

SWORN STATEMENT

I, the undersigned

Avela Songxaba

With ID No: 820917 5555 084

do hereby declare as follows:

INTRODUCTION

1. I am an adult male residing at 11 Clovelly Road, Sunnyridge 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 Bulkwise Logistics (Pty) Ltd with registration number 2015 / 408288 / 07 with registered office at Room 12 AMCA Centre, Corner Main Road and Stanford Street, Lusikisiki, Easter Cape 4820. (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 27th of February 2023, 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 due to the fact that it is reasonably unlikely that it will be able to pay all of its debts as they fall due and payable within the immediately ensuing six months.
9. The business had 2 major incidents regarding the vehicles/fleet and this resulted in a total downtime of approximately 6 months. This of course contributed heavily to the business's inability to generate sufficient income to service all the debts.
10. One of the major clients of the business, also went into business rescue and as a result has caused a further loss of around R250 000 from one client.
11. One would be remiss if you did not mention the continued hikes in the petrol price which are putting major strain on all logistics companies.


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12. The company employs 7 staff members.
13. It is clear from the above and as a result, largely of things outside of the director's control, that the business is in financial distress and cannot service all of its debts as and when they are due.

REASONABLE PROSPECT OF BUSINESS RESCUE

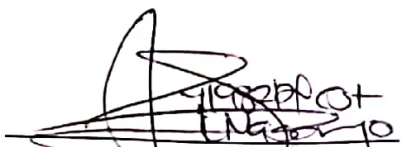
14. The business can restructure its affairs and business operations to allow for a more profitable business. Various safeguards will also be put in place that protect the income of the business against future, uncertain events.
15. I am of the opinion that if the management and the business rescue practitioners are afforded time to restructure its affairs, business and liabilities and implement plans to decrease its costs, the Company has a reasonable prospect of being rescued.
16. Alternatively, the business rescue process will provide a better outcome than immediate and traditional liquidation in terms of Section 128(b)(iii) of the Companies Act by undergoing a structured winding down process.

THUS, DONE AND MADE ON THE 27TH DAY OF FEBRUARY 2023.


Avela Songxaba

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 LUSIKISIKI on the 27 day of Feb 2023, (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).




COMMISSIONER OF OATHS

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