AMENDED PROPOSED BUSINESS RESCUE PLAN

FOR

STEENBOKVLAKTE SITRUS ONTWIKKELING (PTY) LTD

Registration nr: 2017 / 318606 / 07

by

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&

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ON

18 September 2024 with amendments

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1. DEFINITIONS

1.1. "**Acquittance**" means a document executed by a creditor in terms of which that creditor advises the Business Rescue Practitioner/s that such creditor will not look to the Business or the Business Rescue Practitioner/s for any payment of benefit under the Business Rescue Plan, to the extent of the amount stated in the acquittance;

1.1. "**Act**" means the Companies Act 71 of 2008 as amended;

1.2. "**Affected Persons**" means affected persons as defined in Section 128 (1) of the Act and in relation to the Company means a shareholder, a creditor and the employees of the Company;

1.3. "**Assets**" means all assets of the Business as reflected in the books of account of the Business as at the commencement date;

1.4. "**Auction Value**" means an estimate of the realisable value of the Business assets on a public auction where a sale is concluded on a forced sale, upon the fall of the hammer, to the highest cash bidder during an auction which was reasonably well advertised and attended by members of the public;

1.5. "**BRP/s**" means Pat Pattinson and David Masterton as defined in Regulation 126 to the Act;

1.6. "**BR360 C**" means Business Rescue 360 Cape (Pty) Ltd which contracts Pat Pattinson and David Masterton as the Business Rescue Practitioner/s of the business;

1.7. "**Business Rescue**" means the proceedings in terms of Chapter 6 of the Act and as defined in Section 128 (1)(b);

1.8. "**Business Rescue Plan**" means this document which is a business rescue plan prepared in terms of Section 150 of the Act by the Business Rescue Practitioner/s on the 1st of July 2024.

1.9. "**Claims**" means secured, preferent or concurrent claims as envisaged in the Insolvency Act, against the Business, the cause of action in respect of which arose, prior to or on the commencement date, of whatsoever nature and from whatsoever cause, including claims, arising from contract or delict, actual and contingent, prospective, conditional and unconditional, liquidated and unliquidated, assessed and unassessed and whether or not due for payment of performance, specific or otherwise, and including all claims arising out of any agreements entered into by the Business on or prior to the commencement date, all such claims to be determined, calculated and admitted as secured, preferent or concurrent in accordance with the same ranking, as envisaged in the Insolvency Act, that attached to them upon the issue of a winding up order in respect of the Business, whether or not such claims are proved;

1.10. “**Creditor/s**” means all legal entities, including natural persons, having secured, preferent and/or concurrent claims against the Business as at the commencement date as envisaged in the Insolvency Act;

1.11. “**Concurrent Creditors**” means creditors having concurrent claims as envisaged in the Insolvency Act;

1.12. “**The Business**” means Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd (in business rescue), a business duly incorporated in terms of the Laws of South Africa under registration number 2017 / 318606 / 07;

1.13. “**Commencement Date**” means 29 November 2023 being the date upon which the resolution to voluntarily begin with business rescue proceedings was filed with the Commission;

1.14. “**Commission**” means the Companies and Intellectual Property Commission of South Africa which is a division of the Department of Trade and Industry and is responsible for the register of companies in South Africa;

1.15. “**Disputed Claim**” means a claim that was submitted, but not approved by the practitioner/s. These claims will be confirmed or amended prior to distribution and are dealt with in terms of the included dispute resolution mechanism in this plan.

1.16. “**Historic Debt**” means the debt owed by the Business as at the date of filing;

1.17. “**Independent Creditors**” means all Creditors having Claims against the Business other than creditors related to the Business and its subsidiaries and/or directors;

1.18. “**Insolvency Act**” means the Insolvency Act 24 of 1936 as amended;

1.19. “**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;

1.20. “**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;

1.21. “**PCF**” means Post Commencement Financing provided by a financier to the Company as envisaged in terms of section 135 of the Act;

1.22. “**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;

1.23. “**Preferent Creditors**” means creditors having preferent claims as envisaged in terms of the Insolvency Act;

1.24. “**Proceedings**” means business rescue proceedings as provided for in Chapter 6 of the Act;

1.25. “**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;

1.26. “**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;

1.27. “**Secured Creditors**” means creditors having secured claims as envisaged in the Insolvency Act;

1.28. **“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;

1.29. “**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;

1.30. “**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;

1.31. “**The Meeting**” means the meeting convened in terms of section 151 (1) of the Act;

2. EXECUTIVE SUMMARY

2.1. The Business, known as Steenbokvlakte Sitrus Ontwikkeling (Hereinafter referred to as "Steenbokvlakte" or "The Business") is a company that operates in the Citrus industry.

2.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act[1] on 29 November 2023.

2.3. The Business timeously notified all the affected persons known to the practitioner/s of the business rescue proceedings as per the Act.[2]

2.4. The BRP/S received their notice of appointment on 29 November 2023.

2.5. Based on the information received from the Business, it was thus concluded in terms of the 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.

2.5.1. Although the respective plans have been drafted and prepared by the practitioners, these proposals do not necessarily reflect the practitioners' views. However, the practitioners are obligated to present any reasonable proposals submitted to them for the creditors' consideration. Ultimately, it will be the creditors of each entity who will vote to either adopt or reject the proposed business rescue plans.

2.5.1.1. In this instance, the practitioners agree that this proposed business rescue plan provides for a reasonable prospect of rehabilitation by providing a better outcome to creditors than in a traditional liquidation.

2.6. The basis of the business rescue plan is a structured wind down and provides that Steenbokvlakte will sell its assets until it is able to settle the debt of this business in full.

2.7. The process will commence by placing both its immovable assets in the market for sale.

2.8. The farms are as below:

2.8.1. Look Out with a market value of R 7 176 000.

2.8.2. Steenbokvlakte with a market value of R 6 545 000.

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

2.8.3. The full details of this proposal are given under the heading “proposals by the practitioner.”

2.9. Please note Annexure D for the draft list of immovable assets belonging to the business.

2.10. The BRP/S convened and presided over a first meeting of creditors on 12 December 2023.[4]

2.11. The affected persons will now have the opportunity to peruse the Proposed Business Rescue Plan before voting on it no later than **3 October 2024**.

2.12. The details pertaining to this vote will be sent out in a Circular shortly.

2.13. 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.

2.14. 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.

2.15. This plan makes provision for full and final settlement to creditors from proceeds generated from the sale of the abovementioned assets, and as such there will be no further funds available for any claims not contained in this proposed plan. There will be no form of recourse from any creditor that is not included in this proposed Business Rescue Plan.

2.16. 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.

2.17. 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.

2.17.1. If a creditor appoints a proxy, then the proxy needs to be in possession of a Power of

[4] Section 147 (1).

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.

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

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

2.19. 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.

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

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

2.21. The practitioner/s will file for substantial implementation as soon as is practicable after the following milestones achieved:

2.21.1. The successful adoption of the proposed business rescue plan.
2.21.2. Sale of immovable asset.
2.21.3. The completion of the 2024 harvest.
2.21.4. Disbursement of dividend to creditors from the income.

3. SALIENT FEATURES: PART A – BACKGROUND OF THE COMPANY[5]

3.1. The Business, known as Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd (Hereinafter referred to as "Steenbokvlakte" or "The Business") is a company that operates in the Citrus industry. It is primarily responsible for the production of the fruit which is exported by the inter-connect company – namely Blue Crane.

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

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

3.1.3. This entity was established in 2017 and was, until the date of filing for Business Rescue, under the control of Marika Swart – the Director.

3.2. The Business became financially distressed and had no other option but to file for business rescue in terms of the Act[6] on 29 November 2023.

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

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

3.3.1.1. The other entities within the group supplies Blue Crane with fruit, who in turn exports most of the fruit that is harvested to the European Union as there is a big market there for organic fruits.

3.3.1.2. The cost of exporting the fruits had gone up significantly due to a strike that

[5] Section 150 (2) of the Companies Act.
[6] Section 129 of the Companies Act 71 of 2008.

happened and caused a shortage of logistical support – meaning an increase in the price thereof.

3.3.1.3. There were additional costs involved with shipping when some fruits had to be re-routed due to quality issues. The quality issues alluded to are to do with **"Citrus Black Spot"** (CBS) that was present on the citrus and was only discovered after it left South Africa – which unfortunately meant the EU wouldn't accept the fruit and it had to be shipped to another location for sale. This caused the fruit to yield a significantly lower price than was originally anticipated as it had to be sold as normal fruit and not organic fruits.

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

3.3.2. Although the reasons for the financial distress are sound, and are indeed contributing factors, the practitioners have (during their ongoing investigation and confirmed by the investment team of Proximitas) concluded that there are additional reasons that contributory to the financially distressed situation in which the group now finds itself:

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

3.3.2.2. The businesses/group own a large amount of non-income generating assets such as guesthouses, holiday homes, hunting farms and other assets which are a cashflow drain on the business and not generating further income.

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

3.3.2.4. Poor financial decision-making. As mentioned above, purchase of farms way above market value, investments into property that will never show a return on that investment, extending of loans that have little chance of ever being recovered.

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

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

3.6. Per the Act[8]; The liability of the business is based on the proof of claims received from 8 creditors (totaling 9 claims) and totals about R 56,911,844.28. A list of creditors with their respective claims is attached as Annexure B.

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

Secured Claims	:	2 Claims	for about R 45 889 589
Concurrent Claims	:	4 Claims	for about R 3 137 887
Disputed Concurrent Claims	:	3 Claims	for about R 7 884 367

3.7.1. Please note that the Disputed Claims will be scrutinized once the proposed business rescue plan is adopted, but prior to any disbursements.

3.7.2. Intercompany loan accounts will also be scrutinized prior to disbursement. However, these loan accounts will be subordinated for the benefit of the remaining creditors of the business once reconciled.

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

3.7.2.2. Further, as ABSA holds a valid cession over all loan accounts, they will be responsible to vote in respect of these loan accounts.

3.7.3. 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

[7] Section 150(2)(a)(i).
[8] Section 150(2)(a)(ii).

the Business to the proof of claim received.

3.8. <u>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.</u>

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

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

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

Creditor Class		**Liquidation**		**Business Rescue**
Secured	:	5.81 cents in the rand	:	100 cents in the rand
Preferent (in liquidation) and PCF (in Business Rescue)	:	N/A – No staff in this business	:	N/A – No staff in this business
Concurrent Claims	:	5.41 cents in the rand	:	100 cents in the rand

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

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

Name		**Issued Securities**
Steenbokvlakte Trust (IT000403/2015)	:	100%

[9] Section 150(2)(a)(iv).

3.13. 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.

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

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

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

4. SALIENT FEATURES: PART B – PROPOSAL BY THE PRACTITIONER/S[12]

4.1. This Proposed Business Rescue Plan does make provision for a specific moratorium period[13] to be granted, payments on the historic debt to the creditors of the business will commence once the property has sold and transfer has taken place, and the moratorium period will terminate at this time.

4.2. The offer in terms of this plan, and the payment that is to be made to all creditors shall be in full and final settlement of such debt and all creditors shall by adoption of the Proposed Business Rescue Plan accede to the discharge of the whole of the debt owed by the business in terms of the Act,[14]

4.2.1. Please further take note that this plan provides no protection to any sureties provided to any creditor.

4.3. Proposals as set out herein Below:

4.3.1. The proposal to creditors is to sell both farms, if needed, in order to fully settle the debt of this business. These farms being:

4.3.1.1. Look Out
4.3.1.2. Steenbokvlakte

4.3.2. The total debt of the business is about R 56,911,844.

4.3.2.1. Of this about R 3 082 730 is owed to Blue Crane as a result of an intercompany loans, once this loan is reconciled it will be settled with all other concurrent creditors.

4.3.2.1.1. It is confirmed that ABSA Bank holds valid cessions over all intercompany loan accounts. As such, unless ABSA is settled in full prior to these disbursements, any funds due to Blue Crane as a result of this loan account will be paid to ABSA Bank towards reduction of their exposure.

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[12] Section 150 (2).
[13] Section 150(2)(b)(i).
[14] Section 154(1).

4.3.2.2. A further R 55 157 is owed to SARS and the Sundays River Water Use Association and will be paid in full of the proceeds of the sales or from the connected entities on whose behalf the secured creditor is paid.

4.3.2.3. The only secured creditor in this business rescue is Kaap Agri for an amount of approximately R 45,889,598.

4.3.2.4. "The R 45,889,589.00 is secured for debt incurred by the business directly, and from First Mortgage Bonds registered over certain farms of Steenbokvlakte and Proximitas, together with Suretyship Agreements concluded with Kaap Agri."

4.3.2.5. This results in the fact that, should the total indebtedness to Kaap Agri not be settled from the proceeds of the sale of Steenbokvlakte's assets, Proximitas would either have to settle the debt due to Kaap Agri, or the farm Hemelsvlakte, that was provided as security, would also need to be sold.

4.3.2.6. The proposed business rescue plan for Proximitas reflects this, and it includes the agreement to sell Hemelsvlakte to settle the debt owed to Kaap Agri.

4.3.2.6.1. The entities whose debt is being settled as a result of their securities will naturally be indebted to Steenbokvlakte as a result of this, without any compromise or settlements.

4.3.2.7. Irrespective of the above, it is evident that the sale of the immovable assets of Steenbokvlakte will be insufficient to settle all its debt and security obligations.

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

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

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

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

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

4.4. Sale of immovable Asses

4.4.1. The immovable properties made available to the business rescue practitioners will be actively promoted for a 60-day period following the adoption of the respective business rescue plans, by both the practitioners and the appointed property auctioneer.

4.4.1.1. Should any of the immovable assets remain unsold after this period, an auctioneer will be appointed to sell these remaining assets within the subsequent 30 days.

4.4.2. All offers received will be Subject to Confirmation (STC) by ABSA and any party that holds a valid security over a specific immovable asset, unless the sale covers the full settlement of such securities.

4.5. 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:

4.5.1. First - The fees and expenses still due to the practitioner/s 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.

4.5.1.1. The practitioners’ fees are per the annexed agreement. Should there be any arrears in fees due to the practitioners, these will also enjoy preferences afforded by the Act for post-commencement finance.[18]

4.5.1.2. For ease of reference, the fee suggestion to creditors to consider are a simple one, R 50 000 per practitioner per months instead of the R 2 000 per hour as per Regulation 128 of the Companies Act. (about 25 hour per month)

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

4.5.1.3. The practitioners will further limit all contingencies to 3% on any assets sold, this is in line with the fees charged by a liquidator.

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

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

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

4.5.4. Fourth – Secured Creditors:

4.5.5. The only secured creditor is Kaap Agri to the maximum of their R 45 889 589 security.

4.5.6. Fifth – The Concurrent Creditors will be repaid 100 cents in the Rand based on the claims received and contained in Annexure B, alternatively that all of the proceeds from the sale of all immovable assets be utilized to settle as much of the debt as possible.

4.5.7. Sixth – SARS

4.5.8. Any and all future exposure to SARS with regards to the continued trading of the business, or as a result of the sale of assets, will be paid as and when it becomes due in the ordinary course of business.

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

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

4.6. Dispute Resolution Mechanism:

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

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

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

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

Section 154: Discharge of debts and claims

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

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

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

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

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

4.8.2.1. 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. SALIENT FEATURES: PART C – ASSUMPTIONS AND CONDITIONS USED[20]

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5.2.8. It is clear that should the above proposals be approved and subsequently implemented, that the group as a whole should be able to achieve a full rehabilitation.

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

5.2.10. Should any group of creditors reject their respective proposal, the practitioners remain confident that by amending the business rescue plans, each entity could be rehabilitated based on its own merits. However, this would require some compromises in repayments.

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

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

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

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

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

5.5.1. It is proposed that the Company will continue trading, although not in its current format, after the implementation of this BR Plan[28] .

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

6.1. This Amended Proposed Business Rescue Plan is published to the affected persons on 18 September 2024 and a meeting to vote has been scheduled to take place on 3 October 2024, a circular will follow with details of the meeting to vote.

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

7. CONSIDERATION OF THE BUSINESS RESCUE PLAN[30]

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

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

7.1.2. The second vote will be to determine if the Written Fee Agreement will be approved in terms of sect 143(3) of the Act; and

7.2. The third 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]

[27] Section 132(2)(c)(ii).
[28] Section 150(2)(c)(iii).
[29] Section 151.
[30] Section 152.
[31] Section 152 (1).
[32] Section 152.

8. QUALIFICATION OF BUSINESS RESCUE

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

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

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

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

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

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

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

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

[33] Section 128 (1)(b).
[34] Section 129 (1).
[35] Section 129 (1)(a).
[36] Section 129 (1)(b).

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

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

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

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

9. OVERVIEW OF THE BUSINESS RESCUE PROCESS

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

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

Action	**Date**
Business Rescue Resolution passed	28 November 2023
Resolution adopted by CIPC	29 November 2023
Business Rescue Practitioners Appointed	29 November 2023
Business Rescue notice submitted to affected persons	6 December 2023
First meeting of Creditors	12 December 2023
Business Rescue Plan published	17 May 2024
Vote on the proposed business rescue plan	31 May 2024
Amended Business Rescue Plan Published	1 July 2024
Vote on the Amended Plan	15 July 2024
Amended Business Rescue Plan Published	18 September 2024
Vote on the Amended Plan	3 October 2024

[37] Section 129.

10. INVESTIGATION OF THE AFFAIRS OF THE COMPANY

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

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

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

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

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

[38] Section 141.

11. VOTING ON THE PLAN

11.1. Three votes will take place during this meeting as per the Act;[39]

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

11.1.2. The second vote will be to determine if the Written Fee Agreement will be approved in terms of sect 143(3) of the Act; and

11.1.3. The third 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.[40]

12 ANNEXURES TO THE BUSINESS RESCUE PLAN

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

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

We thank you for your time offered to determine the future of this Business Rescue process for **Steenbokvlakte Sitrus Ontwikkeling.**

[39] Section 152 (1).
[40] Section 152.

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure A : Outcome of 1st Creditors Meeting

13 December 2023

CIRCULAR 03

THIS DOCUMENT IS A CIRCULAR TO THE AFFECTED PERSONS RELATING TO THE BUSINESS RESCUE PROCESS OF **STEENBOKVLAKTE SITRUS ONTWIKKELING (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 **Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd** (Herein after referred to as "Steenbokvlakte" or "The Business") - held on 12 December 2023.

Mr Durandt gave a brief introduction of the Business Rescue team and welcomed all of the affected persons to the meeting. The business rescue team consists of Mr. Pattinson – a senior business rescue practitioner with more than 50 successful substantial implementations of business rescue plans with a career in business turnarounds spanning over more than 15 years, and Mr Jaco Durandt who is a junior business rescue practitioner with 4 years of turnaround experience.

1. CONDITIONS FOR BUSINESS RESCUE

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

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

1.3. Based on information at hand, yes, the business cannot pay its debts as and when they become due and payable, therefore it is clear that the business is in financial distress in terms of the Act[2] and has filed for Business Rescue in terms of the Act[3].

[1] Quinton Pat Pattinson, Senior Business Rescue Practitioner and Jaco Durandt, Junior Business Rescue Practitioner.
[2] Section 128(1)(f) of the Companies Act 71 of 2008.
[3] Section 129 of the Companies Act.

1.4. Had the directors decided not to file for business rescue, they would be compelled in terms of the Act[4] to deliver a formal written notice (in the form of a CoR123.5) to every affected person detailing:

1.4.1. That the business is in financial distress.

1.4.2. The reasons for the financial distress.

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

1.5. **Second Question - Does a reasonable prospect of a rescue exist? <u>YES</u>**

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

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

1.6. Further, should a rehabilitation of the business not be possible, the practitioners will be required to at the very least seek a better outcome for the affected persons than that which they would receive in an immediate and traditional liquidation. As provided for in terms of the Act[5] and the judgment of *Carrol v Michael Carrol*. [6]

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

[4] Section 129(7) of the Act.
[5] Section 128(1)(b)(ii) of the Act.
[6] *Carroll v Michael Carroll* CC In Re: In the application for the Liquidation of: Michael Carroll CC (under supervision) (2018/22808) [2019] ZAGPPHC 74.

2. **INFORMATION PROVIDED:**

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

2.1.1. The information received from the business to date regarding this business has been slow and to date we have not received copies of the financials. Therefore, the below information is not yet available. We will provide it by the next meeting of creditors.

Creditors	:	TBC
Loan Accounts (Receivable)	:	TBC
Loan Accounts (Payable)	:	TBC
Debtors	:	TBC
Assets	:	TBC

2.2. Steenbokvlakte was established in 2017 and Marika Swart and Johannes De Lange are the Directors. Steenbokvlakte, similar to Tracto Trading, and Proximitas (the interconnected entities), owns farms on which citrus is grown (among other assets) – the citrus is in turn supplied to Blue Crane, who is responsible for the export and sale of the citrus that is produced on the various farms belonging to the interconnected entities. The citrus is all packed at the Goodhope Packhouse and is shipped and distributed from there and this responsibility is that of Blue Crane's.

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

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

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

3. **REASONS FOR THE FINANCIAL DISTRESS:**

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

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

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

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

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

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

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

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

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[7] Section 7(k) of the Companies Act.
[8] Section 141 of the Companies Act.

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

4. IMPORTANT DATES:

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

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

5. FORMING A COMMITTEE

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

5.2. The attendees voted against this proposal.

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

6. REQUEST FOR AN EXTENSION

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

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[9] Section 147.

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

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

6.2.2. The practitioners require more time to adequately attain all the relevant information as required for the publication of a business rescue plan[10] and this will require more time.

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

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

7. PROOF OF CLAIMS

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

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

[10] Section 150 of the Act.

8. PROJECT BASED FINANCE

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

9. QUESTIONS / COMMENTS

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

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

Kind Regards

Quinton Pattinson	Jaco Durandt
patp@businessrescue360.co.za	jacod@businessrescue360.co.za
082 749 6462	076 773 4595

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure B : List of Creditors of the Business

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

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

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

Steenbokvlakte - Finance Sheet					
Nr	**Creditor**	**Acronym**		**Amount Due**	**% Voting Interest**
1	Sundays River Water Use Association	CC	R	121,849.06	0.21%
2	SARS	CC	R	5,692.58	0.01%
3	Kaap Agri	SC	R	11,374,920.01	19.69%
4	Blue Crane (Intercompany Loan)	CC	R	3,022,387.00	5.23%
5	BSFT (Intercompany Loan)	CC	R	60,343.43	0.10%
6	Kaap Agri (Secured by Judgement)	SC	R	35,314,400.21	61.11%
7	Johan Swart Loan account	D-CC	R	5,430,000.00	9.40%
8	Johannes de Lange (Connected party)	D-CC	R	2,024,778.50	3.50%
9	Marika Swart (Connected party)	D-CC	R	429,588.94	0.74%
10			R	-	0.00%
TOTAL		**9**	**R**	**57,783,959.73**	**100.00%**

SUMMARY BY CREDITOR ACRONYM		**Count**		**Amount Due**	**%**
SC	Secured Creditors	2	R	46,689,320.22	80.80%
CC	Concurrent Creditors	4	R	3,210,272.07	5.56%
PC	Post Commencement Finance	-	R	-	0.00%
D-SC	Disputed Secured Creditors	-	R	-	0.00%
D-CC	Disputed Concurrent Creditors	3	R	7,884,367.44	13.64%
D-PC	Disputed Post Commencement Finance	-	R	-	0.00%
TOTAL		**6**	**R**	**57,783,959.73**	**100.00%**

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure C : Company Registration Documents (CoR123.1)

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Date:	**29/11/2023**
Customer name:	**JACO DURANDT**
Customer code:	**JA2976**
E-mail address:	**JACO@PE-PARALEGAL.CO.ZA**
Rereference Number:	**60000866788**

The Commission has received a form CoR123.1 Notice to Commence Business Rescue Proceedings in terms of section 129 or court order commencing business rescue proceedings in terms of section 131 of the Companies Act, 71 of 2008, dated 29/11/2023 for:

Company / Close Corporation Name:	**STEENBOKVLAKTE SITRUS ONTWIKKELING (PTY) LTD**
Registration Number:	**2017/318606/07**
Company / Close Corporation Status:	**BUSINESS RESCUE**

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

Yours sincerely,

Commissioner: CIPC

Certificate of Confirmation

Registration Number: **2017/318606/07**

Enterprise Name: **STEENBOKVLAKTE SITRUS ONTWIKKELING**

ENTERPRISE INFORMATION

Registration number:	**2017/318606/07**
Enterprise Name:	**STEENBOKVLAKTE SITRUS ONTWIKKELING (PTY) LTD**
Registration Date:	**18/07/2017**
Business Start:	**18/07/2017**
Enterprise Type:	**PRIVATE COMPANY**
Enterprise Status:	**BUSINESS RESCUE**
Financial Year End:	**AUGUST**
Main business/Main object	**BUSINESS ACTIVITIES NOT RESTRICTED.**
Tax number:	**9577279186**

Addresses:

Postal Address	Address Of Registered Office
P O BOX 378	**STEENBOKVLAKTE**
KIRKWOOD	**KIRKWOOD**
KIRKWOOD	**KIRKWOOD**
3363	**3363**
6120	**6120**

Company Records Location:

Registration Number: **2017/318606/07**

Enterprise Name: **STEENBOKVLAKTE SITRUS ONTWIKKELING (PTY) LTD**

AUDITORS

Name

Postal Address

ACTIVE MEMBERS / DIRECTORS

Full Name	Director Type	ID Number	Appoint. Date	Cellphone Number	Address
DE LANGE JOHANNES FREDERICK	DIRECTOR	6704085017086	18/07/2017	0828011505	Postal:P O BOX 378,KIRKWOOD, KIRKWOOD,3363, 6120 Residential Address: STEENBOKVLAKTE, KIRKWOOD, KIRKWOOD,3363, 6120
SWART MARIKA	DIRECTOR	7401150035080	18/07/2017	0828011505	Postal:P O BOX 378,KIRKWOOD, KIRKWOOD,3363, 6120 Residential Address: STEENBOKVLAKTE, KIRKWOOD, KIRKWOOD,3363, 6120
SWART MARIKA	INCORPORATOR	7401150035080	18/07/2017	0828011505	Postal:P O BOX 378,KIRKWOOD, KIRKWOOD,3363, 6120 Residential Address: STEENBOKVLAKTE, KIRKWOOD, KIRKWOOD,3363, 6120

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure D : Material List of Assets of the Business

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Fixed Asset Register

Estimated Liquidation Values

No	Asset Description	Value ('R)	
1	Look Out Farm	R	4 305 000,00
2	Steenbokvlakte Farm	R	3 927 000,00
3			
4			
5			
6			
		R	8 232 000,00

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure E : Certificate of the Business Rescue Practitioners

18 September 2024

BUSINESS RESCUE CERTIFICATE

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

for

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

With Reg nr: 2017 / 318606 / 07

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

1. Any and all actual information provided in the plan appears to be accurate, complete, and up to date.

2. The financial statement projections are estimates made in good faith on the basis of factual information and assumptions provided by the directors, staff or external service providers of the company, and as set out in the statements.

3. Due to the limitations in law, the practitioners did however not have the time nor the funds to perform a full due diligence, confirmation audit on the information received, nor employ third parties to verify and update any outstanding annual financial statements and accompanying tax returns.

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

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

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure F : Written Fee Agreement (Proposal)

PROPOSAL MADE BY:

Business Rescue 360 (PTY) LTD t/a BR360

2021 / 534306 / 07

(duly represented by
Quinton Pattinson
and
David Masterton)
(hereinafter referred to as the "Practitioner")

TO

Business Trading Name	: Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd
Business Registered Name	: Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd
Business Registration No	: 2017 / 318606 / 07
Contact	: J de Lange
Email Address	: johannesdl@srvalley.co.za

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

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

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

The parties hereby agree as follows:

PROJECT SCOPE AND FEES

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

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

PROJECT PURPOSE

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

PROJECT DESIRED OUTCOME

The desired outcome is the successful implementation of a business rescue process, achieving the goals as set out in the definition of business rescue contained in section 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 50 000 (Plus VAT) per month, per practitioner for the duration of the business rescue process. This equates to 25hours per month instead of charging the permitted R 2 000 per hour per practitioner.

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

Contingencies:

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

1. Although the business and the consultancy may reach an agreement in relation to terms for payments and fee structures, it is a requirement in terms of the Companies Act, that the agreed to fees must be approved by creditors at a meeting called for that purpose.
2. The Business Rescue Practitioner will be entitled to receive a R 0,00 (Plus VAT) success fee on the adoption of the proposed business rescue plan.
3. The Business Rescue Practitioner will be entitled to receive a 12.5% dividend on all immovable assets sold as part of the Business Rescue of the Company.
    a. This is to be shared between all parties involved in a sale including but not limited to Property Practitioners, Auctioneers and lead generators.
4. The Business Rescue Practitioner will be entitled to receive a 12.5 % dividend on all movable assets sold as part of the Business Rescue of the Company.

a. This is to be shared between all parties involved in a sale including but not limited to Auctioneers and other lead generators.

5. Should the business be sold as a going concern and or the shares or members interest or part thereof be disposed the Business Rescue Practitioner shall be entitled to a commission of 12.5 %.
   a. This is to be shared between all parties involved in a sale including but not limited to Property Practitioners, Auctioneers and lead generators.

6. The Business Rescue Practitioner shall be entitled to a success fee of 0.00 % of any post commencement finance that is raised for the business during the business rescue process or thereafter.

7. The Business Rescue Practitioner will be entitled to receive a R 0.00 (Plus VAT) success fee as soon as he files for substantial implementation of the business rescue process.

AGREEMENT OF TERMS

1. This fee agreement must be read with the terms and conditions as set out in the letter of engagement, memorandum of agreement and any other agreement that may be concluded between the client and the consultancy.

2. All third party and sub-contractor's fees are for the account of the client.

3. Penalty interest equal to the maximum Mora Interest allowed as per the Prescribed Rate of Interest Act (Act No. 55 of 1975) will be levied on all outstanding invoices.

4. The client shall within five (5) working days of receipt of invoices raise any queries it may have in respect of such invoices, whereafter the amounts reflected will be accepted as correct and the client will be barred from raising any further queries.

5. All attorney's debt collectors' costs will also be recovered from the client on the attorney-and-client scale or on the official tariffs applicable to registered debt collectors. This is inclusive of the collection commission costs of the debt collector at a rate of no more than 15% on the full amount outstanding.

6. The client will place all the equipment, not yet secured with any other party of the business, as security and all invoices raised will be considered as secured on this basis.

7. The solvency or insolvency of the client shall have no effect upon the terms of payment of these fees. Reliance will be placed on the security over the assets as per point 5 above and should it not be possible to attach any such items, a deposit will be required to commence work and to secure fees at the onset of the project.

8. The client will be responsible for the payment of the costs relating to the professional indemnity cover for the appointed business rescue practitioner/s. It is a requirement in law that practitioners obtain professional indemnity cover for each individual rescue appointment.

   a. It is a requirement of our Professional Indemnity Insurance that we limit our liability in regard to professional engagement services provided, to a maximum of two times fees billed for a specific project or matter. The client and BR360, therefore agree and accept that BR360's liability in respect of professional engagements, shall be limited in this way.

9. The submission and payment of any statutory obligations remains the responsibility of the directors/shareholders of the company.

[signature]	J. F de Lange	21/5/24	KIRKWOOD.
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.

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure G : Disclaimer

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

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.

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

Annexure H : Draft Liquidation and Distribution Account

DRAFT LIQUIDATION AND DISTRIBUTION ACCOUNT

FOR THE AFFECTED PERSONS OF

Steenbokvlakte Sitrus Ontwikkeling (Pty) Ltd

Registration nr: 2017 / 318606 / 07

For the purposes of displaying the proposed scenario should Steenbokvlakte opt to liquidate

****Please bear in mind that the information contained herein is as received from the business, its management, accountants and other parties. Claims included in the LND account are as received by the affected persons and have not been fully scrutinised, but for the purposes of this exercise, the LND account appears to be a relatively accurate description of the facts and the draft is prepared in good faith.***

Steenbokvlakte - Finance Sheet							
Nr	**Creditor**	**Acronym**	**Capital Amount**	**Interest & Admin Fees**	**Legal Fees**	**Amount Due**	**% Voting Interest**
1	Sundays River Water Use Association	CC	R 49 464,20	R 12 920,66	R 59 464,20	R 121 849,06	0,21%
2	SARS	CC	R 5 692,58			R 5 692,58	0,01%
3	Kaap Agri	SC	R 10 575 189,42	R 799 730,59		R 11 374 920,01	19,69%
4	Blue Crane (Intercompany Loan)	CC	R 3 022 387,00			R 3 022 387,00	5,23%
5	BSFT (Intercompany Loan)	CC	R 60 343,43			R 60 343,43	0,10%
6	Kaap Agri (Secured by Judgement)	SC	R 35 314 400,21			R 35 314 400,21	61,11%
7	Johan Swart Loan account	D-CC	R 5 430 000,00			R 5 430 000,00	9,40%
8	Johannes de Lange (Connected party)	D-CC	R 2 024 778,50			R 2 024 778,50	3,50%
9	Marika Swart (Connected party)	D-CC	R 429 588,94			R 429 588,94	0,74%
10						R -	0,00%
TOTAL		**9**	**R 56 911 844,28**	**R 812 651,25**	**R 59 464,20**	**R 57 783 959,73**	**100,00%**

SUMMARY BY CREDITOR ACRONYM		Count	Capital Amount	Interest & Admin Fees	Legal Fees	Amount Due	%
SC	Secured Creditors	2	R 45 889 589,63	R 799 730,59	R -	R 46 689 320,22	80,80%
CC	Concurrent Creditors	4	R 3 137 887,21	R 12 920,66	R 59 464,20	R 3 210 272,07	5,56%
PC	Post Commencement Finance	-	R -	R -	R -	R -	0,00%
D-SC	Disputed Secured Creditors	-	R -	R -	R -	R -	0,00%
D-CC	Disputed Concurrent Creditors	3	R 7 884 367,44	R -	R -	R 7 884 367,44	13,64%
D-PC	Disputed Post Commencement Finance	-	R -	R -	R -	R -	0,00%
TOTAL		**6**	**R 56 911 844,28**	**R 812 651,25**	**R 59 464,20**	**R 57 783 959,73**	**100,00%**

Encumbered Asset Account Number 1: Proceeds of the Farm Steenbokvlakte - subject to the security held by Kaap Agri (Settlement Agreement)

Output VAT (Received)	**R512 217,39**
Input VAT (Paid)	**R80 477,95**
SARS VAT per this account	**R431 739,44**
	Positive Means owing to SARS

Receipts

Description	**VAT**		**Receipts**
Steenbokvlakte Farm Sold	R512 217,39	R3 414 782,61	R3 927 000,00
	R0,00	R0,00	
	R0,00	R0,00	
Totals	**R3 927 000,00**		

Total Available for Distribution	**R2 665 788,96**
Total Due to Creditor	**R45 889 589,63**
Total Due to Creditor + Interest if Applicable	**R45 889 589,63**
Proposed Dividend (cents in the rand)	**5,81**
Surplus	**-R43 223 800,67**
Shortfall	**R43 223 800,67**

Section 89 Costs

Description	**VAT**		**Payments**
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees		R212 473,98
Bond Cost per Pro-rata Schedule	R2 800,02	R18 666,82	R21 466,84
Liquidator / Trustee Fee Per Schedule (3% on Immovables)	R17 325,75	R115 505,03	R132 830,78
Pro - Rata Insurance	R2 608,70	R17 391,30	R20 000,00
Auctioneers Commision	R51 221,74	R341 478,26	R392 700,00
Pro - Rata Auctioneers Advertising Cost	R6 521,74	R43 478,26	R50 000,00
	R0,00	R0,00	
	R0,00	R0,00	
SARS VAT per this Account			R431 739,44
Totals	**R1 261 211,04**		

Free Residue Account

Receipts

Description	VAT	Receipts
Sale of the farm "Lookout"	R561 521,74	R4 305 000,00
	R0,00	
Totals	**R4 305 000,00**	

Section 89 Costs

Description	VAT	Payments
Pro-rata Masters Fee per Pro-rata Schedule	No VAT applicable to Master's Fees	R232 926,02
Bond Cost per Pro-rata Schedule		R23 533,16
Liquidator / Trustee Fee Per Schedule A (3% on Immovables)	R18 993,47	R145 616,63
Taxed Bill of Costs of Attorney doing the liquidation	R7 173,91	R55 000,00
Second meeting of creditors advertisement	R58,70	R450,00
Inspection and confirmation adverts	R71,74	R550,00
Petties, postage and stationery	R37,17	R285,00
Trustees costs for Storage of Records and other information	R652,17	R5 000,00
Auctioneers Commision	R56 152,17	R430 500,00
SARS VAT per this Account		R478 382,40
Totals	**R1 372 243,21**	

Output VAT (Received)	**R561 521,74**
Input VAT (Paid)	**R83 139,34**
SARS VAT per this account	**R478 382,40**

Positive Means owing to SARS

Total Available for Distribution	**R2 932 756,79**
Total Due to Creditors who will share in Free Residue	**R54 246 055,32**
Total Due to Creditors + Interest if Applicable	**R54 246 055,32**
Proposed Dividend (cents in the rand)	**5,41**
Shortfall	**R51 313 298,53**

SCHEDULE A - Trustees Fees

Free Residue Account

Sale amount	%	Standard Commission		
R4 305 000	3	129 150,00		
	Vat on Sale			
Sale Ex VAT	3 743 478,26			
Sale VAT	561 521,74	84 228,26		
		2 526,85		
Commission ex VAT		126 623,15		
			X VAT	VAT
Commission Inc VAT		**145 616,63**	126 623,15	**18 993,47**

Encumbered Asset Account Number 1

Sale amount	%	Standard Commission		
3 927 000,00	3	117 810,00		
	Vat on Sale			
Sale Ex VAT	3 414 782,61			
Sale VAT	512 217,39	76 832,61		
		2 304,98		
Commission ex VAT		115 505,02		
			X VAT	VAT
Commission Inc VAT		**132 830,78**	115 505,02	**17 325,75**

Total Trustees Fees: 278 447,40

SCHEDULE B - MASTERS FEES

Pro Rata Master's Fees

Asset Account:	Total Assets:	Master's Fee:
EAA 1	R3 927 000	R212 473,98
Free Residue	R4 305 000	R232 926,02
Total Asset Value:	R8 232 000	R445 400

Calculate Total Masters Fee

8232000				
8082000		R1 000		R1000 for 1st R150 000
1616,40		R444 400		R275 for Each R5 000
Total Master's Fee		R445 400		

SCHEDULE C - Pro Rata Calculations

Pro Rata Bond Cost

Asset Account:	Total Assets:	Bond Cost:
EAA 1	R3 927 000	R21 466,84
Free Residue	R4 305 000	R23 533,16
Total Asset Value:	R8 232 000	R45 000

VAT Schedule

Account	Output VAT	Input VAT	Payable / Refund
Encumbered Asset Acc 1	R512 217,39	R80 477,95	R431 739,44
Free Residue	R561 521,74	R83 139,34	R478 382,40
Totals	R1 073 739,13	R163 617,29	R910 121,84

Payable to SARS if positive, Refund from SARS if negative

DISTRIBUTION ACCOUNT

No	Creditor	Claim Amount		Secured claim	Secured award	Preferent claim	preferent award	Concurrent claim	Concurrent award	Deficiency
1	Sundays River Water Use Association	R 49 464,20						R 49 464,20	R 2 676,01	R 46 788,19
2	SARS	R 5 692,58						R 5 692,58	R 307,97	R 5 384,61
3	Kaap Agri	R 45 889 589,63		R 45 889 589,63	R 2 665 788,96			R 43 223 800,67	R 2 338 407,62	R 40 885 393,05
4	Blue Crane	R 3 022 387,00						R 3 022 387,00	R 163 511,14	R 2 858 875,86
5	Blackie Swart Familie Trust	R 60 343,43						R 60 343,43	R 3 264,58	R 57 078,85
6	Johann Swart Loan Account	R 5 430 000,00						R 5 430 000,00	R 293 763,00	R 5 136 237,00
7	Johannes de Lange	R 2 024 778,50						R 2 024 778,50	R 109 540,52	R 1 915 237,98
8	Marika Swart	R 429 588,94						R 429 588,94	R 23 240,76	R 406 348,18
Total		**R 56 911 844,28**		**R 45 889 589,63**	**R 2 665 788,96**	**R -**	**R -**	**R 54 246 055,32**	**R 2 934 711,59**	**R 51 311 343,73**