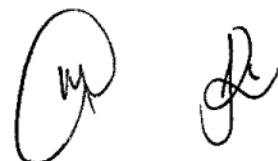

AFFIDAVIT IN TERMS OF SECTION 123 (3) OF THE COMPANIES ACT 71 OF 2008
COMMENCEMENT OF BUSINESS RESCUE PROCEEDINGS

I, the undersigned,

JONATHAN MICHAEL MOLYNEUX-KILLIK

do hereby make oath and state that:

- 1 I am a major male businessman with current place of employment at Sheziphase (Pty) Ltd, second floor, Woodmead North Office Park, 54 Maxwell Drive, Woodmead, Johannesburg, Gauteng.
- 2 The facts contained herein fall within my personal knowledge, save where otherwise stated, or indicated by the context, and are, to the best of my belief, both true and correct.
- 3 I am a director and shareholder of Sheziphase (Pty) Ltd (hereinafter referred to as "*the company*").
- 4 I am, pursuant to a resolution by the company dated 22 September 2020, duly authorised to depose to this affidavit on behalf of the company.



PURPOSE OF THIS AFFIDAVIT

- 5 The company is in 'financial distress' as contemplated in section 128 (f) of the Companies Act 71 of 2008 (*"the Act"*).
- 6 This affidavit is deposed to in terms of section 129 (3) of the Act and sets out the basis upon which it is contended that the company is in financial distress. A copy of this affidavit will be filed with the CIPC, jointly with the resolution by the company to commence business rescue dated 22 September 2020.

FINANCIAL DISTRESS OF THE COMPANY

- 7 The company conducts business in the aviation industry and its operations include:
- 7.1 the procurement and sale of helicopter parts and equipment;
 - 7.2 repair, maintenance and restoration of helicopters generally;
 - 7.3 helicopter sales and sale brokering.
- 8 At present, the company is unable to pay its debts as and when they fall due. Further and in the succeeding 6 (six) months, the company will be unable to pay its debts as and when they fall due for payment in the normal course of business.



- 9 The financial distress of the company is attributable, *inter alia*, to:
- 9.1 a breakdown in the day to day management of the business due to my ill-health; and
 - 9.2 a cessation of business since the commencement of the National State of Disaster and concomitant lockdown regulations in March 2020.
- 10 As a result of the above:
- 10.1 The company has little to no available cashflow;
 - 10.2 the company has been unable to service instalment payments in respect of instalment sale and / other credit facilities extended to it by creditors;
 - 10.3 the creditors of the company have commenced proceedings to attach and sell assets held in security for payment;
 - 10.4 the company has been unable to attend to maintenance and repairs of helicopters held by the company and as such it is unable to convert its capital assets to liquid income.

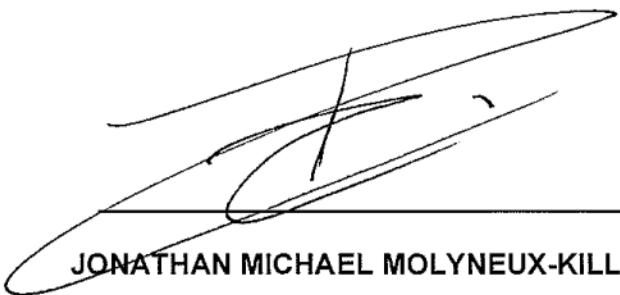
PROSPECTS FOR RECOVERY IN BUSINESS RESCUE

- 11 It is my firm belief that there are reasonable prospects for the rescue and recovery of the company through the utilisation of the business rescue processes envisaged in chapter 6 of Act.

Two handwritten signatures in black ink are located at the bottom right of the page. The signature on the left is a large, stylized 'Q' with a smaller 'u' or similar character below it. The signature on the right is a smaller, more compact signature that appears to be 'K.' or similar.

- 12 Business rescue will provide the company with an opportunity to:
 - 12.1 Obtain post commencement finance to alleviate the cashflow constraints suffered by the company
 - 12.2 increase its sales, turnover and therefore also its ability to service its debts;
 - 12.3 Realise its assets at the greatest possible value; and
 - 12.4 Engage with creditors with the aim of making payment arrangements, alternatively securing payment, alternatively further of comprising debts to the extent appropriate.

- 13 In the premise, business rescue will:
 - 13.1 Aid the company in once again attaining commercial solvency, restoring it to a solvent, liquid and profitable enterprise, or, at the very least;
 - 13.2 To provide creditors with a return greater than that they would receive in the event of the liquidation of the company.



JONATHAN MICHAEL MOLYNEUX-KILLIK

I hereby certify that the deponent knows and understands the contents of this affidavit and that it is to the best of his knowledge both true and correct. This affidavit was signed and sworn to before me at Dundee on this the 25 day

of September 2020, and that the Regulations contained in Government Notice R.1258 of 21 July 1972, as amended, and Government Notice No R1648 of 19 August 1977, as amended, having been complied with.

*CP-
MABASA*
COMMISSIONER OF OATHS

the

I certify that the defendant acknowledges, that He knows and understand the contents of this statement, and His signature placed in my presence.

*MATHANGU NOLANDA MABASA
2 SUMMIT ROAD,
MORNINGSIDE
SANDTON*

