at their sole discretion.

3. SALIENT FEATURES: PART A – BACKGROUND OF THE COMPANY⁵

3.1. The Business, known as Proximitas Investments 60 (Pty) Ltd (Hereinafter referred to as "Proximitas" or "The Business") is a company that operates in the Citrus industry. It is primarily responsible to produce the fruit which is then exported.

3.1.1. Proximitas is part of a group of entities consisting of 4 businesses and 1 trust. The group will be referred to as the "Blackie Swart Group" at all times.

3.1.2. The group, as a whole caters for a niche market focusing their efforts on producing top quality organic citrus fruit for export – with a minimalist focus on traditional, nonorganic fruit and a small portion of fruit that is also sold to juice providers.

3.1.3. This entity was established in 2001 and was, until the date of filing for Business Rescue, under the control of Marika Swart, the Director. The business is currently managed full-time by Mr. Kiran Moodley, who was recently appointed as the sole director. Together with his management team, Mr. Moodley has taken full control of the business's operations under the supervision of Mr. Pattinson, accompanied by Mr. Masterton.

3.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act⁶ on 29 November 2023.

3.3. The full details regarding the cause of the financial distress of the business are dealt with in the sworn statement, and the first meeting of creditors (the minutes of which are attached hereto as Annexure A). However, some of the more important factors have been listed below:

3.3.1. The practitioners were provided with the following reasons for the financial distress:

⁵ Section 150 (2) of the Companies Act.

⁶ Section 129 of the Companies Act 71 of 2008.

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- 3.3.1.1. The cost of exporting the fruits had gone up significantly due to a strike that happened and caused a shortage of logistical support – meaning an increase in the price thereof.
- 3.3.1.2. There were additional costs involved with shipping when some fruits had to be re-routed due to quality issues. The quality issues alluded to are to do with a certain "black spot" that was present on the citrus during the transportation phase – which unfortunately meant the EU wouldn't accept the fruit and it had to be shipped to another location for sale. This caused the fruit to yield a significantly lower price than was originally anticipated as it had to be sold as normal fruit and not organic fruits.
- 3.3.1.3. There were also significant changes in the rainfall in the area which affected the farming activities on the farms and hindered their ability to a sufficient amount of fruit for export – not only was there a shortage in volume, but as mentioned before, there were some quality concerns.
- 3.3.2. Although the reasons for the financial distress are sound, and are indeed contributing factors, the practitioners have (during their ongoing investigation) concluded that these were simply "additional reasons" to the financially distressed situation in which the group now finds itself and that more concerning reasonings were:
- 3.3.2.1. There has been a large amount of overcapitalization on some of the farms, starting with the costs of purchasing some of these farms. – It was noted that farms were purchased far above the acceptable market value.
- 3.3.2.2. The businesses/group own a large amount of non-income generating assets such as guesthouses, holiday homes, hunting farms and other assets which are a cashflow drain on the business.
- 3.3.2.3. In general, record keeping is rather poor across the group of companies, and it has proven difficult to not only obtain correct information, but any information at all. Information that should be readily available is often times not present and this has also added to the delays in certain processes throughout the course of the business rescue to date.

3.3.2.4. Poor financial decision-making. As mentioned above, purchase of farms way above market value, investments into property that will never show a return on that investment, extending of loans that have little chance of ever being recovered.

3.4. The reasons for the financial distressed situation in which the business finds itself are as above, however, many of these issues have been addressed as part of the ongoing business rescue process and the details of which will be given in full later in this plan.

3.5. Per the Act⁷; the draft list of immoveable assets of the Business are as per the attached Annexure D containing a List of Material Assets.

3.6. Per the Act⁸; The liability of the business is based on the proof of claims received from 12 creditors (totaling 23 claims) and totals about R 456 754 985. A list of creditors with their respective claims is attached as Annexure B.

3.7. These claims are then broken down into the following Classes:

Secured Claims	: 12 Claims for about R 338 311 687
Concurrent Claims	: 9 Claims for about R 144 554 685
Post Commencement Finance	: 2 Claims For about R 19 000 000

3.7.1. Please note that intercompany loan accounts will be subordinated for the benefit of the remaining creditors. Meaning simply that they will only be repaid once the creditors have been settled in terms of this plan.

3.7.1.1. Please note, that the subordination does not inhibit ABSA Bank from collecting on any loan accounts they hold valid cessions over. It only provides that shareholders, directors, trustees, beneficiaries and or members will not be repaid any loans until creditors are settled, this includes ABSA as a creditor.

3.7.1.2. Further, as ABSA holds a valid cession over all loan accounts, they will be entitled to vote in respect of these loan accounts.

3.7.1.3. Voting interest will be in terms of the claims provided and attached on annexure B of this proposed business rescue plan.

⁷ Section 150(2)(a)(i).

⁸ Section 150(2)(a)(ii).

3.7.2. The total debt to creditors is thus R 338 311 687 with R 44 705 697 being as a result of securities / cessions offered to Kaap Agri that, if Proximitas settles this amount or part thereof on behalf of Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd (Hereinafter referred to as Steenbokvlakte), Proximitas will have a claim against Steenbokvlakte for this amount.

3.8. Please further note that this plan refers to the fact that no legal fees, interest, collection fees or any cost other than the capital amounts can be provided for on the historic debts due to creditors. Only the capital amounts due will be considered in the dividend calculation if such debt is not specifically provided for in this proposed Business Rescue Plan. This Business Rescue Plan only makes provision for interest and fees to be paid to those secured creditors in possession of a valid security.

3.9. It is evident that should the business be placed into traditional liquidation; the costs thereof will result in a situation where the income from liquidation proceedings will not be sufficient, and concurrent creditors will in all likelihood be liable for a cost contribution in such a scenario should they prove a claim against the business in liquidation.

3.10. The Business Rescue Practitioner/s thus remain of the opinion that this proposed business rescue plan provides for a better return to all the affected parties than could materialise in an immediate and traditional liquidation.

3.11. The probable dividend in Liquidation compared to the Business Rescue dividend is as stated below:

Creditor Class	Liquidation	Business Rescue
Secured (Kaap Agri + ABSA) :	34.82 and 60.18 Respectively cents in the rand	100 cents in the rand
Preferent (in liquidation) and PCF (in Business Rescue) :	N/A – No staff in this business	N/A – No staff in this business
Concurrent Claims :	18.17 cents in the rand	100 cents in the rand
Post Commencement Finance	100 cents in the rand	100 cents in the rand

*Please note that these values are estimates made in good faith and based on information received from the business, asset lists received, and a very brief explanation and rough calculations are included in Annexure H (L&D account).

3.12. Below is a complete list of the holders of the Company's issued securities.⁹

Name	Issued Securities
Blackie Swart Familie Trust	100%

3.13. It is important to note that this plan does make provision for a change in securities as per the attached Annexure J between the investor and the trust.

3.14. Attached as Annexure F10 is a copy of the written fee agreement of the practitioner/s as approved by the business and the directors.

3.14.1. At the meeting to consider the proposed business rescue plan, the practitioner will hold a separate vote for the consideration of the proposed fee agreement.

3.15. No creditor has made any representations to the Business Rescue Practitioner/s and this business rescue plan includes no informal proposal made by a creditor.¹¹

4. SALIENT FEATURES: PART B – PROPOSAL BY THE PRACTITIONER/S¹²

4.1. This Proposed Business Rescue Plan does make provision for a specific moratorium period¹³ to be granted, payments on the historic debt that will be made to the creditors of the business resulting from the sale of the immovable assets of the business.

4.2. The offer in terms of this plan and the payment that is to be made to all creditors shall be in full and final settlement of such debt and all creditors shall by adoption of the Proposed Business Rescue Plan accede to the discharge of the whole of the debt in terms of the Act¹⁴.

4.3. However, the plan does not provide for any form of compromise, and as such, creditors holding valid sureties may continue to pursue those sureties for any outstanding shortfalls.

⁹ Section 150(2)(a)(iv).

¹⁰ Section 150(2)(a)(v).

¹¹ Section 150(2)(a)(vi).

¹² Section 150 (2).

¹³ Section 150(2)(b)(i).

¹⁴ Section 154(1).

4.4. The intention is for all Secured and Concurrent Creditors of the business to be repaid 100 cents in the Rand.

4.5. Should full repayment not be possible, any remaining funds, after settling secured creditors and the cost of the business rescue, will be distributed to Concurrent Creditors in proportion to their claims, as received and approved.

4.5.1. This will be actioned as funds become available after transfer of respective properties and reconciliation of claims.

4.6. Proposals as set out herein Below:

4.6.1. This proposed business rescue plan outlines several phases, with some being implemented simultaneously and others in succession. The ultimate objective is to sell all the assets of the business, either to multiple buyers or to a single purchaser of the entire group.

4.6.2. These phases included are outlined below:

4.6.2.1. **Phase one:** A purchaser will be sought for the business and all of its assets to minimize the disruption of work and saving as many jobs as possible.

4.6.2.1.1. This offer will still be done on auction conditions with no latent and or patent claims against the directors, shareholders or practitioners being possible.

4.6.2.1.2. This offer will further be considered only in terms of Section 134 and 135 of the Companies Act and as such the secured creditors will have to approve the offer unless they are settled in full.

4.6.2.1.3. This offer must be secured and verified within a period of no longer than 10 working days, from the adoption of this proposed business rescue plan.

4.6.2.2. **Phase two:** this phase will commence simultaneously with phase one where respective buyers will be sought for respective farms and or groups of farms, should a single buyer not be secured.

4.6.2.2.1. These offers will still be done on auction conditions with no latent and or patent claims against the directors, shareholders or practitioners being possible.

4.6.2.2.2. These offers will further be considered only in terms of Section 134 and 135 of the Companies Act and as such the secured creditors, who hold security over respective immovable assets, will have to approve any offer for the assets



they hold security over unless they are settled in full.

4.6.2.2.3. These offers must be secured and verified within a period of no longer than 15 working days, from the adoption of this proposed business rescue plan.

4.6.2.3. **Phase three:** should any immovable assets not be sold in the above time frame; they will be handed over to an auctioneering business to auction off within a further 30 calendar days. Thus, no later than the 29th of November 2024.

4.6.2.3.1. Auction conditions will naturally apply, with no latent and or patent claims against the directors, shareholders or practitioners being possible.

4.6.2.4. These offers will further be considered only in terms of Section 134 and 135 of the Companies Act and as such the secured creditors, who hold security over respective immovable assets, will have to approve any offer for the assets they hold security over unless they are settled in full.

4.6.3. The business will sell all its immovable assets including, but not necessarily limited to:

PROPERTIES OWNED BY PROXIMITAS INVESTMENTS 60 (PTY) LTD		
Property name	Property Type	WH Market Value
Goodhope BB (Sunland)	Citrus Farm & Guesthouse	R33,460,000.00
Goodhope Farm	Citrus Farm	R69,945,000.00
Grootte Schuur and Beginsel	Citrus Farm	R12,658,000.00
De Rust / Boschkraal	Citrus Farm	R86,660,000.00
Lafranette	Citrus Farm	R 4,500,000.00
Morewag	Citrus Farm	R 6,395,000.00
Waterkloof	Citrus Farm	R43,026,000.00
Hemelsvlakte	Mixed (Citrus, Lucerne and Sorghum)	R39,087,000.00
1 Angle Street, Kirkwood	Home	R 1,450,000.00
10 Claredon Avenue Uitenhage	Home	R 1,500,000.00
		R298,681,000.00

4.7. Settlement Proposal:

4.8. The order of payment of claims and costs for this business rescue will follow the parameters as set out in Section 134 and 135 of the Act¹⁵ and is summarised as follows:

4.8.1. First - The fees and expenses still due to the practitioner/s in terms of Section 143 of the Act¹⁶ will be paid in terms of Section 135 of the Act.¹⁷ These expenses will include all costs to facilitate the business rescue process including but not limited to the accounting costs, legal, broker fees, short-term insurance, banking fees and statutory obligations as defined in the definitions to this rescue plan.

¹⁵ Section 150(2)(b)(v).

¹⁶ Section 143.

¹⁷ Section 135 (3)

- 4.8.1.1. The practitioners' fees are per the annexed agreement. Should there be any arrears in fees due to the practitioners, these will also enjoy preferences afforded by the Act for post-commencement finance.¹⁸
- 4.8.1.2. It is further agreed that, should the practitioners be unable to claim their contingencies from the sale of an asset due to securities held by a creditor, they will be permitted to recover such fees and contingencies from the free residue resulting from the sale of additional or other assets, or from the income generated by the 2024 harvest.
- 4.8.2. Second - All creditors, including but not limited to staff, sub-contractors and or suppliers who have assisted the business with the completion of the ongoing trading of the business will be settled next from proceeds, for any of the work done or goods supplied to complete this work post business rescue commencement.
- 4.8.3. Third – any party that provided post-commencement finance will be repaid their respective loans in terms of their respective loan agreements; this may result in preference being given to Post Commencement Financiers, above that of Post Commencement.
- 4.8.3.1.1. NOTE: all Post Commencement Finance have been repaid in full.
- 4.8.4. Fourth – Secured Creditors:
- 4.8.4.1. The first secured creditors that requires mention is ABSA Bank:
- 4.8.4.2. ABSA Bank is a secured creditor and has provided the business with several facilities. Their total direct debt at the time of filing for business rescue was approximately R 147 466 522.
- 4.8.5. The full settlement of ABSA debt is envisioned in respect of the sale of the immovable assets that ABSA holds security over.
- 4.8.5.1. The Direct Debt due to ABSA bank by Proximitas are as follow:
- 4.8.5.1.1. Overdraft Facility acc no: 40-5972-7655 for an amount of about R10 979 935.
- 4.8.5.1.2. Term Loan Facility acc no: 30-5282-3417 for an amount of about R24 125 160.

¹⁸ Section 135.

- 4.8.5.1.3. Term Loan Facility acc no: 30-5335-7152 for an amount of about R75 440 446.
- 4.8.5.1.4. Term Loan Facility acc no: 30-5382-6288 for an amount of about R24 823 740
- 4.8.5.1.5. Agri Loan Facility acc no: 80-8069-9236 for an amount of about R4 638 226
- 4.8.5.1.6. Mortgage Loan Facility acc no: 80-9081-3710 for an amount of about R2 938 906
- 4.8.5.1.7. AVAF loan accounts 9562-8210, 9562-8287, 9562-8376, 9562-9810 and 9563-0281 for an amount of about R4 520 105.40
- 4.8.5.2. The above is as per COB provided by ABSA Bank

4.8.6. It is important to note that although ABSA bank has been supportive of the business rescue process and has not demanded payment of post-business rescue obligations, these payments remain due and payable at the request of ABSA Bank for bond repayments, loan repayments, and vehicle and asset repayments.

4.8.7. Furthermore, ABSA Bank has continued, as is their right, to charge interest and fees on all debt, whether current or in arrears, and this must be settled in full.

4.8.8. It is also worth noting that no protection is provided in this proposed plan for any sureties provided by any party. Any creditor in possession of a valid surety may pursue that surety.

4.8.9. ABSA further provided R 16 000 000 in Post Commencement Finance, and although this does not increase their voting interest, the PCF remains due and payable in terms of the agreement reached between ABSA Bank and the business.

4.8.9.1. This Post Commencement Finance has been repaid in terms with the agreement.

4.8.10. In addition to the above, ABSA bank further holds a valid "Unlimited Suretyship by Proximitas Investments 60 (Pty) Ltd" signed in July 2012 for the debt of the Blackie Swart Familie Trust.

4.8.10.1. The trust is indebted to ABSA Bank for approximately R 113 231 357, and as such, this amount and its respective voting interest must be added to the creditors' list of Proximitas.

4.8.11. Furthermore, ABSA Bank also holds a valid "Unlimited Suretyship by Proximitas Investments 60 (Pty) Ltd" signed in July 2012 for the debt of Blue Crane CC.

4.8.11.1. Blue Crane is indebted to ABSA Bank for approximately R 1 327, and as such, this amount and its respective voting interest must be added to the creditors' list of Proximitas.

4.8.11.2. The above results in the total indebtedness to ABSA Bank by Proximitas, as a result of its direct debt and connected debts, being approximately R 257 760 283, representing a voting interest of approximately 59.55%.

4.8.12. Lastly, ABSA Bank holds valid cession for all loan accounts due to Proximitas from these connected entities.

4.8.12.1. These loan accounts total approximately R 94 706 798 and represent, an additional, voting interest of approximately 21.41%.

4.8.12.2. The total voting interest of ABSA Bank is thus approximately 80.96%, represented by debt of approximately R 354 406 005, excluding the R 16 000 000 PCF.

	Debt	Vote
Direct due by Proximitas	R 147 466 522	Yes
Indirect due by Blackie Swart Familie Trust	R 113 231 357	Yes
Indirect due by Blue Crane	R 1 327	Yes
Post Commencement finance	R 16 000 000	No
Loan Accounts	R 94 706 798	Yes

4.8.13. ABSA then holds several securities and sureties for their debt and this plan does not prevent ABSA from perusing these valid sureties and or securities.

4.8.14. ABSA Bank holds the following securities for the previously mentioned exposure:

- 4.8.14.1. Limited Surety by Mrs M Swart of R3 000 000.00, Ring-fenced for Mortgage loan 80-9081-3710 and supported by Cession of loan account in Blackie Swart Familie Trust and Cession of loan account in Blue Crane Exports CC for R32 800 000.00
- 4.8.14.2. Unlimited Surety by Blue Crane Exports CC, supported by general cession of loan account.
- 4.8.14.3. Unlimited Surety by Blackie Swart Familie Trust, supported by general cession of loan account.
- 4.8.14.4. 1st Continuous Covering Mortgage Bond registered 27 October 2023 in the amount of R3 500 000.00 over Erf 8633, Uitenhage.
- 4.8.14.5. 1st Continuous Covering Mortgage Bond registered 2 August 2012 in the amount of R15 000 000.00, 2nd registered 30 August 2013 in the amount of R10 000 000.00, 3rd registered 27 August 2020 in the amount of R26 300 000.00 and 4th registered 3 August 2023 in the amount of R35 000 000.00 over Portion 48, over Remainder of Portion 49, Remainder of Portion 293, Portion 432 and 433 of the Farm Strathsomers Estate No. 42, Uitenhage RD.
- 4.8.14.6. 1st Continuous Covering Mortgage Bond registered on 28 April 2021 in the amount of R27 000 000.00 and 2nd registered 19 July 2023 in the amount of R5 000 000.00 over Portion 30 of the Farm Selborne No. 115, Uitenhage RD Portion 31 of the Farm Selborne No. 115, Uitenhage RD Portion 32 of the Farm Selborne No. 115, Uitenhage RD Portion 33 of the Farm Selborne No. 115, Uitenhage RD Portion 34 (Remaining extent) of the Farm Selborne No. 115, Uitenhage RD Portion 158 of the Farm Selborne No. 115, Uitenhage RD Portion 206 of the Farm Selborne No. 115, Uitenhage RD Portion 208 of the Farm Selborne No. 115, Uitenhage RD Portion 209 of the Farm Selborne No. 115, Uitenhage RD
- 4.8.14.7. 1st Continuous Covering Mortgage Bond registered on 21 December 2020 in the amount of R100 000 000.00 over Ptn 3 of Landdrost Veeplaats Farm No. 84, Uitenhage RD and Ptn 5 of Landdrost Veeplaats Farm No. 84, Uitenhage RD
- 4.8.14.8. The vehicle and assets finance are secured over the respective assets purchased.
- 4.8.15. Additional securities provided for the PCF:
- 4.8.15.1. A 1st Continuous Covering Bond (CCMB) of R50 000 000 was registered on the 14th of August 2024 in favour of Absa Bank over the following 3 unencumbered farm properties held i.n.o. Proximitas Investments 60 Pty Ltd .:
- 4.8.15.2. • Portion 168 of the farm Claas Kraal nr. 539, Uitenhage RD, Province of the Eastern Cape (Farm Lafranette)



4.8.15.3. • Portion 141 of the farm Strathsomers Estate 42, Uitenhage RD, Province of the Eastern Cape (Farm Morewag)

4.8.15.4. • Portion 45 ; Portion 127 ; Remainder of Portion 294 (portion of Portion 218) ; Portion 359 (portion of Portion 217) ; Portion 335 (portion of Portion 293) and Portion 336 (portion of Portion 293) of the farm Strathsomers Estate No. 42, Uitenhage RD, Province of the Eastern Cape (Farm Waterkloof)

4.8.16. Please note that the above list of securities and or sureties may not be complete.

4.8.16.1. All immovable assets that serve as security for ABSA Bank will be sold with ABSA's consent, and the full proceeds from these sales, less any direct costs associated with the sale of the immovable assets, will be allocated to ABSA.

4.8.16.1.1. These costs include transfer fees, cancellation fees, rates clearance costs, and the settlement of arrear rates, taxes, electricity, and water charges.

4.8.16.1.2. It is important to note that ABSA must provide consent for each sale, and each sale may differ depending on the respective offers made and approved.

4.8.16.1.3. If the immovable assets are auctioned, auction-related costs must be settled first, and no consent will be required for these specific costs.

4.8.16.2. Although unlikely, should there be any shortfall in settling ABSA's debt from the sale of the immovable assets, ABSA will retain the right to pursue any valid sureties held prior to the filing for business rescue.

4.8.16.2.1. Any shortfall will be added to the concurrent claims of the business and settled in proportion with the other concurrent creditors.

4.8.16.2.2. Should there be any surplus funds from the sale of an immovable asset, the surplus will be used to settle the claims of the concurrent creditors in proportion to their respective claims.

4.8.17. The Second secured creditors that requires mention is Kaap Agri

4.8.17.1. Kaap Agri is owed about R 45 889 589.00 for security for debt incurred by the group and is secured debt arises from First Mortgage Bonds being registered over certain Farms together with Suretyship Agreements concluded with Kaap-Agri, Proximitas, Steenbokvlakte and Tracto Trading 100 CC (Hereinafter referred to as Tracto).

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- 4.8.17.1.1. This bond is registered over the farm known as Hemelsvlakte and if the debt to Kaap Agri cannot be settled by Steenbokvlakte, this farm will be sold for the benefit of Kaap Agri. Proximitas could then have a claim due to it from Steenbokvlakte.
- 4.8.17.1.2. The Business Rescue Plans for both Steenbokvlakte and Tracto have been published and adopted by creditors. These plans include provisions acknowledging the indebtedness to Kaap Agri and the requirement to sell the portion of the farm owned by Proximitas, which stands as security for the debt of Steenbokvlakte.
- 4.8.18. Fifth – The Concurrent Creditors, including pre-business rescue debt to SARS, will be repaid 100 cents in the Rand, based on the claims received and as outlined in Annexure B.
- 4.8.18.1. Alternatively, all proceeds from the sale of unsecured immovable assets, or surplus funds from the sale of any assets that stood as security for any creditor, will be used for this purpose.
- 4.8.19. Should full repayment not be possible from the funds received, all available funds will be distributed proportionally to all Concurrent Creditors as full and final settlements, based on their approved claims.
- 4.8.19.1. This distribution will be actioned as funds become available, following the transfer of respective properties and reconciliation of claims.
- 4.8.20. Sixth – SARS Any and all future exposure to SARS with regards to the continued trading of the business will be paid as and when it becomes due in the ordinary course of business.
- 4.8.20.1. The pre-rescue indebtedness to SARS (if any) will form part of the concurrent claims against the business and will be repaid with the remaining concurrent claims in terms of this rescue plan.
- 4.8.21. Seventh – Further concurrent claims as a result of intercompany loan accounts. These loan accounts will be scrutinized prior to disbursement. However, these loan accounts will be subordinated for the benefit of the remaining creditors of the business once reconciled.



- 4.8.21.1. Please, however further note, that the subordination does not inhibit ABSA Bank from collecting on any loan accounts they hold valid cessions over. It only provides that shareholders, directors, trustees, beneficiaries and or members will not be repaid any loans until creditors are settled, this includes ABSA as a creditor.
- 4.8.22. Further, as ABSA holds a valid cession over all loan accounts, they will be responsible to vote in respect of these loan accounts.

4.9. Dispute Resolution Mechanism:

- 4.9.1. Should any affected person dispute any of the provisions of this business rescue plan, such disputes may be raised at any time prior to the voting on the business rescue plan.

4.9.1.1. If these disputes relate to a creditor's claim, or the quantum thereof, they will be addressed after the adoption of the plan.

4.9.1.2. If these disputes relate to the provisions of the proposed business rescue plan, they will be addressed during the meeting to vote on the proposed business rescue plan and must be resolved prior to the vote.

4.9.1.3. Should the dispute arise from the adoption of the plan or due to any supposed voting irregularities, these disputes must be resolved as outlined below:

4.9.1.3.1. Such disputes must be raised within 5 working days of the adoption of the proposed business rescue plan, with formal notice provided to the practitioner(s) to prevent the plan from being implemented.

4.9.2. Any disputes that cannot be resolved timeously (within an additional 10 days) will be referred to the Arbitration Foundation of South Africa (AFSA) in accordance with the South African Restructuring and Insolvency Practitioners Association (SARIPA) dispute resolution procedure for independent arbitration relating to business rescue disputes.

Section 154: Discharge of debts and claims

"A Business Rescue Plan may provide that, if it is implemented in accordance with its terms and conditions, a creditor who has acceded to the discharge of the whole or part of a debt owing to that creditor will lose the right to enforce the relevant debt or part of it.

If a Business Rescue Plan has been approved and implemented in accordance with this Chapter, a creditor is not entitled to enforce any debt owed by the Company immediately before the beginning of the Business Rescue Process, except to the extent provided for in the Business Rescue Plan."

4.10. The main benefits of adopting this business rescue plan are:¹⁹

4.10.1. There is no risk of a cost contribution in business rescue and creditors cannot be held liable to fund any part of the business rescue process should they lodge their claims.

4.10.2. The process is not subject to the cumbersome supervision of the Master of the High Court and provisions of the Companies Act and Insolvency Act relating to meetings of creditors, submissions and approvals of accounts and advertising thereof.

4.10.2.1. This proposed business rescue plan removes the attorney's fees associated with a liquidation and removes the costs of a liquidator and the Masters Fees.

5. SALIENT FEATURES: PART C – ASSUMPTIONS AND CONDITIONS USED²⁰

5.1. This Business Rescue Plan is based on the following assumptions.²¹

5.1.1. Firstly, all creditors have been provided sufficient opportunity to submit claims against the company and no further claims will be considered.

5.1.1.1. The Business Rescue Practitioner/s have contacted all the affected persons, known to them, that might have a claim against the Business via email and/or telephone.

5.1.1.2. The Business Rescue Practitioner/s have provided the creditors with ample time and opportunity to supply their proof of claims.

5.1.1.3. This Proposed Business Rescue Plan is based on the assumption that no liquidation proceedings have commenced against the business prior to the filing for Business Rescue.

5.1.1.4. It is further assumed that the business is in fact a legally registered business and is registered with the Commission as "in business" or alternatively "in business rescue".

¹⁹ Section 150(2)(b)(vi).

²⁰ Section 150 (2).

²¹ Section 150(2)(c)(i).



5.1.2. While the Business Rescue Practitioner/s have taken every effort to secure the most reliable and accurate information, this plan is based on the information received from the relevant parties and although the Business Rescue Practitioner/s have endeavored to confirm its accuracy, the funds and time allotted to them during Business Rescue Proceedings in addition to the limitations in law did not allow for a full due diligence or confirmation audit to be performed.

5.1.2.1. This proposed business rescue plan is thus prepared based on the assumption that the information provided is accurate. The Business Rescue Practitioner/s and their associates make no representation as to its accuracy and cannot be held liable for any eventualities arising from the use of the information provided.

5.1.3. Irrespective of these assumptions, this proposed business rescue plan will be binding on all creditors should a successful vote on the plan be achieved in terms of the Companies Act.²²

5.2. This Business Rescue Plan is based on the following conditions that need to be satisfied for it to be fully operational.²³

5.2.1. The First condition is that a successful vote in favour of the Proposed Business Rescue Plan needs to take place in terms of the Act²⁴ for the plan to come into operation.

5.2.2. The second Condition is that no contracts, agreements or commitments have been entered into during the business rescue proceedings without the Business Rescue Practitioner's express consent and signature to any documentation during the business rescue proceedings.

5.2.2.1. This has the result that any such agreements are void and cannot be entertained or honoured by the business in terms of The Companies Act.²⁵

5.2.3. The third condition is that a full freeze on all directors' loan accounts with the Business is put into place. Repayments of the members debit loan accounts (monies owed by the

²² Section 152 and Eravin Construction Matter.

²³ Section 150(2)(c)(i).

²⁴ Section 151 and 152.

²⁵ Section 137(4).

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members to the business) will be actively pursued by the practitioner/s for the benefit of ABSA Bank that holds a valid cession on all directors and shareholders loan accounts.

5.2.3.1. All credit loan accounts will be repaid in terms of this proposed business rescue plan.

5.2.4. The fourth condition relates to SARS obligations by the business - The business will continue to honor its obligations to SARS with regards to the statutory submissions and obligations that have to be maintained going forward.

5.2.5. The fifth condition is that after the date of adoption of this Plan, the rights of all creditors of the Company shall be confined to the right to claim payment in terms of this plan. Specifically relating to the proposed repayment schedule and that the business will not deviate from the schedule to favour any one creditor above another.

5.2.6. The sixth condition is that any compromise contemplated in this business rescue plan is conditional upon the company fully meeting its obligations to creditors as set out in this proposed business rescue plan.

5.2.6.1. In the event of any breach by the company of its obligations to creditors in terms of the business rescue plan, the company will be afforded a period of 30 (thirty) days within to remedy the breach, failing which the company will be deemed to be unable to implement the adopted business rescue plan. In the event of any breach by the company of its obligation to creditors in terms of the business rescue plan, or in the event the company is placed in liquidation, the full balance due to creditors in terms of their original claims against the company shall immediately become due, owing and payable by the company to the creditors. Business Rescue proceedings will, in such instance be deemed to have terminated."

5.2.6.2. In event of a Material Breach of the plan, including and limited to breach of payment of any dividend in terms of the adopted plan or change in time lines as set out in the plan, the practitioners reserve the right to call for a meeting of creditors to consider an amendment of the adopted business rescue plan subject to approval by majority vote.

5.2.7. The seventh condition is that no directors, shareholder or surety will be permitted to claim against the business for any claims against them as a result of any compromise reached in this proposed business rescue plan.

5.2.8. The practitioners remain confident that a reasonable prospect for a rescue exists for each entity individually, and even more so for the group as a whole, provided that the proposals outlined herein are accepted by the affected persons of each respective entity.

5.3. These conditions will allow the BRP/S sufficient leverage while they implement the proposed business rescue plan to ensure a successful rehabilitation of the business.

5.4. Once the following has been completed the plan will be considered fully implemented:²⁶

5.4.1. A successful vote on this proposed plan has been achieved and that disbursement to creditors is limited to the extent as allowed for in this proposed business rescue plan and no creditor will be permitted to pursue any debt other than in the manner proposed by the payment schedule.

5.5. The BRP/S will, at this point and at their sole discretion, file a Notice of Substantial Implementation of the Business Rescue Plan in accordance with the Act.²⁷

5.5.1. It is proposed that the Company will continue trading, although not in its current format, after the implementation of this BR Plan²⁸ and therefore the projected income statement is attached hereto as Annexure I.

6. MEETING TO DETERMINE THE FUTURE OF THE COMPANY²⁹

6.1. This Proposed Business Rescue Plan is published to the affected persons on **15th of October 2024** and a meeting to vote has been scheduled to take place on **the 28th of October 2024**, a circular will follow with details of the meeting to vote.

6.2. Should you not be in a position to attend the meeting you may appoint a proxy to vote on your behalf and the practitioner/s will accept such nominations.

²⁶ Section 150(2)(c)(i).

²⁷ Section 132(2)(c)(ii).

²⁸ Section 150(2)(c)(iii).

²⁹ Section 151.

7. CONSIDERATION OF THE BUSINESS RESCUE PLAN³⁰

7.1. Three votes will take place during this meeting as per the Act;³¹

7.1.1. The first vote will be to determine if the affected persons wish to adjourn the meeting and have the Business Rescue Practitioner/s make amendments to the Proposed Business Rescue Plan.

7.1.2. The second vote will be to determine if the Written Fee Agreement will be approved in terms of sect 143(3) of the Act; and

7.1.3. The third vote will be to determine if the Proposed Business Rescue Plan will be approved and implemented subject

8. QUALIFICATION OF BUSINESS RESCUE

8.1. Business Rescue is a process introduced by Chapter 6 of the Companies Act of 2008 and the aim of it is clearly stated in the Act.³²

8.2. The first part of the definition of Business Rescue states that it is a process designed at rehabilitating financially distressed Businesses.

8.3. The second part of the definition is that if a turnaround of the Business is not possible that the Business Rescue Process must provide a better return to creditors and shareholders than what would be realised through the immediate and traditional liquidation of the Business.

8.3.1. This is further confirmed in the matter of *Carroll v Michael Carroll CC* (2018/22808) [2019] ZAGPPHC 74 (15 March 2019)) Re: Section 141(2) does not apply if a better return is received by creditors compared to the dividend to be received by creditors upon immediate liquidation.

8.4. This is done via the temporary supervision of the Business by a Business Rescue Practitioner or practitioners, where these practitioners must determine the exact financial

³⁰ Section 152.

³¹ Section 152 (1).

³² Section 128 (1)(b).

position of the Business and prepare a Business Rescue Plan which the creditors will vote on.

8.5. In order for a Business to qualify for Business Rescue some conditions must exist as per the Act.³³

8.5.1. The first condition is that the Business must be financially distressed as defined in the Act.³⁴

8.5.2. The second condition is that the Business Rescue Practitioners must believe that a reasonable prospect of a rescue exists as defined in the Act.³⁵

8.6. Based on the initial investigation of the Business by the Business Rescue Practitioner/s, from the information provided, it was determined that the Business qualifies for both conditions as required by the Act.

8.7. The Business was indeed financially distressed as it could not pay all its expenses as and when they became due.

8.8. At the time of the first creditors' meeting, the Practitioner(s), based on the information available to them, held the view that there was a reasonable prospect for the successful rehabilitation of the business, in line with the first part of the definition provided in Section 128 of the Companies Act.

8.8.1. Part 1: "the development and implementation, if approved, of a plan to rescue the company by restructuring its affairs, business, property, debt and other liabilities, and equity in a manner that maximizes the likelihood of the company continuing in existence on a solvent basis or,"

8.9. Unfortunately, as additional information was discovered and presented to the Practitioner(s), this view was revised. While a reasonable prospect for the business still exists, the outcome of previous creditors meeting directed the practitioners towards a structured wind-down rather than a full rehabilitation.

³³ Section 129 (1).

³⁴ Section 129 (1)(a).

³⁵ Section 129 (1)(b).

8.10. Consequently, this business rescue plan is designed to deliver a more favorable outcome for affected parties than would be achieved through traditional liquidation, in line with the second part of the definition in Section 128 of the Companies Act.

8.10.1. Part 2: "...or, if it is not possible for the company to so continue in existence, results in a better return for the company's creditors or shareholders than would result from the immediate liquidation of the company."

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9. OVERVIEW OF THE BUSINESS RESCUE PROCESS

9.1. The Business commenced Business Rescue Proceedings in terms of the Act³⁶ by virtue of passing a resolution stating that it is in financial distress and therefore needed to file for Business Rescue.

9.2. The process of business rescue as contained in Chapter 6 of the Companies Act was duly followed with the following milestones achieved:

Action	Date
Business Rescue Resolution passed	28 November 2023
Resolution adopted by CIPC	29 November 2023
Business Rescue Practitioners Appointed	29 November 2023
Business Rescue notice submitted to affected persons	6 December 2023
First meeting of Creditors	12 December 2023
Business Rescue Plan published	3 July 2024
Vote on the proposed business rescue plan	15 July 2024
Amended Business Rescue Plan Published	20 September 2024
Vote on the Amended Plan	7 October 2024
Meeting was adjourned	7 October 2024
Further Amended Business Rescue Plan Published	15 October 2024
Meeting to Vote on the Proposed Business Rescue Plan	28 October 2024

³⁶ Section 129.

10. INVESTIGATION OF THE AFFAIRS OF THE COMPANY

10.1. The business rescue practitioner/s did investigate the affairs of the business in terms of the Act.³⁷

10.2. Subsequent to this investigation the business rescue practitioner/s concluded that:

10.2.1. The practitioner/s still believe there to be a reasonable prospect to provide a better return to the affected persons than in a liquidation.

10.2.2. The company remains in financial distress and the business rescue process must continue.

10.2.3. Due to the limitations in the law, the practitioner/s did not have the time nor the funds to investigate all potential aspects of any potential non-compliance – Though none is suspected.

³⁷ Section 141.



11. VOTING ON THE PLAN

11.1. The first vote

11.1.1. This vote will be to determine whether the creditors wish for the Business Rescue Practitioner/s to end the meeting, amend this Business Rescue Plan and then present an amended plan at a follow-up meeting.

11.1.2. The Business Rescue Practitioner/s request that these amendments are received before the meeting so as to include these in the discussions of the voting meeting with the creditors.

11.2. The second vote

11.2.1. The second vote will be to determine if the Written Fee Agreement will be approved in terms of Section 143(3) of the Act;

11.3. The third vote

11.3.1. This vote will be to determine whether the creditors accept or reject the Proposed Business Rescue Plan.



12 ANNEXURES TO THE BUSINESS RESCUE PLAN

12.1 The following annexures are attached to this Proposed Business Rescue Plan:

Annexure A:	Outcome of 1st Creditors Meetings
Annexure B:	List of Creditors of the Business
Annexure C:	Company Registration Documents
Annexure D:	Material list of Immovable Assets of the Business
Annexure E:	Certificate of the Business Rescue Practitioners
Annexure F:	Written Fee Agreement (Proposal)
Annexure G:	Disclaimer
Annexure H:	Liquidation and Distribution Account
Annexure I:	Proximitas change in securities

We thank you for your time offered to determine the future of this Business Rescue process for **Proximitas Investments**.



***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure A : Outcome of 1st Creditors Meeting

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13 December 2023

CIRCULAR 03

THIS DOCUMENT IS A CIRCULAR TO THE AFFECTED PERSONS RELATING TO THE BUSINESS RESCUE PROCESS OF **PROXIMITAS INVESTMENTS 60 (PTY) LTD** IN TERMS OF THE COMPANIES ACT, 71 OF 2008 AS AMENDED (THE ACT).

OUTCOME OF THE 1ST MEETING OF CREDITORS

The business rescue practitioners¹ wish to advise all the affected parties the outcome of the 1st meeting of creditors of **Proximitas Investments 60 (Pty) Ltd** (Herein after referred to as "Proximitas" or "The Business") - held on 12 December 2023.

Mr Pattinson gave a brief introduction of the Business Rescue team and welcomed all of the affected persons to the meeting. The business rescue team consists of Mr. Pattinson – a senior business rescue practitioner with more than 50 successful substantial implementations of business rescue plans with a career in business turnarounds spanning over more than 15 years, and Mr Masterton who is an experienced business rescue practitioner with nearly a decade of turnaround experience. Mr Durandt will be assisting in an administrative capacity.

1. CONDITIONS FOR BUSINESS RESCUE

1.1. The practitioner explained the process of filing for business rescue and why a business would consider business rescue and the conditions of filing for business rescue.

1.2. The first question - Is the Company Financially distressed? **YES**

1.3. Based on information at hand, yes, the business cannot pay its debts as and when they become due and payable, therefore it is clear that the business is in financial distress in terms of the Act² and has filed for Business Rescue in terms of the Act³.

¹ Quinton Pat Pattinson, Senior Business Rescue Practitioner and David Masterton, Experienced Business Rescue Practitioner.

² Section 128(1)(f) of the Companies Act 71 of 2008.

³ Section 129 of the Companies Act.

Directors: Pat Pattinson HDIP (BUSMAN) (PTP-SA, David Masterton CA (SA) CFE MDP B-BBEE
Geneva Capital Group (GCG) Independent Member Firm. *Business Rescue 360 Cape (Pty) Ltd* Reg No 2021/534306/07

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1.4. Had the directors decided not to file for business rescue, they would be compelled in terms of the Act⁴ to deliver a formal written notice (in the form of a CoR123.5) to every affected person detailing:

- 1.4.1. That the business is in financial distress.
- 1.4.2. The reasons for the financial distress.
- 1.4.3. The reasons for the company's decision to not file for business rescue.

1.5. Second Question - Does a reasonable prospect of a rescue exist? YES

1.5.1. Based on the information provided to the practitioners to date, there does appear to be a reasonable prospect of a successful rehabilitation and organic turnaround of the business.

1.5.1.1. It will require the systematic restructuring of the business and may require the sale of some of the non-income generating assets that are currently draining cashflow from the business – but the practitioners are very much of the belief that a reasonable prospect exists, based on the information provided to date.

1.5.1.2. The business has also informed the practitioners that the buyers for the fruit are already lined up and the difficulty going forward will simply be getting the fruits to market.

1.6. Further, should a rehabilitation of the business not be possible, the practitioners will be required to at the very least seek a better outcome for the affected persons than that which they would receive in an immediate and traditional liquidation. As provided for in terms of the Act⁵ and the judgment of *Carrol v Michael Carrol*.⁶

1.7. The practitioners in this matter are not farming experts, and as such will not assume full operational control of the business. The day-to-day activities will continue to be run by the current management of the business under the supervision of the practitioners. The practitioners are wholly responsible for the rehabilitation and restructuring of the business.

⁴ Section 129(7) of the Act.

⁵ Section 128(1)(b)(ii) of the Act.

⁶ *Carroll v Michael Carroll CC In Re: In the application for the Liquidation of: Michael Carroll CC (under supervision)* (2018/22808) [2019] ZAGPPHC 74.

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2. INFORMATION PROVIDED:

2.1. Please note once again that the information as provided during this, the first meeting of creditors, is as received from the business. It is highly likely that the information presented at a later date may vary as additional information is provided and a more detailed reporting can be given to all the affected persons.

Creditors	: +- R33,39 Million
Loan Accounts (Receivable)	: R48,49 Million (per 2023 AFS)
Loan Accounts (Payable)	: R78,46 Million (per 2023 AFS)
Debtors	: TBC
Assets	: TBC

2.2. Proximitas was established in 2001 and the Blackie Swart Familie Trust is the shareholder of the Business. Proximitas owns farms on which citrus is grown (among other assets) – the citrus is in turn supplied to Blue Crane, who is responsible for the export and sale of the citrus that is produced on the various farms belonging to the interconnected entities. The citrus is all packed at the Goodhope Packhouse and is shipped and distributed from there and this responsibility is that of Blue Crane's.

2.3. Proximitas Investments is one of 5 entities that are currently experiencing financial distress. 4 of them are businesses and 1 is a trust. The businesses and the trust are all so intertwined, it would effectively be impossible and definitely impractical to attempt to save only one at the exclusion of the rest. Therefore, the entire group is currently in business rescue, except the trust, wherein a quasi-rescue approach is being taken to attempt to rescue the trust as well.

2.4. It must at this stage be confirmed that the business rescue practitioners work for the creditors, and not the directors/members of the business. The practitioners will consult with the management, but do not take instructions from them. The role of a business rescue practitioner is to at all times balance the rights of all the affected persons.⁷

⁷ Section 7(k) of the Companies Act.

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- 2.5. The practitioners, for this first meeting, rely heavily on information supplied by the business – however, there will be a vast investigation done into the affairs of this business before the proposed business rescue plan is published.⁸

3. REASONS FOR THE FINANCIAL DISTRESS:

- 3.1. The reasons for the financial distress, as presented by the business to the practitioners is as follows:

3.1.1. Proximitas is one of the interconnected entities of a larger group – all of which are experiencing financial distress. The company responsible for the exporting of the fruits (Blue Crane) had experienced the challenges as listed below. As a result thereof, a knock on effect was created that has caused the challenges being faced by the entire group of companies.

3.1.1.1. Blue Crane is responsible for the exporting of most of the fruit that is harvested to the European Union as there is a big market there for organic fruits.

3.1.1.2. The cost of exporting the fruits had gone up significantly due to a strike that happened and caused a shortage of logistical support – meaning an increase in the price thereof.

3.1.1.2.1. There were additional costs involved with shipping when some fruits had to be re-routed due to quality issues.

3.1.1.3. The quality issues alluded to above are to do with a certain “black spot” that was present on the citrus during the transportation phase – which unfortunately meant the EU wouldn’t accept the fruit and it had to be shipped to another location for sale.

3.1.1.4. This caused the fruit to yield a significantly lower price than was originally anticipated as it had to be sold as normal fruit and not organic fruits.

- 3.2. Although the reasons for the financial distress are sound, the practitioners will continue with their own investigation into the affairs. A more formal feedback will be provided at the next meeting of creditors.

- 3.3. Further, the practitioners would like to investigate the mitigation factors that should have been in place to prevent the severity of the financial distress so that events such as this may be prevented going forward.

⁸ Section 141 of the Companies Act.

4. IMPORTANT DATES:

4.1. Below are the notable dates regarding the business rescue proceedings to date:

Board Resolution Submitted	: 28 November 2023 (133 Protection date)
CIPC returned	: 29 November 2023
Practitioner Submitted	: 29 November 2023
CIPC returned	: 1 December 2023
1 st Meeting of Creditors	: 12 December 2023
2 nd Meeting of Creditors (Discussion of Fees)	: To be confirmed
1 st Meeting with Staff	: Proposed 14 Dec 2023

5. FORMING A COMMITTEE

5.1. The Business Rescue Practitioner advised the attendees that they can form a committee of creditors in terms of the Act.⁹ The practitioner confirmed the purpose of such a committee and noted that in a rescue of this nature, it may be favourable for creditors to be able to communicate directly with the practitioners. The decision as to whether or not to form a committee remains in the hands of the creditors.

5.2. The attendees voted against this proposal.

5.2.1. The business rescue practitioner will thus interact with all the creditors of the business directly. There will be no need for the formation of a committee and the information will flow directly between the relevant parties.

6. REQUEST FOR AN EXTENSION

6.1. The plan is currently due to be published on the 5th of February 2024 – having given consideration to the *dies non* days in terms of upcoming public holidays and the festive season.

6.2. Based on the discussions had in this meeting, it is proposed that another meeting similar to this one is held on the 14th of February 2024 so that the practitioners can provide further feedback to the creditors.

⁹ Section 147.

6.2.1. The nature of the rescues and the interconnected entities make the publication date of the 5th of February 2024 a practical impossibility.

6.2.2. The practitioners require more time to adequately attain all the relevant information as required for the publication of a business rescue plan¹⁰ and this will require more time.

6.3. A unanimous vote was achieved in this regard and therefore the next meeting will be on the 14th of February 2024 where a further update will be given, and further extensions be requested should it be necessary.

6.4. Although not required in terms of the Act – an additional meeting will be held on the 20th of December 2023. This meeting will be a "general" meeting concerning all 5 entities and will be for the purposes of a general update. All the relevant affected parties will be notified of this meeting in due course.

7. PROOF OF CLAIMS

7.1. The practitioner confirmed that Jaco Durandt has sent out the proof of claim forms and these proof of claim forms must be completed and returned to Jaco Durandt on the prescribed document. Same is also available – along with all other documentation relating to the business rescue – on the website of the practitioner at <https://pattinson.biz/> under the "Business Rescue" tab at the top right of the page.

7.2. Please provide us with these proof of claims as soon as possible as we would like to compare the claims received to those values contained in the books of the company.

8. PROJECT BASED FINANCE

8.1. The practitioner took some time to explain what post commencement finance (PCF) is and how project-based finance differs from PCF. Project-based finance being similar in nature to PCF, but for a far more specific nature and the ordinary course of action would be that the Project-based finance will be provided on a relatively short-term basis until the goal or purpose for which the funding is granted, is achieved.

¹⁰ Section 150 of the Act.

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9. QUESTIONS / COMMENTS

9.1. On what do the practitioner's base their belief that there is a reasonable prospect of a rescue?

9.1.1. Operationally, the business is still viable. Hence the proposed organic turnaround of the business. The basis is not solely on the potential sale of the assets.

9.1.2. However, it was confirmed that, once the information has been properly presented – it will be possible to identify the non-income generating assets (of which there are many) that are putting a drain on the business and selling these assets.

9.1.3. If the drain from the non-income generating assets is stopped, and the business is able to trade normally, the practitioners believe that the business can organically trade out of the financial distress.

9.1.3.1. Lastly, should it become necessary to sell all the assets of the business, it will result in a better outcome than in liquidation (BrIL). Confirmed in the Carroll matter – that a BrIL is a valid ground and confirmation of a reasonable prospect of a rescue.

9.2. Will the Section 141 investigations be used to determine if there were any reasons, other than stated, that led to the financial distress? Also, should it become clear that the directors/members are not able to fulfil their duties, will they potentially be removed?

9.2.1. The practitioners confirmed that the information received thus far has been received directly from the auditors of the business and that Mr. Masterton is currently going through the details thereof meticulously. The management have been somewhat "cut out" of this process as the last thing the practitioners would like is to have their opinions skewed by the management's explanations.

9.2.2. The practitioners again confirmed that they are in the process of the full Section 141 investigations into the affairs of the business and all reportable findings, will be reported. As mentioned, at this early stage in the process, the practitioners simply do not have enough information to make any such determinations as to the current management of the business – time must be afforded to do these investigations and all relevant legislation must be considered, including the intellectual property of the business.

9.3. The Blackie Swart Familie Trust, being so intertwined with the other businesses in the group – how do you intend to deal with the trust?



9.3.1. Originally, the thought was to appoint one of the practitioners as a trustee on the trust as well, with a veto right in order to help with a quasi-rescue turnaround process for the trust in line with the goals of business rescue. However, due to the information received thus far concerning all the entities – the practitioners will first be consulting with an attorney to see what options are available to the practitioners with regards to a process that will be beneficial to the trust as well.

9.3.2. There is of course the alternative of sequestrating the trust, this will however not be beneficial to any parties as a result of the numerous cross-sureties between the entities and the amount of usable land in the trust – being one of the larger income generators.

9.4. Some creditors have various securities over assets, moveable and immovable – will the practitioners allow access to the assets for inspection of their condition?

9.4.1. The practitioners have no objection to these inspections as long as the party who wishes to carry out such an inspection gives the practitioners notice of their intention to do so. Furthermore, this will be permitted in so far as the property rights are respected in terms of Section 134 of the Act.

Kind Regards

Quinton Pattinson

patp@businessrescue360.co.za

082 749 6462

David Masterton

davidm@businessrescue360.co.za

082 569 3813

Jaco Durandt (admin clerk)

jacod@businessrescue360.co.za

076 773 4595



Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

Annexure B : List of Creditors of the Business

It must be noted that the proof of claims submitted to the Business Rescue Practitioners does not automatically assure the creditor that they will receive this amount as discrepancies might be found when comparing the amount in the books of the business to the proof of claims received.

Due to the limitations in law, the practitioners did not have the time nor the funds or the *locus standi* to perform a full investigation, due diligence or confirmation audit on the information received nor to employ third parties to verify and scrutinize same.

Please further note that this plan refers to the fact that no legal fees, interest, collection fees or any cost other than the capital amounts can be provided for on the historic debts due to creditors. Only the capital amounts due will be considered in the dividend calculation if such debt is not specifically provided for in this proposed Business Rescue Plan.



Proximities - Finance Sheet

Nr	Creditor	Acronym	Amount Due	% Voting Interest
1	ABSA Agri Loan Facility with Account Number 80-8069/9236	SC R	4,638,226.99	1.06%
2	ABSA AVAF loan accounts: 9562-8210, 9562-8287, 9562-8376, 9562-9810 and 9563-0281	SC R	4,520,105.40	1.03%
3	BSFT (Inter-Company Loan) (ABSA Vote)	CC R	93,686,206.88	21.40%
4	BSFT (Inter-Company Loan) (ABSA Vote)	CC R	20,592.00	0.00%
5	ABSA Mortgage Loan Facility account number: 80-9081-3710	SC R	2,938,906.99	0.67%
6	ABSA Overdraft Facility account number: 40-5972-7655	SC R	10,979,935.16	2.51%
7	ABSA Term Loan Facility Account Number: 30-5282-3417	SC R	24,125,160.98	5.51%
8	ABSA Term Loan Facility Account Number: 30-5335-7152	SC R	75,440,446.53	17.23%
9	ABSA Term Loan Facility Account Number: 30-5382-6288	SC R	24,823,740.48	5.67%
10	Bayrac	CC R	2,019.60	0.00%
11	ESKOM	CC R	1,033,173.97	0.24%
12	SARS	CC R	894,605.10	0.20%
13	Strydom and Partners	CC R	158,663.31	0.04%
14	Sunday's River Water Use Association	CC R	1,361,536.70	0.31%
15	Humansdorp Co-Op	CC R	120,247.64	0.03%
16	Charles Wooley	SC R	30,906,783.65	7.06%
17	Kaap Agri	SC R	11,391,296.87	2.60%
18	Kaap Agri	SC R	35,314,400.21	8.07%
19	Sundays River Valley Muni	CC R	2,166,253.10	0.49%
20	ABSA Connected debt due by Blackie Swart Familie Trust (ABSA Vote)	SC R	113,231,357.00	25.87%
21	ABSA Connected debt due by Blue Crane CC (ABSA Vote)	SC R	1,327.00	0.00%
22	ABSA Post Commencement Finance	PC R	16,000,000.00	
	Freshgro	PC R	3,000,000.00	
TOTAL		23 R	456,754,985.56	100.00%
SUMMARY BY CREDITOR ACRONYM				
SC	Secured Creditors	Count	Amount Due	%
		12	R 338,311,687.26	74.07%
CC	Concurrent Creditors	9	R 99,443,298.30	21.77%
PC	Post Commencement Finance	2	R 19,000,000.00	4.16%
D-SC	Disputed Secured Creditors	-	-	0.00%
D-CC	Disputed Concurrent Creditors	-	-	0.00%
D-PC	Disputed Post Commencement Finance	-	-	0.00%
TOTAL		23	R 456,754,985.56	100.00%

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure C : Company Registration Documents (CoR123.1)

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COR39 Certificate issued by the Commissioner of Companies and Intellectual Property Commission on Friday, 04 October 2024 at 14:14

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Companies and Intellectual
Property Commission

a member of the dti group

COR39: Director Amendments

Registration Number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

Date: 04/10/2024
Our Reference: 60002644847
Customer Name: ZELDA STRYDOM
Email Address: RECEPTION@STRYDOMPARTNERSPE.CO.ZA

RE: Amendment to Company Information

Registration Number: 2001/012801/07
Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

We have received a COR39 (Notice of change of company directors) from you dated 04/10/2024

The following change was effected to Director:

DIRECTOR JOHANN SWART CHANGES,
- STATUS ACTIVE TO RESIGNED
- TITLE N/A TO MR
- GENDER FROM N/A TO MALE
- DISABILITY FROM N/A TO NOT DISABLED
- DEMOGRAPHIC FROM N/A TO WHITE
- POST COUNTRY N/A TO ZA

DIRECTOR KIRAN MOODLEY, NEW APPOINTMENT

Yours truly

CIPC Commissioner

Physical Address
the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies
P O Box 429
Pretoria
0001

Docex: 256
Web: www.cipc.co.za
Contact Centre: 086 100 2472(CIPC)
Contact Centre (International): +27 12 394 9573



2001/012801/07



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1 of 3

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COR39 Certificate issued by the Commissioner of Companies and Intellectual Property Commission on Friday, 04 October 2024 at 14:14

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Companies and Intellectual
Property Commission

a member of the dti group

COR39: Director Amendments

Registration Number: 2001/012801/07

Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

ENTERPRISE DETAILS

Registration Number: 2001 / 012801 / 07

Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

Registration Date: 18/06/2001

Business Start Date: 18/06/2001

Enterprise Type: PRIVATE COMPANY

Enterprise Status: BUSINESS RESCUE

Financial Year End: SEPTEMBER

Main Business/Main Object: FINANCIAL INTERMEDIATION, EXCEPT INSURANCE AND PENSION FUNDING
FINANCIAL INTERMEDIATION, EXCEPT INSURANCE AND PENSION FUNDING

Tax Number: 9015465140

Address:	POSTAL ADDRESS	ADDRESS OF REGISTERED OFFICE
	P O BOX 130 KIRKWOOD	KANAALPLAAS KIRKWOOD
	EASTERN CAPE 6120	EASTERN CAPE 6120

Location of Company Records: KANAALPLAAS
KIRKWOOD

EASTERN CAPE
6120

Physical Address
the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies
P O Box 429
Pretoria
0001

Docex: 256
Web: www.cipc.co.za
Contact Centre: 086 100 2472(CIPC)
Contact Centre (International): +27 12 394 9573



2001/012801/07



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COR39 Certificate issued by the Commissioner of Companies and Intellectual Property Commission on Friday, 04 October 2024 at 14:14

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Companies and Intellectual
Property Commission

a member of the dti group

COR39: Director Amendments

Registration Number: 2001/012801/07

Enterprise Name: PROXIMITAS INVESTMENTS 60 (PTY) LTD

ACTIVE DIRECTORS/MEMBERS

Full Name	Director Type	ID Number/ Passport Number	Appointment Date	Address
MASTERTON DAVID JOHN	BUSINESS RESCUE PRACTITIONER	7009115177085	29/11/2023	Postal Address: P O BOX 2881, CAPE TOWN, CAPE TOWN, WESTERN CAPE, 8000 Residential Address: 2 FOLES HILL, PORT ELIZABETH, PORT ELIZABETH, WESTERN CAPE,
MOODLEY KIRAN	DIRECTOR	8909105107084	04/10/2024	Postal Address: 8 BURTON AVENUE, VANES ESTATE, UITENHAGE, EASTERN CAPE, 6229 Residential Address: 8 BURTON AVENUE, VANES ESTATE, UITENHAGE, EASTERN CAPE, 6229
PATTINSON QUINTON	BUSINESS RESCUE PRACTITIONER	7801305148086	29/11/2023	Postal Address: PO BOX 70618, THE BRIDGE, THE BRIDGE, EASTERN CAPE, 6032 Residential Address: OFFICE F1B 6TH SHOPPING CENTRE, 6TH AVENUE WALMER, 6TH AVENUE WALMER, EASTERN CAPE, 6070

Physical Address
the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies
P O Box 429
Pretoria
0001

Docex: 256
Web: www.cipc.co.za
Contact Centre: 086 100 2472(CIPC)
Contact Centre (International): +27 12 394 9573



2001/012801/07



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***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure D : Material List of Assets of the Business

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Asset Name	Address/Location	WH Valuation	Title Deed Number	Description	Owner	Bor ded to: Under bond number	Bor ded Value
19 Clarendon Avenue		R 1 600 000,00	T19218 / 2021	4 Bed 4 Bath House – Vero Estate, Uitenhage Single Flatlet Tennis Court, Swimming Pool and Lapa Land Site – 2279m ²	Proclimitas	Yes (ABSA – 810412/2021)	R3 000 000
1 Angle Street (Korke)		R 1 450 000,00	T7419/2019	3 Bed, 2 Bath House – Kinkwood, Eastern Cape Land Site – 2015m ²	Proclimitas	No	N/A
Boschmans	Portion 3 of the Farm Landdrift Vespers No. 84, Uitenhage RD & Portion 5 (Remaining extent) of the Farm Landdrift Vespers No. 84, Uitenhage RD	R 100 300 000,00	T17043 / 2020	277,6 Hectare Citrus Farm – Kinkwood EC = 97,89 Hs Planted Citrus Under Irrigation Water Rights, Dam and Pump House Multiple Farmhouses & Outbuildings	Proclimitas	Yes (ABSA – 80287/2020)	R100 000 000
'Goodhope BnB'	Pin 158 (PIN OF 34) Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 33 (GOODHOPE) Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 30 Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 31 Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 209 Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 208 Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 20 (WOODLANDS FARM) Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE Pin 206 (PIN OF 157) Farm 115 SELBORNE Reg Div: Uitenhage RD EASTERN CAPE	R 30 400 000,00	T7273/2021	58,75 Hectare Citrus Farm – Kinkwood EC = 18,18 Hs Planted Citrus Under Irrigation Water Rights, Dam, Pump House, Shed Farmhouse & BnB (Goodhope BnB)	Proclimitas	Yes (ABSA – 85034/2021) (ABSA – 83764/2021)	R27 000 000 R5 000 000
'Goodhope Farm'	Portion 43 of the farm Strathsmers Estate 42 Uitenhage RD Remaining extent of Portion 49 of the farm Strathsmers Estate 42 Uitenhage RD Remaining extent of Portion 203 of the farm Strathsmers Estate 42 Uitenhage RD 432 of the farm Strathsmers Estate 42 Uitenhage RD Remaining Portion 433 of the farm Strathsmers Estate 42 Uitenhage RD	R 69 945 000,00	T71073/2004 CTN	560 Hectare Citrus Farm – Kinkwood EC = 12 392m ² Modern Pickhouse & Offices Cold Stores, Warehousing & Dispatch = 44,14 Hs Planted Citrus Under Irrigation Water Rights, Dam and Pump House 2 X Farmhouses and Workers Housing	Proclimitas	(ABSA – 820879/2012) (ABSA – 824386/2012) (ABSA – 84848/2020) (ABSA – 85482/2022)	R15 000 000 R10 000 000 R28 300 000 R35 000 000
Orpella Schuur / Blydenham	Rem of Portion 66 Farm 42 STRATHSMERS ESTATE Reg Div: Uitenhage RD EASTERN CAPE Portion 82 Farm 42 STRATHSMERS ESTATE Reg Div: Uitenhage RD EASTERN CAPE Portion 178 Farm 42 STRATHSMERS ESTATE Reg Div: Uitenhage RD EASTERN CAPE Portion 177 Farm 42 STRATHSMERS ESTATE Reg Div: Uitenhage RD EASTERN CAPE	R 12 858 000,00	T8243 / 2020 (Rem of Portion 66) T8244 / 2020 (Portions 82, 176, 177 and 205)	29,97 Hectare Citrus Farm – Kinkwood EC = 21,69 Hs Planted Citrus Under Irrigation Water Rights, Dam and Pump House Shed & Outbuildings (Burnt Farmhouse)	Proclimitas	Yes (ABSA – 84848/2020)	R29 300 000
Hemelafkaste	Pin 3 Farm 142 STEENBOEK VLAKE, Reg Division Uitenhage RD, The Province of the Eastern Cape Pin 146 of Farm 143 Reg Division Uitenhage RD, The Province of the Eastern Cape	R 39 087 000,00	T9723 / 2018	714 Hs Citrus & Crop Farm – Kinkwood EC = 41 Hs Citrus, 33 Hs Lucerne & 29 Hs Cow Candy Water Rights, Dam and Pump House Shed & Outbuildings	Proclimitas	Yes, (Krup Agri – 061558/2022 – over portion 3 of Farm 142 Steenboekvlakte) (Not ending this Deed)	R49 000 000
Le Traafte	Portion 168 of Farm 539 Class Kraal Div Uitenhage RD	R 4 500 000,00	T768 / 2019	9,61 Hectare Citrus Farm – Kinkwood EC = 7,12 Hs Planted Citrus Under Irrigation Water Rights, Dam and Pump House = 7 600m ² Unplanted Arable Land	Proclimitas	No	N/A
Moereng	Portion 169 of Farm 539 Class Kraal Div Uitenhage RD	R 6 305 000,00	T769/2019	10,74 Hectare Citrus Farm – Kinkwood EC = 8,88 Hs Planted Citrus Under Irrigation Water Rights, Dam and Pump House Farmhouse, Outbuildings & Staff Housing	Proclimitas	No	N/A

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	RE of Plot 254 (PTIN OF 218) of the farm Strathsmere Estate nr. 42 Municipality Sundays River, Division Uitenhage, The Province of the Eastern Cape Plot 358 (PTIN OF 217) of the farm Strathsmere Estate nr. 42 Municipality Sundays River, Division Uitenhage, The Province of the Eastern Cape Plot 45 of the farm Strathsmere Estate nr. 42 Municipality Sundays River, Division Uitenhage, The Province of the Eastern Cape Portion 127 of the farm Strathsmere Estate nr. 42 Municipality Sundays River, Division Uitenhage, The Province of the Eastern Cape Plot 335 (PTIN OF 293) of the farm Strathsmere Estate nr. 42 Municipality Sundays River, Division Uitenhage, The Province of the Eastern Cape Plot 336 (PTIN OF 293) of the farm Strathsmere	R 43 026 000.00	T105307/2014	504 Ha Citrus & Olive Farm - Kintwood ED 400.78 Ha Planted Citrus Under Irrigation Water Rights, Dam and Pump house Farmhouse, Sheds, Outbuildings & Housing Grazing Lands/Rushveld Land	No	N/A
Water/soil						
Total		R 312 401 000.00				

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***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure E : Certificate of the Business Rescue Practitioners

AB *kn*

15 October 2024

BUSINESS RESCUE CERTIFICATE
In terms of Chapter 6 of the Companies Act, No 71 of 2008
for
Proximitas Investments 60 (Pty) Ltd
With Reg nr: 2001 / 012801 / 07

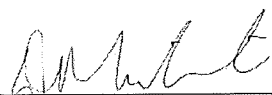
Herewith we, the undersigned appointed Business Rescue Practitioners for the abovementioned company, certify the following with regards to the proposed Business Rescue Plan as published to the affected persons:

1. Any and all actual information provided in the plan appears to be accurate, complete, and up to date.
2. The financial statement projections are estimates made in good faith on the basis of factual information and assumptions provided by the directors, staff or external service providers of the company, and as set out in the statements.
3. Although this plan has been drafted and prepared by the practitioners, this proposal does not necessarily reflect the practitioners' views. However, the practitioners are obligated to present any reasonable proposals submitted to them for the creditors' consideration. Ultimately, it will be the creditors who will vote to either adopt or reject the proposed business rescue plan.
4. Due to the limitations in law, the practitioners did however not have the time nor the funds to perform a full due diligence, confirmation audit on the information received, nor employ third parties to verify and update any outstanding annual financial statements and accompanying tax returns.

Quinton (Pat) Pattinson
Snr Business Rescue Practitioner
patp@businessrescue360.co.za



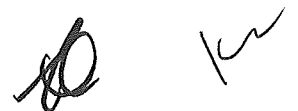
David Masterton
Experienced Business Rescue Practitioner
davidm@businessrescue360.co.za



***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure F : Written Fee Agreement (Proposal)

Two handwritten signatures in black ink, one on the left and one on the right, located at the bottom right of the page.

PROPOSAL MADE BY:

Business Rescue 360 (PTY) LTD t/a BR360

2021 / 534306 / 07

*(duly represented by Quinton Pattinson & David Masterton)
(hereinafter referred to as the "Consultancy")*

TO

AND

Business Trading Name	: Proximitas
Business Registered Name	: Proximitas Investments 60 (Pty) Ltd
Business Registration No	: 2001 / 012801 / 07
Contact	: K Moodley
Email Address	: kiran@doregos.co.za

*(duly represented by Kiran Moodley)
(hereinafter, referred to as "the Client")*

WHEREAS The Client wishes to enter into a professional working agreement with **BR360**, and

WHEREAS **BR360** accepts this request based on the terms as set out in this proposal, and

The parties hereby agree as follows:

1. PROJECT SCOPE AND FEES

1.1. Herewith the proposal of the terms and objectives of our engagement and the nature and limitations of the services that BR360 will provide.

1.2. BR360 proposes to perform the following services as requested by the client and report to the client the outcomes resulting from our work. The client upon signature hereof will have agreed to accept the terms as set out for this project by BR360.

2. PROJECT PURPOSE

2.1. To submit the business to voluntary business rescue proceedings in order to facilitate the rehabilitation of the business by providing for the temporary supervision of the business and the development and implementation of a business rescue plan to restructure the affairs and liabilities of the business in a manner that maximises the likelihood of the company continuing in existence on a solvent basis or alternatively provide for a better return to the affected parties than would result from the immediate and traditional liquidation of the business.

3. PROJECT DESIRED OUTCOME

3.1. The desired outcome is the successful implementation of a business rescue process, achieving the goals as set out in the definition of business rescue contained in section 128(1)(b)(i) to (iii) of the Companies Act (the Act).

3.2. Where "Business Rescue" means the proceedings as set out in Chapter 6 of (the Act) to facilitate the rehabilitation of the company that is financially distressed.

4. PROJECT COSTING

4.1. BR360 proposes the following fee structure for the completion of the abovementioned project.

4.2. The terms of which are as follows:

4.3. The Business Rescue Practitioners have agreed to be paid:

4.3.1. A monthly retainer of R50 000/month per practitioner from the commencement of proceedings until the conclusion, alternatively the Hourly rate (or part there-of) in terms of regulation 128 of the Companies Act

4.3.2. Expenses – including travel at prescribed rates, overnight charges, subsistence allowances as and when incurred.

4.4. Administration:

4.4.1. Filing the company business rescue documentation, preparation and confirmation: R10 000.00 (once-off payment prior to commencement)

4.4.2. Dedicated Business Rescue administration service to be provided at a cost of: R5000/month retainer.

5. **Contingencies:**

5.1. In terms of the Companies Act Section 143(2), the consultancy will be entitled to contingencies, the consultancy hereby proposes the following:

5.2. Although the business and the consultancy may reach an agreement in relation to terms for payments and fee structures, it is a requirement in terms of the Companies Act, that the agreed to fees must be approved by creditors at a meeting called for that purpose.

5.3. The Business Rescue Practitioners will be entitled to receive a 3% dividend on all assets sold, both moveable and immovable as part of the Business Rescue Process.

5.4. Should the business or part thereof be sold as a going concern and or the shares or members' interest or part thereof be disposed of the Business Rescue Practitioners shall be entitled to a commission of 3%.

5.5. The Business Rescue Practitioners shall be entitled to a success fee of 3% of any post commencement finance that is raised for the business during the business rescue process or thereafter.

6. LIQUIDATION DEPOSIT

6.1. The consultancy requires a liquidation deposit to be paid into the trust account of an attorney nominated by the business rescue practitioner. This deposit is required to cover the costs should the company have to enter liquidation proceedings for whatever reason. Confirmation of such liquidation deposit is required before commencement of the business rescue proceedings.

7. AGREEMENT OF TERMS

7.1. This fee agreement must be read with the terms and conditions as set out in the letter of engagement, memorandum of agreement and any other agreement that may be concluded between the client and the consultancy.

7.2. All third party and sub-contractor's fees are for the account of the client.

7.3. Penalty interest equal to the maximum Mora Interest allowed as per the Prescribed Rate of Interest Act (Act No. 55 of 1975) will be levied on all outstanding invoices.

7.4. The client shall within five (5) working days of receipt of invoices raise any queries it may have in respect of such invoices, whereafter the amounts reflected will be accepted as correct and the client will be barred from raising any further queries.

7.5. All attorney's debt collectors' costs will also be recovered from the client on the attorney-and-client scale or on the official tariffs applicable to registered debt collectors. This is inclusive of the collection commission costs of the debt collector at a rate of no more than 15% on the full amount outstanding.

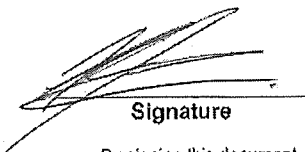
7.6. The client will place all the assets of the group of entities, including the trust, not yet secured with any other party of the business, as security and all invoices raised, including those for contingencies, will be considered as secured on this basis.

7.7. The solvency or insolvency of the client shall have no effect upon the terms of payment of these fees. Reliance will be placed on the security over the assets as per point 6 above and should it not be possible to attach any such items, a deposit will be required to commence work and to secure fees at the onset of the project.

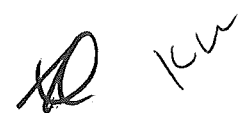
7.8. The client will be responsible for the payment of the costs relating to the professional indemnity cover for the appointed business rescue practitioner/s. It is a requirement in law that practitioners obtain professional indemnity cover for each individual rescue appointment.

7.9. It is a requirement of our Professional Indemnity Insurance that we limit our liability in regard to professional engagement services provided, to a maximum of two times fees billed for a specific project or matter. The client and BR360, therefore agree and accept that BR360's liability in respect of professional engagements, shall be limited in this way.

7.10. The submission and payment of any statutory obligations remains the responsibility of the directors/shareholders of the company.

	<u>Kiran Moodley</u>	<u>15/10/2024</u>	<u>PE</u>
Signature	Name	Date	Signed at

By signing this document, the client confirms that this letter and the contents herein have been brought to their attention, and that the signatories have been duly authorized by the relevant parties to sign this letter on their behalf and the signature confirm the accuracy of the information provided and that BR360 may use this information for invoicing, referencing and marketing purposes.

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure G : Disclaimer

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DISCLAIMER

All the affected parties' attention is specifically drawn to the disclaimer provisions set out hereunder:

1. The business rescue practitioners have compiled this proposed business rescue plan¹ based on the information provided to them by, *inter alia* the directors, creditors and third parties which information the business rescue practitioners will endeavour to confirm its accuracy.
2. The BRPs have relied on the information provided and accepted all documents delivered to them as being authentic and a true reflection of the business, its property and its financial situation.
3. However, as a result of the limitations in law and availability of funds and time, the practitioners have not carried out a full confirmation audit of the company's documents as provided, nor have the practitioners had adequate time and/or opportunity to independently verify all the information provided.
 - a. This does not deter from the fact that the practitioners present the information as contained in the proposed business rescue plan as 'reasonable' and 'fair'. Where estimates are made,² these are estimates only, but are made in good faith³ and the practitioners acknowledge that the affected persons must be able to adequately apply their minds when considering the proposed rescue plan and to determine whether or not to vote in favour of the adoption of such plan.⁴
 - b. The business rescue practitioners have taken all reasonable and necessary steps to verify information and data provided to them within the time constraints and resources available to them and the company as provided for in the Act.⁵

¹ Section 150 of the Companies Act 71 of 2008.

² Where forecasts - specifically financial forecasts - are made, they are based on the data made available to the BRPs and in good faith.

³ Section 150 (4) (b) of the Act.

⁴ Section 150 (2) of the Companies Act 71 of 2008.

⁵ Chapter 6 of the Companies Act.

- c. Business rescue is inherently a public affair and the BRPs have a duty to disclose to any affected persons sufficient and accurate information for such affected person and/or creditor to make an informed decision as to the affairs of the company and to vote on the plan. This implies that certain trade secrets, client data and other information will inevitably be made available to affected persons.⁶
4. The BRPs have, where relevant, engaged expert third party professionals such as legal advisors, accountants, valuers and financial advisors and have relied on such professional opinions in compiling this proposed business rescue plan.
5. The BRPs do not express an opinion outside of their expertise and where relevant, such opinions are informed by advice received from the relevant professional.
- a. Any such statement of opinions expressed by the BRPs are so given in good faith and based on the information the BRPs believe to be true and correct.
6. The BRPs do not accept any responsibility, in any way whatsoever, to any party in respect of any errors that may be the result of incorrect information that was provided to them and used in this proposed business rescue plan.
7. All affected parties are advised to obtain independent legal opinion in respect of the content of this plan. Should they require such opinions, the BRPs cannot advise an affected person, as such action may be deemed to be prejudicial.
- a. Nothing contained in this proposed business rescue plan shall be deemed to constitute legal 'advice'. Although reference is made to the Companies Act and various other forms of legislation, the BRPs hereby confirm that they are not attorneys and the opinions given and statements made are simply their understanding of the law and such statements/opinions are given without prejudice.

⁶ The Protection of Personal Information (POPI) Act, as an essential data protection legislation, acknowledges the need for businesses to safeguard personal information and trade secrets. In compliance with the Act's requirements, balanced with the Companies Act requirements, certain elements of personal information or proprietary knowledge may be included within the business rescue plan to ensure its validity and efficacy.

AD *per*

8. The Act⁷ compels the BRPs to investigate the affairs of the company, however the BRPs do not have powers like that of a liquidator to subpoena witnesses and interrogate them. The investigations into the affairs of the company are based on the information provided and the documents made available to the BRPs, by those willing to provide such information.
9. All notifications made to affected parties and particularly the creditors, are based on the information provided to the BRPs by the directors and as extracted from the accounting records made available to the BRPs. The BRPs have taken all reasonable and necessary steps to determine who are affected persons and given such persons due notice.
10. The BRPs have contacted all the affected persons, known to them, that might have a claim against the business via email and/or telephone.
11. This proposed business rescue plan will be binding on all creditors should a successful vote on the plan be achieved in terms of the Act.⁸

⁷ Section 141 of the Companies Act 71 of 2008.

⁸ Section 152 of the Companies Act 71 of 2008.

Handwritten signatures

***Proximitas
Investments 60
(Pty) Ltd***

Registration nr: 2001 / 012801 / 07

Annexure H : Draft Liquidation and Distribution Account

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**DRAFT LIQUIDATION AND DISTRIBUTION ACCOUNT
FOR THE AFFECTED PERSONS OF**

Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

*For the purposes of displaying the proposed scenario should
Proximitas opt to liquidate*

**Please bear in mind that the information contained herein is as received from the business, its management, accountants and other parties. Claims included in the LND account are as received by the affected persons and have not been fully scrutinised, but for the purposes of this exercise, the LND account appears to be a relatively accurate description of the facts and the draft is prepared in good faith. Furthermore, it is not a complete LND account in that it does not provide for specific properties belonging to a specific account number – secured creditors are bundled together in an attempt to simplify the account and to show an estimate of what can be expected in a liquidation scenario as opposed to a Business Rescue.*

385KM13"

Enumbered Asset Account Number 1: Proceeds of the sale of the farms (Boschkraal, Beginsel, Goodhope B&B and Goodhope Farm)
sold in favour of ABSA BANK under the various Accounts and Bonds - Instalment sale and Bonds

Receipts

Description	VAT	Receipts
Boschkraal, Beginsel, Goodhope B&B and Goodhope Farm Sold, based on the values received by the independent valuations	R15 986 782,61	R130 232 000,00
Totals		R130 232 000,00

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R168 848,59
Bond Cost per Pro-rata Schedule	R16 017,26	R122 798,98
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R1 915 259,74	R14 683 658,00
Pro - Rata Insurance	R14 415,53	R110 519,08
Auctioneers Commission	R1 698 678,26	R13 023 200,00
Pro - Rata Auctioneers Advertising Cost	R6 006,47	R46 049,62
SARS VAT per this Account		R13 336 405,35
Totals		R41 491 479,62

Output VAT (received)	R15 986 782,61
Input VAT (Paid)	R3 650 377,26
SARS VAT per this account	R13 336 405,35
Positive Means owing to SARS	

Total Available for Distribution	R88 740 520,38
Total Due to Creditor	R147 466 522,53
Proposed Dividend (cents in the rand)	60,18
Shortfall	R58 726 002,15

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Encumbered Asset Account Number 2: Proceeds of the Farm Hemelsvlakte
sold in favour of Kaap Agri in terms of their Bond

Receipts

Description	VAT	Receipts
Proceeds of the Farm Hemelsvlakte, per the independent valuation done	R3 058 956,52	R23 452 000,00
Totals		R23 452 000,00

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fee	R30 406,02
Bond Cost per Pro-rata Schedule	R2 884,37	R22 113,47
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R344 897,35	R2 644 213,00
Pro - Rata Insurance	R2 595,93	R19 902,12
Auctioneers Commission	R305 895,65	R2 345 200,00
Pro - Rata Auctioneers Advertising Cost	R1 081,64	R8 292,55
SARS VAT per this Account		R2 401 601,59
Interest payable - If applicable (not deducted as a S89 cost just listed here to show calculation.		-
Totals		R7 471 728,76

Output VAT (Received)	R3 058 956,52
Input VAT (Paid)	R657 354,93
SARS VAT per this account	R2 401 601,59
Positive Means owing to SARS	

Total Available for Distribution	R15 980 271,24
Total Due to Creditor	R45 889 589,63
Proposed Dividend (cents in the rand)	34,82
Shortfall	R29 909 318,39

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Free Residue Account

Receipts

Description	VAT	Receipts
Remainder of the Unsecured Immovable Assets Sold, Subject to the Valuation done by the Independent party	R7 620 260,87	R58 422 000,00
Totals		R58 422 000,00

Section 89 Costs

Description	VAT	Payments
-------------	-----	----------

Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R75 745,38
Bond Cost per Pro-rata Schedule	R7 185,33	R55 082,55
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R859 184,41	R6 387 080,50
Pro - Rata Insurance	R6 466,80	R49 578,80
Auctioneers Commission	R762 026,09	R5 842 200,00
Pro - Rata Auctioneers Advertising Cost	R2 694,50	R20 557,85
Legal Fees	R24 130,43	R185 000,00
Second meeting adverts	R59,70	R450,00
Inspection and confirmation adverts	R71,74	R550,00
Bank Charges	R163,04	R1 250,00
Petries, postage and stationery	R37,17	R285,00
SARS VAT per this Account		R5 958 242,65
Totals		R18 776 127,71

Output VAT (received)	R7 620 260,87
Input VAT (Paid)	R1 652 018,22
SARS VAT per this account	R5 958 242,65
Positive Means owing to SARS	

Total Available for Distribution	R39 645 872,29
Total Due to Creditors who will share in Free Residue	R218 207 199,90
Proposed Dividend (cents in the rand)	18,17
Shortfall	R178 561 327,61

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Pro Rata Master's Fees

Asset Account:	Total Assets:	Master's Fee:
EAA 1	R130 232 000	R168 848,59
EAA 2	R23 452 000	R30 406,02
Free Residue	R58 422 000	R75 745,38
Total Asset Value:	R212 106 000	R275 000

Calculate Total Masters Fee

212106000			
211956000		R1 000	R1000 for 1st R150 000
42391,20		R274 000	R275 for Each R5 000
Total Master's Fee		R275 000	

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Pro Rata Bond Cost

Asset Account:	Total Assets:	Bond Cost:
EAA 1	R130 232 000	R122 798,98
EAA 2	R23 452 000	R22 113,47
EAA 3	R0	R0,00
EAA 4	R0	R0,00
EAA 5	R0	R0,00
EAA 6	R0	R0,00
EAA 7	R0	R0,00
EAA 8	R0	R0,00
Free Residue	R58 422 000	R55 087,55
Total Asset Value:	R212 106 000	R200 000

Pro Rata Insurance Cost

Asset Account:	Total Assets:	Insurance
EAA 1	R130 232 000	R110 519,08
EAA 2	R23 452 000	R19 902,12
EAA 3	R0	R0,00
EAA 4	R0	R0,00
EAA 5	R0	R0,00
EAA 6	R0	R0,00
EAA 7	R0	R0,00
EAA 8	R0	R0,00
Free Residue	R58 422 000	R49 578,80
Total Asset Value:	R212 106 000	R180 000

Pro Rata Auction Costs Advertising

Asset Account:	Total Assets:	Auction Cost
EAA 1	R130 232 000	R46 049,62
EAA 2	R23 452 000	R8 292,55
EAA 3	R0	R0,00
EAA 4	R0	R0,00
EAA 5	R0	R0,00
EAA 6	R0	R0,00
EAA 7	R0	R0,00
EAA 8	R0	R0,00
Free Residue	R58 422 000	R20 657,83
Total Asset Value:	R212 106 000	R75 000

Encumbered Asset Account Number 1

Sale amount	%	Standard Commission		
130 232 000,00	10	13 023 200,00		
	Vat on Sale			
Sale Ex VAT	113 245 217,39			
Sale VAT	16 986 782,61	2 548 017,39		
		254 801,74		
Commission ex VAT		12 768 398,26		
Commission Inc VAT		14 683 658,00	X VAT	VAT
			12 768 398,26	1 915 259,74

Encumbered Asset Account Number 2

Sale amount	%	Standard Commission		
23 452 000,00	10	2 345 200,00		
	Vat on Sale			
Sale Ex VAT	20 393 043,48			
Sale VAT	3 058 956,52	458 843,48		
		45 884,35		
Commission ex VAT		2 299 315,65		
Commission Inc VAT		2 644 213,00	X VAT	VAT
			2 299 315,65	344 897,35

Free Residue Account

Sale amount	%	Standard Commission		
58 422 000,00	10	5 842 200,00		
	Vat on Sale			
Sale Ex VAT	50 801 739,13			
Sale VAT	7 620 260,87	1 143 039,13		
		114 303,91		
Commission ex VAT		5 727 896,09		
Commission Inc VAT		6 587 080,50	X VAT	VAT
			5 727 896,09	859 184,41

Total Trustees Fees:

23 914 951,50

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VAT Schedule

Account	Output VAT	Input VAT	Payable / Refund
Encumbered Asset Acc 1	R16 986 782,61	R3 650 377,26	R13 336 405,35
Encumbered Asset Acc 2	R3 058 956,52	R657 354,93	R2 401 601,59
Encumbered Asset Acc 3	R0,00	R0,00	R0,00
Encumbered Asset Acc 4	R0,00	R0,00	R0,00
Encumbered Asset Acc 5	R0,00	R0,00	R0,00
Encumbered Asset Acc 6	R0,00	R0,00	R0,00
Encumbered Asset Acc 7	R0,00	R0,00	R0,00
Encumbered Asset Acc 8	R0,00	R0,00	R0,00
Free Residue	R7 620 260,87	R1 662 018,22	R5 958 242,65
Totals	R27 666 000,00	R5 969 750,41	R21 696 249,59

Payable to SARS if positive, Refund from SARS if negative

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DISTRIBUTION ACCOUNT

No	Creditor	Claim Amount	Secured claim	Secured award	Preferent claim	preferent award	Concurrent claim	Concurrent award	Deficiency
1	ABSA	R 147 466 522,53	R 147 466 522,53	R 88 740 520,28			R 58 726 002,15	R 10 570 680,39	R 48 155 321,76
2	KAAP Agri	R 45 889 589,63	R 45 889 589,63	R 15 980 271,24			R 29 909 318,39	R 5 388 677,31	R 24 525 641,08
3	Concurrent Creditors	R 218 207 199,90					R 218 207 199,90	R 39 277 295,98	R 178 929 903,92
Total		R 411 681 812,06	R 193 356 112,16	R 104 720 791,62	R -	R -	R 306 842 520,44	R 55 231 653,68	R 251 610 866,76

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Proximitas Investments 60 (Pty) Ltd

Registration nr: 2001 / 012801 / 07

Annexure I: Proximitas Change in Securities

to km

Date: 19 September 2024

From:

Blue Crane Organics (Pty) Ltd

Registration Number: 2024 / 578963 - 07

Represented by: Kiran Moodley

ID Number: 8509105107084

To:

The Stockie Swan Family Trust

IT Number: 330/2004 (E)

Represented by:

Marika Swan (ID Number: 7401156035080)

Josann Swan (ID Number: 7504155152070)

Wayne Edwin Toley (ID Number: 7802085012060)

Binding Letter of Intent to Purchase 100% Shareholding in Proximitas Investments 60 (Pty) Ltd

Dear Trustees,

This Binding Letter of Intent (LOI) is presented by Blue Crane Organics (Pty) Ltd, represented by Kiran Moodley, to outline the terms of our offer to purchase 100% of the shareholding of Proximitas Investments 60 (Pty) Ltd (Registration Number: 2001/012801/07) from The Stockie Swan Family Trust (IT Number: 330/2004 (E)).

Upon acceptance of this offer, this LOI shall constitute a binding agreement between the parties, subject to the terms and conditions set forth below and the fulfilment of the suspensive conditions set out below.

1. Purchase Terms

Blue Crane Organics (Pty) Ltd proposes to purchase 100% of the shareholding of Proximitas Investments 60 (Pty) Ltd based on its market value, with an agreed market-related discount applied due to the company's distressed financial state.

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The market value of the shares will be determined by BDO Auditors, who will issue an official valuation certificate. The final purchase price will be based on the value provided in the valuation certificate and accepted by all parties in writing.

2. Payment Terms

Payment of the purchase price for the shares will be made by 28 February 2025 (end of the current financial year), unless otherwise agreed in writing by the parties.

3. Conditions of Sale

This sale and purchase of shares will be subject to the following conditions to be fulfilled by no later than 29 November 2024:

The Business Rescue Plan for Proximitas Investments 60 (Pty) Ltd must be adopted

Up-to-date Annual Financial Statements (AFS) and Management Accounts must be provided to Blue Crane Organics.

Up-to-date Asset Registers reflecting all the assets of Proximitas Investments 60 (Pty) Ltd must be provided

Tax Clearance Certificates must be made available, confirming that Proximitas Investments 60 (Pty) Ltd is in compliance with all tax obligations.

The conclusion of a substantive sale of shares agreement on terms acceptable to both parties

4. Governance and Authority

The representatives of The Blackie Swart Familie Trust who have the authority to agree to the sale of the shares are:

Marika Swart (ID Number: 7401150035080)

Johann Swart (ID Number: 7508155153088)

Wayne Edwin Tnley (ID Number: 7602085012082)

By signing this LOI, these representatives confirm that they are duly authorized to enter into and bind the Trust to the terms of this agreement

5. Binding Effect

This Letter of Intent shall be binding upon all parties upon signature and acceptance by both Blue Crane Organics (Pty) Ltd and The Blackie Swart Familie Trust subject to what is set out herein. The parties agree that they shall act in good faith to negotiate and execute all formal agreements and documents necessary to complete the transaction in accordance with the terms outlined herein

Handwritten signatures and initials are present at the bottom of the page, including a large signature on the left and initials "KM" on the right.

396 KM13"

Signatures

For and on behalf of Blue Crane Graphics Pty, Ltd

Dean Macdoug

Director

Blue Crane Graphics (Pty) Ltd

ID Number: 8909105107084

Date

For and on behalf of The Blackie Scott Family Trust

Franka Swart

Authorized Trustee

ID Number: 7401150035080

Date

Franka Swart

Authorized Trustee

ID Number: 7503155153088

Date

Wayne Edwin Finlay

Authorized Trustee

ID Number: 7602080012082

Date

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