
SWORN STATEMENT
IN SUPPORT OF
A NOTICE BEGINNING BUSINESS RESCUE PROCEEDINGS
IN RESPECT OF ASA (PTY) LTD
REGISTRATION NUMBER 2023/109975/07

I, the undersigned,

DOUGLAS PAUL FLIESS
(ID No. 620201 5046 08 5)

do hereby make oath and state that:

- 1 I am a major male businessman with current place of employment at ASA (Pty) Ltd, registration number 2023/109975/07, with the registered office located at Afvan Business Park, 10 Haggie Road, Boksburg, 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 am the sole director of ASA (Pty) Ltd (hereinafter referred to as "*the Company*").

PURPOSE OF THIS AFFIDAVIT

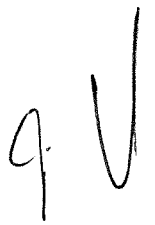
- 4 The company is in 'financial distress' as contemplated in section 128 (f) of the Companies Act 71 of 2008 ("*the Act*").

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- 5 On 9 June 2026, by board resolution, it was resolved that the Company be voluntarily placed into business rescue as envisaged in section 129 (3) of the Companies Act 71 of 2008. The resolution will be filed evenly with this sworn statement.

FINANCIAL DISTRESS OF THE COMPANY

- 6 The financial distress of the company is attributable, *inter alia*, to:
- 6.1 As its main business, the Company imports heavy equipment utilised in the agricultural, mining and construction industries.
- 6.2 The equipment imported by the Company is sold, predominantly by the Company's distribution base and, to a lesser extent, by the Company itself.
- 6.2 The goods are imported from the east, from China in particular.
- 6.3 The Company does not possess credit terms with its suppliers in China. Therefore, goods ordered are payable by the Company on order. Only once the Company has paid for the goods ordered by it, are the goods shipped to South Africa.
- 6.4 To provide the Company with the funding required for the purchase and importation of goods, the Company is reliant on shareholder loans.
- 6.5 The Company has 120 (one hundred and twenty) shares in issue, held as follows:
- 6.5.1 Pilot Capital (Pty) Ltd, of which I am the director, holds 80 (eighty) shares; and
- 6.5.2 M.S. Investment Trust, represented (in all matters relating to the Company) by Mr Muhamed Darsot, holds 40 (forty) shares.

A handwritten signature in black ink, consisting of a stylized 'g' followed by a 'V'.

6.6 On 20 May 2026, the shareholders held the following loans against the Company:

6.6.1 Pilot Capital (Pty) Ltd - R14 000 000.00

6.6.2 M.S. Investment Trust - R14 164 611.48

6.7 The shareholder loan pursuant to which M.S. Investment Trust advanced monies to the Company is regulated by a written loan agreement, dated 13 July 2025, a copy of which is attached hereto as **"ASA1"**.

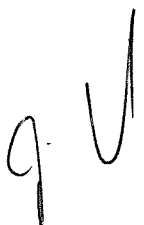
6.8 For reasons which are irrelevant to this affidavit and are disputed between the parties, there has been a complete and irretrievable breakdown in the relationship between the shareholders of the Company.

6.9 It is common cause between the shareholders that the continuation of a normal working commercial relationship between them has become impossible.

6.10 In consequence of the foregoing, on 19 May 2026, the M.S. Investment Trust, through its attorneys, demanded full payment of the outstanding shareholder loan balance, in the sum of R14 164 611.48, together with interest thereon at a rate of 15% per annum, within 48 (forty-eight) hours from the time of transmission of the letter of demand. A copy of the letter of demand is attached hereto as annexure **"ASA2"**.

6.11 I instructed the attorneys of the Company to engage with the attorneys acting from M.S. Investment Trust with the view of resolving the matter. I attach hereto as annexure **"ASA3"** a letter by the Company's attorneys to KW Attorneys (acting for the M.S. Investment trust), dated 26 May 2026, in which various settlement proposals were made.

- 6.12 On 27 May 2026, the trust caused a letter of demand in terms of section 345 (read with section 9 (1) of schedule 5 of the Companies Act 71 of 2008) to be served via sheriff to the registered address of the Company. A copy of the letter aforesaid is attached hereto as annexure "**ASA4**".
- 6.13 The section 345 demand requires that the Company pay, secure or compound (to the satisfaction of the trust) the full claim by M.S. Investment Trust within 21 (twenty-one) days from the date of delivery of the letter, failing which:
- 6.13.1 the Company would be deemed to be unable to pay its debts; and
- 6.13.2 the trust would bring proceedings for the liquidation of the Company.
- 6.14 On 29 May 2026, further correspondence was received from KW Attorneys in which it was stated *inter alia* that the trust rejected the settlement proposals made and would proceed with an application for the liquidation of the Company in the event that its full shareholder loan was not repaid. A copy of this letter is attached hereto as annexure "**ASA5**".
- 6.15 The Company does not possess the cash resources to pay the M.S. Investment Trust loan on an accelerated basis as all the cash resources of the Company are invested in the acquisition and purchase of equipment meant for on sale.
- 6.16 Failing the repayment of the M.S. Investment Trust loan as demanded, the trust will bring application for the liquidation of the Company to the prejudice of the other creditors, clients and suppliers of the Company.
- 6.17 On this basis, I respectfully submit that the Company is in financial distress.

A handwritten signature in black ink, consisting of a stylized 'g' followed by a vertical line and a checkmark-like flourish.

LEGAL PROCEEDINGS

- 7 To the best of my knowledge, I confirm that there are no active liquidation proceedings or any other litigation proceedings that have been initiated by or against the Company.

PRELIMINARY PLAN TO ADDRESS FINANCIAL DISTRESS

- 8 The board believes there is a reasonable prospect of rescuing the Company, supported by the following preliminary interventions:
- 8.1 immediate preservation of cash through the temporary moratorium afforded by business rescue;
- 8.2 the appointment of a licensed Business Rescue Practitioner to take objective control of the business of the Company, stabilise operations and who will, in consultation with affected persons (including the shareholders), develop and implement an adopted business rescue plan which may contain a wide variety of options available to restructuring professionals, such as, inter alia:
- 8.2.1 repayment of debt over a fixed term;
- 8.2.2 engagement with all affected persons to negotiate structured repayment or compromise arrangements which will provide creditors with a better return than what would be the case were the Company to be placed in liquidation.

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PROSPECTS FOR RECOVERY IN BUSINESS RESCUE

- 9 Concisely stated, if the M.S. Investment Trust causes the Company to be liquidated, all of its movable assets will be sold on a force sale basis. This will invariably result in a massively reduced return for creditors and shareholders.
- 10 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.
- 11 In the premise, business rescue will:
- 11.1 aid the company in once again attaining commercial solvency, restoring it to a solvent, liquid and profitable enterprise, or, at the very least;
- 11.2 provide creditors with a return greater than that they would receive in the event of the liquidation of the company.



DEPONENT
DOUGLAS PAUL FLIESS

I hereby certify that the deponent knows and understands the contents of this affidavit and that it is to the best of his/her knowledge both true and correct. This affidavit was signed and sworn to before me at Roodepoort on this the 9th day of June 2026, 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.

VUKOSI MASWANGANYI
 Kommissaris van Ede / Commissioner of Oaths
 Praktiserende Prokureur / Practising Attorney R.S.A.
 Unit C9 Clearview Office Park, 77 Wilhelmina Avenue
 Allensnek, Roodepoort
 Tel: 011 675 2881 / Faks/Fax: 011 675 2899
 Docex: 61 JHB / Email: vukosi@ottokrause.co.za



COMMISSIONER OF OATHS



"ASA 1"

SHORT TERM DIRECT WORKING CAPITAL LOAN AGREEMENT

Entered into by and between:

M.S INVESTMENT TRUST

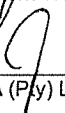
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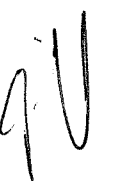
and

ASA (PTY) LTD

Registration Number: 2023/109975/07


M.S Investment Trust


ASA (Pty) Ltd





LOAN SCHEDULE

1. INTRODUCTION AND INTERPRETATION

- 1.1 This Agreement comprises this Loan Schedule and the terms and conditions of the agreement pursuant to which the Loan is granted by the Lender to the Borrower, as contained in the attached Annexure "A" ("the Agreement").
- 1.2 This Agreement shall prevail in all circumstances in regulating the rights and the obligations of the Parties pertaining to the subject matter hereof. This Agreement shall operate separately and independently from any prior or subsequent agreements entered into between the Parties as it is therefore not intended to novate or replace any prior agreements between the Parties.
- 1.3 The terms defined in this Loan Schedule shall bear the meanings ascribed to them herein and in Annexure "A".

Lender	
<i>Lender</i>	M.S INVESTMENT TRUST
<i>Registration Number</i>	IT 002913/2015
<i>Registered Address</i>	25 th 8 th Street Houghton, Johannesburg
<i>Domicilium citandi et executandi</i>	25 th 8 th Street Houghton, Johannesburg
<i>Contact Person</i>	Mohammed Darsot Tel: 082 924 4182 Email: mhdarsot@gmail.com

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Borrower	
<i>Borrower</i>	ASA (Pty) Ltd
<i>Registration Number</i>	2023/109975/07
<i>Registered Address</i>	Unit 5, Flexispace Houghton 29-31 West Street, Houghton Estate Johannesburg
<i>Domicilium citandi et executandi</i>	Unit 5, Flexispace Houghton 29-31 West Street, Houghton Estate Johannesburg
<i>Contact Person</i>	Douglas Fliess Tel: 083 455 0757 Email: douglas@fliess.co.za

Loan Detail	
<i>Capital Loan / Facility Amount</i>	R20,000 000.00 over a period of time to be mutually agreed. (Twenty Million Rand)
<i>Legal and Contract Fee</i>	R5 000.00, exclusive of VAT (five thousand Rand)
<i>Net Release Figure</i>	R20 000 000.00 (Twenty Million Rand)
<i>Interest Charge</i>	15% per annum Interest shall be calculated daily and capitalised monthly in arrears.
<i>Interest payment date</i>	Interest shall be payable, as part of the Loan Outstanding, on the Loan Repayment Date or monthly per agreement by the Shareholders.

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<i>Disbursement</i>	The Facility Amount shall be disbursed as follows: - An initial amount of R8 000 000.00 (eight million Rand, prior to the closing date)
<i>Loan Outstanding</i>	On any particular day, means the aggregate of all amounts payable by the Lender to the Borrower, including the Capital Loan Amount, Interest, costs and fees.
<i>Loan Term</i>	The Loan Term is open-ended and shall continue until terminated by mutual agreement by the Parties.
<i>Loan Repayment Date</i>	The repayment of the Loan Outstanding shall take place on a date or dates to be agreed upon in writing by the Parties, in accordance with the equalisation principles set out in clause 9 of Annexure "A".

2. RECORDAL

- 2.1 The Lender agrees to advance the Loan to the Borrower subject to the terms and upon the conditions set out in this the Agreement.
- 2.2 Parties further record that this Loan is advanced by a Shareholder and shall be reflected as part of that Shareholder's loan account in the Borrower. The Parties acknowledge that the Borrower has adopted a policy of equalisation of shareholder loan accounts, and accordingly, this Loan and all future shareholder funding shall be subject to the equalisation mechanism detailed in clause 9 of Annexure "A".
- 2.3 The Loan Term is open-ended, and the repayment of the Loan Outstanding shall be effected upon mutual agreement between the Parties, having due regard to the principle of matched shareholder loan accounts.

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3. REPAYMENT OF THE LOAN

- 3.1 Subject to the Lender's rights upon the happening of a breach or event of default by the Borrower as provided for in annexure "A", the Loan shall be repayable by the Borrower to the Lender as is provided for in this clause 3.

Interest

- 3.2 Interest, at the fixed rate expressed above, shall form part of the Loan Outstanding and be payable by the Borrower to the Lender on the Loan Repayment Date.

Repayment

- 3.3 The Borrower shall repay the Loan Outstanding (including any capitalised interest and costs) on a date or dates to be agreed upon in writing by the Parties, having due regard to the Borrower's funding position and the principle of equalised Shareholder Loan Accounts as set out in clause 9 of Annexure "A".
- 3.4 All repayments shall be made free of exchange, commission or bank charges, and free of any set-off or counterclaim, in South African Rand, unless otherwise agreed in writing.

4. SIGNATURE

- 4.1 This Agreement may be signed electronically and in counterparts, and each signed copy shall constitute one and the same Agreement.
- 4.2 The person/s signing this Agreement in a representative capacity warrant their authority to do so.
- 4.3 The Parties record and agree that a scanned or electronically reproduced copy or image of this Agreement will be deemed an original and may be introduced or submitted in any action or application proceedings as competent evidence of the execution, terms and existence hereof, notwithstanding a failure by any Party to produce or tender production of an original or executed counterpart.

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FOR: M.S INVESTMENT TRUST

LENDER

Signature: _____

(Who warrants that he is duly authorised thereto)

Name: Mohammed Darsot

Date: _____

13/07/25

Place: _____

Hong Kong

FOR: ASA (PTY) LTD

BORROWER

Signature: _____

(Who warrants that he / she is duly authorised thereto)

Name: Douglas Paul Fliess

Date: _____

13 JULY 2025

Place: _____

Houghton

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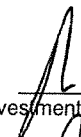
ANNEXURE "A"

GENERAL TERMS AND CONDITIONS OF THE LOAN AGREEMENT

1. DEFINITIONS

1.1 In this Agreement, unless stated otherwise or required by the context, the following words and phrases shall have the meanings ascribed to them below and cognate expressions shall bear corresponding meanings:

- 1.1.1 **"Agreement"** shall comprise the Loan Schedule and the Terms and Conditions set out in this Annexure "A";
- 1.1.2 **"Borrower"** shall refer to the Party identified as such in the Loan Schedule;
- 1.1.3 **"Capital"/ "Capital Loan"** means the capital amount of the Loan as stipulated in the Loan Schedule, advanced by the Lender to the Borrower in terms of this Agreement;
- 1.1.4 **"Companies Act"** means the Companies Act 71 of 2008, as amended from time to time;
- 1.1.5 **"Disbursement Conditions"** shall refer to the conditions contained in the Disbursement Conditions clause in the Loan Schedule;
- 1.1.6 **"Disbursement Date/s"** means the date/s upon which the Lender disburses the Loan Capital or any portion thereof to the Borrower;
- 1.1.7 **"Discharge Date"** means the date upon which the Borrower has repaid all amounts, of any nature whatsoever, due to the Lender, which shall include the Capital Loan Amount, Interest and Fees;
- 1.1.8 **"Dispose"** shall refer to any sale, transfer, cession (whether as security or otherwise), assignment, lease, alienation, donation, renunciation, surrender, waiver, relinquishment, exchange or any other disposal of any nature whatsoever and **"Disposal"** shall bear a corresponding meaning;


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- 1.1.9 **"Early Settlement"** shall refer to the date of payment of the full amount due or payable to the Lender pursuant to this Agreement on any date before the scheduled Repayment Date;
- 1.1.10 **"Event of Default"** shall refer to any of the events contemplated in the Events of Default clause 9 below;
- 1.1.11 **"Interest Rate"** shall refer to the rate of interest apposite to the Loan, as defined and specified in the Loan Schedule;
- 1.1.12 **"Loan Outstanding"** on any particular day, means the aggregate of all amounts (whether in respect of capital or interest or both) then owing by the Borrower to the Lender in terms of the Agreement;
- 1.1.13 **"Loan Schedule"** means the Loan Schedule to which this annexure "A" is attached;
- 1.1.14 **"Parties"** shall refer to the Lender and the Borrower and "Party" shall refer to either of them, as the context may require;
- 1.1.15 **"Repayment Date"** shall refer to the date or dates on which repayment is agreed to be made by the Borrower to the Lender, as recorded in the Loan Schedule, and subject to the equalisation mechanism described in clause 9;
- 1.1.16 **"Signature Date"** means the date of signature of this Agreement by the Party signing last in time;
- 1.1.17 **"Shareholders"** shall refer to any and all natural or juristic persons holding issued shares in the Borrower from time to time, as reflected in the Borrower's share register;
- 1.1.18 **"Shareholder Loan Accounts"** shall refer to the accounts maintained in the books of the Borrower in respect of any loan, advance, or capital contribution made by a Shareholder or its related parties, whether documented as interest-bearing or interest-free, subordinated or otherwise, and includes any balance owing to such Shareholder by the Borrower.

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- 1.1.19 **"Terms and Conditions"** means the terms and conditions apposite to the Loan as set out in this Annexure "A";
- 1.1.20 **"Taxes"** shall refer to all taxes, charges, imposts, levies, deductions, withholdings, or fees of any kind whatsoever which are or become payable to any governmental authority or body and "tax" or "taxation" shall bear corresponding meanings;
- 1.1.21 **"Term"** or **"Loan Term"** shall bear the meaning recorded in the Loan Schedule. This term is measured in calendar months and commenced on the first calendar day of a particular calendar month and ends on the last business day of a month;
- 1.2 Any reference in the Agreement to:
- 1.2.1 a clause is, subject to any contrary indication, a reference to a clause of this Agreement or the Loan Schedule, as appropriate;
- 1.2.2 person means any natural or juristic person, firm, company, corporation, government, state, agency or organ of a state, association, trust or partnership (whether or not having separate legal personality); and
- 1.2.3 a schedule or an annexure is, subject to any contrary indication, a reference to a schedule or annexure of this Agreement.
- 1.3 Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- 1.4 The words "including" and "in particular" are without limitation.
- 1.5 If any provision in a definition confers rights, or imposes obligations on any Party, effect is given to it as a substantive provision of this Agreement.
- 1.6 Unless the context indicates otherwise, words denoting gender include all genders; reference to a natural person includes a juristic person; the singular includes the plural, and the plural includes the singular.

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90



- 1.7 Any reference to legislation is to that legislation as at the Signature Date, as amended or replaced from time to time.
- 1.8 Any reference to a document or instrument includes the document or instrument as ceded, delegated, novated, altered, supplemented or replaced from time to time.
- 1.9 A reference to a Party includes that Party's successors-in-title and permitted assigns.
- 1.10 No provision of this Agreement constitutes a stipulation for the benefit of any person who is not a Party to this Agreement.
- 1.11 The rule of interpretation that, in the event of ambiguity, the contract must be interpreted against the party responsible for drafting the contract does not apply.
- 1.12 The termination of this Agreement does not affect those provisions which expressly provide that they will operate after termination, or which must continue to have effect after termination, or which must by implication continue to have effect after termination.

2. INTEREST

- 2.1 The Loan Outstanding shall bear interest at the rate provided for in the Loan Schedule.

Interest Calculation and Payment

- 2.2 Interest shall:

- 2.2.1 accrue and be calculated daily; and

- 2.2.2 be capitalised monthly in arrears for the duration of the Loan Term

Payment of Interest

- 2.3 Interest shall be paid, as part of the Loan Outstanding, on the Loan Repayment Date.
- 2.4 The provisions of clauses 3.1 to 3.3 above shall survive the termination or cancellation of the Agreement by either Party.

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91



3. REPAYMENT OF THE LOAN

- 3.1 The Borrower shall repay the Loan Outstanding (including any capitalised interest, fees and costs) on a date or dates to be agreed upon in writing by the Parties, in accordance with the repayment principles set out in the Loan Schedule and the equalisation mechanism detailed in clause 9 of this Annexure.
- 3.2 All repayments shall be made free of exchange, commission or bank charges, and free of any set-off or counterclaim, in South African Rand, unless otherwise agreed in writing.

4. COSTS AND FEES

- 4.1 The Borrower agrees and shall remain liable for:
- 4.1.1 the payment of all legal costs incurred in the preparation of this agreement, the security documents, and related requirements;

5. UNDERTAKINGS BY THE BORROWER

- 5.1 From the Signature Date to the Discharge Date, the Borrower gives the following undertakings to the Lender. Each undertaking is:
- 5.1.1 separate and distinct;
- 5.1.2 shall not be qualified or limited with reference to any other undertaking; and
- 5.1.3 is material to the Agreement.

Negative Undertakings

- 5.2 The Borrower shall not, without the prior written consent of the Lender:
- 5.2.1 create or permit any encumbrance over, or dispose of, whether by one or more transactions or series of transactions, other than in the ordinary course of business, any

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of the Borrower's present or future assets (including movable and immovable property or rights of every description);

- 5.2.2 acquire any assets or any interest in, or amalgamate or merge with, any other company or other party whatsoever, except if such acquisition or amalgamation is in the ordinary course of business;
- 5.2.3 change its shareholding or the composition of its board;
- 5.2.4 make any change to the general nature and scope of its business as a whole from that which is carried on, on the Signature Date;

Positive Undertakings

5.3 The Borrower shall:

- 5.3.1 provide the Lender with details (general information and all required supporting documents) of its continuing contracts, debtors or business in general;
- 5.3.2 provide the Lender with such other information in relation to the Borrower's financial affairs as the Lender may from time to time require;
- 5.3.3 comply in all respects with all laws applicable to it and its business;
- 5.3.4 forthwith notify the Lender of any litigation, arbitration or administrative proceedings against it, if such proceedings could potentially have a Material Adverse Effect on its business;

6. WARRANTIES

- 6.1 From the Signature Date to the Discharge Date, the Borrower gives the following warranties to the Lender. The warranties shall be deemed to apply at all times so long as any amount remains actually or contingently owing to the Lender.

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6.2 Each warranty:

- 6.2.1 is separate and distinct;
- 6.2.2 shall not be limited with reference to any other warranty; and
- 6.2.3 is material to the Agreement.

6.3 The Borrower herewith warrants that:

- 6.3.1 it has a material interest in entering into the Agreement;
- 6.3.2 it is validly incorporated in terms of the laws of the Republic of South Africa and has the power and authority to borrow money, own and hypothecate its property and assets and to carry on business;
- 6.3.3 the Agreement and any security provided by the Borrower pursuant hereto is fully enforceable against the Borrower in terms of the provisions thereof;
- 6.3.4 it has not taken any steps, nor have proceedings been instituted, threatened or are pending against it, for its winding-up, liquidation, dissolution, deregistration or administration nor have any steps been instituted or threatened against it by its board, members or any other third party to begin business rescue proceedings or be placed under supervision in terms of section 129(1) of the Companies Act;
- 6.3.5 it is not in breach or in default under any other agreement to which it is a party, or which is binding on it or any of its assets, to an extent or in a manner which may have a Material Adverse Effect on the Borrower or its business;
- 6.3.6 all actions to be taken in order:
 - 6.3.6.1 to enable the Borrower to lawfully enter into the Agreement, exercise its rights and perform and / or comply with its obligations under the Agreement;

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- 6.3.6.2 to ensure that the obligations of the Borrower under the Agreement are enforceable, legal and valid and have been undertaken and properly completed;
- 6.3.7 the Borrower has no liabilities (actual or contingent) other than those disclosed by it to the Lender or that appear from its most recent management accounts nor does it have any unrealised or anticipated losses arising from commitments made but not disclosed by it;
- 6.3.8 the execution or delivery of the Agreement by the Borrower and any exercise by the Borrower of its rights and performance of its obligations thereunder do not and shall not conflict with any:
- 6.3.8.1 agreement, mortgage bond, deed or other instrument to which it is a party or which is binding on the Borrower;
- 6.3.8.2 of the Borrower's Memorandum of Incorporation;
- 6.3.8.3 any applicable law, court order or decision by any arbiter, arbitral authority or governmental authority, which is binding on the Borrower;
- 6.3.9 no Event of Default or potential Event of Default might reasonably be expected to result from the conclusion of the Agreement or the advance of the Loan to the Borrower; and
- 6.3.10 it has good title to all its assets and the Borrower has not Disposed of or encumbered such assets, nor will the Borrower Dispose of or encumber such assets save as reflected in the Annual Financial Statements.

7. EVENTS OF DEFAULT

- 7.1 An Event of Default shall occur if any of the following events, each of which shall be severable and distinct from the others, arises or occurs.
- 7.2 An Event of Default will occur if the Borrower and / or any Security Provider (as the case may be):

M.S Investment Trust

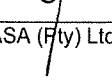
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- 7.2.1 fails to pay any amount due in terms of the Agreement on the due date of such payment;
- 7.2.2 fails to provide all information and / or documents and / or sign all such documents as may be required by the Lender for the purposes of providing additional security;
- 7.2.3 sells the whole or a major portion of its business or assets;
- 7.2.4 enters into a compromise, composition or arrangement with any of its creditors, or attempts to do so;
- 7.2.5 suffers any default judgment against it, which remains unsatisfied for a period of 30 (thirty) days or is refused a rescission of any default judgment;
- 7.2.6 makes an incorrect or untrue statement or representation in connection with the Agreement, its financial affairs or any relevant particulars thereof;
- 7.2.7 the board of the Borrower or its members (as the case may be) resolve that the Borrower voluntarily begins business rescue proceedings and be placed under supervision under section 129(1) of the Companies Act; or any steps of whatsoever nature are taken by an affected person (as defined in the Companies Act) of the Borrower or its members with the objective of commencing business rescue proceedings;
- 7.2.8 is placed under provisional or final liquidation or takes steps for its winding-up or liquidation;
- 7.2.9 is subject to a writ of execution attaching any asset or assets (which, in the reasonable opinion of the Lender, are material);
- 7.2.10 commits an act which is or would (if committed by a natural person) be an act of insolvency within the meaning of section 8 of the Insolvency Act 24 of 1936;
- 7.2.11 is unable or admits an inability in writing to pay its debts, suspends or threatens to suspend payment of all or any material part of its indebtedness to any creditor, commences negotiations with the view of the deferral, rescheduling or other readjustment of all or any of its indebtedness to its creditors;


M.S Investment Trust


ASA (Pty) Ltd



- 7.2.12 fails to fulfil any outstanding Disbursement Condition within the time allowed by the Lender after the Disbursement Date if and to the extent that the Lender allowed disbursement of the Loan prior to the Disbursement Condition/s having been fulfilled;
 - 7.2.13 repudiated the Agreement or does not cause to be done anything which may, in the reasonable opinion of the Lender, evidence an intention to repudiate the Agreement;
 - 7.2.14 is affected by an event or series of events which, in the sole opinion of the Lender, may have a Material Adverse Effect on its business; or
 - 7.2.15 ceases to carry on its business in a normal and regular manner.
- 7.3 Upon the occurrence of an Event of Default, the Lender shall, in addition to and without prejudice to any other rights which it may have in terms of the Agreement or in law including, without limitation to its rights to claim damages, have the right immediately to:
- 7.3.1 accelerate and demand the payment of the full Loan Outstanding, which shall immediately become due and payable;
 - 7.3.2 raise and charge Penalty Interest;
 - 7.3.3 review the Loan in terms of its normal credit assessment procedure and approval;
 - 7.3.4 call up and execute any security.

8. INDEMNITY

- 8.1 The Borrower hereby indemnifies and holds the Lender harmless from all and any loss, injury damage, fines, Taxes, penalties and claims, of whatsoever nature and howsoever arising from or connected with the Agreement.

M.S Investment Trust

ASA (Pty) Ltd

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9. SHAREHOLDER LOAN ACCOUNTS

- 9.1 The Parties acknowledge and record that the Borrower is funded by two Shareholders, namely Pilot Capital (Pty) Ltd and M.S Investment Trust, through Shareholder Loan Accounts.
- 9.2 The Parties agree that where there is more than one Shareholder Loan Account in the Borrower, such accounts shall be maintained on an equal basis, such that:
- 9.2.1 Any capital contribution, loan advance, or disbursement by one Shareholder shall be matched by an equivalent contribution from the other Shareholder(s) contemporaneously, unless otherwise agreed in writing;
 - 9.2.2 Any repayments by the Borrower in respect of Shareholder Loan Accounts shall be made proportionally and equally to all participating Shareholders;
 - 9.2.3 No Shareholder shall unilaterally vary their Shareholder Loan Account balance without affording the other Shareholder(s) the opportunity to contribute or withdraw in the same proportion, so as to maintain equality of Shareholder Loan Accounts;
 - 9.2.4 Should a Shareholder be unable or unwilling to contribute or withdraw an equivalent amount, the Parties shall consult in good faith and record such variance in writing, without affecting the overall intention of balanced and fair shareholder funding;
 - 9.2.5 The Borrower undertakes to maintain proper records of all Shareholder Loan Accounts and ensure that such accounts are reconciled on a quarterly basis, or upon reasonable request by either Party, in accordance with the equalisation principle outlined above.

10. NOTICES

- 10.1 The Parties choose as their respective *domicilium citandi et executandi* the addresses set out in the Loan Schedule, for all purposes of or arising out of the Agreement.
- 10.2 Any notice given in terms of the Agreement will be in writing and will be deemed to have been duly and properly delivered:

M.S Investment Trust

ASA (Pty) Ltd



- 10.2.1 if delivered by hand during normal business hours, on the date of delivery;
- 10.2.2 if posted by prepaid registered post, on the 8th day following the date of posting;
- 10.2.3 if sent by email, on the date on which the notice is transmitted –

unless the contrary is proved.

- 10.3 Notwithstanding anything to the contrary contained or implied in the Agreement, a written notice or communication actually received by a Party from the other will constitute adequate notice or communication to such Party.

11. PROCESSING OF INFORMATION

- 11.1 The Borrower agrees that the Lender may process (collect, use, share or otherwise deal with) its information, which was voluntarily provided for the purpose of providing the Loan to the Borrower.

12. GENERAL

Appropriation

- 12.1 All payments received by the Lender in terms of the Agreement shall be appropriated by the Lender as it, in its sole discretion, determines appropriate. The Borrower hereby waives the right to name the debt to which any moneys may or shall be allocated or appropriated.

Assignment

- 12.2 The Borrower shall not be entitled to cede any of its rights nor delegate any of its obligations under the Agreement without the prior written consent of the Lender, which consent shall be in the sole and absolute discretion of the Lender to give or refuse.
- 12.3 The Borrower hereby agrees and expressly consents thereto that the Lender may cede, assign, or delegate any of its rights or obligations in terms of the Agreement.

M.S Investment Trust

ASA (Pty) Ltd

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Certificate of Balance

- 12.4 A certificate signed by any manager of the Lender (whose appointment or authority it shall not be necessary to prove), certifying any amount outstanding in terms of this Agreement, including the Loan Principal Loan Amount or the Loan Outstanding, the rate of interest and other fees, costs or charges, shall be *prima facie* proof of the matters therein stated for the purposes of summary judgment or any other proceedings.

Independent Advice

- 12.5 Each of the Parties to the Agreement acknowledges that it has acted at arm's length and for its own account in negotiating, concluding and executing the Agreement. The Borrower further acknowledges and records that:

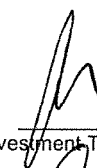
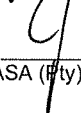
12.5.1 It has been free to obtain tax, accounting, regulatory, legal and financial advice from independent advisors, in relation to the matters contemplated in the Agreement;

12.5.2 It has not relied in any way upon any information or advice given by the Lender in the preparation, negotiation and / or implementation of the Agreement and it has taken all reasonable actions necessary to satisfy itself as to the consequences of entering into the Agreement.

Relaxation

- 12.6 No latitude, extension of time or other indulgence which may be given or allowed by any Party to the other Party in respect of the performance of any obligation in terms of the Agreement and no delay or forbearance in the enforcement of any right of any Party arising from the Agreement and no single or partial exercise of any right by any Party under the Agreement, shall in any circumstances be construed to be an implied consent by such Party or operate as a waiver or novation of or otherwise affect any of that Party's rights in terms of or arising from the Agreement or estop or preclude such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision of the Agreement.

Renunciation of benefits


M.S Investment Trust

ASA (Pty) Ltd




- 12.7 The Borrower expressly waives and renounces the benefit of exceptions *non numeratae pecuniae* (that the amount was not paid to the Borrower), *non causa debiti* (no cause exists for the debt of the Borrower), *error calculi* (that there has been an incorrect calculation of the debt of the Borrower), revision of accounts and no value received.

Severability

- 12.8 The Parties agree that each and every provision of the Agreement is severable from the remaining provisions of the Agreement and should any provision/s of the Agreement be in conflict with applicable law, or be held to be unenforceable or invalid for any reason whatsoever, such provision shall be treated as being *pro non scripto* and shall be severable from the remaining provisions of the Agreement, which shall continue to be of full force and effect.

Variation

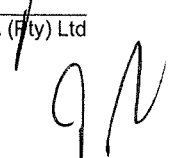
- 12.9 No addition or variation, consensual cancellation or novation of the Agreement and no waiver of any right arising from the Agreement or in breach or termination shall be of any force or effect unless reduced to writing and signed by all Parties or their duly authorised representatives.

Whole Agreement

- 12.10 The Agreement constitutes the whole agreement between the Parties as to the subject matter hereof and no agreements, representations or warranties between the Parties regarding the subject matter hereof, other than those specifically recorded and contained herein, shall be binding upon the Parties.

(Signatures appearing on the following page)


M.S Investment Trust


ASA (Fty) Ltd



FOR: M.S INVESTMENT TRUST
LENDER

Signature: _____

(Who warrants that he is duly authorised thereto)

Name: Mohammed Darsot

Date: _____

13/07/25

Place: _____

Houghton

FOR: ASA (PTY) LTD
BORROWER

Signature: _____

(Who warrants that he / she is duly authorised thereto)

Name: Douglas Paul Fliess

Date: _____

13 JULY 2025

Place: _____

Houghton

M.S Investment Trust

ASA (Pty) Ltd

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"ASA2"



kwa attorneys

YOUR REF: DOUGLAS FLIESS
OUR REF: MS L KRIEL/dc/MAT19318
DATE: 19 MAY 2026

ASA (PTY) LIMITED
UNIT 5, FLEXISPACE HOUGHTON
29-31 WEST STREET
HOUGHTON ESTATE
JOHANNESBURG

Email: douglas@fliess.co.za

RE: M.S. INVESTMENT TRUST

1. We act on behalf of M. S. Investment Trust ("our client"), which has provided us with a copy of the written loan agreement concluded between our client and yourselves on 13 July 2025 ("the Agreement").
2. In terms of the Agreement, our client advanced loans to yourselves from time to time, which loans inclusive of interest amounted to R14 164 611.48 as at 20 May 2026. The aforesaid indebtedness presently remains outstanding and, for the reasons more fully set out below, has become due and payable.
3. The Agreement contains various obligations binding upon yourselves, including, inter alia, the following undertakings:
 - 3.1. to provide our client with details, general information, and all supporting documentation relating to your continuing contracts, debtors, and business operations generally; and
 - 3.2. to furnish our client with such further information relating to your financial affairs as our client may reasonably require from time to time.
4. Notwithstanding repeated requests by our client, you have failed to comply with your obligations in terms of the Agreement and have failed and/or refused to provide, inter alia, the following documentation and information:

Kim Warren Inc
t/a kwa attorneys
2011/001585/21
24A Grant Avenue, Victoria,
Johannesburg
PO Box 92795
Norwood, 2117

Tel: +27 (11) 728 7728
Fax: +27 (11) 728 7727
Docex: 509 JHB
Lodgement No 438
Email: kim@kw.co.za
www.kw.co.za

Directors: Kim Warren Undi Kriel Sekgothadi Kabelo
Notary & Conveyancer: Christine Greyling
Associate: Michele Rowe Malcolm Cordier
Office Manageress: Louise Titus

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kwa attorneys

- 4.1. bank statements, loan account reconciliations, and supporting documentation;
 - 4.2. details of continuing contracts, debtors, and financial records relating to the business generally;
 - 4.3. audited financial statements;
 - 4.4. proper records of all shareholders' loan accounts to ensure that such accounts are reconciled on a quarterly basis and in accordance with the equalisation principle recorded in the Agreement;
 - 4.5. purchase records and payment details, including the full purchase ledger for the period 1 August 2025 to 30 April 2026;
 - 4.6. sales records for the period 1 August 2025 to 30 April 2026;
 - 4.7. expense records for the period 1 August 2025 to 30 April 2026;
 - 4.8. full particulars relating to directors' emoluments, including the basis upon which the remuneration structure was determined and all shareholder and/or board approvals supporting such structure; and
 - 4.9. a detailed breakdown of amounts paid to date together with the accounting treatment applied thereto in the management accounts.
5. Our client is further of the view that:
- 5.1. the failure to equalise shareholders' loan accounts;
 - 5.2. your failure to provide proper management accounts and supporting documentation as requested;
 - 5.3. the company's inability to pay for orders from China placed during August 2025;
 - 5.4. the conclusion by your director of an arrangement in terms whereof a third party, namely PR Truck Sales, would acquire 50% of such orders and thereafter make the products available to the company for resale in return for a 50% commission, and
 - 5.5. your director's purchasing of stock in his personal capacity, in breach of his fiduciary duty to the company, and placing such stock for sale by the company on consignment,
- constitute events which, in our client's sole and reasonable opinion, have had and/or are likely to have a material adverse effect on the company's business and financial position.
6. In the circumstances, and in terms of the Agreement, the aforesaid conduct constitutes an event of default entitling our client, without prejudice to any of its rights, to accelerate the indebtedness and claim immediate payment of the full outstanding loan amount together with accrued interest thereon.



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7. Furthermore, despite certain documentation having been furnished to our client, such documentation, for example the management accounts, is materially incomplete and you have failed to provide the further information and documentation requested by our client.
8. As a consequence of your breaches of the Agreement, our client hereby demands payment of the full outstanding amount owing, being the sum of R14 164 611.48 together with interest thereon at the rate of 15% percent per annum calculated from 21 May 2026 to date of payment, both days inclusive, within 48 (forty-eight) hours of transmission of this letter.
9. Failing payment within the aforesaid period, our instructions are to institute such legal proceedings against yourselves as our client may be advised, without further notice to you.
10. Notwithstanding the foregoing, our client is prepared to hold over on the institution of legal proceedings, should good faith negotiations be entered into within the aforesaid 48 hour period in relation to the repayment of our client's loan account and the repurchase of his shareholding in the company.
11. We await to hear from you.

Yours faithfully,

KWA ATTORNEYS

PER: L. KRIEL

EMAIL: lindi@kw.co.za

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HEERSCHOP PIENAAR
ATTORNEYS | NOTARIES | CONVEYANCERS

"ASA3"

Your Ref: Ms L Kriel/dc/MAT19318

Our Ref: MP/FA9925

26 May 2026

KWA ATTORNEYS

Per E-mail: kim@kw.co.za

Dear Madam,

RE: ASA (PTY) LTD
PILOT CAPITAL (PTY) LTD / MS INVESTMENT TRUST

1. We act on behalf of ASA (Pty) Ltd ("ASA") and Pilot Capital (Pty) Ltd ("PC"), both being duly represented by Mr Douglas Paul Fliess.
2. By way of background, we confirm our instruction that:
 - 2.1. ASA has 120 shares in issue;
 - 2.2. PC is the holder of 80 shares, being equal to 2/3 of the total issued share capital of ASA;
 - 2.3. MS Investment Trust is the holder of 40 shares, being equal to 1/3 of the total issued share capital of the company; and
 - 2.4. Mr Douglas Paul Fliess is the sole director of ASA.
3. We confirm and record the facts above so that your client remains cognisant and aware of the fact that it is a minority shareholder in a company where Mr Fliess (as the sole director of the

Directors:	Rudi Jack Heerschop (LLB) Mark Henri Pienaar (LLB)(LLM) (Adv. Dip. Insolvency law)
Executive Committee:	H Gouws (LLB) JP Spangenberg (BA)(LLB) L van Niekerk (LLB)(LLM) C Jacobsen (LLB) S Van Zyl (LLB)(LLM)
Associate Attorneys:	K van As (LLB) DG Heerschop (LLB)(LLM) MC Barnard (BCom)(LLB) A Du Toit (LLB) M Rall (LLB) N Engelbrecht (Bcom)(LLB) M Jansen van Vuuren (LLB) S Vorster (BCom)(LLB)
Candidate Attorneys:	S.N Vorster (LLB) R Vrey (LLB) A Vermeulen (LLB) K Pretorius (LLB) N Coetzee (LLB) J Meyer (LLB) R van Jaarsveldt (LLB) M Mendonca (LLB)
Johannesburg Office:	Block A, Ground Floor, Clearview Office Park, 77 Wilhelmina Ave, Allen's Nek, Roodepoort, 1735 Tel: 011 763 3050
Cape Town Office:	Third Floor, The Piazza on Church Square, 39 Adderly Street, Cape Town Central, 8001 Tel: 021 879 1071
Postal Address:	Postnet Suite 162, Private Bag X1, Florida Hills, 1716

E-mail: office@shplaw.co.za | Registration No.: 2013/193356/21 | VAT No.: 4180272124 | Web: www.hp-inc.co.za



company) is entitled, in his discretion and subject to his fiduciary duties as director, to make all day-to-day decisions in the operation and management of the company.

4. With that observation in mind, having received instructions on the recent correspondence by Mr Darsot and letter dated 19 May 2026, we will not engage in a debate about whether or not ASA complied with its disclosure obligations in terms of the loan agreement (concluded between the ASA and your client) or whether your client complied with its obligations to contribute finance to the working capital requirements of ASA.
5. With respect, an argument on the issues mentioned above takes the matter no further.
6. The fact is that there it is clearly a complete breakdown between your client, represented by Mr Darsot and our clients, represented by Mr Fliess. With that being so, it seems inevitable that their commercial relationship will come to an end.
7. To aggravate the matter, it should be placed on record here, that both Mr Fliess and Mr Terblanche have been threatened with physical violence and mortal danger by Mr Darsot and do not wish to have any contact with him directly. Specifically:
 - 7.1. during a meeting towards the latter part of 2025, in the Houghton, Mr Darsot conveniently arranged that his "collection team", a group of menacing and imposing individuals, deliver an obscure envelope showing debts that were collected on his behalf; and
 - 7.2. during a meeting with BD Terblanche earlier this year, Mr Darsot explained that "*there would be blood*" if there were any activities in the company which did not suit his interests.

Orderly Wind-Down of ASA

8. As a result of the breakdown of the relationship between the parties, Mr Fliess, as director of ASA, intends to facilitate the orderly wind-down of the business and affairs of ASA. In furtherance hereof, the following options are presented for your client's consideration:



Option 1

- 8.1. In consideration for their respective loan accounts, the stock held by the company will be verified and divided equally between the two funding parties, allowing each to dispose thereof in the manner they see fit.

Option 2

- 8.2. ASA will sell the remainder of its stock on hand and *en route*, through BD Terblanche (who is known to your client) under the banner of Pilot Agri (Pty) Ltd, on a consignment basis at an agreed upon profit participation as between ASA and Pilot Agri.
- 8.3. We interpose here to inform you that Mr Fliess will cease to have any involvement or engagement (directly or indirectly) in Pilot Agri (Pty) Ltd as from 1 June 2026. This company will be operated completely independently from ASA, under the sole management of BD Terblanche.
- 8.4. The proceeds of the sale of stock will be preserved (subject to payment of rental, insurance and other essential day to day running costs) and may then be distributed between the shareholders through the payment of shareholder loans and distributions, once all creditors have been paid in full and provision has been made for the payment of taxes (if any such liability exists).
- 8.5. The financial affairs of the company and the realisation process above will be independently audited and the wind down monitored by the independent auditor. We propose an independent accountant be employed at the company's expense to control the affairs from 1 June 2026

Option 3

- 8.6. In the alternative and if your client is not satisfied with this proposal, your client is invited to purchase PC's shares and shareholder loan account.
- 8.7. We are instructed that PC would be prepared to accept payment of R1.00 per share, subject thereto that your client also acquires its shareholder loan in the sum of R14,000,000 (as on 26 May 2026) as part of an indivisible and composite transaction.

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9. We would be pleased to receive your client's contentions on the above proposals.

Yours faithfully

HEERSCHOP PIENAAR INC. ATTORNEYS

[unsigned due to electronic transmission]

MARK PIENAAR

DIRECTOR

Direct Email: mark@shplaw.co.za (copy mariska@shplaw.co.za)

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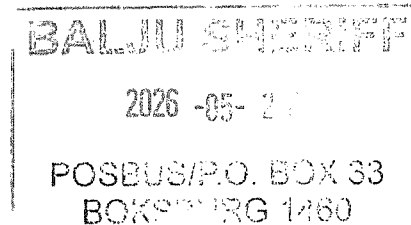


kwa attorneys

OUR REF: MS. K. WARREN / mnp / MAT19318
DATE: 26 MAY 2026

ASA (PTY) LIMITED
AFVAN BUSINESS PARK
10 HAGGIE ROAD
BOKSBURG
1459
(Registered Address)

SHRIFF BY SHERIFF



Dear Sirs,

ASA (PTY) LIMITED - DEMAND IN TERMS OF SECTION 345(1)(A)(I) (READ WITH SECTION 9(1) OF SCHEDULE 5 OF THE NEW COMPANIES ACT 71 OF 2008)

1. We refer to the above matter and confirm that we act on behalf of M.S. Investment Trust ("our client") herein, who has instructed us to address this letter to you.
2. We are instructed that you are indebted to our client in the sum of R14 164 611.48 (Fourteen Million One Hundred and Sixty Four Thousand Six Hundred and Eleven Rand and Forty Eight Cents) together with interest thereon at the rate of 15% per annum, calculated from 21 May 2026 to date of payment, both days inclusive, in respect of monies loaned and advanced by our client to yourselves, and which amount is now due, owing and payable, and which, despite demand, remains unpaid.
3. Despite demand, and in breach of your obligations to our client, you have failed to pay the amount due and owing to our client, and are currently indebted to our client in the sum R14 164 611.48 (Fourteen Million One Hundred and Sixty Four Thousand Six Hundred and Eleven Rand and Forty Eight Cents) together with interest thereon at the rate of 15% per annum, calculated from 21 May 2026 to date of payment, both days inclusive.

Directors: Kim Warren Lindi Kriel Sekgothadi Kabelo
Notary & Conveyancer: Christine Greyling
Associate: Michele Rowe Malcolm Cordier
Office Manageress: Louise Titus

Kim Warren Inc
t/a kwa attorneys
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24A Grant Avenue Victoria
PO Box 92795
Norwood 2117
Tel: +27 (11) 728 7728
Fax: +27 (11) 728 7727
Docex: 509 JHB
Lodgement No 438
Email: kim@kw.co.za
www.kw.co.za

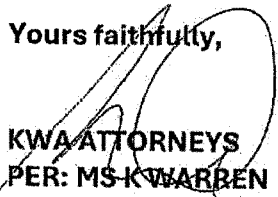
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kwa attorneys

4. We enclose herewith for your records, marked annexure **A**, a copy of Section **345(1)(a) OF THE COMPANIES ACT 61 OF 1973**, which Section has application with regard to you.
5. The purpose of this letter is as follows:
 - 5.1 To make demand, on behalf of our client, on you, in terms of Section **345(1)(a) OF THE COMPANIES ACT 61 OF 1973**, as we hereby do;
 - 5.2 To inform you on behalf of our client, as we hereby do, that unless the sum referred to above plus interest thereon, as stipulated in this letter, is paid to our offices alternatively secured or compounded to our client's reasonable satisfaction within within **21 (Twenty-One)** days from date of this letter, then, in that event, we will be instructed to proceed to launch an application for the liquidation of **ASA (PTY) LIMITED**, without further reference to yourselves and under circumstances where **ASA (PTY) LIMITED** is deemed to be unable to pay its debts.
6. We are hopeful that the above drastic steps will not be necessary and look forward to your urgent confirmation that payment will be made as required hereinbefore.

Yours faithfully,


KWA ATTORNEYS
PER: M. K. WARREN
E-MAIL: kim@kw.co.za



kwa attorneys

YOUR REF: MARK PIENAAR
OUR REF: MS K WARREN/dc/MAT19318
DATE: 28 MAY 2026

HEERSCHOP PIENAAR INC. ATTORNEYS

Email: mark@shplaw.co.za

Dear Sirs

RE: M.S. INVESTMENT TRUST // ASA (PTY) LTD

1. Your letter of 26 May 2026 refers.
2. Our failure to respond to any allegation contained in your letter under reply may not be construed as an admission as to the correctness thereof and our client's rights to deal more fully therewith at a later stage and in the appropriate forum are strictly reserved.
3. Our client agrees with your client's recordal that there has been a complete and irretrievable breakdown in the relationship between the shareholders of the company.
4. Notwithstanding the fact that our client holds one-third of the issued shares in the company, and further notwithstanding that Mr Fliess remains the sole director thereof, we draw your attention to the Short-Term Direct Working Capital Loan Agreement concluded between the parties, in terms whereof, inter alia, the following undertakings were provided by your client:
 - 4.1. Your client undertook not to make any material change to the general nature and scope of the company's business from that conducted as at the signature date of the agreement;
 - 4.2. Your client undertook to provide our client with details, including all relevant supporting documentation, pertaining to continuing contracts,

Kim Warren Inc
t/a kwa attorneys
2011/001585/21
24A Grant Avenue, Victoria,
Johannesburg
PO Box 92795
Norwood, 2117

Tel: +27 (11) 728 7728
Fax: +27 (11) 728 7727
Docex: 509 JHB
Lodgement No 438
Email: kim@kw.co.za
www.kw.co.za



kwa attorneys

debtors, and the business affairs of the company generally;

- 4.3. Your client further undertook to furnish our client with such additional information relating to the company's financial affairs as our client may reasonably require from time to time.
5. In the circumstances, our client enjoys rights of access to the books of account, financial records, and affairs of the company to a far greater extent than those ordinarily afforded to a shareholder. Your client has failed and/or refused to provide such access despite repeated demands.
6. Accordingly, and as previously recorded in our correspondence to your client dated 19 May 2026, the loan advanced by our client has become due, owing, and payable and which amount has not been paid. As a consequence thereof, we were instructed to cause a letter in terms of Section 345 of the Companies Act 61 of 1973, read together with Section 9(1) of Schedule 5 to the Companies Act 71 of 2008, to be served by the Sheriff at your client's registered address.
7. In the event that payment of our client's loan account is not made in full within the prescribed period, our client shall proceed with an application for the liquidation of the company on the basis that the company is unable to pay its debts as contemplated in the Companies Act.
8. Further and in the alternative, our client expressly reserves all of its rights to apply for the liquidation of the company on the grounds that it is just and equitable to do so, particularly having regard to the contents of your correspondence under reply and the complete breakdown in the relationship between the shareholders.
9. Insofar as your correspondence alleges that Mr Darsot threatened Mr Fliess and Mr Terblanche with physical violence and/or mortal harm, such allegations are categorically denied.
10. The dispute between the parties arose only during the course of 2026. It is therefore wholly improbable and inherently implausible that our client would have threatened your client during the latter part of 2025 at The Houghton, as alleged.
11. Mr Darsot can only assume that your client refers to a meeting held at the Houghton during late 2025, at which certain acquaintances of Mr Darsot happened coincidentally to be present at a neighbouring table for lunch. Such circumstances cannot reasonably be construed as constituting any form of threat or intimidation by our client.



kwa attorneys

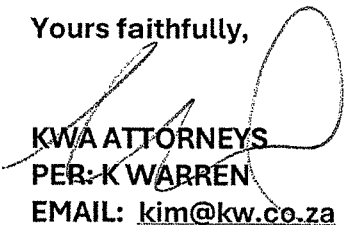
12. Our client denies ever threatening your client with violence in relation to the recovery of the debt, which denial is supported by the fact that our client has at all times pursued lawful and formal legal remedies for the enforcement and recovery of its claim.
13. With reference to the proposals advanced in your correspondence, same are unacceptable to our client.
14. Firstly, it would be highly irregular and commercially inappropriate for the company's stock to be divided amongst the funding parties for disposal in whatever manner they deem fit.
15. Secondly, having regard to:
 - 15.1. the irretrievable breakdown in the relationship between the parties;
 - 15.2. the concerns relating to the management and affairs of the company as raised in our letter dated 19 May 2026; and
 - 15.3. the serious concerns regarding the possible diversion of business opportunities and/or revenue from the company for the benefit of third parties,our client cannot reasonably be expected to permit the company to continue trading in the manner proposed in your client's "Option 2".
16. In the circumstances, it is both appropriate and necessary that an independent liquidator be appointed to investigate the company's trade dealings, financial affairs, and management conduct, including but not limited to:
 - 16.1. any suspected diversion of business from the company for the benefit of third parties;
 - 16.2. any breaches by Mr Fliess of his fiduciary duties owed to the company; and
 - 16.3. whether grounds exist for the imposition of personal liability upon Mr Fliess for the debts of the company in terms of Section 424 and/or Section 425 of the Companies Act 61 of 1973.



kwa attorneys

17. In the premises, none of the proposals advanced by your client are acceptable to our client, and we are accordingly instructed to proceed as set out above and as may be necessary to protect our client's interests.

Yours faithfully,



KWA ATTORNEYS

PER: K WARREN

EMAIL: kim@kw.co.za