

SWORN STATEMENT

In support of

a Notice Beginning Business Rescue Proceedings

In respect of Liviero Plant (Pty) Limited

We/I, the undersigned

Luca Giovanni Liviero

I.D. No.: 701106 5344 087


do hereby make oath and say:

1. The contents of this sworn statement is true and correct and unless stated otherwise the facts contained herein fall within my own personal knowledge and belief.
2. I make this sworn statement in support of the company's notice to commence business rescue proceedings as contemplated in section 129 of the Companies Act 71 of 2008.
3. On 4 July 2017, the directors of the company resolved that the Company be voluntarily placed into business rescue as envisaged in section 129 of the Companies Act 71 of 2008. The resolution will be filed evenly with this sworn statement.
4. The relevant facts upon which the resolution was founded are:
  - a. The Company manages, maintains and operates Liviero Group's fleet of construction and mining equipment, which is hired out internally to the operating companies within the Liviero Group as well as to external clients;
  - b. Due to delayed debtor receipts across the Group as well as delinquent external debtors, Liviero Group has not been able to service the Company's operating cost, hence the Company finds itself financially distressed;
  - c. This cash-flow constraint has impacted detrimentally on the Company's ability to service our trade creditors in line with agreed credit terms;
  - d. The effect of the above has led to agreed credit limits being reached and accounts being put on hold;
  - e. Not being able to procure parts, materials and services as and when needed has had a negative effect on the break-down turn-around time and availability of our equipment, which would in-turn negatively impact on productive capacity within the operating companies;
  - f. Liviero Group is looking at pervasive debt restructuring to ensure that cash-flow generated from operations can more effectively be applied to service trade creditors;

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g. Liviero Group's has a very large fleet of construction and mining equipment, with remaining earning potential for Plant Hire as well as productive capacity for the operating companies, which gives the directors of the Company the belief that Business Rescue proceedings has the potential to restore the Company to a financially sustainable position.

4. There appears, in the opinion of the directors, to be a reasonable prospect of rescuing the Company via business rescue proceedings. Business rescue will, it is hoped, allow the Company to reorganise its affairs so that the Company can innovate and grow.

  
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DEPONENT

I hereby certify that the deponent has acknowledged that he knows and understands the contents of this affirmation, which was signed and sworn before me at JHR on the 04TH of JULY 2018, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been complied with.

  
COMMISSIONER OF OATHS

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