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CIRCULAR 30

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 MEETING TO DISCUSS THE PHASE ONE OFFER – 3 DEC 2024

The business rescue practitioners[1] wish to advise all the affected persons of the outcome of the meeting held on the 3rd of December 2024. The purpose of this meeting was solely to discuss the offer received during phase one of the adopted business rescue plan.

The practitioner took time at the commencement of the meeting to explain the procedures that would be followed during this meeting.

Request for an extension of Time:

In terms of the adopted business rescue plan, there were three proposed phases of the business rescue plan - an offer has been received during phase one of the adopted business rescue plan which serves as the best option in terms of preserving jobs and the business as a whole. This offer is for the Proximitas Group and the offer has been presented during the first phase.

The request made during the first meeting where this offer was presented was for an extension of an additional 10 business days from the date of the meeting being held. The reason for the request was to allow the investor to finalise their due diligence and to allow for the conclusion of any suspensive conditions and the providing of the proof of funds. It is believed that at this stage, the arrangements are within the final stretch and should be finalised soon.

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

The practitioner again highlighted the intricacy of the matter and the sheer amount of detail that is required in raising the amount of funding that is required for this purchase and as such, it is being requested that an additional extension be granted for the finalisation of the fund guarantees.

The rescue plan makes provision for a request for extension of time, as long as this is presented to the creditors for their approval. The plan also makes provision for an auction to take place should the offer not materialize and the extension being requested by the investor today will not affect that already agreed to auction date failing a successful offer.

Two questions were raised before the investor joined the meeting, one being with regards to the proposed extension of 5 additional days. The practitioner stated that it was in the best interest of the business and all affected persons to only give the additional 5 days as opposed to allowing this to drag on until January 2025 as this would result in additional fees. The second question was with regards to the funding that the investor has already made available to the business and how these funds would be treated should the deal not be successful – ie) would it be treated as PCF? The practitioner confirmed that the investor has made these funds available knowing full well what the risk involved is and knowing that he would not be able to recover these funds should the deal not be successful – when the investor joined the meeting, he confirmed this himself.

When the investor joined the meeting via telephone, he confirmed what had already been discussed and mentioned that the bank was in the process of verifying the details of the proposed transaction – again, due to the amount of funds being considered, all T's need to be crossed and I's dotted. The investor confirmed that the extension being requested is again for a further 5 days.

The vote was taken on the extension of time, and creditors voted with 100% of those present and who exercised their right to vote in favour to provide the practitioners with the additional time that was requested in order to finalise the offer.

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