PROPOSED BUSINESS RESCUE PLAN

PUBLISHED TO THE AFFECTED PERSONS OF

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 109294 / 07

by

Jaco Durandt
&
David Masterton

ON

29 September 2023

TABLE OF CONTENTS

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 Jaco Durandt and David Masterton as defined in Regulation 126 to the Act;

1.6. "**BR360 C**" means Business Rescue 360 Cape (Pty) Ltd which contracts Jaco Durandt 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 and published by the Business Rescue Practitioner/s on the 29th of September 2023.

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 Bizana Builders (Pty) Ltd (in business rescue), a business duly incorporated in terms of the Laws of South Africa under registration number 2013 / 109294 / 07;

1.13. "**Commencement Date**" means 21 August 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 Bizana Builders (Hereinafter referred to as "Bizana" or "The Business") is a construction company that focuses on small scale building of RDP homes in the Eastern Cape Region, specifically and currently in the area of Engcobo Municipality.

2.1.1. The business caters for smaller scale building of these homes but in terms of this plan and the strategic partnerships which will be proposed herein, the business intends to ramp up the pace at which these homes can be completed. Furthermore, it will allow for additional projects to be taken on in the near future.

2.1.2. The business was established in 2013 and is currently owned by the sole shareholder – Mr. Leon Ludick.

2.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act[1] on 21 August 2023. The details regarding the cause of the financial distress of the business is dealt with in the sworn statement, and the first meeting of creditors (the minutes of which are attached hereto as Annexure A).

2.3. The Business then 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 21 August 2023.

2.5. Based on the information received from the Business, the BRP/S concluded that the business is in fact financially distressed and that a reasonable prospect of a successful Business Rescue does exist – and the practitioner still has this belief and thus the publication of this proposed business rescue plan.

2.6. It was thus concluded in terms of the Act[3] 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.

[1] Section 129 of the Companies Act 71 of 2008.
[2] Section 129 (3)(a).
[3] Section 128 (1)(b)(iii).

2.6.1. The basis of the business rescue plan is the fact that a certain amount of Post-Commencement Finance was raised in return for which the shareholder will be selling 26% of his shares to the financier. The financier has not only provided funding, but additional industry expertise that has long been required for the turnaround of Bizana Builders. The details of these finance agreements and the subsequent share agreements are contained in Annexure K.

2.6.1.1. Please note Annexure D for the list of assets belonging to the business.

2.6.2. The processes set out in this proposed business rescue plan is that of an organic turnaround through the efficient management of the business' property and equipment and the contracts that are in place in a manner that will allow the business to trade out of the financially distressed circumstance in which it finds itself.

2.7. The BRP/S convened and presided over a first meeting of creditors on 4 September 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 **10th of October 2023.**

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. This plan makes provision for full and final settlement to creditors from proceeds generated by the continued trading of the business, 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.

[4] Section 147 (1).

2.13. 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.

2.14. 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.

2.14.1. 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.

2.14.2. If you have not received a Power of Attorney document to complete, please contact the Business Rescue Practitioner/s.

2.15. Calculations and projections provided are based on information provided by the owners, management, accounting statements and the affected persons.

2.16. 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.

2.17. This Proposed Business Rescue Plan does provide for the continuation of the business in its current format, and therefore financial information will be provided in terms of the financial projections as per the attached Annexure I.

2.18. The Business is not being sold as a going concern, instead, the business has secured Post-Commencement Financing for the continued operation of the business activities. The securing of the financing has allowed the continuation of the business operations and will allow for the systematic repayment of the full indebtedness of the business over a period of no more than 18 months from the commencement of payment date.

2.19. The costs relating to the business rescue proceedings will be settled from the ongoing income generated from the business. 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, short-term insurance, accounting and other continued statutory obligations.

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.

2.20.1.1. The plan will govern how the payments of the historic debt will be handled. Thus, there is no need for the practitioners to leave the business in rescue for an extended period.

2.20.2. Once the practitioners are satisfied that the plan’s implementation is sufficiently achieved, they will file for substantial implementation at the earliest convenience.

3. SALIENT FEATURES

The salient features of this Proposed Business Rescue Plan are set out as follows:

4. PART A – BACKGROUND OF THE COMPANY[5]

4.1. The Business, known as Bizana Builders (Hereinafter referred to as “Bizana” or “The Business”) is a construction company that focuses on small scale building of RDP homes in the Eastern Cape Region, specifically and currently in the area of Engcobo Municipality.

4.1.1. The business caters for smaller scale building of these homes but in terms of this plan and the strategic partnerships which will be proposed herein, the business intends to ramp up the pace at which these homes can be completed. Furthermore, it will allow for additional projects to be taken on in the near future.

4.1.2. The business was established in 2013 and is currently owned by the sole shareholder – Mr. Leon Ludick.

4.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act[6] on 21 August 2023.

4.2.1. Per the Act[7]; the assets of the Business are as per the attached Annexure D containing a List of Material Assets.

4.2.2. Per the Act[8]; The liability of the business is based on the proof of claims received from 9 creditors (totaling 13 claims) and totals about R2 707 780.86. A list of creditors with their respective claims is attached as Annexure B.

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

Secured Claims	:	3 Claims	for about R 574 354.32
Concurrent Claims	:	8 Claims	for about R 1 859 737.56
Post – Commencement Claims	:	2 Claims	For about R 273 688.98

[5] Section 150 (2) of the Companies Act.
[6] Section 129 of the Companies Act 71 of 2008.
[7] Section 150(2)(a)(i).
[8] Section 150(2)(a)(ii).

4.2.2.2. 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.

4.2.2.3. 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.

4.2.3. 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.

4.2.4. 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.

4.2.4.1. This is based on the fact that the proposal in terms of this plan will provide for the full settlement of the indebtedness due by the business over a period of no more than 18 months from the date of the commencement of payments in terms of this plan.

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

Creditor Class		**Liquidation**		**Business Rescue**
Secured	:	Between 35 and 41 cents in the rand	:	100 cents in the rand
Preferent (in liquidation) and PCF (in Business Rescue)	:	0 cents in the rand (For SARS) – as no debt due 0 cents in the rand (For Staff) – as no debt due	:	100 cents in the rand
Concurrent Claims	:	10.7 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 is included in Annexure H (LND account).

4.2.5. Below is a complete list of the holders of the Company's issued securities.[9]

Name		Issued Securities
Mr. Leon Ludick	:	100%

4.2.6. Attached as Annexure F[10] is a copy of the written fee agreement of the practitioner/s as approved by the business and the directors.

4.2.6.1. With the adoption of this proposed business rescue plan, it will be considered that creditors have approved this fee agreement.

4.2.7. 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]

[9] Section 150(2)(a)(iv).
[10] Section 150(2)(a)(v).
[11] Section 150(2)(a)(vi).

5. PART B – PROPOSAL BY THE PRACTITIONER/S[12]

5.1. This Proposed Business Rescue Plan does make provision for a specific moratorium period[13] to be granted, payments on the historic debt will be made to the creditors of the business commencing on the 1st of March 2024. The reason for the proposed payment moratorium is to allow the business sufficient time to build up a cash flow reserve and to settle any outstanding PCF loans and dues to the practitioner, before commencement of payment of the historic debt.

5.2. The construction industry slows down significantly over the December period and as such, this is a period where little income will be generated and thus the further need for a payment reprieve until earlier next year. The ramping up of operations will of course commence as soon as possible, however, we do expect there to be a decline in income generated over the December period and thus the proposal of a short payment moratorium follow by a shortened repayment period for the full indebtedness of the business.

5.3. In light of the recent developments (including the industry expertise that will be afforded to the business) and the provision of Post Commencement Financing (PCF), the proposal envisages an organic turnaround strategy that will allow for sustainable growth and financial stability. This is a stage of the rescue process where the business stands to reclaim its position in the market by continuing its commitment in terms of the agreements/contracts with the Department of Human Settlements and others in the industry.

5.4. Laying a considerable emphasis on honoring the business' financial obligations, the plan envisages a structured approach to debt repayment. The profit generated through the operational endeavors will be streamlined to create a cash flow reserve, ensuring that the historical debt is addressed over time without crippling the business' continued growth. This methodical approach will see the business regaining its financial footing, creating trust with creditors and paving a pathway for future financial engagements with an improved financial outlook.

5.5. This organic turnaround strategy stands grounded in the practical use of the Post Commencement Financing, which facilitates operational renewal and creates a conducive environment for sustainable growth and profitability.

[12] Section 150 (2).
[13] Section 150(2)(b)(i).

5.5.1. The strategy mirrors a future where the business not only survives but thrives, repaying its historical debt while forging a path of stability and sustained growth.

5.6. 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] The plan does however not envisage a compromise of any sorts.

5.7. Dispute Resolution Mechanism:

5.7.1. 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.

5.7.2. 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:

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

5.8. 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."

[14] Section 154(1).

5.9. 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 Act[15] and is summarised as follows:

5.9.1. First - The fees and expenses still due to the practitioner in terms of Section 143 of the Act[16] 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, broker fees, short-term insurance, banking fees and statutory obligations as defined in the definitions to this rescue plan.

5.9.1.1. 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]

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

5.9.2. 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 completed post business rescue commencement.

5.9.2.1.1. None as at the time of publication.

5.9.3. Third – any party that provided post-commencement finance will be repaid their respective loans in terms of their respective loan agreements.

5.9.3.1. Post Commencement Finance was granted by the following persons and will be repaid in full in terms of this proposed business rescue plan.

5.9.3.1.1. Kemac (Pty) Ltd in the amount of R250 518.98.

5.9.3.1.1.1. For the provision of continued payments towards asset financing, insurance related costs, building materials, staff salaries and continued business operations etc.

---

[15] Section 150(2)(b)(v).
[16] Section 143.
[17] Section 135 (3
[18] Section 135.

5.9.3.1.2. Mr. Leon Ludick in the amount of R23 170.00.

5.9.3.1.2.1. For the provision of continued payments towards asset financing, insurance related costs, building materials, staff salaries and continued business operations etc.

5.9.4. Fourth – Secured Creditors: the only secured creditor is Wesbank for the provision of vehicles in terms of instalment sale agreements.

5.9.4.1. Wesbank is in possession of valid securities for these assets and the practitioners, and this plan, acknowledges these securities.

5.9.4.2. This plan will not have any effect on these agreements or the securities that are in place for these assets.

5.9.4.3. The repayment of these assets <u>still in possession by the business</u> will continue in terms of the agreements in place and monthly instalments will continue to be paid on these assets.

5.9.4.3.1. With regards to any arrear instalments, these will be repaid with the balance of the debt that is to be repaid over the 18-month period from the commencement of payment date – it will however be settled in full.

5.9.4.3.1.1. Current arrears for Wesbank:

5.9.4.3.1.1.1. Acc Number 85318311973 – R6547.74

5.9.4.3.1.1.2. Acc Number 85318315349 – R5709.30

5.9.4.3.1.1.3. Acc Number 85312785425 – R44 990.84

5.9.4.3.1.1.3.1. The outstanding balances for the Acc Numbers 85318311973 and 85318315349 will be brought up to date immediately following the adoption of the rescue plan, as they are currently only 1 month in arrears, and this was after the commencement of rescue. Thereafter, monthly instalments will continue to be paid – it must also be noted that Acc Number 85318315349 will be settled/expire in March 2024 and that is when the commitment in terms of that agreement will end.

5.9.4.3.1.1.3.2. The outstanding balance of Acc Number 85312785425 will be settled as a concurrent debt in terms of this plan over the proposed payment period. Monthly instalments will however be maintained going forward post the adoption of the plan.

5.9.5. Fifth – SARS has confirmed that all returns have been submitted and that there is no debt due to SARS in this regard. 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.

5.9.5.1. This plan does not make provision for a claw back as the plan envisages a full repayment of the historic debt and therefore no claw back provision is triggered.

5.9.6. Sixth – The Concurrent Creditors will be repaid in full based on the claims received and contained in Annexure B. They will be repaid in terms of the payment projections as contained in Annexure J over the 18-month period as proposed which will commence on the 1st of March 2024.

5.9.6.1. <u>It is vital to note that this plan does not make provision for a structured repayment on a monthly basis of the historic debt. The reason for this is that the income of the business fluctuates from month to month, and it would be impractical to propose a set amount to be repaid on a monthly basis.</u>

5.9.6.2. Not to mention, should such a commitment be made, if the commitment is not adhered to, the business would be in breach of this proposed rescue plan and therefore the plan could be set aside by application to court.

5.9.6.3. The proposal therefore is one of a repayment period of 18 months from the 1st of March 2024 as the **<u>maximum</u>** timeline for the full repayment. This means that should the business be in a position to settle all debt within the first 3 months, that they will do so, however the inverse is possible, and the plan will allow for the full amount to be paid in the last month of the period should it be required.

5.9.6.3.1. Payments will however be made as frequently as possible in order to settle the debt in the most efficient way possible.

5.9.6.3.1.1. Every payment made will be proportionally split between all the historic debt of the business and no single creditor will be settled before another. All creditors will receive their final instalment payment that is due on the same date.

5.10. Seventh – The loan from Portfolio 140 Property Investments (a company belonging to Audrey Ludick) – in the amount of R692 000.09 – will be subordinated for the benefit of the independent creditors. Meaning simply that the repayment of this loan will commence once the independent creditors have been repaid in terms of the payment plan contained in Annexure J.

5.11. In return for the subordination of the loan, the following must be noted:

5.11.1. The business has a substantial amount of debt due to it, in terms of debtors who have previously not paid for work that was done. These amounts will be actively pursued. The practitioner will issue letters of demand for these payments to be made, should no payments be received, ordinary legal processes will be used to assist in the recovery of these amounts.

5.11.2. Should these amounts be successfully recovered, they will be used to settle Portfolio 140 Property Investments' loan amount first – as the basis of the loan was to assist the business when these debtors didn't pay. Any surplus funds recovered will be used to further settle the independent creditors. The independent creditors are to be settled from the ordinary funds generated from business proceedings – thus the reversal of the payment hierarchy in this instance only.

5.12. The main benefits of adopting this business rescue plan are:[19]

5.12.1. 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.

5.12.2. 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.

5.12.2.1. 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.

[19] Section 150(2)(b)(vi).

5.13. In terms of the share agreement contained herein as Annexure K – Kemac will be purchasing 26% of the shares of the business for a nominal amount. Kemac has also provided the business with over R250 000 in PCF.

5.13.1. Furthermore, in terms of this agreement, the buyer of the shares will appoint a non-executive director to the business as well to ensure that the process runs smoothly and to assist in the implementation of the rescue plan.

6. PART C – ASSUMPTIONS AND CONDITIONS USED[20]

6.1. This Business Rescue Plan is based on the following assumptions. [21]

6.1.1. 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.

6.1.1.1. 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.

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

6.1.1.3. 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.

6.1.1.4. 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".

6.1.2. 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.

6.1.2.1. 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.

[20] Section 150 (2).
[21] Section 150(2)(c)(i).

6.1.3. 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]

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

6.2.1. The First condition is that a successful vote in favour of the Proposed Business Rescue Plan needs to take place in terms of the Act[24] for the plan to come into operation.

6.2.2. 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.

6.2.2.1. 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]

6.2.3. 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 the creditors.

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

6.2.4. 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.

---

[22] Section 152 and Eravin Construction Matter.
[23] Section 150(2)(c)(i).
[24] Section 151 and 152.
[25] Section 137(4).

6.2.5. The fifth condition is that after the date of adoption of this Plan, the rights of all creditors against 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.

6.2.6. 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 reserves the right to provide the creditors with a new or amended business rescue plan for consideration.

6.2.6.1. This plan does not provide for a compromise of the debt, however, the same remains true should the business not be able to fulfill its obligations in terms of this plan, the practitioner reserves the right to provide the creditors with a new or amended business rescue plan for consideration.

6.2.7. 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.

6.2.7.1. Once again, the plan does not envisage a compromise of debt with the creditors and as such, this provision is highly unlikely to be triggered as a result.

6.3. 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.

6.4. Once the following has been completed the plan will be considered as having been fully implemented:[26]

6.4.1. 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.

[26] Section 150(2)(c)(i).

6.5. 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]

6.5.1. It is proposed that the Company will continue trading in its current format after the implementation of this BR Plan[28] and therefore the projected income statement is attached hereto as Annexure I.

[27] Section 132(2)(c)(ii).
[28] Section 150(2)(c)(iii).

7. MEETING TO DETERMINE THE FUTURE OF THE COMPANY[29]

7.1. This Proposed Business Rescue Plan is published to the affected persons on 29 September 2023 and a meeting to vote has been scheduled to take place on 10 October 2023, a circular will follow with details of the meeting to vote.

7.2. 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.

8. CONSIDERATION OF THE BUSINESS RESCUE PLAN[30]

8.1. Three votes will take place during this meeting as per the Act;[31]

8.2. 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.

8.3. 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]

8.4. The third vote will be by the holders of securities as is required when there is a material change in the securities held in terms of the business.

[29] Section 151.
[30] Section 152.
[31] Section 152 (1).
[32] Section 152.

9. QUALIFICATION OF BUSINESS RESCUE

9.1. 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]

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

9.3. 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.

9.3.1. 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.

9.4. 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.

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

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

9.5.2. 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).

9.6. 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.

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

9.8. 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.

9.8.1. 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.

10. OVERVIEW OF THE BUSINESS RESCUE PROCESS

10.1. The Business commenced Business Rescue Proceedings in terms of the Act[37] by virtue of passing a resolution stating that it is in financial distress and therefore needed to file for Business Rescue.

10.2. 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	21 August 2023
Resolution adopted by CIPC	21 August 2023
Business Rescue Practitioners Appointed	21 August 2023
Business Rescue notice submitted to affected persons	22 August 2023
First meeting of Creditors	4 September 2023
Business Rescue Plan published	29 September 2023
Vote on the proposed business rescue plan	10 October 2023

[37] Section 129.

11. INVESTIGATION OF THE AFFAIRS OF THE COMPANY

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

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

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

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

11.2.3. Due to the limitations of 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.

12. VOTING ON THE PLAN

12.1 The first vote

12.1.1. 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.

12.1.2. 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.

12.2 The second vote

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

The third vote

12.3.1 This vote will be to determine whether the shareholders accept or reject the Proposed Business Rescue Plan – required as the plan proposes a material change in the shareholding of the business.

13 ANNEXURES TO THE BUSINESS RESCUE PLAN

13.1 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 Practitioner
Annexure F:	Written Fee Agreement (Proposal)
Annexure G:	Disclaimer
Annexure H:	Liquidation and Distribution Account
Annexure I:	Projected Financials
Annexure J:	Projected Payment Plan
Annexure K:	Share Agreement

We thank you for your time offered to determine the future of this Business Rescue process for **Bizana Builders (Pty) Ltd.**

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure A : Outcome of 1st Creditors Meeting

5 September 2023

CIRCULAR 03

THIS DOCUMENT IS A CIRCULAR TO THE AFFECTED PERSONS RELATING TO THE BUSINESS RESCUE PROCESS OF **BIZANA BUILDERS (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 practitioners[1] wish to advise all the affected parties the outcome of the 1st meeting of creditors of **Bizana Builders (Pty) Ltd** (Herein after referred to as "Bizana" or "The Business") - held on 4 September 2023.

Mr Durandt gave a brief introduction of the Business Rescue team and welcomed all of the affected persons to the meeting.

CONDITIONS FOR BUSINESS RESCUE

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

1.1. 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 Act[2] and has filed for Business Rescue in terms of the Act[3].

1.2. Had the directors decided not to file for business rescue, they would be compelled in terms of the Act[4] to deliver a formal written notice to every affected person detailing:

1.2.1. That the business is in financial distress.

1.2.2. The reasons for the financial distress.

1.2.3. The reasons for the company's decision to not file for business rescue.

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

2.1. Based on the information provided to the practitioner to date.

[1] Jaco Durandt, Junior 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.
[4] Section 129(7) of the Act.

2.1.1. At minimum a better outcome than traditional liquidation will be sought.

2.2. The practitioner believes there to be a reasonable prospect of success as will be discussed later in the meeting.

2.2.1. 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 Act[5] and the judgment of *Carrol v Michael Carrol*. [6]

REASONS FOR THE FINANCIAL DISTRESS:

1. Delayed payments from the department of Human Settlements
   1.1. Compounded by non-payment from various other debtors

2. Contractual issues that delayed the commencement of work
   2.1. Time over-runs as a result
   2.2. Over budget due to increased overheads for the delay period

3. Culminating in effectively a large cash-flow problem

IMPORTANT DATES:

Board Resolution Submitted	:	21 August 2023 (133 Protection date)
Practitioner Submitted	:	21 August 2023
CIPC returned	:	21 August 2023
Practitioners Appointed	:	21 August 2023
1st Meeting of Creditors	:	04 September 2023

FORMING A COMMITTEE

1. The Business Rescue Practitioners advised the attendees that they can form a committee of creditors in terms of the Act.[7]

   1.1. The attendees voted against this proposal.

   1.1.1. The business rescue practitioner will thus interact with all the creditors of the business directly.

[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.
[7] Section 147.

REQUEST FOR AN EXTENSION

1. The plan is currently due to be published on the 29th of September 2023.

2. Based on the discussions had in this meeting, the practitioner confirmed that he will not be seeking an extension of the time to publish the business rescue plan. The reasons for not asking for an extension are as follows:
   2.1. The practitioners have already formulated the majority of the plan and the direction is clear.
   2.2. The practitioners have already approached an investor who has given to go ahead to continue and this investor will be assisting on multiple fronts, including supply of PCF, assistance with management, use of building equipment and if need be assisting with additional labour to ensure projects are completed on time.

3. For this reason, it was deemed not necessary to request an extension of time and the plan will therefore be published by no later than the 29th of September 2023 – if not earlier.

PROOF OF CLAIMS

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.

CLAIMS HAVE BEEN RECEIVED FROM THE FOLLOWING CREDITORS:

1. Should your name not be on the list below, this means that a claim has not been received by the practitioners and you should please submit one soonest, on the prescribed form as mentioned above.

Eastern Cape Readymix

BVSA

Wesbank

Brown Braude and Vlok

FIRST NATIONAL BANK

QUESTIONS / COMMENTS

1. A question was asked as to what the total liability of the business was. It is however very difficult to confirm this so early in the process, but of course this will be contained in the published business rescue plan.

Kind Regards

Jaco Durandt
jacod@businessrescue360.co.za
076 773 4595

David Masterton
davidm@businessrescue360.co.za
082 569 3813

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure B : List of Creditors of the Business

It must be noted that the proof of claims submitted to the Business Rescue Practitioner 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.

Due to the limitations in law, the practitioner 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.

Those creditors whose claims are marked as disputed do not need to take any action at this point in time as the practitioner will make contact to address any concerns he may have.

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.

Bizana Builders			FINANCE SHEET				
Nr	**Creditor**	**Acronym**	**Capital Amount**		**Amount Due**		**% Voting Interest**
1	Eastern Cape Readymix	CC	R	107 619,43	R	107 619,43	3,97%
2	BVSA	CC	R	10 405,15	R	10 848,02	0,40%
3	Wesbank Acc 85318311973	SC	R	233 907,17	R	233 907,17	8,64%
4	Wesbank Acc 85318315349	SC	R	36 492,28	R	36 492,28	1,35%
5	Wesbank Acc 85312785425	SC	R	303 954,87	R	303 954,87	11,22%
6	Brown Braude and Vlok	CC	R	20 566,75	R	20 566,75	0,76%
7	CLAIM A – FNB Overdraft For Account No: 62419711420	CC	R	539 479,89	R	539 479,89	19,92%
8	CLAIM B – FNB Loan For account: 4000 067 743 202	CC	R	186 111,30	R	186 111,30	6,87%
9	CLAIM C – Credit card For account: 8812 7100 6047 4000	CC	R	232 452,75	R	232 452,75	8,58%
10	Director PCF Loan	PC	R	23 170,00	R	23 170,00	0,86%
11	KEMAC	PC	R	250 518,98	R	250 518,98	9,25%
12	Dukathole	CC	R	71 102,20	R	71 102,20	2,63%
13	Portfolio 140 Property Investments	CC	R	692 000,09	R	692 000,09	25,55%
TOTAL		**13**	**R**	**2 707 780,86**	**R**	**2 708 223,73**	**100,00%**

SUMMARY BY CREDITOR ACRONYM		Count	Capital Amount		Amount Due		%
SC	Secured Creditors	3	R	574 354,32	R	574 354,32	21,21%
CC	Concurrent Creditors	8	R	1 859 737,56	R	1 860 180,43	68,69%
PC	Post Commencement Finance	2	R	273 688,98	R	273 688,98	10,11%
D-SC	Disputed Secured Creditors	-	R	-	R	-	0,00%
D-CC	Disputed Concurrent Creditors	-	R	-	R	-	0,00%
D-PC	Disputed Post Commencement Finance	-	R	-	R	-	0,00%
TOTAL		**13**	**R**	**2 707 780,86**	**R**	**2 708 223,73**	**100,00%**

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure C : Company Registration Documents

Companies and Intellectual Property Commission
a member of the dtic group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Date:	**21/08/2023**
Customer name:	**JACO DURANDT**
Customer code:	**JA2976**
E-mail address:	**JACO@PE-PARALEGAL.CO.ZA**
Rereference Number:	**60000743659**

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 21/08/2023 for:

Company / Close Corporation Name:	**BIZANA BUILDERS (PTY) LTD**
Registration Number:	**2013/109294/07**
Company / Close Corporation Status:	**BUSINESS RESCUE**

The application was duly registered on 21/08/2023 and the effective date of commencement of business rescue proceedings is recorded as 21/08/2023.

Yours sincerely,

Commissioner: CIPC

Certificate of Confirmation

Registration Number: **2013/109294/07**

Enterprise Name: **BIZANA BUILDERS**

ENTERPRISE INFORMATION

Registration number:	**2013/109294/07**
Enterprise Name:	**BIZANA BUILDERS (PTY) LTD**
Registration Date:	**03/07/2013**
Business Start:	**03/07/2013**
Enterprise Type:	**PRIVATE COMPANY**
Enterprise Status:	**BUSINESS RESCUE**
Financial Year End:	**FEBRUARY**
Main business/Main object	
Tax number:	**9866406151**

Addresses:	Postal Address	Address Of Registered Office
	55 PERKINS STREET NORTH END PORT ELIZABETH 3363 6001	**55 PERKINS STREET NORTH END PORT ELIZABETH 3363 6001**

Company Records Location:

Registration Number: **2013/109294/07**

Enterprise Name: **BIZANA BUILDERS (PTY) LTD**

AUDITORS

Name

Postal Address

ACTIVE MEMBERS / DIRECTORS

Full Name	Director Type	ID Number	Appoint. Date	Cellphone Number	Address
LUDICK LEON JOHANNES	DIRECTOR	5409145093082	03/07/2013	0727288202	Postal:50 KOENSPRAG GARNDER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001 Residential Address: 50 KOENSPRAG GARNDER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001
LUDICK AUDREY INGRED IRMA	DIRECTOR	5704060131085	12/10/2022	0609815716	Postal:50 KOENSPRAG GARDNER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001 Residential Address: 50 KOENSPRAG GARDNER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001

LUDICK LEON JOHANNES	INCORPORATOR	5409145093082	03/07/2013	0727288202	Postal:50 KOENSPRAG GARNDER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001 Residential Address: 50 KOENSPRAG GARNDER CIRCLE,SOUTH END,PORT ELIZABETH,3363, 6001

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure D : Material List of Assets of the Business

Bizana Builders Material List of Assets

ASSETS

	Account Number	Description	Each Value	QTY	Value	Comment
		VEHICLES				
1	85318311973	TATA LPT 813 EX2 F/C C/C	R150 000,00	1	R 150 000,00	Encumbered / Wesbank
2	85318315349	TATA LPT 813 EX2 F/C C/C	R 25 000,00	1	R 25 000,00	Encumbered / Wesbank
3	85312785425	ISUZU NPR 400 F/C C/C	R220 000,00	1	R 220 000,00	Encumbered / Wesbank
4		Ford Ranger - HML686EC	R130 000,00	1	R 130 000,00	Bizana Owned
5		Ford Ranger - HLP458EC	R145 000,00	1	R 145 000,00	Bizana Owned
6		Amarok - HTJ746EC	R120 000,00	1	R 120 000,00	Bizana Owned
7						
8		**TOOLS**				
9		Plate Compactor	R 5 000,00	1	R 5 000,00	
10		Water Pumps	R 3 500,00	2	R 7 000,00	
11		Water Tanks	R 1 000,00	6	R 6 000,00	
12		Pencil Vibrator	R 6 000,00	1	R 6 000,00	
13		Foundation Shutters	R 15 000,00	1	R 15 000,00	
14		Power Floats	R 10 000,00	2	R 20 000,00	
			R830 500,00		R 849 000,00	

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure E : Certificate of the Business Rescue Practitioners

Building 5 | Waterfront Business Park | Pommern Street | Humerail | 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

29 September 2023

BUSINESS RESCUE CERTIFICATE

In terms of Chapter 6 of the Companies Act, No 71 of 2008

for

Bizana Builders (Pty) Ltd

With Reg nr: 2013 / 534306 / 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 on 29 September 2023:

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.

Jaco Durandt
Business Rescue Practitioner
jacod@businessrescue360.co.za

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

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure F : Written Fee Agreement (Proposal)

Building 5 | Waterfront Business Park | 9 Pommern Street | Humerail | Port Elizabeth | 6070 | South Africa
P O Box 28302 | Sunridge Park | 6008 | Port Elizabeth | South Africa
T (+27) 41 008 5073 E patp@businessrescue360.co.za W www.businessrescue360.co.za

BR360
INTEGRATED BUSINESS RESCUE

PROPOSAL MADE BY:

Business Rescue 360 (PTY) LTD t/a BR360

2021 / 534306 / 07

(duly represented by Jaco Durandt)
(hereinafter referred to as the "Consultancy")

TO

Business Trading Name	: Bizana Builders
Business Registered Name	: Bizana Builders (Pty) Ltd
Business Registration No	: 2013 / 109294 / 07
Contact	: Leon Johannes Ludick
Email Address	: leon@bizana.co.za

(duly represented by Leon Ludick)
(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 128(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 20 000 (Plus VAT) per month for the duration of the business rescue process.

LIQUIDATION DEPOSIT

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.

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.

[signature]	L.J. LUDICK	10 AUG 2023	PORT ELIZABETH
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.

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure G : Disclaimer

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 plan[1] 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 faith[3] 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, valuators 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.

8. The Act[7] 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.

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure H : Liquidation and Distribution Account

Encumbered Asset Account Number 1: Proceeds of the TATA LPT 813 EX2 F/C C/C sold in favour of Wesbank under Instalment Sale Agreement
Acc number 85318311973

Output VAT (Received)	**R19 565,22**
Input VAT (Paid)	**R5 980,75**
SARS VAT per this account	**R13 584,47**

Positive Means owing to SARS

Receipts

Description	VAT	Receipts
Asset Sold, Value determined by the forced sale value per Annexure D	R19 565,22	R150 000,00
Totals	**R150 000,00**	

Total Available for Distribution	**R83 632,89**
Total Due to Creditor	**R233 907,17**
Total Due to Creditor + Interest if Applicable	**R233 907,17**
Proposed Dividend (cents in the rand)	**35,75**
Surplus	**-R150 274,28**
Shortfall	**R150 274,28**

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R6 930,21
Bond Cost per Pro-rata Schedule	R377,94	R2 897,53
Liquidator / Trustee Fee Per Schedule (10% on Movables)	R2 205,98	R16 912,50
Pro - Rata Insurance	R691,35	R5 300,35
Auctioneers Commision	R1 956,52	R15 000,00
Pro - Rata Auctioneers Advertising Cost	R748,96	R5 742,05
SARS VAT per this Account		R13 584,47
Totals	**R66 367,11**	

Encumbered Asset Account Number 2: Proceeds of the TATA LPT 813 EX2 F/C C/C sold in favour of Wesbank under Instalment Sale Agreement Acc number 85318315349

Output VAT (Received)	**R3 260,87**
Input VAT (Paid)	**R996,14**
SARS VAT per this account	**R2 264,73**

Positive Means owing to SARS

Receipts

Description	VAT	Receipts
Asset Sold, Value determined by the forced sale value per Annexure D	R3 260,87	R25 000,00
Totals	**R25 000,00**	

Total Available for Distribution	**R13 943,16**
Total Due to Creditor	**R36 492,28**
Total Due to Creditor + Interest if Applicable	**R36 492,28**
Proposed Dividend (cents in the rand)	**38,21**
Surplus	**-R22 549,12**
Shortfall	**R22 549,12**

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R1 155,04
Bond Cost per Pro-rata Schedule	R62,99	R482,92
Liquidator / Trustee Fee Per Schedule (10% on Movables)	R367,01	R2 813,75
Pro - Rata Insurance	R115,23	R883,39
Auctioneers Commision	R326,09	R2 500,00
Pro - Rata Auctioneers Advertising Cost	R124,83	R957,01
SARS VAT per this Account		R2 264,73
Totals	**R11 056,84**	

Encumbered Asset Account Number 3: Proceeds of the ISUZU NPR 400 F/C C/C sold in favour of Wesbank under Instalment Sale Agreement Acc number 85312785425

Receipts

Description	VAT	Receipts
Asset Sold, Value determined by the forced sale value per Annexure D	R28 695,65	R220 000,00

Totals	R220 000,00

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R10 164,31
Bond Cost per Pro-rata Schedule	R554,31	R4 249,71
Liquidator / Trustee Fee Per Schedule (10% on Movables)	R3 235,43	R24 805,00
Pro - Rata Insurance	R1 013,98	R7 773,85
Auctioneers Commision	R2 869,57	R22 000,00
Pro - Rata Auctioneers Advertising Cost	R1 098,48	R8 421,67
SARS VAT per this Account		R19 923,88

Totals	R97 338,42

Output VAT (Received)	**R28 695,65**
Input VAT (Paid)	**R8 771,77**
SARS VAT per this account	**R19 923,88**

Positive Means owing to SARS

Total Available for Distribution	**R122 661,58**
Total Due to Creditor	**R303 954,87**
Total Due to Creditor + Interest if Applicable	**R303 954,87**
Proposed Dividend (cents in the rand)	**40,36**
Surplus	**-R181 293,29**
Shortfall	**R181 293,29**

Free Residue Account

Receipts

Description	VAT	Receipts
Asset Solds, Including the unencumbered Vehicles, Tools, Machinery and all other assets belonging to the business that are not subject to any securities	R59 217,39	R454 000,00
Totals		**R454 000,00**

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R20 975,44
Bond Cost per Pro-rata Schedule	R1 143,89	R8 769,85
Liquidator / Trustee Fee Per Schedule (10% on Movables)	R6 676,76	R51 188,50
Pro - Rata Insurance	R2 092,49	R16 042,40
Auctioneers Commision	R5 921,74	R45 400,00
Pro - Rata Auctioneers Advertising Cost	R2 266,86	R17 379,27
Legal Fees	R3 260,87	R25 000,00
Second meeting adverts	R58,70	R450,00
Inspection and confirmation adverts	R71,74	R550,00
Bank Charges	R110,87	R850,00
Petties, postage and stationery	R37,17	R285,00
SARS VAT per this Account		R37 576,30
Totals		**R224 466,76**

Output VAT (Received)	**R59 217,39**
Input VAT (Paid)	**R21 641,09**
SARS VAT per this account	**R37 576,30**

Positive Means owing to SARS

Total Available for Distribution	**R229 533,24**
Total Due to Creditors who will share in Free Residue	**R2 133 426,54**
Total Due to Creditors + Interest if Applicable	**R2 133 426,54**
Proposed Dividend (cents in the rand)	**10,76**
Surplus	**-R1 903 893,30**
Shortfall	**R1 903 893,30**

VAT Schedule

Account	Output VAT	Input VAT	Payable / Refund
Encumbered Asset Acc 1	R19 565,22	R5 980,75	R13 584,47
Encumbered Asset Acc 2	R3 260,87	R996,14	R2 264,73
Encumbered Asset Acc 3	R28 695,65	R8 771,77	R19 923,88
Free Residue	R59 217,39	R21 641,09	R37 576,30
Totals	R110 739,13	R37 389,75	R73 349,38

Payable to SARS if positive, Refund from SARS if negative

Pro Rata Master's Fees

Asset Account:	Total Assets:	Master's Fee:
EAA 1	R150 000	R6 930,21
EAA 2	R25 000	R1 155,04
EAA 3	R220 000	R10 164,31
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	R454 000	R20 975,44
Total Asset Value:	R849 000	R39 225

Calculate Total Masters Fee

849000				
699000		R1 000		R1000 for 1st R150 000
139,80		R38 225		R275 for Each R5 000
Total Master's Fee		R39 225		

Pro Rata Bond Cost

Asset Account:	Total Assets:	Bond Cost:
EAA 1	R150 000	R2 897,53
EAA 2	R25 000	R482,92
EAA 3	R220 000	R4 249,71
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	R454 000	R8 769,85
Total Asset Value:	R849 000	R16 400

Pro Rata Insurance Cost

Asset Account:	Total Assets:	Insurance
EAA 1	R150 000	R5 300,35
EAA 2	R25 000	R883,39
EAA 3	R220 000	R7 773,85
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	R454 000	R16 042,40
Total Asset Value:	R849 000	R30 000

Pro Rata Auction Advert Costs

Asset Account:	Total Assets:	Advert Cost
EAA 1	R150 000	R5 742,05
EAA 2	R25 000	R957,01
EAA 3	R220 000	R8 421,67
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	R454 000	R17 379,27
Total Asset Value:	R849 000	R32 500

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure I : Projected Financial Information

BIZANA

1 YEAR FORECAST MONTH TO MONTH

				Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	June 2024	Jul-24	Aug-24	Sep-24	
	INCOME															
	Construction															
150	Ncobo Housing			**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	
		Administration	2000	20000	20000	20000	20000	20000	20000	20000	20000	20000	20000	20000	20000	
				10	**15**	**10**	**10**	**15**	**15**	**20**	**20**	**5**	**0**	**0**	**0**	
		Slab	47000	470000	705000	470000	470000	705000	705000	940000	940000	235000	0	0	0	
				10	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	**0**	
	185000	**Wallplate**	37000	370000	370000	370000	740000	740000	740000	740000	740000	740000	0	0	0	
	166500			**10**	**10**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**10**	**0**	**0**	
		Roofing	28500	285000	285000	285000	285000	570000	570000	570000	570000	570000	285000	0	0	
180000				**0**	**5**	**10**	**10**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**0**	
		Completions	23000	0	115000	230000	230000	345000	345000	345000	345000	345000	345000	345000	0	
				0	**0**	**5**	**10**	**15**	**15**	**15**	**15**	**15**	**20**	**20**	**20**	
		Electrical	6500	0	0	32500	65000	97500	97500	97500	97500	97500	130000	130000	130000	
				5	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	
		VIP	5600	28000	28000	56000	56000	112000	112000	112000	112000	112000	112000	0	0	
				0	**5**	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	
		FUR	3070	**0**	**15350**	**15350**	**30700**	**30700**	**61400**	**61400**	**61400**	**61400**	**61400**	**61400**	**0**	
	Rate per unit -	**R 152 670**	**Sub total**	**R 1 173 000**	**R 1 538 350**	**R 1 478 850**	**R 1 896 700**	**R 2 620 200**	**R 2 650 900**	**R 2 885 900**	**R 2 885 900**	**R 2 180 900**	**R 953 400**	**R 556 400**	R 150 000	**R 20 970 500**
100	New Project	**Number of units**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**5**	
	Rate per unit -	**R 170 000**	Sub total	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 850 000	
	TOTAL CONSTRUCTION INCOME			**R 1 173 000**	**R 1 538 350**	**R 1 478 850**	**R 1 896 700**	**R 2 620 200**	**R 2 650 900**	**R 2 885 900**	**R 2 885 900**	**R 2 180 900**	**R 953 400**	**R 556 400**	**R 1 000 000**	**R 21 820 500**
	Less: Cost of sales (Material)															
	Raw material houses															
	Ncobo Housing			**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	
		Administration	0	0	0	0	0	0	0	0	0	0	0	0	0	
				10	**15**	**10**	**10**	**15**	**15**	**20**	**20**	**5**	**0**	**0**	**0**	
		Slab	28200	282000	423000	282000	282000	423000	423000	564000	564000	141000	0	0	0	
				10	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	**0**	
		Wallplate	22200	222000	222000	222000	444000	444000	444000	444000	444000	444000	0	0	0	
				10	**10**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**10**	**0**	**0**	
		Roofing	19950	199500	199500	199500	199500	399000	399000	399000	399000	399000	199500	0	0	
				0	**5**	**10**	**10**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**0**	
		Completions	20700	0	103500	207000	207000	310500	310500	310500	310500	310500	310500	310500	0	
				0	**0**	**5**	**10**	**15**	**15**	**15**	**15**	**15**	**20**	**20**	**20**	
		Electrical	5200	0	0	26000	52000	78000	78000	78000	78000	78000	104000	104000	104000	
				5	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	
		VIP	5040	25200	25200	50400	50400	100800	100800	100800	100800	100800	100800	0	0	
				0	**5**	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	
		FUR	2763	**0**	**13815**	**13815**	**27630**	**27630**	**55260**	**55260**	**55260**	**55260**	**55260**	**55260**	**0**	
		R 104 053	**Sub total**	**R 728 700**	**R 987 015**	**R 1 000 715**	**R 1 262 530**	**R 1 782 930**	**R 1 810 560**	**R 1 951 560**	**R 1 951 560**	**R 1 528 560**	**R 770 060**	**R 469 760**	R 104 000	
				-	-	-	-	-	-	-	-	-	-	-	-	
	New Project	R 100 000		-	-	-	-	-	-	-	-	-	-	-	-	
R 19 000	Direct labour house Ncobo															
				10	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	
		Administration	0	0	0	0	0	0	0	0	0	0	0	0	0	
				10	**15**	**10**	**10**	**15**	**15**	**20**	**20**	**5**	**0**	**0**	**0**	
		Slab	3000	30000	45000	30000	30000	45000	45000	60000	60000	15000	0	0	0	
				10	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	**0**	
		Wallplate	3000	30000	30000	30000	60000	60000	60000	60000	60000	60000	0	0	0	
				10	**10**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**10**	**0**	**0**	
		Roofing	1500	15000	15000	15000	15000	30000	30000	30000	30000	30000	15000	0	0	
				0	**5**	**10**	**10**	**15**	**15**	**15**	**15**	**15**	**15**	**15**	**0**	
		Completions	1500	0	7500	15000	15000	22500	22500	22500	22500	22500	22500	22500	0	
				0	**0**	**5**	**10**	**15**	**15**	**15**	**15**	**15**	**20**	**20**	**20**	
		Electrical	1000	0	0	5000	10000	15000	15000	15000	15000	15000	20000	20000	20000	
				5	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	**0**	
		VIP	1500	7500	7500	15000	15000	30000	30000	30000	30000	30000	30000	0	0	

			0	**5**	**5**	**10**	**10**	**20**	**20**	**20**	**20**	**20**	**20**	**0**	
	FUR	1000	**0**	**5000**	**5000**	**10000**	**10000**	**20000**	**20000**	**20000**	**20000**	**20000**	**20000**	**0**	
	R 12 500	**Sub total**	**R 82 500**	**R 110 000**	**R 115 000**	**R 155 000**	**R 212 500**	**R 222 500**	**R 237 500**	**R 237 500**	**R 192 500**	**R 107 500**	**R 62 500**	R 20 000	
			-	-	-	-	-	-	-	-	-	-	-	-	
R 19 000	Direct labour house New		-	-	-	-	-	-	-	-	-	-	-	95 000	
		TOTAL EXP	811 200	1 097 015	1 115 715	1 417 530	1 995 430	2 033 060	2 189 060	2 189 060	1 721 060	877 560	532 260	219 000	
	Gross profit		**R 361 800**	**R 441 335**	**R 363 135**	**R 479 170**	**R 624 770**	**R 617 840**	**R 696 840**	**R 696 840**	**R 459 840**	**R 75 840**	**R 24 140**	**R 781 000**	**R 5 622 550**
	Less: Operating expenses														
	Accounting and auditing fees		2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	**R 30 000**
	Insurance		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Contractors all risk		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Interest		-	-	-	-	-	-	-	-	-	-	-	-	
	Motor vehicle expenses - Housing		-	-	-	-	-	-	-	-	-	-	-	-	**R 0**
	Office expense		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	**R 12 000**
	HP's		36 000	36 000	36 000	36 000	36 000	36 000	36 000	36 000	36 000	36 000	36 000	36 000	**R 432 000**
	Printing and stationary		500	500	500	500	500	500	500	500	500	500	500	500	**R 6 000**
	Rental, electricity, water		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Salaries and wages - Sites		25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	**R 300 000**
	Consultants sites		-	-	-	-	-	-	-	-	-	-	-	-	**R 0**
	PAYE		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Salaries Office & Site		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Director's salaries		20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	**R 240 000**
	BRP		20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	20 000	
	Diesel		12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	
	Travel expenses		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Security costs		5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	**R 60 000**
	Telephones		2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	**R 30 000**
			154 500	154 500	154 500	154 500	154 500	154 500	154 500	154 500	154 500	154 500	154 500	154 500	
	Profit/(loss) before tax		**R 207 300**	**R 286 835**	**R 208 635**	**R 324 670**	**R 470 270**	**R 463 340**	**R 542 340**	**R 542 340**	**R 305 340**	**R -78 660**	**R -130 360**	**R 626 500**	**R 3 768 550**

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure J : Projected Payment Plan

Bizana Builders			FINANCE SHEET		Compromise of Debt		Within the 18 - Month Payment Period
Nr	Creditor	Acronym	Total Business Rescue Amount		Percentage paid out as per plan	New debt as per plan	100%
1	Eastern Cape Readymix	CC	R 107 619,43		100%	R 107 619,43	R 107 619,43
2	BVSA	CC	R 10 405,15		100%	R 10 405,15	R 10 405,15
3	Dukathole	CC	R 71 102,20		100%	R 71 102,20	R 71 102,20
4	Wesbank Acc 85312785425 (ARREARS)	SC	R 44 990,84		100%	R 44 990,84	R 44 990,84
5	Brown Braude and Vlok	CC	R 20 566,75		100%	R 20 566,75	R 20 566,75
6	CLAIM A – FNB Overdraft For Account No: 62419711420	CC	R 539 479,89		100%	R 539 479,89	R 539 479,89
7	CLAIM B – FNB Loan For account: 4000 067 743 202	CC	R 186 111,30		100%	R 186 111,30	R 186 111,30
8	CLAIM C – Credit card For account: 8812 7100 6047 4000	CC	R 232 452,75		100%	R 232 452,75	R 232 452,75
TOTAL		8	R 1 212 728,31			R 1 212 728,31	R 1 212 728,31

Assumptions:

- That the full PCF loan has been repaid by the commencement of the repayment period (1 March 2024)
    - Being both the loan provided by KEMAC and the loan provided by the Director as PCF

- Only the arrears for Wesbank are being provided for in terms of the payment plan as the balance is being paid in the ordinary course of business in terms of the arrangements already in place

- Furthermore, the connected party loan (Portfolio 140 Property Investments) is not provided for in terms of the payment plan as this loan has been subordinated to the benefit of the rest of the creditors [This was addressed under the proposals of the BR Plan].

Bizana Builders (Pty) Ltd

Registration nr: 2013 / 534306 / 07

Annexure K : Share Agreement

MEMORANDUM OF AGREEMENT

IN RESPECT OF A SALE OF SHARES
ENTERED INTO BY AND BETWEEN

MR LEON JOHANNES LUDICK
ID NUMBER 540914 5093 082

(Duly represented herein by Mr. Jaco Durandt as the appointed Business Rescue Practitioner – With ID Number 941206 5122 085)
(hereinafter referred to as the "Seller")

AND

KEMAC (PTY) LTD
Registration Number 2022 / 437821 / 07

(duly represented by Christoper Moorhouse)
(hereinafter referred to as the "Buyer")

WHEREAS the Seller wishes to sell a portion of his shares in the business – **Bizana Builders (Pty) Ltd with Registration number 2013 / 109294 / 07.**

WHEREAS the Buyer wishes to purchase these shares in terms of this agreement.

WHEREAS the Buyer shall appoint Quinton Pattinson (hereinafter referred to as the" appointee") to act as non-executive director of the company.

The parties hereby agree as follows:

1. Sale of Shares

1.1. The Seller agrees to sell, and the Buyer agrees to buy 26% of the common shares in the Company for the total purchase price of R260.

1.2. In addition to the purchase price, the Buyer has already made available to the Company Post Commencement Finance in the amount of R250 518.98 which forms the basis of this agreement for the sale of the shares.

1.3. The sale of shares will be considered as finalized upon adoption of the proposed business rescue plan for Bizana Builders.

1.4. Both parties represent and warrant that they have the legal capacity to enter this agreement.

1.5. This agreement constitutes the entire agreement between the parties and supersedes all prior agreements.

1.6. Any amendments to this agreement must be in writing and signed by both parties.

2. Appointment of the Non-Executive Director Commencement Date

2.1. This agreement will commence on the date on which the Business Rescue Plan for Bizana Builders is adopted by the creditors and will be terminated on the date when the final payment is made to the independent creditors of the business.

2.2. The Buyer and Appointee acknowledge that this contract is valid only for the duration as stipulated above and does not constitute an offer of employment in any way.

JD

3. Appointment And Task Description

3.1. The Appointee is appointed as a **Non-Executive Director** of the Company to render the services listed in clause 3.2 below.

3.2. The Appointee will be responsible for the following tasks:

3.2.1. Attend board meetings as and when required as well as ensuring that sufficient high-quality information is received prior to board meetings which take into account the views of shareholders and other stakeholders where appropriate.

3.2.2. To contribute to the development of the best business strategy by seeking new opportunities that may have been overlooked with the current business strategy by the current directors of the Company and advise them accordingly.

3.2.3. To challenge and scrutinise the Company's current business strategy for non-compliance with the overall strategic plan of the Company and advise the directors on corrective action.

3.2.4. To scrutinise and comment on the performance of management in meeting overall goals and objectives as well as advice the directors on any corrective actions that need to be implemented.

3.2.5. And any other tasks / duties required by the prevailing legislation of a non-executive director.

3.3. It is specifically recorded that the Appointee will be required to advise and report in relation to the above duties to the board only and may not issue instructions unless such authority has been granted by the CEO and / or Board of Directors.

Jd

8

4. **Remuneration**

4.1. The Company shall pay the Appointee a monthly retainer of R 7 500.00 (Seven Thousand Five Hundred Rand) plus VAT per month. Payable on the first day of the month in advance.

4.2. The Company will not be held responsible for any loss, damage, injury or similar that the Appointee may incur due to the submission of incorrect / erroneous invoices submitted to the Company by the Appointee.

4.3. The agreed submission date for invoices by the Appointee to the Company is the 25th day of the month.

On behalf of the:

SELLER

Signature

Jaco Durandt

Print name

WITNESS

Signature

L LUDICK

Print name

On behalf of the:

BUYER

Signature

Christopher Moorhouse

Print name

WITNESS

Signature

Zunhé Swanepoel

Print name