PROPOSED BUSINESS RESCUE PLAN

FOR

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

by

Jaco Durandt

ON

14th of September 2026



TABLE OF CONTENTS

1. DEFINITIONS 3
2. EXECUTIVE SUMMARY 6
3. SALIENT FEATURES: PART A – BACKGROUND OF THE COMPANY 10
4. SALIENT FEATURES: PART B – PROPOSAL BY THE PRACTITIONER/S 17
5. SALIENT FEATURES: PART C – ASSUMPTIONS AND CONDITIONS USED 32
6. MEETING TO DETERMINE THE FUTURE OF THE COMPANY 36
7. CONSIDERATION OF THE BUSINESS RESCUE PLAN 36
8. QUALIFICATION OF BUSINESS RESCUE 37
9. OVERVIEW OF THE BUSINESS RESCUE PROCESS 38
10. INVESTIGATION OF THE AFFAIRS OF THE COMPANY 39
11. VOTING ON THE PLAN ..... Error! Bookmark not defined.
12 ANNEXURES TO THE BUSINESS RESCUE PLAN 39

1. DEFINITIONS

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

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

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

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

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

1.5. "**BRP/s**" means Jaco Durandt as defined in Regulation 126 to the Act;

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

1.7. "**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 14th of September 2026.

1.8. "**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;

1.9. "**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;

1.10. "**Concurrent Creditors**" means creditors having concurrent claims as envisaged in the Insolvency Act;

1.11. “**The Business**” means LUMILA HOLDINGS (Pty) Ltd (in business rescue), a business duly incorporated in terms of the Laws of South Africa under registration number 2017 / 431162 / 07;

1.12. “**Commencement Date**” means 6 August 2026 being the date upon which the resolution to voluntarily begin with business rescue proceedings was filed with the Commission;

1.13. “**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;

1.14. “**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.

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

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

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

1.18. “**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;

1.19. “**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;

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

1.21. “**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;

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

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

1.24. “**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;

1.25. “**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;

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

1.27. **“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;

1.28. “**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;

1.29. “**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;

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

2. EXECUTIVE SUMMARY

2.1. Lumila Holdings (Pty) Ltd conducts business within the transport and logistics industry and operates a fleet of commercial vehicles utilised for the transportation of goods for customers.

2.2. The Company operates in a capital-intensive industry in which vehicle finance, fuel, maintenance, tyres, insurance and employee costs constitute significant fixed and semi-variable operating expenditure.

2.3. During the period preceding Business Rescue, the Company's cash flow became increasingly constrained. Although the underlying logistics operation remained capable of generating revenue, the Company accumulated arrears in respect of certain vehicle and fleet-related financing obligations together with indebtedness to SARS and other creditors.

2.4. The Company's difficulty is therefore predominantly one of cash-flow timing, breakdowns, maintenance and historic arrears, rather than an absence of an underlying operational business.

2.5. The Company voluntarily commenced Business Rescue on 6 August 2026 and the Practitioner was formally appointed on 11 August 2026.

2.6. Following his preliminary investigation, consideration of the Company's operational position, existing fleet, liabilities and projected cash flows, the Practitioner remains of the opinion that a reasonable prospect exists for the successful rehabilitation of the Company.

2.7. The principal objective of this Plan is accordingly to allow the Company to continue trading while separating:

2.7.1. the Company's ongoing post-commencement operating obligations, which must continue to be paid in the ordinary course; from

2.7.2. the Historic Debt existing at the Commencement Date, which will be repaid in accordance with this Plan.

2.8. The proposal does not envisage any compromise of the capital indebtedness admitted under the Plan.

2.9. Subject to verification and the provisions of this Plan, creditors will receive 100 cents in the rand in settlement of their admitted Historic Debt.

2.10. The present creditor schedule reflects Total Debt of approximately R10 993 661.84, subject to final verification, reconciliation and admission of Claims by the Practitioner this of course is the company's total current exposure – not what is due and payable by the business in terms of this rescue plan.

2.10.1. The repayment in this plan will be based largely on the arrears as at the time of commencement of the proceedings – as the ongoing instalments on the financed assets will be maintained as and when they fall due in the post-rescue period.

2.10.2. The arrears in question amount to approximately R2 386 293 – subject to confirmation and final submissions as will be dealt with under this rescue plan.

2.11. The principal creditors presently identified include SARS, Merchant Capital, Toyota Financial Services, WesBank, First National Bank and Intello Group.

2.12. The Company will continue servicing all Current Obligations arising after commencement of Business Rescue, including the ordinary ongoing instalments associated with vehicles and equipment retained and utilised by the Company.

2.13. Accordingly, this Plan does not propose a payment holiday in respect of ordinary post-commencement instalments.

2.14. The proposed moratorium relates specifically to Historic Debt and, in particular, arrears which had accumulated as of 6 August 2026.

2.15. No ordinary distribution in respect of Historic Debt will be required before 1 April 2027.

2.16. This moratorium is necessary to provide the Company with an opportunity to:

2.16.1. stabilise its fleet and operations;

2.16.2. maintain payment of current financing obligations;

2.16.3. meet fuel, maintenance, insurance, wage and statutory expenditure;

2.16.4. rebuild sufficient working capital;

2.16.5. absorb the traditionally weaker December and January trading period; and

2.16.6. return the business to sustainable positive cash generation before Historic Debt repayments commence.

2.17. The Company's cash-flow projections indicate that the business is expected to achieve materially improved and sustainable positive cash generation from approximately March 2027.

2.18. From 1 April 2027, surplus cash generated by the Company will be applied towards the Historic Debt, subject to the Company retaining a reasonable minimum operating cash reserve.

2.19. Based on the financial projections presently available, the Practitioner estimates that the Historic Debt could be extinguished within approximately 18 months from commencement of distributions if forecast trading is achieved.

2.20. To allow reasonable protection against operational fluctuations, breakdowns, seasonal changes and unforeseen expenditure, this Plan provides for a maximum Repayment Period of 24 months from adoption of the plan (6 months reprieve until 1 April 2027, thereafter the 18 months as provide for above).

2.21. Nothing prevents the Company from settling the Historic Debt earlier.

2.22. On the contrary, distributions will be made as frequently and as early as reasonably possible whenever the Company's cash position permits – subject to affordability and that the money will be distributed equally amongst the creditors in proportion to the debt that is owed.

2.23. The Plan therefore envisages:

2.23.1. Moratorium on Historic Debt repayments: until 31 March 2027.
2.23.2. First distributions: from 1 April 2027.
2.23.3. Dividend: 100 cents in the rand.
2.23.4. Maximum repayment period: 24 months – from adoption of plan.
2.23.5. Projected repayment: approximately 18 months based on current forecasts.
2.23.6. Ongoing post-commencement instalments: paid in the ordinary course.

2.24. The purpose of the Business Rescue is therefore not merely to provide creditors with a better dividend than liquidation, but to achieve the primary statutory objective of Business Rescue: the rehabilitation and continued existence of Lumila Holdings as a solvent and sustainable operating business.

3. SALIENT FEATURES: PART A – BACKGROUND OF THE COMPANY[1]

3.1. Lumila Holdings (Pty) Ltd (hereinafter referred to as "Lumila" or "the Company") is a transport and logistics company operating within the commercial road freight industry.

3.1.1. The Company's principal business involves the transportation of goods and commodities by road through the utilisation of commercial trucks, mechanical horses and trailer combinations, together with the management and operation of the associated fleet.

3.1.2. The Company's operations are capital intensive and require substantial ongoing expenditure in respect of vehicle and fleet financing, diesel, repairs and maintenance, tyres, insurance, licensing, salaries and other operating costs before revenue generated from transport operations is ultimately collected.

3.1.3. The Company's fleet has historically been funded through a combination of rental, instalment sale and other commercial finance arrangements entered into with various financiers and asset owners, including Intello Rental Solutions and traditional banking institutions.

3.1.4. The Company was established in 2017 and, until commencement of the Business Rescue Proceedings, operated under the direction and control of Ms Caroline Selloane Lepheana, the director of the Company. The CIPC records reflect that the Company was incorporated on 26 September 2017 under registration number 2017/431162/07.

3.2. The Company became financially distressed and consequently resolved to commence Business Rescue Proceedings in terms of section 129 of the Companies Act 71 of 2008, with Business Rescue Proceedings commencing on 6 August 2026.

3.3. The detailed causes of the Company's financial distress are set out in the sworn statement submitted in support of the resolution commencing Business Rescue and were further discussed during the first meeting of creditors, the outcome of which is attached hereto as Annexure A. For ease of reference, the principal factors contributing to the Company's financial distress are summarised below:

[1] Section 150 (2) of the Companies Act.

3.3.1. The Company experienced increasing pressure on its cash flow as a result of the substantial fixed and variable costs associated with operating a commercial transport fleet, including vehicle finance and rentals, fuel, maintenance, repairs, insurance, tyres, salaries and statutory obligations.

3.3.2. The Company experienced periods during which certain vehicles were unavailable for productive use as a result of mechanical failures, accident damage and repair requirements, thereby reducing the number of revenue-generating vehicles available to the Company.

3.3.3. Notwithstanding the reduction in productive fleet capacity, the Company remained liable for the ongoing finance and rental obligations associated with the affected vehicles, together with the other fixed costs of the business.

3.3.4. The reduction in fleet availability accordingly resulted in a mismatch between the revenue being generated by the operating fleet and the Company's ongoing monthly financial commitments.

3.3.5. The Company consequently began falling into arrears in respect of certain vehicle finance and rental arrangements, including those concluded with Intello Rental Solutions. Correspondence subsequently received from Intello's attorneys records that arrears had accumulated under the relevant rental arrangements prior to commencement of Business Rescue.

3.3.6. Two of the vehicles associated with the Intello arrangements sustained material damage and became unavailable for revenue-generating operations. Intello's attorneys subsequently recorded estimated repairs of approximately R551,090.80 in respect of the affected vehicles.

3.3.7. The loss of productive capacity associated with these vehicles placed further pressure on the Company's ability to generate sufficient revenue to service its historic arrears while simultaneously funding the continued operation of the remaining fleet.

3.3.8. In addition to the arrears owing in respect of certain vehicle and fleet finance arrangements, the Company accumulated indebtedness to the South African Revenue Service ("SARS") and certain other creditors.

3.3.9. The cumulative effect of the above circumstances resulted in a position where the Company remained operational and capable of generating revenue, but no longer had sufficient liquidity to settle all of its historic obligations as and when they became due and payable.

3.3.10. The financial distress experienced by the Company is therefore principally attributable to cash-flow constraints, reduced fleet availability and the accumulation of historic arrears, rather than the absence of an underlying operational business.

3.4. The Company accordingly had no reasonable alternative but to commence Business Rescue Proceedings in terms of the Act[2] on 6 August 2026.

3.4.1. The Practitioner has conducted a preliminary investigation into the affairs of the Company and, at the date of publication of this Proposed Business Rescue Plan, has not identified any material information which would indicate that the causes of the Company's financial distress differ materially from those disclosed by management and the information reviewed during the Proceedings.

3.4.2. The information reviewed by the Practitioner to date supports the conclusion that the Company's financial distress arose primarily from the accumulation of historic arrears, pressure on working capital and reduced revenue-generating capacity during periods where portions of the fleet were unavailable.

3.4.3. The Practitioner has not, during the preliminary stages of the investigation, identified any material evidence suggesting that the Company's financial distress arose primarily as a consequence of asset dissipation, irregular business practices or the absence of a viable underlying transport operation.

[2] Section 129 of the Companies Act 71 of 2008.

3.4.4. The Practitioner has however identified certain creditor claims and contractual balances which require reconciliation and verification before the final quantum and classification of those claims can be conclusively determined.

3.4.5. In particular, the amounts claimed in respect of certain fleet and rental arrangements remain subject to reconciliation against the Company's records, the applicable agreements, payments made and amounts arising before and after commencement of Business Rescue.

3.4.6. Save for the aforesaid reconciliation and verification process, the Practitioner has not identified any material discrepancies or other issues during the preliminary investigation which would materially alter the conclusion that the Company has a reasonable prospect of being rehabilitated through continued trading and the structured repayment of its Historic Debt.

3.5. The reasons for the financially distressed position in which the Company finds itself are as set out above. Many of the immediate causes of the distress have, however, already begun to be addressed as part of the Business Rescue Proceedings, including the stabilisation of the fleet, continued servicing of post-commencement operating obligations and the restructuring of Historic Debt, the details of which are dealt with more fully later in this Plan.

3.6. Per the Act[3], the draft list of material assets utilised by the Business is reflected in Annexure D.

3.6.1. The Company's principal operational assets consist of the commercial vehicles and trailer combinations utilised in conducting its transport operations. Certain of these assets are subject to rental, instalment sale or other finance arrangements and ownership does not necessarily vest in the Company.

3.6.2. The Company is, inter alia, in possession of vehicles and trailers financed or owned by Intello Rental Solutions in terms of various Master Rental Agreements. These include commercial mechanical horses and side-tipper trailer combinations utilised in the ordinary course of the Company's transport operations.

[3] Section 150(2)(a)(i).

3.6.3. These vehicles and trailers are central to the Company's ability to generate revenue and consequently to the successful implementation of the Proposed Business Rescue Plan.

3.6.4. The treatment of the relevant fleet finance and rental arrangements, together with the Historic Debt owing in respect thereof and the Company's continued payment of post-commencement obligations, is dealt with in greater detail later in this Plan.

3.6.5. The basis of the proposed rescue is accordingly not the disposal of the Company's operating assets but rather the continued utilisation of the fleet to generate sufficient operating cash flow to stabilise the Company, meet its ongoing obligations and ultimately repay its admitted Historic Debt in full.

3.7. Per the Act[4]; The liability of the business is based on the proof of claims received from 6 creditors (totaling 6 claims) and totals about R 10 993 661.84 based on capital amounts due. A list of creditors with their respective claims is attached as Annexure B.

3.7.1. As mentioned, the total debt is as above, and as contained in annexure B. The total historic debt and that which is to be re-paid in terms of this plan amount to approximately R 2 386 293 as the remaining balance will be paid in the ordinary course of business in terms of the agreements already in place.

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

TOTAL CLAIM AMOUNTS TO BE USED FOR VOTING PERCENTAGES:

Secured Claims	:	3 Claims	for about R 9 928 813.13
Concurrent Claims	:	3 Claims	for about R 1 064 848.71

HISTORIC DEBT TO BE REPAID IN TERMS OF THE PLAN

Secured Claims	:	2 Claims	for about R 121 445.07
Disputed Secure Claims	:	1 Claim	For about R 1 200 000
Concurrent Claims	:	3 Claims	for about R 1 064 848.71

[4] Section 150(2)(a)(ii).

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

3.8.1.1. In this instance, a “disputed claim” does not constitute a dispute as to whether the claim exists or not – in this specific case, it has primarily to do with the quantum of the claim. The arrears relating specifically to Intello are still to be calculated.

3.8.2. It must be noted that the proof of claims submitted to the Business Rescue Practitioner/s does not automatically assure the Creditor that they will receive this amount as discrepancies might be found when comparing the amount in the books of the Business to the proof of claim received.

3.9. 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.

3.10. 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 could potentially be liable for a cost contribution in such a scenario should they prove a claim against the business.

3.11. 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.

3.12. The possible dividend in Liquidation compared to the Business Rescue dividend is as stated below:

Creditor Class		**Liquidation**		**Business Rescue**
Secured	:	44 cents in the rand	:	100 cents in the rand
Preferent (in liquidation) and PCF (in Business Rescue)	:	0 cents in the rand	:	100 cents in the rand
Concurrent Claims	:	0 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).

3.13. Below is a complete list of the holders of the Company's issued securities.[5]

Name		Issued Securities
Ms Caroline Selloane Lepheana	:	100%

3.14. Attached as Annexure F[6] is a copy of the written fee agreement of the practitioner/s as approved by the business and the directors.

3.14.1. 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.

3.14.2. For ease of reference, the practitioner's fee proposal is as follows:

3.14.2.1. A Reduced hourly rate for a small sized business by PI Score – being R1250/hr inclusive of VAT down to R500/hr exclusive of VAT.

3.14.2.2. On successful adoption of the Business Rescue plan, the practitioner will be entitled to an additional 10 hours' worth of fees. Calculated at the normal hourly rate of a BRP to a small company.

3.14.2.3. The practitioner will also be entitled to an additional 10 hours' worth of fees on the successful substantial implementation of the proposed business rescue plan. Calculated at the normal hourly rate of a BRP to a small company.

3.15. 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.[7]

[5] Section 150(2)(a)(iv).
[6] Section 150(2)(a)(v).
[7] Section 150(2)(a)(vi).

4. SALIENT FEATURES: PART B – PROPOSAL BY THE PRACTITIONER/S[8]

4.1. This Proposed Business Rescue Plan does make provision for a specific moratorium period[9] to be granted, payments on the historic debt to the creditors of the business will commence on the 1st of April 2027 – allowing for a 6 month reprieve for the company to rebuild its cashflow reserves.

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,[10]

4.3. PROPOSAL BY THE PRACTITIONER

4.3.1. PROPOSED REHABILITATION OF THE COMPANY

4.3.2. The primary objective of this Proposed Business Rescue Plan is the rehabilitation of Lumila Holdings (Pty) Ltd as a sustainable transport and logistics business through the rationalisation of its existing fleet, the reduction of its monthly fixed financial commitments and the structured repayment of the Company's Historic Debt from the cash flow generated by its continued trading operations.

4.3.3. Unlike a disposal-based rescue, the Company remains capable of conducting its underlying transport operations and generating sufficient revenue to meet its ongoing operating expenses. The Practitioner accordingly does not propose the winding-down or disposal of the Company as a going concern, but rather an organic turnaround through the continued operation of a smaller and more financially sustainable fleet.

4.3.4. A material contributor to the Company's financial distress was the level of fixed monthly expenditure associated with the fleet relative to the revenue being generated by the Company. In particular, the Company had accumulated substantial commitments in respect of vehicles and trailers which, collectively, placed an unsustainable burden upon the Company's monthly cash flow.

[8] Section 150 (2).
[9] Section 150(2)(b)(i).
[10] Section 154(1).

4.3.5. Following discussions between the Practitioner, the Company, Intello Rental Solutions (Pty) Ltd ("Intello") and Intello's attorneys, agreement was reached that certain assets belonging to Intello would be returned in order to reduce the Company's ongoing monthly rental and fleet-related expenditure.

4.3.6. The proposed return of the relevant assets was accepted by Intello through its attorneys following the meeting held on 1 September 2026. The return has further been confirmed by the Company and consented to by the Practitioner in the exercise of his powers during the Business Rescue Proceedings.

4.3.7. The assets to be returned to Intello are the following:

4.3.7.1. 2024 Leader Trailer Bodies side tipper interlink, comprising VIN numbers:

4.3.7.1.1. AA9H236KASBVB2029; and
4.3.7.1.2. AA9H236KASBVB2030.

4.3.7.2. 2024 Leader Trailer Bodies side tipper interlink, comprising VIN numbers:

4.3.7.2.1. AA9H236KASBVB2023; and
4.3.7.2.2. AA9H236KASBVB2024.

4.3.7.3. Used demonstration 2022 MAN TGS 27-440 6x4, VIN number AAM25K0652PX44603.

4.3.7.4. 2023 FAW 28 Series 28, VIN number AAK2850FTPB041036.

4.3.8. In accordance with the arrangement reached with Intello, the aforesaid assets are to be delivered to FAW Rustenburg, Plot 58 Dinie Estates Road, Waterval, Rustenburg. The 2022 MAN TGS 27-440 is to be returned as soon as the necessary repairs have been completed and is not to be utilised by the Company thereafter.

4.3.9. The return of the aforesaid assets constitutes an integral component of the proposed rescue and is intended to materially reduce the fixed monthly expenditure of the Company without eliminating its ability to continue operating as a transport and logistics business.

4.3.9.1. Following the return of these assets, the Company will retain a smaller operational fleet which management and the Practitioner believe is more appropriately aligned with the Company's current revenue-generating capacity.

4.3.10. The remaining fleet obligations are substantially more affordable and, based upon the financial projections prepared for purposes of this Business Rescue Plan, the Company is expected to remain capable of meeting the ongoing monthly instalments associated with the retained fleet whilst simultaneously generating sufficient surplus cash to repay the Historic Debt over the period contemplated in this Plan.

4.3.11. The rationale for the restructuring is therefore not simply to reduce the size of the fleet, but to improve the utilisation and profitability of each remaining vehicle by removing assets whose associated fixed costs are disproportionate to the revenue presently capable of being generated by the Company.

4.3.12. The Practitioner is accordingly of the opinion that the restructuring of the Company's fleet, coupled with the payment moratorium and structured repayment arrangement contemplated below, provides a reasonable prospect of rehabilitating the Company as contemplated in Chapter 6 of the Companies Act 71 of 2008.

4.3.13. PAYMENT OF ONGOING OBLIGATIONS

4.3.13.1. 5A fundamental component of this Proposed Business Rescue Plan is the distinction between:

4.3.13.2. indebtedness which existed as at the commencement of Business Rescue Proceedings (“Historic Debt”); and

4.3.13.3. amounts arising from the continued operation of the Company after commencement of Business Rescue (“Current Obligations”).

4.3.13.4. The Company will continue to pay its ordinary Current Obligations as and when they become due, subject to the ordinary management of its working capital.

4.3.13.5. These obligations include, inter alia:

4.3.13.5.1. the ongoing monthly instalments or rentals associated with the vehicles and equipment retained by the Company;

4.3.13.5.2. diesel and other fuel expenditure;

4.3.13.5.3. employee remuneration;

4.3.13.5.4. insurance;

4.3.13.5.5. repairs and maintenance;

4.3.13.5.6. tyres;

4.3.13.5.7. licensing and statutory costs;

4.3.13.5.8. post-commencement taxation; and

4.3.13.5.9. the ordinary administrative and operational expenditure necessary for the continued conduct of the business.

4.3.14. The payment reprieve proposed in this Plan therefore does not constitute a suspension of the Company's ordinary post-commencement trading obligations.

4.3.15. The purpose of the reprieve is specifically to prevent the Company from simultaneously being required to fund its ordinary current operating expenditure and immediately cure the Historic Debt which accumulated prior to commencement of Business Rescue.

4.3.16. In respect of Intello specifically, the return of the identified assets does not, of itself, extinguish any indebtedness which may have accrued prior to their return. Intello has expressly reserved its rights in respect of indebtedness accumulated prior to and after commencement of Business Rescue, and the amounts ultimately admitted in respect thereof remain subject to reconciliation and treatment in accordance with this Plan.

4.3.17. SIX-MONTH PAYMENT REPRIEVE

4.3.17.1. The Practitioner proposes that the Company be afforded an initial payment reprieve in respect of its Historic Debt in order to allow the restructuring measures contemplated in this Plan sufficient time to take effect.

4.3.17.2. No ordinary distributions towards Historic Debt will accordingly be required during the initial rehabilitation period, with the first distributions to creditors commencing on 1 April 2027.

4.3.17.3. The purpose of the payment reprieve is to allow the Company sufficient time to:

4.3.17.3.1. complete the rationalisation of the fleet;

4.3.17.3.2. stabilise the remaining transport operations;

4.3.17.3.3. meet the current instalments associated with the retained fleet;

4.3.17.3.4. fund repairs and maintenance necessary to ensure that the remaining vehicles remain operational;

4.3.17.3.5. rebuild an appropriate working-capital reserve;

4.3.17.3.6. ensure compliance with ongoing SARS and other statutory obligations; and

4.3.17.3.7. establish a sustainable trading position before distributions towards Historic Debt commence.

4.3.17.4. The payment reprieve does not constitute a compromise, waiver or reduction of any admitted Historic Debt.

4.3.17.5. The Historic Debt will remain owing and will thereafter be repaid in accordance with the structured repayment provisions contained in this Plan.

4.3.18. REPAYMENT OF HISTORIC DEBT

4.3.18.1. The Company's Historic Debt will be repaid from the surplus cash generated by its continued trading operations following implementation of the fleet rationalisation and the expiry of the proposed payment reprieve.

4.3.18.2. Repayment of the Historic Debt will commence on 1 April 2027.

4.3.18.3. The Company will thereafter have a period of 18 months, ending on 30 September 2028, within which to settle all admitted Historic Debt in accordance with this Plan.

4.3.18.4. The Practitioner presently proposes payment of 100 cents in the Rand in respect of all admitted Historic Debt.

4.3.18.5. No compromise of the capital amount of admitted creditor claims is presently envisaged.

4.3.18.6. The 18-month repayment period represents the maximum period contemplated for settlement and does not prevent the Company from making accelerated or additional distributions where the cash position of the Company permits.

4.3.18.7. The financial projections prepared for purposes of this Plan indicate that, following the reduction in fleet expenditure contemplated above, the remaining operations should generate sufficient cash to meet:

4.3.18.7.1. ordinary ongoing operating expenditure;

4.3.18.7.2. the current monthly instalments associated with the retained vehicles;

4.3.18.7.3. an appropriate cash reserve for working-capital purposes; and

4.3.18.7.4. repayment of the Historic Debt within the proposed 18-month period.

4.3.18.8. It is not proposed that the Company commit itself to an identical fixed distribution in every month of the Repayment Period.

4.3.18.9. The transport and logistics industry is inherently susceptible to fluctuations in monthly revenue and expenditure arising from, inter alia, vehicle downtime, repairs, maintenance, route availability, customer volumes and seasonal trading patterns.

4.3.18.10. Requiring an inflexible fixed payment notwithstanding these fluctuations could itself recreate the cash-flow pressure which resulted in the Company entering Business Rescue.

4.3.18.11. The Company will therefore make distributions from available surplus cash during the Repayment Period, subject always to sufficient provision being

maintained for its foreseeable Current Obligations and working-capital requirements.

4.3.18.12. The maintenance of this reserve is not intended to defer payment to creditors unnecessarily, but rather to ensure that the Company does not become unable to fund fuel, wages, repairs or another essential operational expense and thereby interrupt the revenue-generation upon which repayment of creditors is dependent.

4.3.18.13. Where surplus cash materially exceeds the level reasonably required for continued trading, the excess will be applied towards the Historic Debt.

4.3.18.14. The objective is accordingly to settle the Historic Debt as rapidly as the Company's actual cash generation permits, subject to full settlement occurring no later than 30 September 2028.

4.3.19. DISTRIBUTIONS TO CREDITORS

4.3.19.1. Subject to the statutory ranking and treatment of Claims under the Companies Act, distributions towards Historic Debt shall generally be made proportionately amongst creditors of the same ranking.

4.3.19.2. The Practitioner does not propose that one ordinary Historic Creditor be settled in full while creditors of an equivalent ranking remain unpaid merely because that creditor’s Claim is smaller or because it has demanded accelerated payment.

4.3.19.3. Accordingly, distributions made during the Repayment Period shall, insofar as reasonably practicable, be allocated pro rata according to each creditor's admitted Claim within the applicable class.

4.3.20. SARS AND STATUTORY OBLIGATIONS

4.3.20.1. Historic indebtedness owing to the South African Revenue Service (“SARS”) will be dealt with in accordance with this Proposed Business Rescue Plan and the classification ultimately afforded to the relevant Claim.

4.3.20.2. The Company will remain responsible for all taxation and statutory obligations arising from its post-commencement operations and shall endeavour to ensure that these are submitted and paid as and when they fall due.

4.3.20.3. A central objective of the rehabilitation process is to prevent the accumulation of further statutory arrears while Historic Debt is being repaid.

4.3.20.4. Management will therefore be required to make provision for VAT, PAYE and any other applicable statutory liability as part of the Company's ongoing monthly cash-flow management rather than treating such amounts as available operating cash.

4.3.21. OPERATIONAL AND FINANCIAL CONTROLS

4.3.21.1. The successful rehabilitation of the Company requires not only the restructuring of the existing indebtedness but also measures designed to prevent a recurrence of the circumstances which resulted in the present financial distress.

4.3.21.2. The Practitioner therefore proposes that the following operational and financial controls be maintained during implementation of this Plan.

4.3.21.2.1. Fleet size and new commitments

4.3.21.2.1.1. The Company shall operate a fleet appropriate to the revenue and contracts reasonably available to it.

4.3.21.2.1.2. No material additional vehicle finance, rental or lease commitment may be incurred during implementation of the Plan without the prior approval of the Practitioner – other than the ones already considered and approved and provided for in the financial projections.

4.3.21.2.1.3. Any proposal to expand the fleet must demonstrate that the anticipated revenue generated by the additional asset is sufficient to meet the full direct cost thereof, together with an appropriate contribution towards overheads and profitability.

4.3.21.2.2. Vehicle utilisation

4.3.21.2.2.1. Management shall monitor the utilisation and profitability of each vehicle retained within the fleet.

4.3.21.2.2.2. Vehicles which consistently fail to generate sufficient revenue to justify their direct financing and operating costs must be reconsidered rather than retained purely for the purpose of maintaining fleet size.

4.3.21.2.3. Repairs and preventative maintenance

4.3.21.2.3.1. The Company shall maintain a structured preventative maintenance programme intended to reduce unplanned vehicle downtime.

4.3.21.2.3.2. Appropriate monthly provision must be maintained for tyres, servicing, repairs and maintenance.

4.3.21.2.3.3. Material maintenance requirements are to be addressed as early as reasonably possible rather than deferred until the vehicle suffers a major mechanical failure.

4.3.21.2.4. Working capital

4.3.21.2.4.1. The Company shall maintain the minimum cash reserve contemplated above and shall not distribute all available cash merely because funds are reflected in the Company's bank account at month-end.

4.3.21.2.4.2. Prior to each material creditor distribution, provision must first be made for reasonably foreseeable operating expenses falling due during the following operating cycle.

4.3.21.2.5. Fuel management

4.3.21.2.5.1. Given that fuel represents one of the largest variable expenses of the transport business, management has proposed a solution that could assist in the fuel management and costing for the business. This has been attached as Annexure J: Fuel Management Proposal.

4.3.21.2.5.2. Material deviations in vehicle fuel consumption must be investigated and addressed.

4.3.21.2.6. Debtor collection

4.3.21.2.6.1. The Company shall maintain active debtor collection procedures in order to minimise the period between completion of transport services and receipt of payment.

4.3.21.2.6.2. Where commercially possible, customer payment terms should be aligned as closely as reasonably practicable with the Company's own working-capital cycle.

4.3.21.2.6.3. The Company should avoid materially increasing exposure to customers who fail to adhere to agreed payment terms unless the Practitioner is satisfied that adequate commercial justification exists.

4.3.21.2.7. Management reporting

4.3.21.2.7.1. Actual monthly income and expenditure shall be compared against the projections forming part of this Business Rescue Plan.

4.3.21.2.7.2. Material adverse variances shall be investigated to determine whether remedial measures are required.

4.3.21.2.7.3. The Company shall maintain sufficiently current accounting records to permit management and the Practitioner to monitor:

4.3.21.2.7.3.1. revenue;
4.3.21.2.7.3.2. operating expenses;
4.3.21.2.7.3.3. vehicle profitability;
4.3.21.2.7.3.4. current creditor obligations;
4.3.21.2.7.3.5. SARS liabilities;
4.3.21.2.7.3.6. Historic Debt repayments; and
4.3.21.2.7.3.7. cash available for distribution.

4.3.22. PROTECTION AGAINST RECURRING FINANCIAL DISTRESS

4.3.22.1. The principal purpose of the measures contemplated above is to prevent the Company from returning to a position where its fixed fleet commitments materially exceed the cash-generating capacity of its operations.

4.3.22.2. The Company shall therefore not pursue fleet growth merely for the purposes of increasing turnover.

4.3.22.3. Future growth must be supported by sustainable margins and sufficiently certain work to justify the associated financing and operational commitments.

4.3.22.4. Particular emphasis will be placed upon the distinction between turnover and cash generation. Management will be required to consider the entire cost of operating each vehicle, including financing, fuel, wages, insurance, tyres, repairs,

maintenance and downtime, when evaluating the profitability of contracts and routes.

4.3.22.5. The proposed restructuring therefore seeks to create a smaller but more profitable and resilient transport operation rather than preserving assets or commitments which do not make a sufficient contribution towards the profitability of the Company.

4.3.22.6. The Practitioner believes that these measures, together with the return of the identified Intello assets and the structured treatment of Historic Debt, materially reduce the likelihood of the Company returning to the circumstances which necessitated Business Rescue.

4.3.23. BENEFIT OF THE PROPOSED BUSINESS RESCUE

4.3.23.1. The Practitioner is of the opinion that the proposed restructuring provides a materially more favourable outcome to affected persons than would likely arise from the immediate liquidation of the Company.

4.3.23.2. In an immediate liquidation, the Company's transport operations would cease or be materially disrupted and assets which are subject to third-party ownership or finance arrangements would likely be repossessed or realised.

4.3.23.3. The Company's principal value to creditors lies in its ability to continue operating and generate cash from its transport activities rather than in the forced realisation of its underlying asset base.

4.3.23.4. Under the proposed Business Rescue Plan:

4.3.23.4.1. the Company continues trading;

4.3.23.4.2. the operational fleet is reduced to an affordable level;

4.3.23.4.3. current obligations continue to be serviced;

4.3.23.4.4. the company receives a six-month reprieve before Historic Debt distributions commence;

4.3.23.4.5. Historic Debt is thereafter repaid over a maximum period of 18 months;

4.3.23.4.6. the proposed dividend is 100 cents in the Rand; and

4.3.23.4.7. the underlying business is preserved as an operating enterprise following implementation of the rescue.

4.3.23.5. The Practitioner accordingly believes that there remains a reasonable prospect of rehabilitating the Company within the meaning and objectives of Chapter 6 of the Companies Act.

4.3.24. NO COMPROMISE OF HISTORIC DEBT

4.3.24.1. No compromise of the admitted capital amount of creditor Claims is presently envisaged.

4.3.24.2. The intention of this Proposed Business Rescue Plan is to settle admitted Historic Debt at 100 cents in the Rand, subject to the Company's continued achievement of the projected trading performance and the assumptions and conditions contained in this Plan.

4.3.24.3. The relief sought from creditors is therefore principally temporal in nature: the Company requires the opportunity to stabilise its operations before commencing repayment of Historic Debt and thereafter requires sufficient time to repay that indebtedness from sustainable trading cash flow.

4.3.24.4. The Practitioner believes this represents a reasonable balance between the interests of creditors in achieving full recovery and the Company's need to retain sufficient liquidity to continue the very operations from which those payments will be generated.

4.3.25. SUBSTANTIAL IMPLEMENTATION

4.3.25.1. Following adoption of the Plan, the Practitioner shall continue to supervise its implementation in accordance with the Act.

4.3.25.2. Implementation will include, inter alia:

4.3.25.2.1. completion of the return of the identified Intello assets;

4.3.25.2.2. stabilisation of the retained operational fleet;

4.3.25.2.3. instruction for commencement of Historic Debt distributions from 1 April 2027;

4.3.25.2.4. instruction for the implementation of the operational and financial controls contemplated in this Plan; and

4.3.26. Once the Practitioner is satisfied that the Business Rescue Plan has been substantially implemented, the appropriate Notice of Substantial Implementation shall be filed in accordance with section 132(2)(c)(ii) of the Companies Act. The practitioner will however file for the Substantial Implementation as soon as is reasonably practicable, in order to avoid the ongoing expenses associated with the Business Rescue Process.

4.4. 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[11] and is summarised as follows:

4.4.1. First - The fees and expenses still due to the practitioner/s in terms of Section 143 of the Act[12] will be paid in terms of Section 135 of the Act.[13] 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.

4.4.1.1. 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.[14]

4.4.1.2. For ease of reference, the practitioner's fee proposal is as follows:

[11] Section 150(2)(b)(v).
[12] Section 143.
[13] Section 135 (3
[14] Section 135.

4.4.1.2.1. The reduced hourly rate for a small sized business by PI Score – being R500/hr exclusive of VAT.

4.4.1.2.2. On successful adoption of the Business Rescue plan, the practitioner will be entitled to an additional 10 hours' worth of fees. Calculated at the ordinary hourly rate of a BRP appointed to a small company.

4.4.1.2.3. The practitioner will also be entitled to an additional 10 hours' worth of fees on the successful substantial implementation of the proposed business rescue plan. Calculated at the ordinary hourly rate of a BRP appointed to a small company.

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

4.4.2. 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.

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

4.4.4. Fourth – Secured Creditors:

4.4.4.1. The Secured Creditors in this matter are Intello, Wesbank and Toyota Financial Services. These creditors will be repaid the same as the concurrent creditors over the same time period as detailed above and they will receive 100 cents in the Rand.

4.4.5. Fifth – The Concurrent Creditors will be repaid 100 cents in the Rand based on the claims received and contained in Annexure B.

4.4.6. Sixth – SARS

4.4.6.1. 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.

4.4.6.2. The pre-rescue indebtedness to SARS 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 – SARS will enjoy the same preference as the other concurrent creditors subject to the same sections of the Act.

4.4.6.3. This plan makes no provision for a VAT claw back as creditors will be settled 100 Cents in the Rand. Should there be a shortfall, the VAT claw back can be calculated and provided for.

4.5. Dispute Resolution Mechanism:

4.5.1. 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.

4.5.2. 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:

4.5.2.1. 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.

4.5.3. 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."

4.6. The main benefits of adopting this business rescue plan are:[15]

4.6.1. There is no risk of a contribution by creditors towards the costs of the business rescue proceedings and creditors cannot be called upon to fund the administration of the process by virtue of having proved their claims.

4.6.2. The business rescue process is not subject to the extensive procedural requirements applicable to liquidations, including the ongoing supervision of the Master of the High Court, repeated meetings of creditors, the preparation and approval of liquidation and distribution accounts and the associated statutory advertising requirements.

4.6.2.1. The adoption of this Proposed Business Rescue Plan will substantially reduce the legal, administrative and professional costs ordinarily associated with a liquidation, thereby preserving a greater portion of the Company's assets for distribution to creditors.

4.6.3. In the opinion of the Practitioner, the adoption of this Proposed Business Rescue Plan satisfies the objectives contemplated in section 128(1)(b)(iii) of the Companies Act 71 of 2008, in that it is reasonably likely to provide affected persons with a better return than would be achieved through the immediate liquidation of the Company.

5. SALIENT FEATURES: PART C – ASSUMPTIONS AND CONDITIONS USED[16]

5.1. This Business Rescue Plan is based on the following assumptions. [17]

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.

[15] Section 150(2)(b)(vi).
[16] Section 150 (2).
[17] Section 150(2)(c)(i).

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.

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.[18]

5.2. This Business Rescue Plan is based on the following conditions that need to be satisfied for it to be fully operational.[19]

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[20] for the plan to come into operation.

[18] Section 152 and Eravin Construction Matter.
[19] Section 150(2)(c)(i).
[20] Section 151 and 152.

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.[21]

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 regard to the statutory submissions and obligations that have to be maintained going forward.

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, shareholders 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.

[21] Section 137(4).

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. This Proposed Business Rescue Plan shall be regarded as substantially implemented[22] once the objectives contemplated herein have been achieved to the extent reasonably practicable and the Practitioner is satisfied that the adopted Business Rescue Plan has been implemented in accordance with its terms. Upon completion of the milestones set out below, the Practitioner shall file a Notice of Substantial Implementation in terms of section 152(8) of the Companies Act 71 of 2008:

5.4.1. The successful adoption of this Proposed Business Rescue Plan by the requisite majority of creditors.

5.4.2. The completion of the return of the Intello assets as consented to by the practitioner and as contained in the proposal of this plan.

5.4.3. The calculation of the final amounts due to Intello and all other creditors as and when any disputes are resolved after the adoption of the plan.

5.4.4. The instruction to commence with monthly repayments commencing at 1 April 2027.

5.4.5. Upon completion of the aforesaid distributions, the rights of creditors shall be limited to the payments and treatment provided for in this Proposed Business Rescue Plan, and no creditor shall thereafter be entitled to pursue or enforce any claim against the Company other than as expressly provided for herein.

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.[23]

5.5.1. It is proposed that the Company will continue trading in its current format (although at a reduced capacity) after the implementation of this BR Plan[24] and therefore the financial projections are attached hereto as Annexure I.

[22] Section 150(2)(c)(i).
[23] Section 132(2)(c)(ii).
[24] Section 150(2)(c)(iii).

6. MEETING TO DETERMINE THE FUTURE OF THE COMPANY[25]

6.1. This Proposed Business Rescue Plan is published to the affected persons on 14 September 2026 and a meeting to vote has been scheduled to take place on 29 September 2026 (Due to the Publica holiday of Heritage Day on the 24th), 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[26]

7.1. Three votes will take place during this meeting as per the Act;[27]

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.[28]

[25] Section 151.
[26] Section 152.
[27] Section 152 (1).
[28] 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.[29]

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.[30]

8.5.1. The first condition is that the Business must be financially distressed as defined in the Act.[31]

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.[32]

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.

---

[29] Section 128 (1)(b).
[30] Section 129 (1).
[31] Section 129 (1)(a).
[32] Section 129 (1)(b).

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[33] 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	5 August 2026
Resolution adopted by CIPC	6 August 2026
Business Rescue Practitioner Appointed	11 August 2026
Business Rescue notice submitted to affected persons	19 August 2026
First meeting of Creditors	25 August 2026
Business Rescue Plan published	14 September 2026
Vote on the proposed business rescue plan	29 September 2026

[33] 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.[34]

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 practical limitations imposed by the Companies Act, including the timeframes applicable to the publication of this Proposed Business Rescue Plan and the limited funding available to the Practitioner during the investigation, it has not been possible to conduct a full forensic investigation into every historical transaction of the Company. Nevertheless, the Practitioner has not, at the date of publication of this Proposed Business Rescue Plan, identified any evidence of material misconduct, reckless trading, fraud or other irregular conduct which would materially affect the implementation of this Proposed Business Rescue Plan.

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:	Assumed Liquidation Dividend
Annexure I:	Financial Projections
Annexure J:	Fuel Management Proposal

We thank you for your time offered to determine the future of this Business Rescue process for **LUMILA HOLDINGS (PTY) LTD.**

[34] Section 141.

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure A : Outcome of 1st Creditors Meeting

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 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.

Lumila Holdings			FINANCE SHEET									
Nr	Creditor	Acronym	Capital Amount	Interest & Admin Fees	Legal Fees	Amount Due	% Voting Interest	Made Contact	Proof of Claim		Interest & Admin	Legal	Total Business Rescue Amount
1	SARS VAT	CC	R 277 630,29	R 27 058,95	R 38 445,53	R 343 134,77	14,00%						R 277 630,29
2	Merchant Capital	CC	R 187 218,42			R 187 218,42	7,64%						R 187 218,42
3	Toyota Financial Services ACC Number: 86140966598	SC	R 37 911,73			R 37 911,73	1,55%						#REF!
4	Wesbank ACC Number: 85377831332	SC	R 83 533,34			R 83 533,34	3,41%						#REF!
5	FNB Business Overdraft	CC	R 600 000,00			R 600 000,00	24,47%						R 600 000,00
6	Intello Arrears	D-SC	R 1 200 000,00			R 1 200 000,00	48,94%						R 1 200 000,00
TOTAL		6	R 2 386 293,78	R 27 058,95	R 38 445,53	R 2 451 798,26	100,00%						#REF!

SUMMARY BY CREDITOR ACRONYM		Count	Capital Amount	Interest & Admin Fees	Legal Fees	Amount Due	%
SC	Secured Creditors	2	R 121 445,07	R -	R -	R 121 445,07	4,95%
CC	Concurrent Creditors	3	R 1 064 848,71	R 27 058,95	R 38 445,53	R 1 130 353,19	46,10%
PC	Post Commencement Finance	-	R -	R -	R -	R -	0,00%
D-SC	Disputed Secured Creditors	1	R 1 200 000,00	R -	R -	R 1 200 000,00	48,94%
D-CC	Disputed Concurrent Creditors	-	R -	R -	R -	R -	0,00%
D-PC	Disputed Post Commencement Finance	-	R -	R -	R -	R -	0,00%
TOTAL		5	R 2 386 293,78	R 27 058,95	R 38 445,53	R 2 451 798,26	100,00%

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure C : Company Registration Documents (CoR123.1)

COR 123.1

Companies and Intellectual Property Commission
a member of the dtic group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA

Date:	**07/08/2026**
Customer name:	**JACO DURANDT**
Customer code:	**JA2976**
E-mail address:	**JACO@PE-PARALEGAL.CO.ZA**
Rereference Number:	**60013466018**

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 06/08/2026 for:

Company / Close Corporation Name:	**LUMILA HOLDINGS (PTY) LTD**
Registration Number:	**2017/431162/07**
Company / Close Corporation Status:	**BUSINESS RESCUE**

The application was duly registered on 06/08/2026 and the effective date of commencement of business rescue proceedings is recorded as 06/08/2026.

Yours sincerely,

Commissioner: CIPC

The Companies and Intellectual Property Commission of South Africa
P.O Box 429,Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za

Document issued by the Commissioner of Companies And Intellectual Property Commission on Friday, 07 August 2026 at 06:08

Certificate of Confirmation

Registration Number: **2017/431162/07**

Enterprise Name: **LUMILA HOLDINGS**

ENTERPRISE INFORMATION

Registration number:	**2017/431162/07**
Enterprise Name:	**LUMILA HOLDINGS (PTY) LTD**
Registration Date:	**26/09/2017**
Business Start:	**26/09/2017**
Enterprise Type:	**PRIVATE COMPANY**
Enterprise Status:	**BUSINESS RESCUE**
Financial Year End:	**SEPTEMBER**
Main business/Main object	**BUSINESS ACTIVITIES NOT RESTRICTED.**
Tax number:	**9260779229**

Addresses:

Postal Address
24 ABERFOLYE ROAD
WESTVILLE NORTH
DURBAN
3368
3629

Address Of Registered Office
24 ABERFOLYE ROAD
WESTVILLE NORTH
DURBAN
3368
3629

Company Records Location:

Document issued by the Commissioner of Companies And Intellectual Property Commission on Friday, 07 August 2026 at 06:08

Certificate of Confirmation

Registration Number: **2017/431162/07**

Enterprise Name: **LUMILA HOLDINGS**

Registration Number: **2017/431162/07**

Enterprise Name: **LUMILA HOLDINGS (PTY) LTD**

AUDITORS

Name

Postal Address

ACTIVE MEMBERS / DIRECTORS

Full Name	Director Type	ID Number	Appoint. Date	Cellphone Number	Address
LEPHEANA CAROLINE SELLOANE	DIRECTOR	5909151113088	28/11/2023	0670590325	Postal:43 LUNEVILLE,ROAD LORRAINE,PORT ELIZABETH,Eastern Cape,6070 Residential Address: 43 LUNEVILLE,ROAD LORRAINE,PORT ELIZABETH,Eastern Cape,6070

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure D : Material List of Assets of the Business

Fleet list

Contract ref	Monthly Inst	Asset	Remaining term	Market Value	
IRS1490	33 713,91	KK47LRGP	35	1202175	Intello
IRS1351	31 257,49	LADDER 1	37	600000	Intello
IRS1371	31 254,57	LADDER 2	37	600000	Intello
IRS1457	31 850,41	TRIMAX 2	12	450000	Intello
IRS1456	30 721,76	TRIMAX 1	12	465000	Intello
IRS1370	64 051,28	KV05KFGP	43	1199400	Intello
IRS1350	58 902,90	LF24JNGP	43	877350	Intello
Wesbank MAN	26 908,00	KMN861EC	35	1202175	Wesbank
Toyota Fortuner	14 921,00	KMN189EC	29	600000	Wesbank
MAN 1	35 000,00		0	400000	Private
SATB 1	24 500,00		12	300000	Private
SATB 2	24 500,00		12	250000	Private

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure E : Certificate of the Business Rescue Practitioner

t: 076 773 4595
e: jaco@eoos.co.za

BUSINESS RESCUE CERTIFICATE

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

for
LUMILA HOLDINGS (PTY) LTD
Registration Number: 2017/431162/07

Herewith I, the undersigned appointed Business Rescue Practitioner for the abovementioned Company, certify the following with regard to the Proposed Business Rescue Plan as published to the affected persons:

1. Any and all factual information provided in the Proposed Business Rescue Plan appears to be accurate, complete and up to date.

2. The financial statement projections and forecasts contained in the Proposed Business Rescue Plan are estimates made in good faith on the basis of factual information and assumptions provided by the director, management, staff and/or external service providers of the Company, and as more fully set out in the Plan and the accompanying financial projections.

3. Due to the limitations inherent in the business rescue process, the Practitioner has not conducted a full due diligence or confirmation audit of all information received, nor has the Practitioner employed independent third parties to verify all information, financial records, outstanding annual financial statements, tax returns or other supporting documentation provided to the Practitioner.

Yours Faithfully

Jaco Durandt (Business Rescue Practitioner)
jaco@eoos.co.za
076 773 4595

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure F : Written Fee Agreement (Proposal)

t: 082 749 6462
e: pat@pattinson.biz
w: www.**pattinson**.biz
w: www.cpmservices.biz

ANNEXURE 1

Business Rescue Practitioner Remuneration

Unless otherwise agreed in writing, all amounts contained in this Annexure are exclusive of Value Added Tax (VAT), where applicable.

1. Additional Professional Fees

Service		Fee (Excl. VAT)
• Preparation and filing of the Business Rescue Resolution	:	R 2 500
• Travel	:	R 8.50 p/km
• Overnight accommodation	:	R 3 500 p/night

- Professional Indemnity Insurance (PI Cover) At cost, as charged by the insurer through the brokerage. No mark-up shall be applied by the Business Rescue Practitioner.

2. Statutory Remuneration

The remuneration of the Business Rescue Practitioner shall be determined in accordance with section 143(1) of the Companies Act 71 of 2008 (the Act), read with Regulation 128 of the Act. The Company qualifies as a Small Company and the parties agree that the Business Rescue Practitioner shall charge a reduced hourly rate of R 5 00 (Five Hundred Rand) per hour, exclusive of VAT, which is below the maximum hourly rate prescribed by Regulation 128.

3. Contingency Remuneration

In terms of section 143(2) of the Act, the Business Rescue Practitioner may be entitled to additional remuneration, subject to the approval of creditors. Subject to such approval, the following contingency remuneration shall apply:

- The Business Rescue Practitioner shall be entitled to additional remuneration equal to 10 hours at the applicable hourly rate prescribed in Regulation 128 upon the adoption of the Business Rescue Plan.
- The Business Rescue Practitioner shall be entitled to additional remuneration equal to 10 hours at the applicable hourly rate prescribed in Regulation 128 upon Substantial Implementation of the Business Rescue Plan.

FS

t: 082 749 6462
e: pat@pattinson.biz
w: www.pattinson.biz
w: www.cpmservices.biz

All contingency remuneration shall become payable only upon Substantial Implementation of the Business Rescue Plan and shall be held in trust until such time. The Business Rescue Practitioner may utilise only the VAT component of such funds prior to Substantial Implementation for the payment of VAT. In the event of a failed Business Rescue process, these proceeds, less 15% and cost to maintain the account, will be paid to the liquidators.

4. Disbursements

In accordance with section 143(1) of the Companies Act 71 of 2008, read with Regulation 128(2) of the Companies Regulations, 2011, all reasonable disbursements and third-party expenses necessarily incurred by the Business Rescue Practitioner in carrying out the duties of the appointment shall be for the account of the Company and shall be recoverable at cost.

5. LIQUIDATION DEPOSIT

The consultancy requires a liquidation deposit to be paid into the trust account of an attorney nominated by the business rescue practitioner. This deposit is required to cover the costs should the company have to enter liquidation proceedings for whatever reason. Confirmation of such liquidation deposit is required before commencement of the business rescue proceedings. This amount is hereby agreed to at R25 000 – or at a later date may be confirmed by an attorney that they will be willing to do it at cost, based on the asset value of the business.

6. Invoicing and Payment

Invoices shall be rendered weekly during the Business Rescue proceedings and shall be payable within five (5) working days of the invoice date. Any query relating to an invoice or disbursement must be raised in writing within two (2) working days of receipt thereof, failing which the invoice shall be deemed correct and accepted. Any amount remaining unpaid after ten (10) working days shall bear interest at a rate not exceeding the prevailing mora interest rate from the due date until payment in full. The Business Rescue Practitioner shall further be entitled to recover all reasonable legal and collection costs incurred in recovering overdue amounts.

FS

Corporate Project Management

t: 082 749 6462
e: pat@pattinson.biz
w: www.**pattinson**.biz
w: www.cpmservices.biz

7. Value Added Tax

VAT shall be charged where applicable in accordance with the Value-Added Tax Act 89 of 1991.

FSongxaba	Fikile Songxaba	06/08/2026	Gqeberha
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 we may use this information for invoicing, referencing and marketing purposes.

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure G : Disclaimer

t: 076 773 4595
e: jaco@eoos.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]

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]

---

[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.
[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.

t: 076 773 4595
e: jaco@eoos.co.za

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.

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.

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure H : Assumed liquidation Dividend

ESTIMATED LIQUIDATION AND DISTRIBUTION ACCOUNT

LUMILA HOLDINGS (PTY) LTD (IN BUSINESS RESCUE)

Estimated Liquidation and Distribution Account (Illustrative)

RECEIPTS	**R**
Indicative aggregate market / retail value of fleet	8,146,100.00
Less: Estimated forced sale discount (30%)	(2,443,830.00)
Estimated gross realisation	**5,702,270.00**

PAYMENTS / REALISATION COSTS	**R**
Liquidator's remuneration (illustrative - 10% of realisation)	570,227.00
Master's fees / administration provision	25,000.00
Legal and professional fees	150,000.00
Marketing and auction costs (illustrative - 5%)	285,113.50
Storage, security, recovery and transport costs	120,000.00
Contingency provision	100,000.00
Total estimated realisation / liquidation costs	**1,250,340.50**

Estimated net proceeds after realisation costs	**4,451,929.50**
Less: amounts attributable to third-party owners / secured financiers	(4,451,929.50)
Estimated free residue available for concurrent creditors	**0.00**

TOTAL CLAIMS AS AT COMMENCEMENT OF BUSINESS RESCUE	**11,180,611.39**
Secured / finance claims reflected in creditor schedule	10,050,258.20
Other historic creditor claims	1,130,353.19

Estimated dividend to ordinary concurrent creditors	**0.00 cents in the Rand**

Illustrative conclusion: On the assumptions used above, the liquidation of the fleet does not generate a free residue for ordinary concurrent creditors. The fleet is subject to third-party ownership and/or finance claims materially exceeding the likely forced-sale proceeds. The estimated concurrent dividend is therefore **0.00 cents in the Rand**.

Notes

1. This Estimated Liquidation and Distribution Account has been prepared solely for comparative purposes to illustrate the likely outcome to creditors if Lumila Holdings (Pty) Ltd were placed into immediate liquidation. It is based on the creditor schedule and fleet information presently available to the Business Rescue Practitioner.

2. The consolidated creditor schedule reflects total amounts due of approximately **R11,180,611.39**, comprising SARS VAT, Merchant Capital, Toyota Financial Services, WesBank, FNB Business Overdraft and Intello Rental Solutions. The classification and final admitted quantum of each claim remain subject to verification.

3. The fleet schedule records an aggregate stated market value of approximately **R8,146,100.00**. These values appear to be indicative market or retail values rather than liquidation values. For comparative purposes a 30% forced-sale discount has therefore been applied, producing an estimated gross realisation of approximately **R5,702,270.00**.

4. A limited market check indicates that the 30% forced-sale adjustment is not aggressive. Current South African asking prices for comparable 2022 MAN TGS 27-440 units are generally around R750,000 to R800,000 excluding or before adjustment for VAT, mileage and condition, while the fleet schedule contains certain heavy-vehicle values above R1.2 million. Used side-tipper interlinks also show a wide range of asking prices depending on age and specification. The values used in this comparison should therefore be regarded as illustrative and potentially optimistic rather than formal valuations.

5. The fleet assets do not belong beneficially to Lumila free of encumbrance. They are owned by, or subject to rights in favour of, Intello, WesBank and other third-party financiers / rent-to-own counterparties. Accordingly, the proceeds generated by a liquidation sale would first be attributable to those owners or secured parties, subject to the applicable agreements, security and insolvency law.

6. The secured / finance claims reflected in the creditor schedule amount to approximately **R10,050,258.20**, which materially exceeds the estimated forced-sale realisation of the fleet. Even before taking account of liquidation and realisation costs, the available fleet proceeds would therefore be insufficient to discharge the relevant finance claims in full.

7. The calculation includes illustrative liquidation and realisation costs of approximately **R1,250,340.50**, including liquidator remuneration, auction and marketing costs, legal and professional costs, storage / security / recovery costs, Master's fees and a contingency provision. Actual costs could differ materially and would depend on the legal basis on which each asset is recovered or realised.

8. Because the estimated realisation proceeds are fully absorbed by third-party ownership and/or secured finance claims, no free residue is assumed to remain for ordinary concurrent creditors. The illustrative liquidation dividend to ordinary concurrent creditors is accordingly **0.00 cents in the Rand**.

9. This comparison is deliberately conservative from the perspective of the proposed Business Rescue Plan. It does not attribute any going-concern value to Lumila's customer relationships, operational platform or future transport income. Those sources of value are substantially preserved only if the Company continues trading.

10. The proposed Business Rescue Plan, by contrast, contemplates the rationalisation of the fleet, continued servicing of affordable ongoing obligations and repayment of admitted Historic Debt from future trading cash flows. The Practitioner accordingly considers continued Business Rescue capable of producing a materially better outcome for affected persons than immediate liquidation.

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure I: Financial Projections

12 months Cashflow Forecast - LUMILA HOLDINGS (Pty) LTD

Month:	Pre-Start	October	Novemebr	December	January	February	March	April	May	June	July	August	September	Totals	Year 2	Year 3
Receipts																
Revenue excl VAT before diesel deduction	0	680 000	680 000	1 020 000	612 000	952 000	1 360 000	1 360 000	1 360 000	1 360 000	816 000	816 000	1 360 000	**12 376 000**	**12 994 800**	**13 904 436**
Total Receipts	**0**	**680 000**	**680 000**	**1 020 000**	**612 000**	**952 000**	**1 360 000**	**1 360 000**	**1 360 000**	**1 360 000**	**816 000**	**816 000**	**1 360 000**	**12 376 000**	**12 994 800**	**13 904 436**
Payments																
Fleet Financing Costs/ Repayments	0	202 000	202 000	187 000	187 000	242 000	242 000	242 000	181 000	181 000	161 000	161 000	181 000	**2 369 000**	**2 172 000**	**1 524 000**
Sub-contract fees	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Diesel purchases	0	333 200	333 200	499 800	299 880	466 480	666 400	666 400	666 400	666 400	399 840	399 840	666 400	**6 064 240**	**6 367 452**	**6 813 174**
Salaries and wages	0	57 800	57 800	86 700	52 020	80 920	115 600	115 600	115 600	115 600	69 360	69 360	115 600	**1 051 960**	**1 273 490**	**1 362 635**
Employee benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Payroll taxes	0	4 046	4 046	6 069	3 641	5 664	8 092	8 092	8 092	8 092	4 855	4 855	8 092	**73 637**	**89 144**	**95 384**
Rent for Offices	0	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	**120 000**	**128 400**	**134 820**
Tryes Provision	0	20 000	20 000	20 000	20 000	40 000	40 000	40 000	40 000	20 000	20 000	40 000	40 000	**360 000**	**378 000**	**396 900**
Repairs and maintenance	0	120 000	57 000	50 400	25 000	50 400	25 000	50 400	50 400	50 400	25 000	50 400	25 000	**579 400**	**619 958**	**663 355**
Insurance related costs	0	35 000	35 000	35 000	35 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	45 000	**500 000**	**525 000**	**551 250**
Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Tool fees	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Fines	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Subsistance Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Truck Wash	0	3 000	3 600	4 590	5 100	5 100	4 590	4 080	4 335	4 590	5 100	5 100	5 100	**54 285**	**58 259**	**61 172**
Consultancy fees	0	14 000	20 000	15 000	15 000	15 000	3 500	3 500	3 500	3 500	3 500	3 500	3 500	**103 500**	**84 000**	**88 200**
Licencing and Registration	0	0	0	25 000	40 000	0	0	16 000	0	16 000	0	20 000	0	**117 000**	**33 600**	**35 280**
Truck Stop costs	0	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	**12 000**	**12 000**	**12 600**
Office supplies and branding	0	0	0	0	1 000	0	0	1 000	0	0	1 000	0	1 000	**4 000**	**4 200**	**4 410**
Staff Training and development	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Bank charges	0	1 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	**23 000**	**12 600**	**13 230**
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Tax payments	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Total Payments	**0**	**801 046**	**745 646**	**942 559**	**696 641**	**963 564**	**1 163 182**	**1 205 072**	**1 127 327**	**1 123 582**	**747 655**	**812 055**	**1 103 692**	**11 432 022**	**11 758 104**	**11 756 410**
Cashflow Surplus/Deficit (-)	**0**	**-121 046**	**-65 646**	**77 441**	**-84 641**	**-11 564**	**196 818**	**154 928**	**232 673**	**236 418**	**68 345**	**3 945**	**256 308**	**943 978**	**1 236 696**	**2 148 026**
Opening Cash Balance	**10 000**	**10 000**	**-111 046**	**-176 692**	**-99 251**	**-183 892**	**-195 457**	**1 361**	**156 289**	**388 962**	**625 380**	**693 725**	**697 670**	**1 817 049**		
Closing Cash Balance	**10 000**	**-111 046**	**-176 692**	**-99 251**	**-183 892**	**-195 457**	**1 361**	**156 289**	**388 962**	**625 380**	**693 725**	**697 670**	**953 978**	**2 761 027**		

Assumptions for the forecast:

Revenue

For the month of October we are budgeting on using 2 trucks, while KK47LRGP is being repaired.
For the month of November we are budgeting on using 3 trucks, with KK47LRGP back in service.
For the month of December we are forecasting to achieve 60% of our revenue as a result of the festive season breaks.
For the month of January we are forecasting to achieve 70% of our revenue as a result of the festive season breaks.
From February we will add another truck on to the fleet, meaning a total of 4 trucks will be available for operation.
For the month of June and July we adjusted the revenue budget to consider the annual slow down in the market.

© Copyright, 2010, JaxWorks, All Rights Reserved.

Fleet costs
This covers the existing and any additional installments for the fleet. It has also been adjusted according for the 2 trailers to be paid off by April 2027.

Diesel costs
Fuel costs is forecasted at 49% of revenue.

Salaries
These are budgeted at 8.5% of revenue generated.

Rent
Rent of offices is estimated at R10000 per month.

Tyre provision
Tyres provision has been allocated equally throughout the year, this provision will cater for both normal wear and tear and tyre incidents.

Repairs and Maintanance
This budget will cover both planned maintanance and breakdowns.

Insurance costs
The insurance costs include comprehensive cover for the trucks and trailers, GIT cover, Loss of use cover.

Travel costs
This costs is a provision for any travel requirements as a result of the normal operations of the business.

Toll Fees
The toll fees provision is to cater for any eventuality where our trucks have to travel on routes with toll gates. The current route from Northern Cape to Port Elizabeth has no toll gates.

Truck wash
The truck and trailers will be washed once every month at a cost of R750 per unit.

Consultancy fees
This is to cater for fees paid to our accountant and any other professional services required by the business.

Truck stop costs
This cost is incurred on an as and when basis, when the trucks are required to be parked in a safe area over night.

Bank charges
The is an estimated amount.

© Copyright, 2010, JaxWorks, All Rights Reserved.

LUMILA HOLDINGS (PTY) LTD

Registration number: 2017 / 431162 / 07

Annexure J: Fuel Management Proposal

FUEL MANAGEMENT PROPOSAL

LUMILA HOLDINGS (PTY) LTD

Purpose of the Proposal

Lumila Holdings (Pty) Ltd ("Lumila" or "the Company") presently conducts its transport operations under contracts in terms of which Diraro provides, or facilitates the provision of, diesel required for the Company's fleet. The cost of such diesel is subsequently deducted directly from amounts payable by Diraro to Lumila for transport services rendered.

While this arrangement provides Lumila with the working capital necessary to operate its fleet, the diesel is presently charged at an effective rate of approximately **R31.25 per litre**, which is materially higher than the price at which Lumila is able to procure diesel independently on account.

Lumila has identified an alternative diesel supply arrangement at an indicative price of approximately **R28.66 per litre**. Based upon the current operational fleet and anticipated consumption of approximately **28,800 litres per month**, the comparative monthly position is as follows:

		Approximate Amount
Monthly diesel consumption		28,800 litres
Cost through Diraro @ R31.25/litre		R900,000
Cost independently @ R28.66/litre		R825,408
Gross monthly saving		**R74,592**
Proposed funding cost @ 2.5%		(R20,635)
Estimated net monthly saving		**R53,957**

Proposed Funding Structure

Lumila proposes that a third-party funder provide short-term working-capital funding specifically for the procurement of diesel.

The funding would operate on a similar basis to invoice or debtor factoring. The funder would advance the amount required to procure diesel against the anticipated income due to Lumila from Diraro for completed transport services.

Lumila would procure its diesel independently on account and would request that Diraro cease deducting diesel costs from the amounts payable to Lumila. Accordingly, the gross transport revenue ordinarily payable by Diraro would instead become available to Lumila.

Upon receipt of each payment from Diraro, whether on a monthly or bi-weekly payment cycle, the **fuel funding advanced would be repaid as a first priority**, together with the agreed funding charge.

It is presently proposed that the funder receive a fee equivalent to **2.5% of each amount advanced**. The intention is therefore to create a short-duration revolving funding facility rather than conventional long-term borrowing.

Benefit to Lumila and the Funder

The arrangement provides Lumila with immediate access to the working capital required to operate its fleet while materially reducing the effective cost of diesel. Even after allowing for the proposed 2.5% funding charge, the current calculations indicate a potential net saving of approximately **R53,957 per month**.

For the funder, the facility provides a short-duration return linked directly to Lumila's recurring transport operations and the corresponding payments received from Diraro. The full amount of each advance, together with the agreed funding charge, is intended to be settled upon receipt of the corresponding transport income.

The arrangement is intended principally as a **temporary working-capital solution** while Lumila rebuilds its liquidity during the Business Rescue Proceedings. The monthly savings generated through the arrangement will assist the Company in rebuilding its own working-capital reserve.

Once sufficient liquidity has been accumulated, Lumila intends progressively to reduce its reliance on third-party diesel funding and ultimately fund its diesel purchases internally, thereby retaining the full benefit of the reduced diesel procurement cost.

The proposed structure therefore provides an immediate reduction in operating costs, improves the profitability and cash generation of each operating vehicle, and assists Lumila in achieving the broader objectives of its Business Rescue Plan.