

The Red Brick Building Company Proprietary Limited
(Registration number 2006/022374/07)
(the "Company")

Resolutions passed in terms of section 129(1) of the Companies Act No. 71 Of 2008

This document has been submitted to all the directors of the Company and constitutes notice to each director of the matters to be decided by the passing of the resolution/s set out below.

We, the directors of the Company whose names appear below and who have signed this document (or any counterpart of it), adopt the resolutions below by written consent in accordance with section 74 of the Companies Act No 71 of 2008, as amended ("**Companies Act**") and the Company's memorandum of incorporation, on the basis that such resolutions will have the same effect as if they had been approved by voting at a meeting of the board of directors of the Company ("**Board**"), duly convened, constituted and held.

1 RECORDALS

- 1.1 The Company is currently experiencing severe financial strain and is currently operating while technically insolvent.
- 1.2 In terms of the unsigned annual financial statements for the year ended 28 February 2021, the Company's financial position was as follows –
 - 1.2.1 R1,065,629 in non-current assets and R82,561,760 in current assets totalling R83,627,389 in total assets; and
 - 1.2.2 R92,016,517 in non-current liabilities and R17,627,468 in current liabilities totalling R109,643,985 in total liabilities.
- 1.3 It bears noting that the Company made a loss of R13,051,858 for the financial year ending 29 February 2020 but was able to recover the following financial year ending 28 February 2021, making a profit of R10,360,639. Given the number of creditors to the Company, and in particular, an outstanding amount of R39 million owing to Absa Bank Limited by the Company and a further outstanding debt of R5 million to

various other creditors, it is unclear how much longer the Company can remain afloat.

1.4 Accordingly, the Board believes that the Company is financially distressed in terms of section 128(1)(f) of the Companies Act read with section 129(1)(a) of the Companies Act in that it appears –

1.4.1 reasonably unlikely that the Company will be able to pay all of its debts as they become due and payable within the immediately ensuing six months; and

1.4.2 reasonably likely that the Company will remain insolvent in light of the number of non-current liabilities of the Company which may become current upon the creditors learning of the insolvent status of the Company.

1.5 In spite of the above, it appears there may be a reasonable prospect of rescuing the Company, as envisaged in terms of section 129(1)(b) of the Companies Act.

2 RESOLUTIONS

Accordingly, it is resolved that –

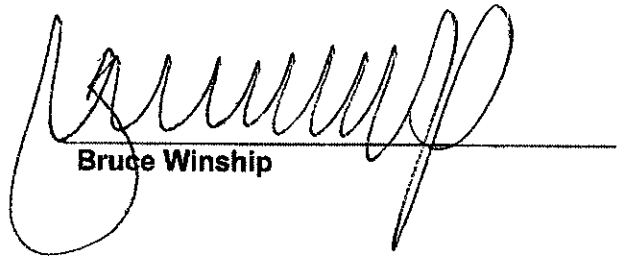
2.1 the Company voluntarily commences business rescue proceedings and that the Company be placed under the supervision of a business rescue practitioner, as envisaged in terms of section 129(1) of the Companies Act;

2.2 the Company hereby nominates Christopher Rey as the Company's business rescue practitioner;

2.3 the directors are hereby authorised Marc Frew to depose to the sworn statement in terms of section 129(3)(a) of the Companies Act and generally, to do all such things and sign all such documents and/or instruments as may be necessary or desirable to give effect to, or which may be incidental to, the resolutions set out above or any actions contemplated therein,

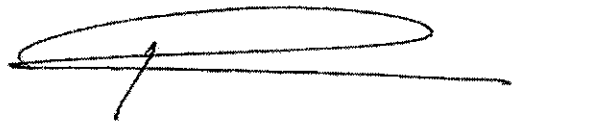
and to the extent that any person who is authorised in this 2.3 has done any of the foregoing on behalf of the Company before the adoption of these resolutions, such actions be and are hereby ratified.

Signed at **Durban** on 11 **April 2022**



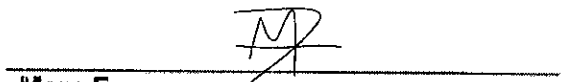
Bruce Winship

Signed at **Cape Town** on **11 April 2022**



Paul Munday

Signed at Seychelles on 11 **April 2022**



Marc Frew