SWORN STATEMENT

I, the undersigned

Willem Bernard Pieterse with ID No: 770928 5036 082

do hereby declare as follows:

INTRODUCTION

1. I am an adult male residing at 1 Edgewater Road, Gonubie, East London.

2. The facts contained in this affidavit fall within my personal knowledge and I confirm the contents hereof to be true and correct.

3. I am duly authorised to dispose of this affidavit on behalf of BERKLEY FOODS (PTY) LTD with registration number 2019 / 051353 / 07 (hereinafter referred to as the Company).

4. I make this affidavit in terms of Section 129 of the Companies Act, 71 of 2008 as amended from time to time (hereinafter referred to as the Act).

5. I am the sole director of the business and act in my capacity as managing director of the business.

RESOLUTION TO COMMENCE WITH BUSINESS RESCUE

6. On the 10th of July 2026 at Corner Brooklyn and Electron Road, Berkshire Park, Woodbrook East London, the directors passed a resolution in terms of section 129 (1) of the Act to commence with business rescue proceedings.

7. This affidavit deals with the relevant facts upon which the resolution is founded.

FINANCIAL DISTRESS

8. The Company is financially distressed as contemplated in section 128(1)(f) of the Companies Act 71 of 2008 in that it is reasonably unlikely that the Company will be able to pay all of its debts as they become due and payable within the immediately ensuing six months.

9. The Company is experiencing severe financial distress primarily as a result of significant cash flow constraints arising from a product quality recall and a sustained reduction in production volumes.

10. The quality recall resulted in substantial unplanned costs associated with the identification, withdrawal and replacement of affected products, together with the implementation of corrective quality assurance measures. These events placed considerable pressure on the Company's working capital and available cash resources.

11. In addition to the direct costs associated with the recall, the Company experienced a material reduction in production volumes while corrective measures were implemented. This adversely affected revenue generation and reduced the Company's ability to absorb its fixed operating costs.

12. The reduction in production volumes also disrupted normal trading activities and negatively impacted customer demand and sales, resulting in lower cash inflows than those required to meet the Company's ongoing operational and financial obligations.

13. The combined effect of the increased operational costs arising from the quality recall and the sustained decline in revenue has significantly weakened the Company's liquidity position, resulting in an inability to meet creditor obligations as they fall due.

14. Despite management implementing measures to improve operational performance and stabilise production, the Company's cash flow position has remained under considerable strain, necessitating the commencement of business rescue proceedings to facilitate a restructuring of its financial obligations and preserve the underlying business.

15. It is the opinion of the directors that the Company's financial difficulties are principally attributable to these temporary operational and cash flow challenges rather than an absence of an underlying viable business, and that an appropriate restructuring process will provide the Company with a reasonable opportunity of returning to financial sustainability.

LEGAL PROCEEDINGS

16. The Company is presently not involved in any litigation, arbitration proceedings, liquidation proceedings, enforcement proceedings, or other material legal proceedings. No applications have been brought for the liquidation of the Company.

REASONABLE PROSPECT OF BUSINESS RESCUE

17. The Company remains commercially viable. The financial distress experienced by the Company is primarily attributable to a cash flow crisis attributable to the aforementioned.

18. The Company is capable of restructuring its affairs and liabilities through the business rescue process.

19. The business rescue process will provide the Company with an opportunity to complete outstanding operational requirements, improve cash flow management and implement measures designed to prevent a recurrence of the circumstances that led to its present financial distress.

20. I am of the opinion that there is a reasonable prospect of rescuing the Company as contemplated in Chapter 6 of the Companies Act.

21. In the alternative, should the Company ultimately not be capable of returning to solvency, the business rescue process will facilitate a better return for affected persons than would likely be achieved through an immediate liquidation as contemplated in section 128(1)(b)(iii) of the Companies Act.

THUS, DONE AND MADE ON THE 10th DAY OF JULY 2026.

Willem Bernard Pieterse

I certify that the Deponent has acknowledged that he/she knows and understands the contents of this Affidavit, has no objection in taking the prescribed oath and regards the oath as binding on his/her conscience, which was signed and sworn to before me at East London on the 10th day of July 2026, (the regulations contained in the Government Gazette No R1258 dated 21st of July 1972 as amended by Government notice No 1648 dated 19th August 1977 having been complied with).

STEPHANIE BENETELLO-SMITH
COMMISSIONER OF OATHS (RSA)
PDB HOUSE 12 SANSOM ROAD
VINCENT 5247, EAST LONDON

COMMISSIONER OF OATHS