

MG INVESTMENTS CC
(Registration Number: 2003/071356/23)

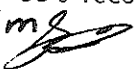
SWORN STATEMENT

(In support of a Notice Beginning Business Rescue Proceedings)


I, the undersigned

GAVIN JOHN BOYCE
IDENTITY NUMBER: 710830 5036 083

do hereby make oath and say:

- 1 I am a South African and a duly appointed member of MG INVESTMENTS CC ("the CC") with registration number 2003/071356/23 and business address at 56 GEMINI STREET, BRACKENFELL, WESTERN CAPE, 7650.
- 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 As stated above I am a duly appointed member of the CC holding 49% of the membership in interest in the CC and I was appointed on 28 August 2003.
- 4 I am also the duly appointed trustee of Air Select BEE Trust - IT 00080/2018 which trust holds 51% of the members' interest.
- 5 I make this sworn statement in support of the CC's notice to commence business rescue proceedings as contemplated in terms of Section 129 of the Companies Act, 71 of 2008 ("the Act").
- 6 On ____ November 2021 the member of the CC unanimously resolved that the CC voluntarily commence business rescue proceedings as envisaged in terms of the Act. The resolution will be filed together with this sworn statement.
- 7 The relevant facts upon which the resolution were founded include:
 - 7.1 The CC's main business is that of a subcontractor engaged in the installation of air conditioning and cooling equipment.
 - 7.2 According to the CC's records it is indebted to its creditors in an amount of some ~~R12m.~~ *R15,25m* 
 - 7.3 Due to the downturn in the economy as consequence of the Covid 19 pandemic during the past two years the CC has been unable to create sufficient turnover to sustain its business activities.
 - 7.4 The CC requires time in order to restructure its affairs, debt and equity so that the creditors of the CC are afforded maximum benefit.
 - 7.5 As mentioned in 8 below the CC is financially distressed as envisaged in terms of the Act.

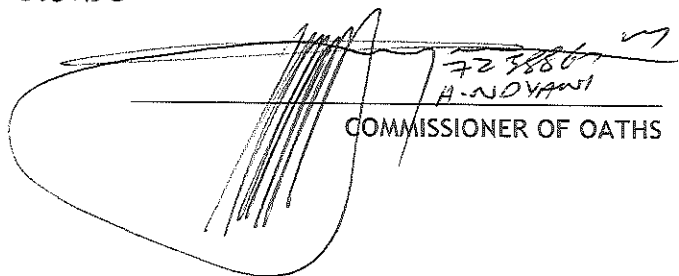
- 7.6 Funding from sources such as members' loans and the CC's financiers such as financial institutions and its trade creditors has ceased or is about to cease.
- 7.7 The CC is faced with the situation where it needs to realise its assets or to procure further funding to best effect and to negotiate with its creditors which process will be best achieved under business rescue proceedings as envisaged in terms of the Act.
- 8 As member I investigated the CC's affairs and concluded that the CC is "financially distressed" as defined in section 128 of the Act as it is reasonably unlikely to be able to pay all its debts as they become due and payable within the immediately ensuing six months and/or the CC is reasonably likely to become insolvent within the immediately ensuing six months.
- 9 There appears, in my opinion, to at least be a reasonable prospect that creditors will directly benefit from the CC being afforded additional time to restructure its affairs, business, property, debt, other liabilities and equity in a manner that maximises the likelihood of the CC continuing in existence on a solvent basis.
- 10 Business rescue will allow the CC to realise its assets, procure additional funding or to achieve a compromise or come to an arrangement acceptable to its creditors and other stakeholders.
- 11 The Business Rescue process will allow for:
 - 11.1 The temporary supervision of the CC, and for the management of its affairs, business and property;
 - 11.2 A temporary moratorium on the rights of claimants against the CC or in respect of property in its possession;
 - 11.3 The development and implementation, if approved, of a plan to realise the Company's assets will result in a better return for the CC's creditors or shareholders than would result from the immediate liquidation of the CC.



I certify that:

- I the deponent acknowledged to me that:
 - (a) he knows and understands the contents of this affidavit;
 - (b) he has no objection to taking the prescribed oath;
 - (c) he considers the prescribed oath to be binding on her conscience;
- II the deponent thereafter uttered the words "I swear that the contents of this affidavit are true, so help me God";
- III the deponent signed this affidavit in my presence at the address set out hereunder on this the *25th* day of *November* 2021.

SOUTH AFRICAN POLICE SERVICE
 COMMUNITY SERVICE CENTRE
 2021 -11- 25
 SOMERSET WEST
 AMAPOLISA OMZANTSHI AFRICA



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 H. NOYANI
 COMMISSIONER OF OATHS