

## AGRI PROTEIN TECHNOLOGIES (PTY) LTD (IN BUSINESS RESCUE) REGISTRATION NUMBER: 2010/011495/07

BUSINESS RESCUE STATUS REPORT IN TERMS OF SECTIONS 132 AND 141 OF THE COMPANIES ACT, 71 OF 2008 READ WITH REGULATION 125 OF THE COMPANIES ACT FILED BY THE BUSINESS RESCUE PRACTITIONERS J F KLOPPER & A N FLYNN

### 1. Important Information and Actions

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|---|------------|
| •Board of directors passes resolution for Business Rescue on            | 01/02/2021 |
| •Notice of resolution filed with CIPC on                                | 02/02/2021 |
| •Notice to affected parties on filing for Business Rescue on            | 04/02/2021 |
| •Company nominated a BRP on   | 01/02/2021 |
| •CIPC confirmed certification of BRP on                                 | 02/02/2021 |
| •File notice to CIPC re BRP appointment on                              | 01/02/2021 |
| •Publish notice to affected parties of BRP appointment on               | 04/02/2021 |
| •First meeting of creditors held on                                     | 11/02/2021 |
| •First meeting of employees held on                                     | 11/02/2021 |
| •Publish Business Plan on/ due by                                       | 11/03/2021 |
| •Publish notice of meeting to consider proposed Business Rescue Plan on | 11/03/2021 |
| •Meeting to determine the future of the business held on                | 19/03/2021 |

#### CURRENT STATUS OF BUSINESS RESCUE PROCEEDINGS

- 1.1. Agri Protein Technologies (Pty) Limited (“the company”) was placed under Business Rescue in terms of Section 129(1) of the Companies Act 2008 (“the Act”) on 2 March 2021.
- 1.2. The company complied with the requirements of Section 129(3)(a) and (b) of the Act.
- 1.3. Johannes Frederick Klopper and Anthony Norman Flynn were licensed by the Commission in respect of the company and appointed as Business Rescue Practitioners (BRPs) to the company on 2 February 2021 in terms of Section 138 of the Act.

- 1.4. A First Meeting of Creditors was held in terms of Section 147 of the Act on 11 February 2021.
- 1.5. A business rescue plan was published on 11 March 2021 and at a meeting held on 19 March 2021 the published business rescue plan was adopted by the majority creditors.
- 1.6. The sale of business agreement entered into between the company and a third party pursuant to the adopted business rescue plan was subject to certain conditions precedent that had to be fulfilled by the 30 June 2021.
- 1.7. It was reported in our 31 July 2021 status report that the condition precedent contained in paragraph 19.3.6.2 of the adopted business rescue was not fulfilled. TIA had to agree to the assignment of the TIA Loan before 30 June 2021 which they declined to do .
- 1.8. The BRP's also reported in the 31 July report entered into a sale of business agreement with the same Purchaser in terms of Proposal B of the adopted business rescue plan at a purchase consideration of R20 million.
- 1.9. The purchaser negotiated amended terms for the instalments since July 2021.
- 1.10. The purchaser approached the BRPs during November with proposals in relation to a further extension.
- 1.11. A written proposal was received from the purchaser on 1 December 2021, post the due date of the 30 November 2021 status report.
- 1.12. The BRPs formed the view that that the proposed extension should be granted and requested creditors to revert by **Monday 13 December 2021** failing which the proposal would be accepted.
- 1.13. Pursuant to the 30 November 2021 status report and prior to 13 December the company's major creditor engaged with the BRPs in order to discuss and debate the extension sought.
- 1.14. Pursuant to this engagement the company represented by the BRPs and the purchaser entered into a further addendum to the agreement in terms which they agreed that the outstanding Purchase Consideration of R8 000 000 (eight million rand) is to be paid by the Purchaser to the company as follows:
  - 1.14.1. in five equal monthly instalments of R800 000, payable by the Purchaser to the company on or before the final day of each consecutive month, starting in December 2021 until April 2022; and
  - 1.14.2. a final instalment of R4 000 000, payable by the Purchaser to the Seller on or before 31 May 2022.
- 1.15. In addition to the payments set out above the Purchaser shall pay the company interest at a rate of prime plus 0,25% on amounts that are overdue in terms of the sale of business agreement (as if the addendum had not been concluded) which interest shall be due on or before 30 June 2022.

1.16. Furthermore, in terms of the addendum, the Purchaser's license to occupy the Philippi Property was further extended until registration of transfer of the Philippi Property, subject to the following:

1.16.1. From January 2022, the Purchaser shall be required to pay occupational rental of R100 000 per month, excluding VAT, to the Seller until registration of transfer of the Philippi Property.

1.16.2. Occupational rental payable in respect of each month shall be payable on or before the final business day of that month.

2. The BRPs furthermore remind creditors that, for purposes of payment of an **interim dividend by 31 January 2022**, as was proposed in the 30 November 2021 status report, creditors provide their banking details by completing the letter that was attached to our 30 November status report.

  
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J F KLOPPER & A N FLYNN

DATE: 31 December 2021