

## SWORN STATEMENT

in support of a Notice Beginning Business Rescue Proceedings  
in respect of **BASIRA CAPITAL PROPRIETARY LIMITED**  
(Registration Number 2009/015563/06)

I, the undersigned,

**MARTHINUS JOHANNES PRINSLOO**

do hereby make oath and say:

1. I am the sole Director of Basira Capital Proprietary Limited ("**the Company**") with registration number 2009/015563/06, and registered address at 120 Portobello Place, French Lane, Morningside, Gauteng.
2. The contents of this sworn statement are true and correct and, unless stated otherwise, the facts contained herein fall within my own personal knowledge and belief.
3. I make this sworn statement in support of the Company's notice to commence business rescue proceedings as contemplated in terms of section 129 of the Companies Act, 71 of 2008 ("**the Act**").
4. On 16 November 2021, the board of directors of the Company resolved that the Company voluntarily commence business rescue proceedings as envisaged in terms of the Act. The resolution will be filed together with this sworn statement.
5. The relevant facts upon which the resolution is founded include:
  - 5.1. The Company is "financially distressed" as envisaged in terms of section 128(f) of the Act due to a number of factors. The factors that have contributed to this include *inter alia* the following:
    - 5.1.1. Ecsponent Treasury Services (Pty) Ltd ("**Ecsponent Treasury**") has called up the outstanding loan amounts



due to it of R195 934 858 pursuant to various agreements concluded with the Company which the Company verily believed could be renegotiated or settled by way of a cession and assignment of the Company's claim against MHMK Group (Pty) Ltd ("MHMK") referred to in paragraph 7.2 below, which has not come to fruition.

5.1.2. The Company is unable to service the capital and interest amounts that are due to preference shareholders and certain preference shares are due to mature in the next few months.

5.1.3. The Company's collection of the loan book and debt due to it of R321 080 074 have been delayed and certain debts have been disputed.

5.2. As a result of all the aforesaid factors, the Company's projected cash flow has been negatively affected with the result that the Company is unlikely to be able to meet its current liabilities as and when they fall due in the next few months.

5.3. The Company's aggregate exposure to its creditors amounts to R321 099 489.

6. There appears in the opinion of the board of directors to be a reasonable prospect of rescuing the Company via business rescue proceedings. Business rescue will allow the Company to re-organise its affairs in order that the Company will be able to trade out of its current situation or achieve a compromise or come to an arrangement with its creditors and other stakeholders.

7. In addition there are reasonable prospects of rescuing the Company, more particularly in that:

7.1. There is a significant loan book and debts due to the Company which is capable of being collected by the duly appointed Business Rescue Practitioner. Part of the debts due to the Company is an outstanding loan amount due to the Company by MHMK which loan was ceded and assigned to the Company pursuant to the conclusion of a cession and

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assignment agreement concluded on or about 27 March 2020 between the Company and Coronado Trading 258 (Pty) Ltd.

- 7.2. An arrangement can be reached with existing preference shareholders on the basis that the capital and interest payments in terms of their investments can be renegotiated as the Company is currently only able to service the interest amounts and not the capital amounts that are due to the preference shareholders.
8. The proposed business rescue process will allow for:
- 8.1. the temporary supervision of the Company, and for the management of its affairs, business and property;
  - 8.2. the temporary moratorium on the rights of claimants and legal proceedings against the Company or in respect of property in its possession; and
  - 8.3. the development and implementation, if approved, of a plan to rescue the Company by restructuring its affairs, business, property, debt, securities and other liabilities and equity in a manner that maximises the likelihood of the Company continuing in existence, should result in a better return for the Company's creditors or stakeholders than would result from the immediate liquidation of the Company.

  
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**MARTHINUS JOHANNES  
PRINSLOO**

I certify that:

- I. the deponent acknowledged to me that:
  - (a) he knows and understands the contents of this declaration;
  - (b) he has no objection to taking the prescribed oath;
  - (c) he considers the prescribed oath to be binding on his conscience;

- II. the deponent thereafter uttered the words "I swear that the contents of this declaration are true, so help me God";
- III. the deponent signed this declaration in my presence at the address set out hereunder on this the 16<sup>th</sup> day of NOVEMBER 2021.

  
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COMMISSIONER OF OATHS  
Alwyn Jacobus Birkholtz  
Chartered Accountant (SA)  
SAICA No. 30683926  
185 Tucker Avenue, Waterkloof Glen  
Pretoria

  
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COMMISSIONER OF OATHS