

Bashee River Trading
(Pty) Ltd
Trading as
Seemanns

VAT No. 4860257122



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Attention: All Creditors of Bashee River Trading (Pty) Ltd t/a Seemann's (in business rescue)

Per Email/Facsimile

30 May 2014

Dear Sir/Madam

NOTICE TO AFFECTED PERSONS OF BASHEE RIVER TRADING (PTY) LTD T/A SEEMANN'S (IN BUSINESS RESCUE) ("the Company")

1. Further to the notice published in terms of section 150(5) of the Companies Act, No. 71 of 2008 earlier today, please find attached hereto a copy of the business rescue plan.

Yours sincerely

Peter van den Steen

Business Rescue Practitioner for Bashee River Trading (Pty) Ltd t/a Seemann's (in business rescue)

Letter may be sent electronically if so signed copy will be sent on request



BUSINESS RESCUE PLAN

IN TERMS OF CHAPTER 6 OF THE COMPANIES ACT, NO. 71 OF 2008

("the Act")

in respect of

BASHEE RIVER TRADING (PTY) LIMITED T/A SEEMANN'S

(Registration number: 2005/009715/07)

("the Company" or "Seemann's")

as proposed by

PETER VAN DEN STEEN

("the BRP")

1 DISCLAIMER

- 1.1 This business rescue plan, together with the annexures ("**Plan**"), is published in compliance with the provisions of section 150 of the Act.
- 1.2 The information set out in this Plan has been prepared by the BRP with reliance on the information provided to him by Seemann's and the management of the Company.
- 1.3 Whilst every effort has been made by the BRP to ensure the accuracy of the information contained herein, the BRP can give no warranty in this regard save to confirm, to the best of his knowledge and belief, that:
- 1.3.1 such information is reasonably accurate, complete and up to date; and
- 1.3.2 any projections provided are reasonable estimates made in good faith on the basis of factual information and reasonable assumptions as set out in this Plan.
- 1.4 Creditors and other affected persons are encouraged to seek their own legal and financial advice. The BRP is not purporting to act as advisor to the creditors and/or affected persons.
- 1.5 Neither the BRP nor V-Squared Business Rescue Services (Pty) Ltd being the BRP's employer, or any of its subsidiaries or affiliates, shall be held liable on any basis for any decisions of whatsoever nature as a result of the use of the information contained in this Plan.

PART A: BACKGROUND

2 OVERVIEW

- 2.1 Bashee River Trading (Pty) Limited t/a Seemann's ("**Seemann's**"), with registration number: 2005/009715/07, is a company incorporated in accordance with the laws of the Republic of South Africa ("**South Africa**"). Seemann's principal place of business is situated at 25 Hammer Avenue, Strijdom Park, Randburg.
- 2.2 The directors of Seemann's are as follows:
- 2.2.1 Lourens Van Rensburg – Financial Director;
- 2.2.2 Lusanda Zimkitha Dube - Director; and
- 2.2.3 Londeka Shezi – Director.

- 2.3 Seemann's is a well-known name in the meat industry and is known for the supply of quality meat products and import delicacies (particularly from Germany) to its customers. It specialises in supplying superior quality, smoked meals and frozen meats to its customers. The aforesaid products are produced in Randburg and it trades from three delis in and around Johannesburg.
- 2.4 Seemann's client base includes big retail companies within South Africa such as Spar, Pick & Pay and Shoprite Checkers.

3 FINANCIAL DISTRESS

- 3.1 The financial distress of Seemann's can be attributed mainly to the following:
- 3.1.1 The increase in pork prices during the period from October 2013 until December 2013, which caused an increase of R7 to R8 million in purchases payable by the Company to its supplier, without the ability of the Company to adjusted its prices immediately;
- 3.1.2 Storm damage in and during December 2013 which resulted in a large amount of product which had to be dumped;
- 3.1.3 Theft of product within the Company in the region of approximately R2 million;
- 3.1.4 Managerial difficulties; and
- 3.1.5 Insufficient management systems, controls and procedures to operationalize a strategy change that includes high volume low margin production lines.
- 3.2 As a result of the aforesaid factors, the Company's projected cash flow was negatively affected with the result that the Company was unlikely to be able to meet its current liabilities and in particular its ability to pay its trade creditors who were unlikely to advance it any further credit.

4 FINANCIAL POSITION

- 4.1 The results for the period ending February 2014, being just prior to the date on which business rescue proceedings commenced, namely 14 March 2014 ("**business rescue commencement date**"), are based on the Seemann's Management accounts.
- 4.2 The trading results for the 12 months ended 28 February 2014 are as follows (2 weeks prior to the business rescue commencement date):

<u>Statement of Comprehensive Income</u>	<u>12 Months Ending 28</u>	<u>As at 31 March 2014</u>
<u>R 000</u>	<u>February 2014</u>	
Trading Income	157 410	171 774
Trading Expense	110 435	130 044
Income	46 975	41 730
Expense	44 491	44 715
Tax Expense	0	0
Net profit/(loss)	-4 427	-10 410

4.3 The statement of financial standing as at 28 February 2014 and 31 March 2014 was as follows:

<u>Statement of Financial Position</u>	<u>As at 28 February 2014</u>	<u>As at 31 March 2014</u>
<u>R 000</u>		
Non-current assets	39 811	39 568
Fixed Asset	39 673	39 433
Other Assets	138	135
Current assets	35 241	32 188
Inventories/Stock	11 750	9 309
Accounts Receivable	23 032	21 955
Bank/Cash	121	73
Other Debtors	338	851
Total Assets	75 052	71 756
Equity	-17 881	-20 906
Accumulated Profit	-17 881	-20 906
Non-current liabilities	58 281	58 229
Long Term (Incl. Leases)	14 731	14 633
Intercompany Loans Payable	43 550	43 596
Current Liabilities	34 651	34 432
Accounts Payable	19 034	21 124
Other Current Liabilities	346	335
Bank Overdraft	13 716	10 898
Provisions	1 800	1 902
Taxation Liability	-245	173
Total Equity & liabilities	75 052	71 756

5 BUSINESS RESCUE PROCEEDINGS

- 5.1 Following the continued losses incurred by Seemann's, the Company's board of directors decided to voluntarily commence business rescue proceedings under and in terms of the provisions of Chapter 6 of the Act.
- 5.2 The board of directors of Seemann's resolved that the Company voluntarily commence business rescue proceedings on 13 March 2014.
- 5.3 Business rescue proceedings commenced when the resolution was filed with the Companies and Intellectual Property Commission ("**CIPC**") on 14 March 2014.
- 5.4 The BRP was appointed on 20 March 2014 and notice of the appointment of the BRP was filed with CIPC on the same day.
- 5.5 The first meeting of creditors was held on 01 April 2014, in accordance with the provisions of section 147 of the Act.
- 5.6 The first meeting of employees was held on 02 April 2014, in accordance with the provisions of section 148 of the Act.
- 5.7 On 17 April 2014, the holders of the majority of creditors' voting interests consented, in accordance with the provisions of section 150(5)(b) of the Act, to an extension for the date of publication of the Plan to 30 May 2014.
- 5.8 Two offers were received. These offers that were submitted came from:
- 5.8.1 Enterprise Foods. A division of Tiger Consumer Brands Limited. ("**Tiger**"); and
- 5.8.2 Eskort Limited. A wholly owned subsidiary of First Food Brands Limited. ("**Eskort**").
- 5.9 These offers were evaluated by the BRP and discussed with the majority shareholder and the creditors committee. The preferred offer that was submitted was by Tiger. The offer has formed the basis for the Plan. The offer is attached hereto as **Annexure 1**.

6 POST-COMMENCEMENT FUNDING

- 6.1 On or about the date on which the board resolution to place the Company under business rescue was adopted, the short-term requirements of the company was analysed. It was clear that the Company would experience a cash shortfall for the foreseeable future.

- 6.2 In the circumstances, the majority shareholder Zico (Pty) Ltd ("**Zico**") undertook to provide post-commencement funding. To date, R6,128,000 in post-commencement funding has been injected into the Company by Zico.

7 INVESTIGATION OF AFFAIRS OF COMPANY

- 7.1 According to section 141(2)(c)(i) and (ii) of the Act, if there is evidence, in the dealings of the company before the business rescue proceedings began, of voidable transactions, or the failure by the company or any director to perform any material obligation relating to the company, the practitioner must take any necessary steps to rectify the matter and may direct the management to take appropriate steps, or reckless trading, fraud or other contravention of any law relating to the company, the practitioner must:

7.1.1 forward the evidence to the appropriate authority for further investigation and possible prosecution; and

7.1.2 direct the management to take any necessary steps to rectify the matter, including recovering any misappropriated assets of the company.

- 7.2 Certain information has been brought to the BRP's attention regarding stock theft and reckless trading, prior to the commencement of business rescue proceedings.

- 7.3 In accordance with section 141(2)(c)(i) and (ii) of the Act, the BRP is taking the necessary steps in relation to these issues.

8 MATERIAL ASSETS AND ENCUMBRANCES OF THE COMPANY

- 8.1 According to section 150(2)(a)(i) of the Act, the business rescue plan must include a complete list of all the material assets of the Company, as well as an indication as to which assets were held as security by creditors when the business rescue proceedings began.

- 8.2 Detailed lists of the material assets of Seemann's is attached hereto as **Annexure 2 and 3** respectively, by way of valuations in respect of the Plant and Equipment and Immovable property belonging to the Company. These reflect the auction and forced sale values of the assets of the Company

8.3 As at 31 March 2014, the accounting records of Seemann's reflected the following fixed assets:

<u>Summary:</u>	<u>Carrying Value</u>
Total Fixed Assets	21 330 607.39
Motor Vehicles	493 611.09
Plant & Machinery	20 766 924.37
Computer Equipment	11 287.82
Furniture & Office Equipment	57 784.11

8.4 There is a general covering notarial bond over the moveable assets of the Company in favour of Nedbank Limited, as well as a mortgage bond in favour of Nedbank Limited over the immovable property of the Company.

8.5 The investments comprise the following:

<u>Summary:</u>	<u>Carrying Value</u>
Investments	
Nedbank Domestic Treasury	2 917.31

8.6 A summary of the current assets as at 31 March 2014, is as follows:

<u>Summary:</u>	<u>Carrying Value</u>
Total Current Assets	
R 000	32 188
Inventories/Stock	9 286
Accounts Receivable	21 955
WIP & Retentions	23
Bank/Cash	73
Other Debtors	851

9 TOTAL CREDITORS AND CLASSES

9.1 According to section 150(2)(a)(ii) of the Act, the business rescue plan must include a complete list of the creditors of the Company when the business rescue proceedings began, as well as an indication as to which creditors would qualify as secured, statutory preferent and concurrent in terms of the laws of insolvency, and an indication of which of the creditors have proved their claims.

- 9.2 A complete list of the known creditors of Seemann's is reflected in **Annexure 4**.
- 9.3 **Annexure 4** also lists the creditors according to their respective standing and classes in terms of the laws of insolvency.
- 9.4 It is recorded that the Act does not require a creditor's claim to be proved for it to be recognised for the purposes of business rescue proceedings. It is recorded further that not all of the creditors have proved their claims.
- 9.5 **Annexure 4** contains a list of creditors' claims in the amounts reflected recognised by the BRP. This list further details which creditors have submitted proof of claim documentation, for the purpose of proving claims.
- 9.6 According to section 135(3) of the Act (read with section 135(2)), all post-commencement finance claims will have preference in the order in which they were incurred over all unsecured claims against the Company.
- 9.7 Section 145(4) of the Act distinguishes between subordinated and unsubordinated creditors.

10 DISPUTED CLAIMS

JWK Holdings (Pty) Ltd ("JWK")

- 10.1 JWK entered into a sale of business agreement with the Company on 25 February 2013, in respect of the Seemann's Lifestyle Crossing store.
- 10.2 JWK alleges that it is owed money as a result of a shortfall on profit margins. In exercising his discretion the BRP has decided not to recognise JWK's claim for the purposes of this Plan, for the time being.
- 10.3 In the event that disputed claims are accepted, then same will be included in the Plan on the basis that any compromise applicable will be affected in accordance with the class of that creditor.

Els Ajae Boerdery CC ("Els")

- 10.4 Els unlawfully applied a set off against its pre-commencement claim, from monies paid to it by the Company pursuant to an agreement entered into post commencement of the business rescue proceedings.
- 10.5 In the circumstances, Els has received approximately R0.75c in the rand, an amount in excess of what creditors in a similar class will be achieving in terms of the Plan.

10.6 The BRP has elected not to claw back this amount and as such will not recognise the remaining balance of Els' pre-commencement claim. Should Els' remaining claim be recognised, a distribution in terms of this Plan will see Els further unlawfully benefitting from its conduct. The BRP considers all pre-commencement claims held by Els extinguished.

10.7 The BRP and Company's right in respect of this claim remain reserved

Jennifer Gericke ("Gericke")

10.8 A claim has been received from Gericke. The underlying agreement to the claim was rejected by the board of the Company prior to commencement of the business rescue proceedings. The original loan to the Company remains in the books as recorded and in favour of SJ Nel.

11 PROBABLE LIQUIDATION DIVIDEND

11.1 According to section 150(2)(a)(iii) of the Act, the business rescue plan must include the probable dividend that would be received by creditors, in their specific classes, if the Company were to be placed in liquidation.

11.2 One of the key objectives of the business rescue process is to develop and implement a business rescue plan to rescue the Company by restructuring its affairs, business, property, debt and other liabilities in a manner that maximises the likelihood of the Company continuing in existence on a solvent basis, or results in a better return for the Company's creditors than would result from the immediate liquidation of the Company.

11.3 Accordingly, this Plan needs to be judged against the alternative, being liquidation.

11.4 PricewaterhouseCoopers ("**PWC**") has, in accordance with the provisions of section 145(4)(b) of the Act, independently and expertly appraised the value of the subordinated creditor's voting interest, being equal to the amount, if any, that the subordinated creditor could reasonably expect to receive if the Company were to be liquidated ("**the report**"). The report in this regard is annexed hereto as **Annexure 5**.

11.5 The calculation in support of the probable liquidation dividend in relation to the Company is based on the contents of the report, which provide an illustrative liquidation value.

11.6 In the event that the Company is liquidated:

11.6.1 an aggregate amount of **R20,408,000** would be available for distribution;

11.6.2 the statutory preferent and secured creditors would have realised the majority of the proceeds from the assets of Seemann's, with nothing coming available for distribution to the unsecured and concurrent trade creditors; and

11.6.3 an amount of **30%** would be allocated to liquidation costs.

12 CURRENT SHAREHOLDING OF THE COMPANY

12.1 According to section 150(2)(a)(iv) of the Act, the business rescue plan must include a complete list of the holders of the Company's issued securities.

12.2 The shareholding of the company is as follows:

<u>Shareholder</u>	<u>% Holding</u>
Marthinus Wilhelm Gericke	0.64
Gustav Botes	0.48
Benjamin Steyn Gericke	0.60
Charles Moller Familie Trust	0.35
Lourens van Rensburg	0.47
Westdene Family Trust	0.47
Marlize Schwär	0.11
Julian Gregory Kidd	0.14
Ratzegaai Varkboerdery (Edms) Bpk	0.21
Zico (Pty) Ltd	75.93
ZICO Capital (Pty) Ltd	18.98
Gerald Sydney Crossman	1.56
Kenneth Paul Mkhonza	0.05

13 BUSINESS RESCUE PRACTITIONER'S REMUNERATION

- 13.1 According to section 150(2)(a)(v) of the Act, the business rescue plan must include a copy of the written agreement concerning the BRP's remuneration. No written agreement has been concluded.
- 13.2 The BRP remuneration is determined by the Act and listed in the Regulations. No success fees or any remuneration over and above the regulated remuneration has been agreed with any of the stakeholders.

14 STATEMENT IN TERMS OF SECTION 150(2)(a)(vi) OF THE ACT

- 14.1 This Plan does not include any proposal made informally by a creditor of the Company.

PART B: PROPOSALS

15 BUSINESS RESCUE PLAN OVERVIEW

- 15.1 The BRP is of the view that the business rescue of the Company may be achieved through the following elements:
- 15.1.1 introduction of a strategic equity partner with credible domain expertise;
 - 15.1.2 introduction of a partner with a growth strategy and the balance sheet to match;
 - 15.1.3 injection of working capital;
 - 15.1.4 review and establish a coherent business strategy;
 - 15.1.5 implementation of proper management systems and controls;
 - 15.1.6 implementation of sound governance principles;
 - 15.1.7 improvement of process and business efficiencies; and
 - 15.1.8 negotiation of better payment terms with creditors and debtors.
- 15.2 Tiger has made an offer which meets the criteria listed above. In addition, they have a strategy that builds on the business as it currently stands and avoids any 'radical slimming down'.
- 15.3 The supply of out-of-ratio pork cuts from their Pork Packers deboning plant will enable Seemann's to focus on core production and high margin products without the burden of having to balance carcasses.

15.4 Tiger will also be looking to supply Seemann's products to their own retail stores which will automatically introduce additional economies of scale.

16 NATURE AND DURATION OF THE MORATORIUM

16.1 According to section 150(2)(b)(i) of the Act, the business rescue plan must include the nature and duration of any moratorium for which the business rescue plan makes provision.

16.2 The moratorium imposed by section 133 of the Act in respect of any legal proceedings, including enforcement action, against the Company, or in relation to any property belonging to the Company or in its possession, shall terminate when the business rescue proceedings end in accordance with the provisions of section 132(2) of the Act.

17 EXTENT TO WHICH THE COMPANY IS TO BE RELEASED FROM ITS DEBTS

17.1 According to section 150(2)(b)(ii) of the Act, the business rescue plan must include the extent to which the Company is to be released from the payment of its debts, and the extent to which any debt is proposed to be converted to equity in the Company, or another company.

17.2 It is expressly recorded that this Plan is an offer in full and final settlement of all creditors' claims against the Company, whether actual or contingent, known or unknown, from whatsoever cause and howsoever arising, whether recorded or not, in all cases where the claim existed as at the date of approval of this Plan or arises on the adoption of this Plan.

17.3 For the avoidance of doubt it is expressly recorded that: the payments made to creditors will be in full and final settlement of all their claims against Seemann's and they will have no further claims against the Company.

17.4 The following table demonstrates the proposed acquisition of creditors' claims and as such the potential distribution to creditors on implementation:

ENTERPRISE FOODS OFFER		Face Value	Tiger Offer	Zico Offer	Total Offer	C/Rand
		R	R	R	R	
1	Equity acquired from Zico via subscription 51% Equity for the sum of		51%	49%		-1
Tiger and Zico purchase the Interest and Non-interest bearing						
2	loan claims for 1 cents in the rand					
Interest free shareholder loans						
	- Minority shareholders	29 009 000	-147 946	-142 144	-290 090	1
	- Zico / Zico Capital	10 500 000	-53 550	-51 450	-105 000	1
	Interest bearing shareholder loans (prime plus 7%)	4 200 000	-21 420	-20 580	-42 000	1
Tiger and Zico purchase other interest bearing unsecured loan						
3	claims for 1 cents in the rand					
	Other interest bearing unsecured loans	1 000 000	-5 100	-4 900	-10 000	1
Tiger and Zico purchase Trade Creditors claims for 40 cents in						
5	the rand					
	Trade Creditors	17 500 000	-3 570 000	-3 430 000	-7 000 000	40
6	Working capital application		-4 912 830	-4 720 170	-9 633 000	
ENTERPRISE Net Cash Flow					-17 080 090	

17.5 Existing contracts with secured creditors will be honoured. However, Tiger reserves the right to approach each secured creditor to negotiate revised terms and conditions.

17.6 It must be noted that R7,000,000 (Seven Million Rand) has been proposed to be paid to concurrent trade creditors. Currently the estimated dividend is R0.40c in the rand, whereas under a liquidation scenario, no dividend would be payable to this class of creditors. These claims will be subordinated (bottom ranking).

17.7 None of the Company's debt is proposed to be converted to equity in the Company or in another company.

18 TREATMENT OF EXISTING AGREEMENTS AND THE ON-GOING ROLE OF THE COMPANY

18.1 According to section 150(2)(b)(iii) of the Act, the business rescue plan must deal with the on-going role of the Company, and the treatment of any existing agreements.

18.2 The landlord of the Samantha Street premises agreed to reduce the rental for the unused facility for the duration of the business rescue proceedings. This was a welcome relief.

19 PROPERTY AVAILABLE TO PAY CREDITORS' CLAIMS

- 19.1 According to section 150(2)(b)(iv) of the Act, the business rescue plan must deal with the property of the Company that is to be available to pay creditors' claims in terms of the business rescue plan.
- 19.2 The implementation of the business rescue of the company is premised upon the Tiger offer and is based upon the continued operation of the Company.
- 19.3 As such, none of the assets of the Company, whether movable or immovable, will be sold in order to settle any of the Company debt. The assets of the company will be utilised for the continued operation of the business.

20 ORDER OF PREFERENCE

- 20.1 According to section 150(2)(b)(v) of the Act, the business rescue plan must set out the order of preference in which the proceeds of property will be applied to pay creditors if the business rescue plan is adopted.
- 20.2 As noted, none of the assets of the Company, whether movable or immovable, will be sold in order to settle any of the Company debt. The assets of the Company will be utilised for the continued operation of the business.

21 BENEFITS OF ADOPTING THE PLAN

- 21.1 According to section 150(2)(b)(vi) of the Act, the business rescue plan must set out the benefits of adopting the business rescue plan as opposed to the benefits that would be received by creditors if the Company were to be placed in liquidation.
- 21.2 In the event of liquidation it is envisaged that all the assets would probably realise a net amount of approximately R20.4 million after costs of administration in liquidation.
- 21.3 The approval of this Plan is expected to realise a distribution to the Company's creditors of a higher dividend than that which they could expect to receive if the Company were to be liquidated.
- 21.4 In addition to the monetary benefits, the following advantages will be derived from adopting and implementing this Plan:
- 21.4.1 a sustainable business entity can continue trading therefore stimulating economic activity directly and via a multiplier effect;
 - 21.4.2 an opportunity for suppliers, in particular those that may have been heavily reliant on the business, to continue trading;

- 21.4.3 the avoidance of unemployment due to liquidation; and
- 21.4.4 SARS would be able to generate revenue from the continued operation of Seemann's.

22 EFFECT ON SHAREHOLDERS

- 22.1 According to section 150(2)(b)(vii) of the Act, the business rescue plan must set out the effect that the business rescue plan will have on the holders of each class of the Company's issued securities.
- 22.2 All of the shareholders' shareholding will be diluted proportionately as a result of the approval of this Plan.

PART C: ASSUMPTIONS AND CONDITIONS

23 CONDITIONS TO BE SATISFIED

- 23.1 According to section 150(2)(c)(i) of the Act, the business rescue plan must set out a statement of the conditions that must be satisfied, if any, for the business rescue plan to come into operation and be fully implemented.
- 23.2 For the Plan to come into operation, it must be approved by the Company's creditors in accordance with the provisions of section 152(2) of the Act at the meeting convened for this purposes in terms of section 151 of the Act.
- 23.3 For this Plan to be implemented the following is required:
- 23.3.1 regulatory approvals including Competition Commission requirements;
 - 23.3.2 Tiger Brands Executive Committee approval;
 - 23.3.3 limited due diligence in respect of:
 - 23.3.3.1 review of contingent liabilities
 - 23.3.3.2 verification of stock
 - 23.3.3.3 leases and agreements including employee contracts
 - 23.3.3.4 SARS tax due diligence
 - 23.3.3.5 verification of all accounts receivable balances
 - 23.3.3.6 verification of title deeds of the property and all registered trademarks
- need to be performed;

- 23.3.4 all distributions to creditors must have been completed;
- 23.3.5 all fees of the BRP and BRP advisors (such as valuers, financial and legal fees) to be settled in full; and
- 23.3.6 any conditions precedent that may have to be met in terms of a detailed share subscription agreement to be finalised after the limited due diligence has been completed.

24 EFFECT ON EMPLOYEES

- 24.1 According to section 150(2)(c)(ii) of the Act, the business rescue plan must set out the effect, if any, that the business rescue plan contemplates on the number of employees, and their terms and conditions of employment.
- 24.2 Under and in terms of this Plan it is not envisaged at this stage that there will be large scale retrenchments in the form of a business restructure or right sizing. This is of course subject to the output from the limited due diligence as mentioned above.

25 CIRCUMSTANCES IN WHICH THE BUSINESS RESCUE PLAN WILL END

- 25.1 According to section 150(2)(c)(iii) of the Act, the business rescue plan must include the circumstances in which the business rescue plan will end.
- 25.2 Should this Plan be adopted in accordance with the provisions of section 152(2) of the Act, it will end upon:
 - 25.2.1 the BRP filing a notice of substantial implementation of the Plan as contemplated in section 132(2)(c)(ii) of the Act; or
 - 25.2.2 the BRP filing a notice of the termination of business rescue proceedings as contemplated in section 132(2)(b) of the Act.

26 PROJECTED FINANCIAL STATEMENTS

- 26.1 According to section 150(2)(c)(iv) of the Act, the business rescue plan must include:
 - 26.1.1 a projected balance sheet for the Company; and
 - 26.1.2 a projected statement of income and expenses for the ensuing three years,

prepared on the assumption that the Plan is adopted.
- 26.2 This Plan is based on the following key assumptions:

- 26.2.1 that the limited due diligence does not uncover any material adverse aspects or elements in the company that may result in large adjustments in the Tiger offer or a cancellation of the offer;
- 26.2.2 that Tiger Brands know and understand the industry and therefore have a high level of confidence in what they believe can be achieved with Seemann's in their stable of businesses;
- 26.2.3 Pick & Pay Seemann's brand sales will be taken out after February 2015 financial year end (annual sales for the financial year of 2014 - R595,000);
- 26.2.4 Seemann's Lifestyle Crossing sales will be resumed in the February 2015 financial year (annual sales in the 2013 financial year of R21.7m); and
- 26.2.5 that the Samantha Factory will be closed after Feb 2015 financial year end.
- 26.3 Tiger has provided the BRP with a three year projection which is set out below

BASHEE RIVER TRADING (PTY) LTD T/A SEEMANN'S ("Seemann's") - 3 year Balance Sheet (R000's)			
	<u>BS Date</u>	<u>BS Date</u>	<u>BS Date</u>
	<u>28-Feb-15</u>	<u>29-Feb-16</u>	<u>28-Feb-17</u>
Non-current assets			
Fixed Asset	39 433	37 609	35 635
Current assets			
Stock	7 102	7 548	8018
Debtors	16 232	17 778	19 522
Total Assets	62 767	62 934	63 175
Equity			
Capital	-1 996	148	2 260
Non-current liabilities			
Long Term (Incl. Liab Leases)	53 630	52 208	50 834
Current Liabilities			
Current Liabilities	11 133	10 579	10 081
Total Equity & liabilities	62 767	62 934	63 175

BASHEE RIVER TRADING (PTY) LTD T/A SEEMANN'S ("Seemann's") - 3 year Income Statement (R000's)			
	<u>YTD Ending</u>	<u>YTD Ending</u>	<u>YTD Ending</u>
	<u>28-Feb-15</u>	<u>29-Feb-16</u>	<u>28-Feb-17</u>
Trading Income	206 369	224 248	244 430
Trading Expense	210 544	224 590	241 262
Income - Other	-	-	-
Expense - Interest	2 849	2 863	2 878
Tax Expense			

Net profit/(loss)	-7 024	-3 026	291
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26.4 The above projections are based on in-house assumptions by Tiger as follows:

26.4.1 volume growth of 2%;

26.4.2 price inflation of 7%;

26.4.3 general expense growth of 5.5%;

26.4.4 salaries and wages growth of 6.5%;

26.4.5 restructuring costs of R3,000,000 in the 2015 financial year;

26.4.6 cost synergies of R3,600,000 in the 2015 financial year; and

26.4.7 capex injection of R3,000,000 in the 2015 financial year.

26.5 The BRP is comfortable that Tiger is capable of growing Seemann's (at least) as projected, based on the strategic fit between the two companies.

27 ADOPTION OF THIS PLAN

27.1 Within 10 business days after publishing this Plan, the BRP will convene and preside over a meeting of creditors and other holders of voting interests, called for the purpose of considering this Plan, in accordance with the provisions of section 151 of the Act.

27.2 At the meeting convened in terms of section 151 of the Act, this Plan will be approved, in accordance with the provisions of section 152(2) of the Act, if:

27.2.1 it is supported by the holders of more than 75% of the creditors' voting interests that are voted; and

27.2.2 the votes in support of this Plan includes at least 50% of the independent creditors' voting interests, if any, that are voted.

27.3 A voting schedule, delineating the claim and voting interest of each of the creditors, is attached and contained in **Annexure 4**.

27.4 **Annexure 4** also contains an indication, in respect of each of the creditors, as to whether a creditor is independent for purposes of the Company's business rescue proceedings.

28 IMPLEMENTATION OF THIS PLAN

28.1 According to section 154(1) of the Act, a business rescue plan may provide that, if it is implemented in accordance with its terms and conditions, a creditor who has acceded to the discharge of the whole or part of a debt owing to that creditor will lose the right to enforce the relevant debt or part of it.

28.2 According to section 154(2) of the Act, if a business rescue plan has been approved and implemented in accordance with Chapter 6 of the Act, a creditor is not entitled to enforce any debt owed by the Company immediately before the beginning of the business rescue process except to the extent provided for in the business rescue plan.

28.3 For the avoidance of doubt, it is expressly recorded that:

28.3.1 this Plan is an offer in full and final settlement of all creditors' claims against the Company, whether actual or contingent, known or unknown, from whatsoever cause and howsoever arising, whether recorded or not, in all cases where the claim existed as at the date of approval of this Plan or arose on adoption of this Plan;

28.3.2 any reference to the "**settlement consideration**" means the total amount paid by the Company to each respective affected person in accordance with the terms of this Plan;

28.3.3 within a reasonable period after receipt of the proceeds derived from the Tiger offer, the Company, under the supervision of the BRP, shall pay to each relevant affected person the settlement consideration in cash and free of deduction or set off into the affected person's designated bank account; and

28.3.4 upon payment of the settlement consideration to the respective affected persons, the affected persons shall have no further claims against the Company.

29 BINDING NATURE OF AN ADOPTED BUSINESS RESCUE PLAN

29.1 The BRP draws the attention of the creditors of the Company to the provisions of section 152(4) of the Act. It provides that a business rescue plan that has been adopted in accordance with the provisions of section 152(2) of the Act is binding on the Company, and on each of the creditors of the Company and every holder of the Company's securities, whether or not such a person:

29.1.1 was present at the meeting to determine the future of the Company (in terms of section 151 of the Act);

- 29.1.2 voted in favour of adoption of the business rescue plan; or
- 29.1.3 in the case of creditors, had proven their claims against the Company.

30 AMENDMENTS TO THIS PLAN

- 30.1 The BRP shall have the right to amend this Plan in the following circumstances:
 - 30.1.1 if it comes to the BRP's attention that material information has been withheld, or additional information is brought to his attention; or
 - 30.1.2 if it becomes apparent that this Plan cannot be implemented without such amendment; or
 - 30.1.3 there are any typographs, errors, omissions and/or oversights in the Plan.

31 SEVERABILITY PROVISIONS

- 31.1 Any provision in this Plan which is or may become illegal, invalid or unenforceable in any jurisdiction affected by this Plan shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be treated *pro non scripto* and severed from the balance of this Plan, without invalidating the remaining provisions of this Plan or affecting the validity or enforceability of such provision in any other jurisdiction.

32 BUSINESS RESCUE PRACTITIONER'S CERTIFICATE IN TERMS OF SECTION 150(4) OF THE ACT

- 32.1 I, Peter van den Steen, the BRP of Seemann's confirm that:
 - 32.1.1 the information contained herein is based on information provided to me by the management of Seemann's and upon which I have relied and such information appears to be reasonably accurate, complete and up to date;
 - 32.1.2 any projections provided are reasonable estimates made in good faith on the basis of factual information and reasonable assumptions as set out in this document.

Tiger Brands

3010 William Nicol Drive, Bryanston Tel: +27(11) 840-4000 Fax: +27(11) 514-0084

PO Box 78056, Sandton 2146, Republic of South Africa

23 May 2014
 Peter van den Steen
 VSQUARED
 BUSINESS RESCUE SERVICES

Per email – Peter@v2rescue.co.za

Dear Peter,

SUBJECT : SHARE SUBSCRIPTION AND BUSINESS RESCUE PROPOSAL – BRT SEEMANS

Enterprise Foods, a Division of Tiger Consumer Brand Limited hereby submits the following conditional offer for consideration.

Enterprise Foods subscribes to a 51% (fifty one percent) shareholding in Banshee River Trading (Pty) Ltd, hereinafter referred to as BRT via a new share issue for a total of R17 080 090.00 cash flow.

The transaction is to be appropriately structured to allow Enterprise Foods to simultaneously acquire 51% (fifty one percent) of the current shareholders loans and outstanding creditors' claims and also structured to allow Zico to retain the balance of the shareholders loans and outstanding creditors' claims in the same proportion as their shareholding.

The funds are to be applied/distributed as follows : (as per attached schedule)

1. Purchase of creditors' claims for 40 cents in the rand	R 7 000 000
2. Purchase of Minority shareholders loans for 1 cents in the rand	R 290 090
3. Purchase of Zico Shareholders loan for 1 cents in the rand	R 105 000
4. Purchase of interest bearing loan for 1 cents in the rand	R 42 000
5. Purchase of Unsecured loan for 1 cents in the rand	R 10 000
6. Working capital application	R 9 633 000
7. TOTAL	R17 080 090

Settlement of claims would be in full and final settlement.

The effect of this transaction will match the post commencement funding by Zico of R6 128 000.

From the date of share issue, any further post commencement funding, and or working capital requirements, as agreed to by the shareholders, will be funded by the market or in terms of the shareholders agreement in proportion to their shareholding.

TIGER CONSUMER BRANDS LIMITED Registration No. 1972/006590/06

Directors: PB Matlare (Chairman), N G Brimacombe, N P Doyle, A G Kirk, O Ighodaro, I W M Isdale, N Segoale, C F H Vaux

Company Secretary: I W M Isdale

This offer is conditional and subject to the following which will ideally be concluded by no later than 30th June 2014 :

1. Subject to any and all regulatory requirements including Competition Commission requirements
2. Tiger Brands Executive Committee approval
3. Limited Due Diligence in terms of :
 - a. Review of contingent liabilities and or claims
 - b. Verification of stock
 - c. Leases and agreements including employee contracts
 - d. SARS Tax due diligence
 - e. Verification of all accounts receivable balances
 - f. Verification of title deeds of the property and all registered trademarks

In support of the proposal the following motivation.

Enterprise Foods Introduction

Enterprise Foods is a Division of the diversified foods group, Tiger Consumer Brands. Enterprise Foods has been operating in the processed meats industry for close to 100 years.

Enterprise Foods has three state of the art processing and production facilities and supplies products to the market over the complete range of product segments in the processed meats category.

Enterprise Foods has three large factory shop outlets attached to its three processing facilities and therefore has experience in the running of retail outlets.

The Enterprise brand is the leading South African processed meats brand.

Strategic Fit with Seemans

Given the state of the art abattoir and deboning facility based in Olifanstfontien and given that Enterprise specializes in supplying pork meat cuts to its and other processing facilities, it is ideally suited to supplying the required meat cuts to Seemans according to their production needs.

This will allow Seemans to focus on their core business; that of producing and selling high quality meat products to their retail outlets as well as the trade.

Enterprise would bring its expertise to Seemans across the complete value chain and facilitate cost extraction via various synergies across the value chain.

Enterprise Foods is a consumer branded foods business that understands

Business Rescue Proposal

Pork Packers

In line with the above proposal of supplying the required pork cuts to Seemans via Pork Packers which will bring operational cost efficiency and focus to Seemans, Enterprise will provide a 30 day trading account to Seemans limited to a credit limit of R4 million, which will facilitate an improved working capital scenario given the relatively long debtors days on the trading account of Seemans. This will significantly assist BRT in supporting BRT out of business rescue.

This facility will remain in place for 6 months where after working capital should have normalized and the account would revert to the normal fresh meat trading account of 7 days.

Pork cuts will be supplied on an 'out of ratio' basis which further facilitates working capital via the procurement of exact requirements and Seemans no longer then needs to try and balance the carcass with its concomitant yield and some loss making lines.

The necessity to trade in low margin pork cuts to move surplus pork requirements will fall away.

Supply via Pork Packers is proposed to take place with immediate effect with separate supply agreements and security agreement in place to cover said trading relationship. Any credit advanced in terms of this prior to the above proposed transaction taking place will be considered as Post commencement funding.

Debtors Factoring

Enterprise Foods will make the above capital injection into the business to facilitate the repayment of the Nedbank debtors factoring facility. This will significantly improve the cost structure of debt recovery.

Additional Volume

Seemans produces a range of specialty products for its retail outlets. A range of these can be sold via Enterprise' three retail outlets giving immediate market access.

Distribution Efficiency

Enterprise makes use of Clover Logistics for distribution and merchandising. Seemans could 'piggy back' on this distribution arrangement thereby benefiting from the Enterprise scale and to assist with the issues that BRT is currently experiencing with TCC.


Procurement efficiency

Again from a procurement cost and efficiency perspective, Enterprise would add value via facilitating the most efficient just in time procurement as well as the ability to leverage off Enterprise procurement scale from a price perspective.

The above synergistic factors will result in a significant operating cost reduction within the Seemans business and facilitate a restoration of sustainable profitability to the business.

For further clarification please contact the writer hereof.

Yours Sincerely



ANDREW COCKS
Managing Executive – Enterprise Foods

ENTERPRISE FOODS OFFER		Face Value	Tiger	Zico	Total	
		R	Offer	Offer	Offer	C/Rand
			R	R	R	
1	Equity acquired from Zico via subscription 51% Equity for the sum of		51%	49%		-1
	Tiger and Zico purchase the Interest and Non-interest bearing					
2	loan claims for 1 cents in the rand					
	Interest free shareholder loans					
	- Minority shareholders	29 009 000	-147 946	-142 144	-290 090	1
	- Zico / Zico Capital	10 500 000	-53 550	-51 450	-105 000	1
	Interest bearing shareholder loans (prime plus 7%)	4 200 000	-21 420	-20 580	-42 000	1
	Tiger and Zico purchase other interest bearing unsecured loan					
3	claims for 1 cents in the rand					
	Other interest bearing unsecured loans	1 000 000	-5 100	-4 900	-10 000	1
	Tiger and Zico purchase Trade Creditors claims for 40 cents in					
5	the rand					
	Trade Creditors	17 500 000	-3 570 000	-3 430 000	-7 000 000	40
6	Working capital application		-4 912 830	-4 720 170	-9 633 000	
	ENTERPRISE Net Cash Flow				-17 080 090	



TERRA CONSULTANTS

T/A Terra Ground Consolidation cc
CK 88/18427/23
VAT NO 4050139478

CELL: 083 625 3358
TEL: 27-11-609 6481
FAX: 27-11-609 4437
EMAIL: hhkamp@gmail.com

P O BOX 8739
EDENGLLEN 1613
SOUTH AFRICA

Independent Property and Assets Valuators

8 May 2014

BASHEE RIVER TRADING (PTY) LTD
T/A SEEMANN'S
P.O. Box 2948
Randburg
2125
Attention: Peter van den Steen

VALUATION CERTIFICATE

BASHEE RIVER TRADING (PTY) LTD
T/A SEEMANN'S

I, undersigned **HANS HERMANN KAMP** do hereby declare that:

The facts herein contained are true and are correct and are within my personal knowledge, save insofar as otherwise stated.

Between **Wednesday 16th April and Monday 5th May 2014** I viewed and valued the undermentioned Plant and Equipment situated at **BASHEE RIVER TRADING (PTY) LTD T/A SEEMANN'S**, 25 Hammer Avenue, 279 Samantha Road, Strijdompark, Randburg and at Shop No.4, Retail Park, Northrand Road, Boksburg

The following was ascertained:

1. **CERTIFICATE OF VALUATION**

In compliance with your request, we have inspected and valued the equipment as more fully described in the following schedules, and declare that as at 5th May 2014, the following is our considered opinion, namely:

- a. The **Auction Value** of the machinery and equipment under consideration is fairly assessed.
- b. We have no personal interest nor contemplate having any interest in these assets.
- c. Every effort has been made not to overlook important or pertinent information.
- d. Values quoted are exclusive of VAT.

2. **DEFINITION OF AUCTION VALUE:**

A forced sale value for any asset is difficult to determine. The interest or lack thereof, of potential bidders at an auction is a factor which cannot be determined or predicted.

Therefore the auction values allocated to certain assets can only be considered to be a Guideline.

Furthermore the Auction Value reflects a situation where all equipment has to be removed from the premises immediately after the Auction Sale has been concluded.

GENERAL INFO

The values shown in this report are based on the information I have to hand or received via local and overseas suppliers and manufacturers.

In instances where I have not received information either from overseas or local agents, I have used costs or values that we believe to be fair and reasonable.

3. **QUALIFICATIONS:**

I confirm that based on my years of experience in the market, together with my understanding of the various equipment evaluated, I have formed an expert opinion as to the value submitted.

This valuation has been prepared on the basis that full disclosure of all information and factors, which may affect the valuation, have been made to ourselves.

We cannot accept any liability or responsibility whatsoever for the valuation unless such full disclosure has been made.

BASHEE RIVER TRADING (PTY) LTD T/A SEEMANN'S**Location: 25 Hammer Avenue, Strijdom Park****OFFICE FURNITURE & EQUIPMENT**

FACTORY OFFICE:
3 x Chairs
3 x Mecer Computer
2 x Brother/HP Printer
OFFICE BUILDING:
1 X Switchboard Desk
3 x Chairs
1 x Mecer Computer
1 x Brother Computer
1 x Boardroom Table with 11 Chairs
1 x Single Door Display Fridge
1 x Stainless Steel Top Steel Table
1 x HiSense Fridge
1 x Sharp Microwave Oven
1 x Salton Water Heater
10 x Mecer Computer
5 x 2 Door Wooden Cupboards
21 x Chairs
1 x Credenza
1 x Computer Desk
2 x Table
12 x Desk
1 x 3 Drawer Filing Unit
1 X Toshiba Laptop Computer
6 x 2 Door Steel Cupboard
6 x 4 Drawer Filing Unit
2 x Bookshelves
3 x Credenza
1 x HP printer
1 x Rexel Shredder
2 x High Back Chairs
1 x Server Cabinet with Assorted CPU's, UPS, Mecer Computer, Keyboard, Cisco 800 D-Links
2 x Imbuia Office Suite including Bookshelf, 2 Door Cupboard, Credenza and Desk
1 x Leather Inlaid Desk
1 x L-Shape Desk

1 x Sideboard
1 x Wall Unit
1 x Large White Board
1 x Epson Printer
1 x Hexagon Discussion Table

Auction Value: Office Furniture & Equipment

R34 800.00

RETAIL - BAKERY AREA:

2 x Chilled Display Counter
1 x Display Pie Warmer
1 x Euro-food "Pie" Oven with Tray and Stand
1 x Digi SM-300 R/Kg Scale with Printer
2 x Bread Display Shelves
1 x Built-in Cupboard with Sink
2 x 6 Tier Wooden Display Shelf
7 x Mobile Steel Display Shelf
1 x Wooden Display Shelf

Auction Value Retail - Bakery Area

R26 200.00





RETAIL SHOP / DELI:

5 x Mecer Point of Sale Units with Barcode Scanner Note: 1 x Monitor missing
8 x Digi R/Kg Scale Model: SM-300 R
1 x Euro Grill Model: TG330
1 x 7 Division Bain Marie
1 x L-Shape Chiller Display Unit
1 x Stainless Steel Table
1 x Shrink Wrap Unit
4 x Bizerba SE12 " Polony" Slicing Machine
1 x WEBO-Matic vacuum Packing Machine
1 x ±5 Metre Long Chiller Display Unit
1 x Rheinghaus Meat Slicer
2 x Biltong Chopper
2 x 1,2 Metre Splashing Stainless Steel Table
1 x Multivac Vacuum Packing Machine
1 x Crown National Shrink Wrapper
1 x ±9 Metre Long "Chiller" Meat Display Unit
1 x CABCO ±4 Metre Long 5 Tier Display Chiller Unit (24" Dairy"
1 x " Island " Fridge Meat Display Unit (No. 7)
1 x Mecer Computer
5 x Mobile Stainless Steel Trolley
1 x 7 Tier Mobile Steel Shelf
1 x Palfridge 2 Door Upright Fridge
1 x Stay Cold 2 Door Upright Fridge
1 x Kold Serve 2 Door Upright Fridge
2 x Just (Fridge 11) Display Fridge (±2,8 Metre Long)
1 X Adamis (Fridge 13) Display Fridge (±2,8 Metre Long)
1 x 5 Tier Mobile Steel Shelf
1 x 5.5 Metre Long Display Fridge
DELI COOKING AREA:
3 x Splash Back Stainless Steel Table
1 x Small Splash Back Stainless Steel Table
1 x Double Pot Sink
1 x Four Burner Gas Grill

1 x Two Bruner Gas Grill
2 x Double Pot Sink
2 x Mobile Tray Trolleys
1 x Convotherm Baking Oven
1 x Convostar Baking Oven
1 x Chip Fryer
1 x Fume Extraction Stainless Steel Hood
PRODUCTION AREA:
1 x Large Stainless Steel Table
1 x Splash Back Stainless Steel Table
1 x Stainless Steel Butcher Table
1 x Freddy Hirsch Stainless Steel "Wors" Drying Cabinet
1 x Meat Mincer
1 x Anvil Shrink Wrapper
STORE ROOM:
1 x Stainless Steel Table
1 x Large 3 Tier Steel Shelf
1 x R1 Hot Wire Cutter
1 x Digi Platform Scale
1 x Salad Shredding Machine
6 x Stainless Steel Shelving
1 x Lot of ± 50 Assorted Shopping Trolleys and ± 100 Baskets

Auction Value : Retail / Deli
Photos 12 to 52

R178 640.00









THE DECK – OUTSIDE RESTAURANT:

7 x Stainless Steel Table
1 x San Remo Coffee Maker
1 x Crown National Shrink Wrapper
1 x Nova Coffee Machine
1 x San Remo Coffee Bean Grinder
1 x Digi R/Kg Scale
1 x Mecer Point of Sale
3 x Small Stainless Steel Table
1 x Cuconi Hot Plate
1 x Waffle Iron
1 x 14 Burner Gas Grill with Extraction Hood
1 x 7 Division Bain Marie
1 x Plate Warmer
1 x Double Stainless Steel Sink
1 x Single Stainless Steel Sink
1 x 11 Station Bain Marie
66 x Chairs
18 x Table

Auction Value - Outside Deck Restaurant:
Photos 55 to 67

R40 600.00





AUXCILLIARY EQUIPMENT:

1 x 1978 Perfex

Standby Diesel Generator

Serial No: 943

Model: OV01RE

Note: Not functional – SCRAP

Auction Value:

R8 000.00

Photo 70 & 71



1 x 1997 Warne's

Two Cylinder Reciprocating Air Compressor

Serial No: J36837

Auction Value

R4 000.00

Photo 72



2 x Warne's
Two Cylinder Reciprocating Air Compressor

Auction Value

R9 000.00

Photo 74



1 x 1997 Warne's
Single Cylinder Reciprocating Air Compressor

Serial no: J36938

Auction Value

R8 000.00

Photo 76



**1 x Atlas Copco
Air Drier
Auction Value**

R5 000.00



1 x 2010 Boiler & Steam
"Thermo-O-Steam" Boiler Installation
Serial no: BSI LIB TS200.006
Design Press: 1000 Kpa
Operating press: 1000 Kpa
Capacity: 3m³
Including:
Piping, Valves, Pressure Gauges, Pumps
And Control Panel, 9000 Litre U/G Paraffin Tank
Auction Value
Photo 80, 79, 82, 83

R62 000.00

Total Auction Value : Auxilliary Equipment:

R96 000.00



WORKSHOP AREA:

1 x 2012 Ceccato

Screw Type Air Compressor with Control panel

Model: CSC60

Serial No: API120237

Pressure: 8 Bar; 4Kw

Condition: Very good

Auction Value

R42 000.00

Photo 93



1 x Light Duty Centre Lathe including
Chuck, Tool Post and Tail Stock

Auction Value

R8 000.00

Photo 95



1 x Steel Table including Bench Grinder,
Pedestal Drill and Bench Polishing/Sanding Unit

Auction Value

R2 000.00

Photo 96



2 x Stainless Steel Container
Auction Value
Photo 99

R12 000.00



1 x **Fomaco**
Brine Injector
NOTE: Not functional
Auction Value
Photo 100 & 101

R15 000.00



Total Auction Value Workshop Area:

R79 000.00

VEHICLES:

1 x 2007 Hino Super F

Registration No: WFN 791GP

Odometer: 176 348km

Condition: Assumed Runner

Auction Value

R115 000.00

1 x 2007 Toyota Hino Super F

Registration No: WFN 787GP

Odometer: unknown

Condition: Non Runner – Gearbox missing – send for repair

Auction Value

R115 000.00

1x 2009 Ford Ranger 2.5 TDI

Registration No: RSX 622GP

Odometer: 262 298km

Condition: Assumed Runner

Auction Value

R22 000.00

1 x 2006 Hyundai LDV – Dropside

Registration No: VHJ225GP

Odometer: 88 193 km

Condition: Assumed runner

Auction Value

R32 000.00

Photo 108 & 109



1 x 3 x 3 Metre Steel Container
Auction Value
Photo 110

R7 000.00



Total Auction Value Vehicle/Container:

R291 000.00

MEAT FACTORY:

Receiving Area including Conveyor Tracks with Carcass Rail System, Meat Hooks and In-Line Scale, 1500Kg Platform Scale With WIS Electronic Read Out

Auction Value - Receiving Area :

R20 000.00



Deboning Area including

1 x 12 Metre Long Motorised Stainless Steel Flat Belt Conveyor including 5 Stainless Steel Table, S/S Derinder with Built-in Conveyor
2 x 22 Metre Long Stainless Steel Cladded incline Motorised Conveyor with Shute to Factory
1 x Stainless Steel Sink
1 x Stainless Steel Washing Unit

Auction Value - Deboning Area:

R40 000.00

Photos 4, 5, 7, 10





BUTCHERY AREA:

1 x **Crown National**
Stainless Steel Mincer
Serial No: 318713/0588
Auction Value
Photo 11

R18 000.00



3 x Okto

Vertical "Butcher" Band Saw

Auction Value

R15 000.00

12 x Stainless Steel Table

Auction Value

R3 600.00



1 x 2011 Multivac WW10

Serial no: 20049327

Auction Value

R5 000.00

Photos 15



1 x Henko Vac E-403
Vacuum Packing Machine
Auction Value
photo 18 & 16

R18 000.00



1 x 2011 Multivac T 700

Vacuum Packing & Tray Sealer Machine with Control,
Feeding Belt and assorted Dies

Serial No: 146508

Auction Value

R380 000.00

Photo 19, 22, 20, 23



1 x 2009 Mincer

Model: VF50

Serial no: 4015

NOTE: Front Cover Door damaged - Screen missing

Auction Value

R8 000.00

Photo 24



1 x Okto

Mincer

Note: Poor condition – assumed functional

Auction Value

R5 000.00

Photo 26



Total Auction Value - Butcher Area:

R452 600.00

PICKLING ROOM:

1 x Stainless Steel Turn Table

Auction Value

R1 500.00

Photo 30



1 x **Mepso**

Brine Meat Injection/Pickling

Model: Model 70

Condition: Assumed functional

Auction Value

R32 000.00

Photo 31 & 33



2 x **BTE - IGLU**
Frig-O-Vac-System
Meat/Tumbler Sauces with Vacuum Pump
Model: 2500MC
Condition; Functional
Auction Value
Photo 36 & 39

R130 000.00



38 x Mobile Stainless Steel Bins
Auction Value
Photo

R3 800.00

1 x Stainless Steel Platform Scale with
WTS Electronic Readout
Auction Value
Photo 42 & 43

R2 000.00



1 x **DMD Foodtec**
Portable Mixer
Auction Value
Photo 44

R9 000.00



1 x **Verpacking**
System Double Station - Vacuum Packing Machine
Model: VC999
Auction Value
Photo 45 & 46

R60 000.00



Total Auction Value - Pickling Area:

R238 000.00

BOWL CUTTING AND EMULSION SECTION

Including:

1 x **Digi SM300**

Scale

Auction Value

R800.00

Photo 47



1 x Stainless Steel Table

R 300.00

6 x Steel Shelves

R1 200.00

1 x Stainless Steel Platform Scale with

Digital Readout

Auction Value

R2 000.00

Photo 48



1 x Stainless Steel Cladded Meat Guillotine

Auction Value

R12 000.00

Photo 51



1 x Bowl Cutter

Plant Number: 2

Condition: Poor – assumed functional

Auction Value

R65 000.00

Photo 54



1 x BTF
Stainless Steel Meat/Mince Ribbon Blender
Auction Value
Photo 55 & 56

R120 000.00



1 x Heavy Duty Meat Mincer
Auction Value
Photo 57

R8 000.00



1 x 1976 Kramer – Grebe

Bowl Cutter

Model: 208101

Plant No: 1

Condition: Functional

Auction Value

R38 000.00

Photo 60 & 61



**1 x Light Duty Bowl Cutter/Mixer
Auction Value**

R9 000.00



Total Auction Value - Bowl Cutting Section

R256 300.00

SAUSAGE PRODUCTION AREA:

1 x **BTE Seydelmann**
Meat Mincing Machine

Auction Value

Photo 66 & 67

R150 000.00



1 x Stainless Steel Cladded Meat Mincer

Auction Value

Photo 68

R5 000.00



1 x BTE
Stainless Steel Paddle Mixer
Auction Value
Photo 69 & 70

R8 000.00



1 x Stainless Steel Sausage Filling Machine
With Control Panel, Stainless Steel Table
And Swivel Loading Arm

Serial no: VF20011642-1

Plant No: 1

Auction Value

R110 000.00

Photo 71 to 74



1 x Stainless Steel Sausage Filling Machine
Including Control, Swivel Loading Arm, Stainless
Steel Table and Mobile Clipper Tie – Alpine
Sausage Wrapping Machine

Plant No: 2

Auction Value

Photo 75 to 82

R500 000.00



1 x Handtmann

Stainless Steel Sausage Filling Machine including Swivel Arm Loading Device, Hopper, Handtmann Control, Special Sausage Processing Unit, Sausage Take-Off Unit

Plant No; 3

Auction Value:

Photo 83 to 87

R250 000.00



1 x Handtmann

Stainless Steel Filling Machine including Swivel Arm Loading Device, Hopper with Rotating Unit, Handtmann Control, Special Sausage Processing Unit and Sausage Take-Off Unit

Auction Value

R250 000.00

Photo 88 to 93



1 x Lot of ±12 Mobile Sausage Stand
Auction Value
Photo 95

R6 000.00



1 x **Rudolf Schad**
Meat "String" looping Machine
Auction Value
Photo 96

R3 000.00

1 x **Landjaeger** Forming Press
Auction Value
Photo 96 – 98

R12 000.00



Total Auction Value – Sausage Production

R1 294 000.00

HOT PROCESS ROOM / SMOKERS:

2 x Hot Water "Loaf" Pressure Tank
Cooker with Stainless Steel Fume Extraction Hood

Auction Value
Photo 100 & 101

R22 000.00



2 x **Maurer**
Stainless Steel Cladded Built-in Smoking
Chamber Installation with Control Panels

Auction Value
Photo 102 & 103

R70 000.00



1 x Single Flame Cooking Unit
Auction Value
Photo 106

R3 000.00



1 x Sausage Cooling Area with Assorted
Nozzles
Auction Value
Photo 107

R1 000.00



1 x Sausage Cooling – Drier Installation
Including Ice Maker, Ice Bath, Incline Conveyor,
Dryer Unit

Auction Value

R60 000.00

Photo 108 to 111



1 x Platform Scale with Control Panel

Auction Value

R2 000.00

Photo 113



Total Auction Value : Hot Process Room

R158 000.00

HIGH RISK - CARE AREA:

1 x Vienna Stainless Steel Peeling Machine

Auction Value

Photo 114 to 116

R32 000.00



4 x Stainless Steel "Bowl" Table

Auction Value

Photo 117

R4 000.00



1 x **BTE – VC999**
Vacuum Packing Machine
Model: TS1300
NOTE: Not in use
Auction Value
Photo 119 & 118

R100 000.00



1 x **Bizerba**
Meat Slicer
Auction Value
Photo 121

R12 000.00



1 x Treif
Bacon Slicer
Auction Value
Photo 122 & 123

R18 000.00



1 x Treif / Derby CE
Polony Cube Cutter Machine
Type: Euroline
Auction Value
Photo 124

R52 000.00



1 x 2011 Treif
Polony Cuber Machine
Model: Argon
Auction Value
Photo 125

R115 000.00



1 x Inauen VC999
Double Chamber Vacuum Packaging Machine
Auction Value
Photo 126

R56 000.00



1 x Multivac Combination Vacuum
Gas Flash Packing Machine

Auction Value

R18 000.00

Photo 127



1 x **2005 Treif**

Bacon Slicer

Model:Puma-CE Electronic 700 B

Serial no: 100585

Agent: BTE Enterprises

Auction Value

R90 000.00

Photo 128 & 129



1 x 2008 Treif
Ham and Shoulder Slicer
Model: Divider
Agent: BTE
Auction Value
Photo 130 & 131

R130 000.00



1 x Thurne
Meat Slicing and Packaging machine including Reject Conveyor

Auction Value
Photo 132 & 133

R600 000.00



1 x **MHP**

Motorised Stainless Steel Incline Flat Belt
Conveyor Section ±9m Long

Auction Value

R12 000.00

Photo 134 & 135



2 x 2012 Multivac R105
Vacuum Packaging and Labelling Machine
Serial no: 166016; 170174
Auction Value
Photo 136 to 138

R220 000.00



1 x 2012 Multivac R145
Vacuum Packaging and Labelling Machine
Serial No: 166010
Auction Value
Photo 141 & 140

R150 000.00



1 x 2009 Multivac R245

Vacuum Packaging Machine

And Labelling Machine

Serial No: 127727

Note: Not functional – Vacuum Pump faulty

Auction Value

R120 000.00

Photo 143 to 146



1 x Multivac T200

Vacuum Packing Sealing Machine

Note: Not functional

Auction Value

R13 000.00

Photo 147



1 x Treif

Bacon Slicer

Auction Value

R23 000.00

Photo 149



1 x **WIS**

Platform Scale

Note: Not functional

Auction Value

R200.00

Photo 150



1 x **Bizerba**

Slicer

Note: Not functional

Auction Value

R100.00

Photo 151



7 x Assorted Top Scales
Auction Value
Photo 152

R3 500.00



Total Auction Value - High Risk/Cure Area

R1 768 800.00

RETAIL : PACKAGING AREAS:

2 x **Termo Scientific**

Metal Detector

Model: Apex 500

Serial No: 10292860A

Condition: Assumed functional – but not in use

Auction Value

R25 000.00

Photo 153 & 159



1 x Herma

Labelling Machine with Videojet 1210Ink Printer

Model: H400 16L

Serial No: 20921587

Condition: Assumed functional

Auction Value

R38 000.00

Photo 156, 157, 158



5 x Stainless Steel Table
Auction Value
Photos 160

R1 500.00



1 x **Cryovac**
Vacuum Shrink Wrap Tunnel
Model: 5267WE-112
KW: 69,3
Auction Value
Photo 161 & 163

R15 000.00



1 x 4 Door Stainless Steel Fridge
Auction Value
Photo 166

R2 000.00



1 x Large Stainless Steel Shelf
Auction Value
Photo 167

R300.00



1 x **Digi SA1424 1/0**
Labelling Scale
Auction Value

R500.00



1 x **Digi SA1261**
Electronic Platform Scale
Auction Value
Photo 169

R500.00



Total Auction Value - Retail Packaging Area

R82 800.00

BASEMENT AREA:

1 X **Maurer**
Stainless Steel Cladded Smoker
Installation with 2 Door
Plant No: 2
Condition: Functional
Auction Value
Photo 170 to 172

R50 000.00



1 x Lot Meat Hanging/Drying Shelf
Auction Value
Photo 173

R1 000.00



5 x Stainless Steel Table

Auction Value

R1 500.00

Photo 174

1 x Injection Star Stainless Steel "Ham" Press

Auction Value

R7 000.00

Photo 175



1 x "Parmer" / Blackforest

Ham Press

Auction Value

R7 000.00

Photo 176



18 x Sausage Hanging Shelf
Auction Value
Photo 179

R540.00



1 x 600Kg Platform Scale with Electronic
Read Out
Auction Value
Photo 181

R1 500.00



1 x Lot of 20 Assorted Shelving
Auction Value

R6 000.00

1 x **Roser**
Plastic Crate Washing Machine
Auction Value
Photo 183

R40 000.00



Total Auction Value - Basement Area:

R114 540.00

RAW MATERIAL STORE:

1 x Lot of 31 Assorted Heavy Duty Shelving

Auction Value

R15 500.00

Photo 185



1 x 1 Ton Capacity Battery Operated Mobile
Walk Behind Pallet Lift

Auction Value

R17 000.00

Photo 187



1 x Mecer Computer	
1 x Brother Computer	R1 800.00
1 x Pallet Truck	R800.00
1 x Rosen Boots/Hand Sterilising Unit Installation	
Auction Value	R7 000.00
PHOTO 188	



1 x Wall Mounted "Boot" Rack	R600.00
Total Auction Value - Basement Area:	R42 700.00

LOCATION: 279 Samantha Road, Strijdom Park, Randburg

OFFICE FURNITURE:

2 x Desk
1 x 2 Door Wooden Cupboard
2 x Small Credenza
2 x Chairs
2 x Table/Bench Combination
4 x Mobile Cages
9 x Lockers
4 x Stainless Steel Table

Auction Value

R3 470.00



1 x 2010 Fuerte TC52

Meat Mincer 6,5Kw

Serial no: FA10003

Auction Value

Photo 14 / 12

R9 000.00



1 x Wolfking

Stainless Steel Heavy Duty Mincer with Loading Bin

Note: Mincing Screw Missing

Auction Value

Photo 15 & 16

R12 000.00



1 x 1990 Multivac

Portion Control Vacuum Packaging Line

Type: R5200

Serial No: 2085/110

Note: Not functional

Auction Value

Photo 18/21

R10 000.00



1 x 1984 Multivac – BTE Enterprises

Portion Control Vacuum Packaging Machine

Model: R7000

Serial No: 8776/521

Note: Not functional

Auction Value

Photo 22 & 23

R10 000.00



1 x Rano Mark II

Vertical Butcher Band Saw

Auction Value

R7 000.00

Photo 24



1 x 1999 Cryovac

Vacuum Packaging Machine

Model: VC14RH

Serial No: A51100519

Serial No: S/C1558

Condition: Assumed functional

Serviced by: Ditt Berner Bros CC

Trevor: 011 393 6318

Auction Value

R12 000.00

Photo 25



2 x SANAS

Electronic Platform Scales

Model: 150Kg x 0.05Kg

Auction Value

R9 000.00

Photo 27



1 x Anvil 20 Litre

Water Boiler

Model: URB1020

Auction Value

R700.00

Photo 33



1 x Stainless Steel Mince- Paddle Mixer

With Bin Loading Lift

Plant No: 2

Note: Not functional

Auction Value

Photo 28 & 29

R22 000.00



1 x Stainless Steel Cladded Cooker

Note: Not functional

Auction Value

R5 000.00



4 x Steel Shelf
8 x Mobile Trolleys
Auction Value

R3 000.00



Total Auction Value:
279 Samantha Road, Strijdom Park

R103 170.00

**SEEMANN'S BOKSBURG
SHOP 4, RETAIL PARK SHOPPING CENTRE
NORTH RANK ROAD, BOKSBURG**



RESTAURANT AREA:

43 x Table
172 x Chair
2 x Mecer Flat Screen Television Sets
3 x Mecer Point of Sale with Posiflex Printer
1 x Plate Warmer
1 x Steel Folding Table
1 x Anvil Conveyor Toaster
1 x Bain Maree with 8 Full Inserts

Total Auction Value: Restaurant Area

R31 060.00





KITCHEN AREA:

1 x Stainless Steel Sink Unit

1 x **Bremo** Ice Maker
Not Functional

1 x **Zip** Hydro Boil Water Boiler
Photo 6



1 x **San Remo**
Coffee Grinder

1 x **San Remo**
Coffee Machine
Photo 8



1 x Hamilton Beach Mixer
Photo 10



2 x Double Sliding Door Display Fridge
Photo 11



1 x **Anvil Axis**
Panini Toaster

1 x **Anvil Axis**
Tramazini Toaster

1 x 1,2 Metre Splash Back Stainless Steel Table
With Shelving

Photo 12



1 x **Defy**
Microwave Oven
Photo 14



1 x 2 Metre Stainless Steel Table with Shelf

1 x **Anvil** 900 x 700 meter Flat Top

Photo 15



1 x 3.5 Door Under Bar "Pizza" Fridge

Photo 16



1 x 2 Metre Long Stainless Steel Double
Hot Pass
Photo 17



2 x 12 Burner Gas Grill
Photo 18



1 x **Anvil** 10 Litre
Double Chip Fryer

1 x **Anvil** Chip Dump – Warmer

Photo 19



1 x Stainless Steel 2 Tier 2 Metre Long Table

1 x 4 Division Bain Marie

Photo 20



2 x 2 Sliding Door Display Fridge
Photo 21



6 x 2 Metre Long Stainless Steel Table
Photo 22



2 x 6 Tier Crockery Trolleys
Photo 23



1 x DIHR
Dishwasher including Stainless Steel Single
Basin with Over Head Spray, Double Stainless
Steel Sink
Photo 24 & 25



2 x Stainless Steel Hand Sink

1 x Stainless Steel Single Sink

1 x Stainless Steel (10 Litre) Anvil
Double Chip Fryer

Photo 29



1 x 4 Burner Gas Grill

Photo 30



1 x Chap Convection Oven
Photo 31



1 x Lot Assorted Pots/Pans, Cutlery, Bain Marie Inserts, Crockery, Kitchen Utensils etc
Photo 32



1 x Berjaya
Double Sliding Door Display Fridge
Photo 33



1 x Heavy Duty Safe
Photo 34



3 x Lockers
2 x Bread Shelves
Photo 35



1 x Carvery Station
Photo 36



3 x "Outside" Gas Heaters

1 x 12 Chicken Rotisserie

1 x 1,2meter Ø Weber Braai

1 x Weber Gas Grill

1 x Free Standng Walk-in Fridge including
4 Fan Refrigeration Fan with Compressor

Photo 41 & 42

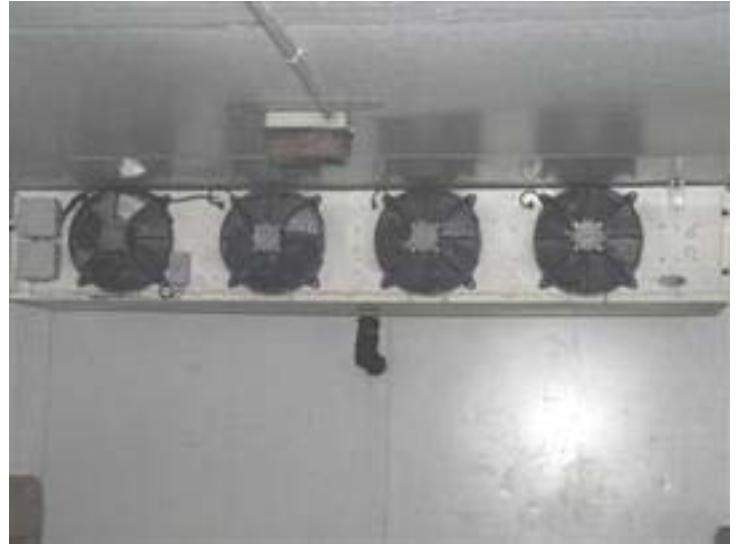


7 x 6 Tier Steel Shelves

Photo 43

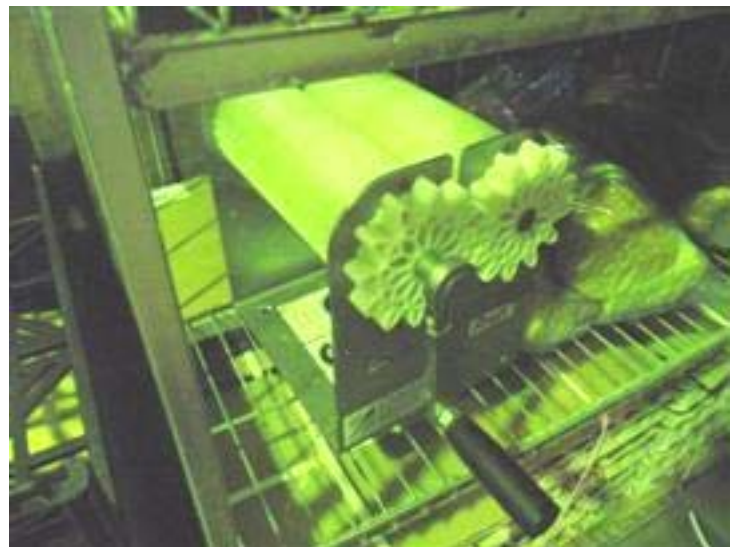


1 x 6 x 3 Metre x 2,2 Metre High Walk-in
Free Standing Freezer Room including
4 x Fan refrigeration Blower and Compressor
Photo 44 & 45



1 x Mobile 3 Tier Trolley

1 x Schnitzel Master Tenderiser
Photo 46 & 47



1 x Biltong Drier
Photo 48



2 x Stainless Steel Fume Extraction Hood
With Ducting
Photo 49, 50



1 x Digi DS560
Electronic Platform Scale
Photo 51



1x Potato "Chip" Cutter
Photo 52



Total Auction Value: Kitchen Area

R153 080.00

RETAIL "DELI" SHOP:

1 x 7 Metre Long Wall Mounted Shelving
Photo 53



3 x 3 Metre Long **Inachos** Curved Glass
Display Fridges
Photo 54



1 x **Inachos**
3 Metre Long "Hot" Display Unit With Bain Marie
Photo 58



1 x **Inachos**
1 Metre Long Pie Warmer
Photo 59



2 x Rheninghas
Meat/Cheese Slicer
Photo 60



2 x Digi SA1424
R/Kg Electronic Scale
Photo 61



6 x Inachos
4 Metre Long Island Fridge
Photo 64



4 x Inachos
4 metre Long Wall Display Fridges
Photo 65



4 x Double Sliding Door Display Fridges
Photo 67



1 x Biltong Counter
Photo 68



1 x **Henkorac**
Vacuum Sealer

1 x **Crown National**
Shrink Wrapper
Photo 71



1 x Biltong Chopper

1 x **Crown National Okto**
Butcher Saw
Photo 72

1 x 5 Metre Long Wall Mounted Wine Display Unit
Photo 73 / 78



1 x Point of Sale Counter
Photo 74



4 x **Mecer/Posiquip**
Point of Sale Register with Scanner and Slip Printer
Photo 75



OFFICES:

1 x Desk
3 x Steel Shelf
1 x Hexagon Discussion Table with 5 Chairs
2 x Leather Chairs
1 x 8 Drawer Desk Note: Damaged
1 x 2 Door/3 Drawer Credenza Note: Damaged
1 x Bookshelf
1 x 2 Door Wooden Cupboard
1 x Mecer Computer with Keyboard and CPU
1 x Brother HL-3040CN Printer
1 x Sherwood PA System/CD/FM/A/M Stereo System
2 x Steel Cupboard

Total Auction Value Retail Deli Shop:**R150 370.00****TOTAL AUCTION VALUE:
SEEMANN'S BOKSBURG****R334 510.00**

TOTAL AUCTION VALUE
ALL SEEMANNS ASSETS:

R5 651 660.00excl.Vat

I am an Appraiser by Profession.

I have experience in the valuations of secondhand equipment of all types and have valued these for various Banks, Financial Institutions, Liquidators, Attorneys and Auction Companies in Southern Africa, during which time I have valued insofar as I know most types of such equipment. I have been furnishing such Appraisements for all of the abovementioned Companies since 1987 and am still currently involved in doing so. Furthermore, I am in contact with Dealers in secondhand equipment, and attend auction sales from which I am able to assess the state of the market, the prices realised and the prices that end-users and dealers are paying.

For the abovementioned reasons, I respectfully submit that the Valuation submitted by me in the present matter, be accepted as a true and correct Valuation of the secondhand equipment, as at the date of its Appraisalment.

Thus signed to at Edenglen on this the 16th day of May 2014



HANS H KAMP

Mechanical Engineering Technician
& Professional Appraiser



VALUATION REPORT OF LAND AND BUILDINGS

PORTION 2 OF ERF 418 STRIJDOMPARK

OWNER: BASHEE RIVER TRADING PROPRIETARY LIMITED

(UNDER BUSINESS RESCUE)



Prepared For

V*SQUX.RED Business Rescue Services

Telephone Number

Peter van den Steen – 083 459 2411

Prepared By

J. Oberholzer

Cell Number

082 448 7093

E-Mail Address

jan@aval.co.za



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PART B - VALUATION CERTIFICATE

I, J. Oberholzer, declare that I have inspected Portion 2 of Erf 418 Strijdompark Ext 26; I have verified the particulars set out in this valuation, and I value the herein described property for the purposes of this valuation to the best of my knowledge and skill on 1 May 2014 at a **Forced Sale Value** of R12,300,000 (Twelve Million Three Hundred Thousand Rand).

A handwritten signature in black ink, appearing to read 'J. Oberholzer', is written over a white rectangular box.

J. Oberholzer

Date: 6 May 2014

Property Valuer: Advanced Valuers (PTY) LTD

Registered Professional Valuer (South Africa) – SACPVP Reg. No. 3587

Member of the South African Institute of Valuers



PART C - VALUATION SUMMARY AND ADVISORY

1.1. Locality – please refer to Item 6

The property is located in an established and popular industrial area with good access to major routes.

1.2. Description – please refer to Item 7

Improvements comprise a well-designed meat processing facility with a deli, bakery and restaurant.

1.3. Leases – please refer to Item 8

The property is totally owner occupied, which include the Seemann's Factory Shop, bakery and Seemann's Quality Meals restaurant. A section of a neighbouring property comprising undeveloped land is currently being leased to Seemann's but this lease will be ignored for the purposes of this report.

1.4. Confirmation of business operating in the property

The property, known as "Seemann's", comprises a modern meat processing plant as well as a delicatessen, bakery and a restaurant. It appears to be a very popular destination and a large number of customers visit the property every day.

1.5. Forced Sale Value – please refer to Items 10 and 11

The Income Capitalisation Approach is applied to determine the Forced Sale value of the subject property.

1.6. Forced Sale Value calculation

The Forced Sale Value of R12,300,000 is determined by utilising 80% of market rental rates, 3% vacancy rate and 12% capitalisation rate.

PART D - COMPREHENSIVE VALUATION REPORT

1. INSTRUCTION

Advanced Valuers (Proprietary) Limited was engaged by Peter van den Steen from V*SQUX.RED Business Rescue Services to visit and inspect the subject property known as Portion 2 of Erf 418 Strijdompark Ext 26, for advising you of our opinion of the Forced Sale Value (also known as the Liquidation Value) as at 1 May 2014.

2. DEFINITIONS

Definition of the terms utilised in this report are as follows:

2.1. Gross Rental is defined as the total rental payable by the tenant, excluding Value Added Tax, the tenant's own electricity and water charges (consumption) but including other operating costs recovered by the landlord (if any).

2.2. Net Rental is defined as the amount payable by the tenant, excluding Value Added tax and excluding operating expenses recovered by the landlord.

2.3. Vacancy Rate is defined as the calculation of the percentage of all available rental space in a particular area that is not occupied.

2.4. Escalation Rate is defined as the rate by which a rental is hiked once a year in terms of a lease agreement. The ruling market escalation rate can be seen as an attempt by the market to forecast the growth in market rentals over the duration of the lease agreement.

2.5. Market Rental is defined as the most probable rental that a voluntary, informed and prudent lessee will pay a voluntary, informed and prudent lessor in a normal open-market (arms-length) transaction, when neither party is under any compulsion to rent or to let, other than the normal desire to transact.

2.6. Operating costs or outgoings is defined as periodic expenditures necessary to maintain a property and its continued production of the effective gross income, assuming prudent and competent management. Capitalisation Rate is the factor by which one divides the Net Annual Income received from the property in order to arrive at the property's capital value.

2.7. Gross Lettable Area (GLA) is the total functional use areas for commercial purposes such as retail shop, office etc. inside the building - excluding all common areas, car parking, service areas, etc.

2.8. Gross Building Area (GBA) is the total floor area of the building measuring from the outer surface of exterior walls and windows and including all vertical penetrations (e.g. elevator shafts, etc.) and basement space.

The purpose of the valuation is to give the Business Rescue Practitioner an indication of the Forced Sale Value (“Liquidation Value”), which will be used for the Business Rescue Process (BRP). “Business Rescue” means proceedings to facilitate the rehabilitation of a company that is financially distressed by providing for:

- i. The temporary supervision of the company, and of the management of its affairs, business and property;
- ii. A temporary moratorium on the rights of claimants against the company or in respect of property in its possession; and
- iii. The development and implementation, if approved, of a plan to rescue the company by restructuring its affairs, business, property, debt and other liabilities, and equity in a manner that maximises the likelihood of the company continuing in existence on a solvent basis or, if it is not possible for the company to so continue in existence, results in a better return for the company’s creditors or shareholders than would result from the immediate liquidation of the company.

In terms of Chapter 6 of the Companies Act 2008 [s150(2)(a)(i) and (iii)], the following is *inter alia* required:

(2) The business rescue plan must contain all the information reasonably required to facilitate affected persons in deciding whether or not to accept or reject the plan, and must be divided into three Parts, as follows:

*(a) **Part A—Background**, which must include at least—*

(i) a complete list of all the material assets of the company, as well as an indication as to which assets were held as security by creditors when the business rescue proceedings began;

(ii) a complete list of the creditors of the company when the business rescue proceedings began, as well as an indication as to which creditors would qualify as secured, statutory preferent and concurrent in terms of the laws of insolvency, and an indication of which of the creditors have proved their claims;

(iii) the probable dividend that would be received by creditors, in their specific classes, if the company were to be placed in liquidation;

The definition of the term “**Forced Sale Value**” (“Liquidation Value”) as laid down by the International Valuation Standards Committee is: “The amount that may reasonable be received from the sale of a property within a time frame too short to meet the marketing time frame required by the *Market Value* definition. It might involve an unwilling seller and a buyer or buyers who buy with knowledge of the disadvantage of the seller.

It must be noted that the subject property consists of a fairly specialised building and is generally well maintained.

3. GENERAL

Property Street Address	25 Hammer Avenue
Suburb & City	Strijdompark Extension 26, Johannesburg
Date of Instruction	30 April 2014
Date of Inspection	2 May 2014
Date of Valuation	6 May 2014
Effective Valuation Date	1 May 2014
Value Added tax	Excluded from all calculations
Property vacant/occupied	Owner occupied
Contact person	Lourens van Rensburg - 083 383 1550

Information contained in this report is regarded reliable and was obtained from the following sources:

- Pretoria Deeds Registrar
- The office of the Surveyor General
- Lightstone
- Google Earth imagery
- Local Property Brokers
- Other sources

4. TITLE DEED INFORMATION

Title Deed Description	Portion 2 of Erf 418 Strijdompark Extension 26
Registered Owner	Bashee River Trading (Pty) Ltd
Title Deed Number	T73910/2012
Registration Date	28 September 2012
Purchase Price	R 60,000,000 – includes other business assets
Purchase Date	10 December 2014
Municipal area	City of Joburg Metropolitan Municipality
Site Area	4,579m ²
Bonds	B44008/2012 Nedbank Limited – R 10,680,000 B44009/2012 Nedbank Limited – R 3,000,000
Servitudes	K488/1991S, K489/1991S – please refer to Item 7.1.1. below for more detail of the servitudes.

5. MUNICIPAL INFORMATION

5.1. Town Planning Information – (Please refer to the attached Zoning Certificate)

	Permissible	Actual
Zoning	Industrial 1	Industrial/retail
FAR / Bulk	1.0 (4,579 m ²)	0.86 (3,924 m ²)
Height	3 Storeys	3 Storeys
Coverage	60% (2,747 m ²)	49% (2,259 m ²)
Building Lines	3m along street boundaries and not less than 6m from the boundary of the erf abutting on Hammer Avenue.	Adheres to requirements.
Parking	As per Scheme	Ample on-site open parking provided.

It should be noted that all enquiries relating to town planning details and other municipal information have been made in writing (please refer to the attached zoning certificate). We would emphasise that our valuation has been undertaken on the basis that the information has been correctly given to us. Our

valuation assumes that all buildings and permanent improvements have been erected in accordance with prevailing regulations and building by-laws.

The recent decision in the Eagle Creek Investment 138 (Pty) Limited vs. Hibiscus Coast Municipality and Another (2010) ZAKZDHC24 case in the KwaZulu-Natal High Court has a significant bearing on the above. In this judgment, it was held that, notwithstanding the fact that a written zoning certificate from the Municipality had been obtained which stated the zoning parameters and subsequent agreement by the Municipality that this zoning information was incorrect, the Municipality was able to claim immunity from a claim of damages arising from the negligent exercise of its statutory duties as it enjoyed immunity in terms of the local KZN Ordinance. Because of this Judgment and its potential implications, we must emphasise that, even where we have obtained zoning information on a zoning certificate from the Council, we cannot vouch for its veracity and, therefore, we must caveat our reports to the extent that not only are we acting in good faith on written advice but that we cannot warrant the town planning information to be correct.

5.2. Municipal Valuation

	Value	Tariff
Ptn 2 Erf 418 Strijdompark	R 10,300,000	0.017604
Annual assessment rate		R 181,321
Monthly assessment rate		R 15,110

Annual assessment rates are currently levied at the rate of 0,017604 cents in the Rand on the above municipal valuation. After allowing for a 7% escalation on 1st July 2014, we have included a total annualised amount of R192,956 as a potential assessment rates liability for the property for the year forward from 1st June 2014.

Outstanding municipal rates: Unknown

Suburb	Stand	Address	Owner	Current Valuation	With Effect from
STRIJDOMPARK EXT.26	2/418	25 HAMMER AVENUE	BASHEE RIVER TRADING PTY LTD	10300000	2013/07/01

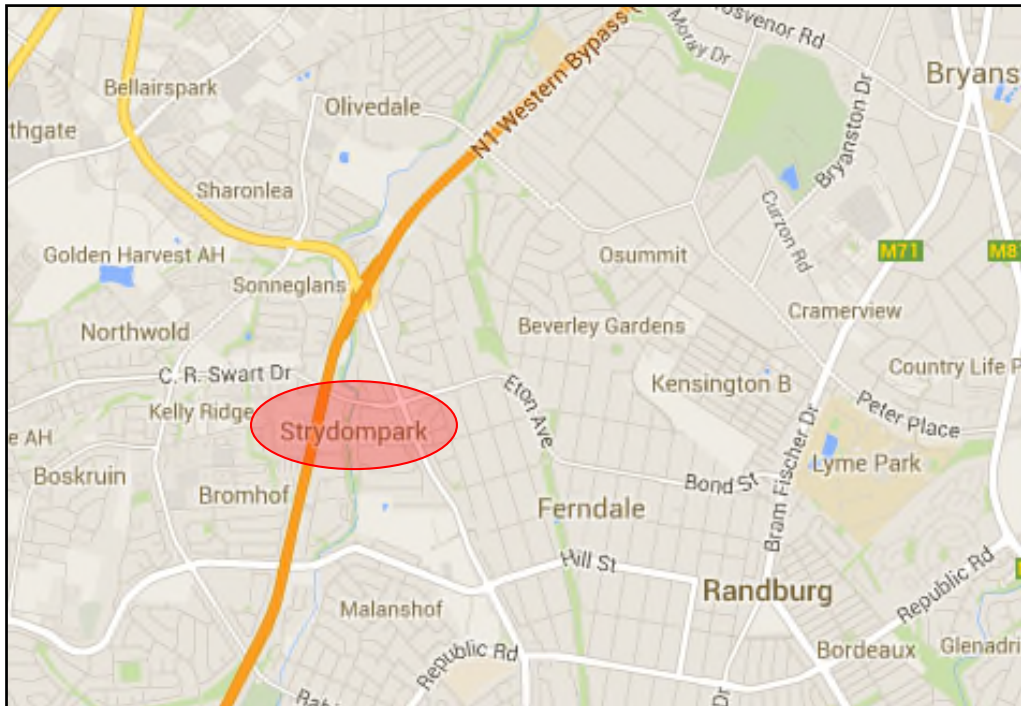
6. LOCALITY

GPS Co-ordinates: -26.0827, 27.9761

6.1. Site identification

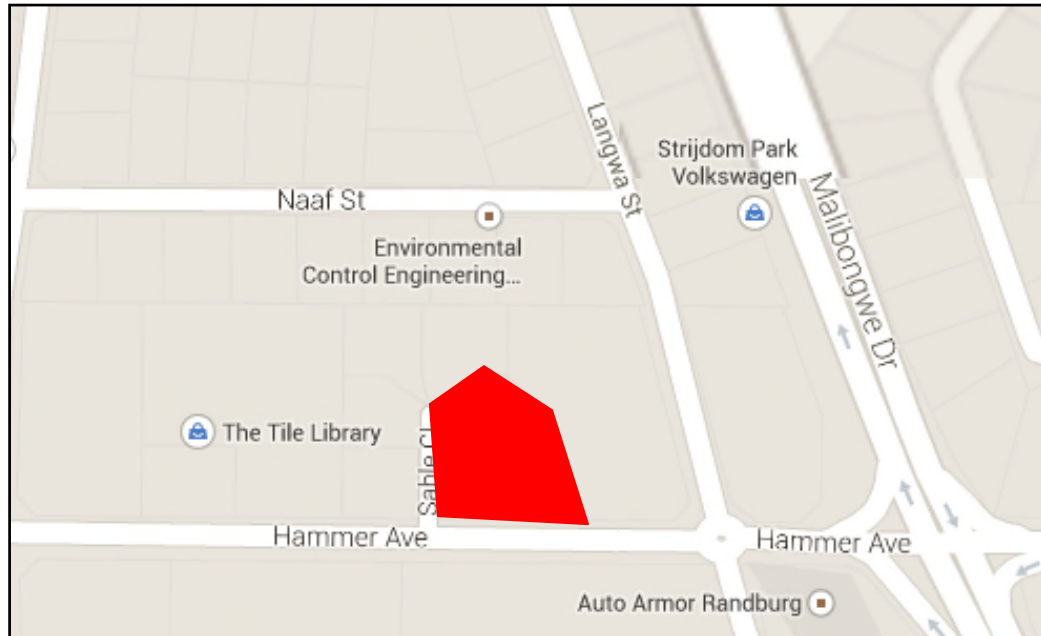
The property was positively identified by means of the General Plan for Strydompark Ext 26.

6.2. Macro Locality



The subject property is located within the boundaries of the Johannesburg Metropolitan Municipality, in the Gauteng Province. It is situated in the north western quadrant of the Johannesburg municipality in a suburb known as Strydompark, which is a predominantly industrial area.

6.3. Micro Locality



The subject property is located at number 25 Hammer Avenue, on the southern boundary of the well-established industrial suburb known as Strijdompark Extension 26. The industrial node generally accommodates medium to large size industrial properties. This is generally a medium scale industrial area, with most properties being of a medium extent, e.g. between 1,000m² to 5,000m². Strijdompark is situated approximately 2.5 kilometres west of the Randburg Central Business District, just south of the N1 Western Bypass.. The industrial node is surrounded by middle income residential suburbs, such as Bromhof (west), Ferndale (east), Malanshof (south) and Olivedale (north). The erf enjoys good exposure to passing traffic.

6.4. Access

Road access to the property is good and the road infrastructure is designed to accommodate fairly large commercial vehicles. The subject property is accessed off Hammer Avenue, which is accessed off Malibongwe Drive. Malibongwe Drive is the main access route that provides easy access onto the N1 Western Bypass via C.R. Swart Drive.

7. DESCRIPTION OF THE PROPERTY

The property comprises a three storey, mixed use building that offers the well-known Seemann's meat processing facility with ancillary offices, a delicatessen, bakery and a restaurant.

7.1. Site

A survey report has not been sighted. This valuation report assumes there are no encroachments of improvements by or upon the subject land. We reserve the right to amend our assessment should any encroachments be disclosed in a survey report.

This is a corner site with both vehicle and pedestrian access from Hammer Avenue, which is a main thoroughfare in the area. Ingress and egress is also available off Sable Close, which is a cul-de-sac servitude road on the western boundary of the erf.

7.1.1. Private/Public servitude for right of way – please refer to the attached SG Diagram and aerial picture

By virtue of Notarial Deed of Servitude K488/1991 dated 31 January 1991, the subject property is subject to a private/public (cul-de-sac) servitude for right of way (known as Sable Close) and general service purposes in favour of the following erven:

- Portion 1 of Erf 418 Strijdompark Extension 26
- Portion 3 of Erf 418 Strijdompark Extension 26
- Portion 4 of Erf 418 Strijdompark Extension 26
- Portion 5 of Erf 418 Strijdompark Extension 26

7.1.2. Topography

- This is a 4,579m² irregular shaped industrial zoned erf and the contour has a gentle rise from north to south.
- The erf has frontage onto Hammer Avenue of ±60m with a depth of ±70m.

7.1.3. Fencing

The erf is fully fenced with a 1.8m high steel palisade boundary fence.

7.2. Improvements

Our inspection and report has been carried out for valuation purposes only and does not constitute a structural survey. Accordingly we have assumed in arriving at our valuation that there are no structural defects, the soil is stable and services are all in good working order.

The subject property is improved with a part three storey face brick construction that offers a building that could easily be converted into a warehouse.

The current configuration of the building is of such a nature that it suits the business needs of the owner. A large portion of the property is climate controlled due to the use of the property as a meat processing factory. A timber deck with canopy that also serves as a restaurant was constructed along the southern side of the building. This restaurant only has a limited menu and mainly serves meat related meals. A covered work area that serves as workshops is located in the north-western corner of the building.

7.2.1. Meat processing facility

This is the biggest section of the building and is located on the basement and ground floor levels. It comprises a conventional warehouse design with floated concrete floors, concrete stairs between the floors as well as four loading bays on the northern side of the building. The entire meat processing area is temperature controlled and is fitted with isolated panels that divide each floor into various constantly refrigerated working areas, cold rooms, cold storage and store rooms. The internal lay-out is specially designed to achieve maximum production and it is very well maintained and well kept.

Isolated panels and all equipment required to control the temperature inside the meat processing area are included in this valuation report while all plant and machinery related to meat processing are excluded and will be valued separately by a specialist.

7.2.2. Offices

The office section is located on the first floor and comprises large open office space that has been divided into smaller cubicle offices by means of dry wall partitioning. There are also two bathrooms (male and female) as well as a

kitchen and a boardroom. The main reception area is on the ground floor and provides access to the basement level (cold room area), ground floor section (processing plant) as well as the first floor offices.

7.2.3. Delicatessen, bakery and restaurant

These three components are all situated on the ground floor and comprise neat and well maintained areas with tiled floors and average finishes.

7.3. Construction

Structure	Reinforced concrete frame structure with brick infill walls
Roof	Roof areas are covered with metal sheeting on a combination of steel and timber trusses.
Walls	Exterior walls are of face brick construction. Interior brick walls are plastered and painted with ceramic tiles fitted to sections of the walls. The remaining interior walls are of dry-wall or insulation panels.
Ceilings	Ceiling comprise a combination of plastered and painted concrete sections, composite ceiling boards and a suspended ceiling system with a combination of acoustic and insulated ceiling tiles.
Floors	Floor finishes include ceramic tiles, power floated concrete and nonslip concrete surfaces.

7.4. Site improvements

- 7.4.1. Steel palisade fencing
- 7.4.2. Interlocking paving bricks
- 7.4.3. Steel sliding gates
- 7.4.4. Fire fighting appliances – next service was due in April 2014

7.5. Accommodation Details

	GBA	GLA	Coverage (m ²)	Coverage (%)	FAR (m ²)	FAR
First floor offices	291	291	0		291	
Ground floor restaurant, delicatessen and bakery	268	268	268		268	
Double storey cold rooms	3104	3104	1730		3104	
Covered deck - restaurant	161	0	161		161	
Covered areas and plant canopies	100	0	100		100	
	3924	3663	2259	49%	3924	0.86

7.6. Property Rating

Scale	Rating	Lettability	Saleability	Building condition
9	Excellent			
8	Very good			
7	Good			
6	Above average			
5	Average	X	X	X
4	Below average			
3	Poor			
2	Very poor			
1	Unlettable			

8. LEASE DETAILS

The entire property – including the meat processing facility, bakery, delicatessen and restaurant - is currently owner occupied and no lease agreements have been signed. A lease agreement has however been signed with one of the adjacent property owners, which include undeveloped land that is being used by Seemann's as a parking lot for staff. This additional land required for staff parking is due to the type of business that is currently being

operated from the premises and is therefore not taken into account in the valuation calculation. A monthly rental of R9,280 (excluding Value Added Tax) is being paid by Seemann's to the adjacent property owner for this land portion.

9. VALUATION METHOD

There are four recognised and acceptable methods of valuation that could in principle be applied to determine the value of immovable property. These four valuation methods are defined in the International Valuation Standards (IVS) as follows:

9.1. Cost Approach

The cost approach applies the basic economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction. Unless undue time, inconvenience, risk or other factors are involved, the price that a buyer would pay for the asset being valued would not be more than the cost to construct a modern equivalent. Often the asset being valued will be less attractive than the cost of a modern equivalent because of age or obsolescence; where this is the case, adjustments will need to be made to the cost of the modern equivalent. This adjusted figure is known as the depreciated replacement cost. The cost approach would therefore suggest that the value is the aggregate of the land value and that of improvements that are separately appraised.

9.2. Discounted Cash Flow Analysis (DCF) (to calculate the residual land value)

Discounted Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cash flow to a property or business. Such assumptions pertain to the quantity, quality, variability, timing, and duration of inflows and outflows that are discounted to present value. DCF analysis with appropriate and supportable data and discount rates, is one of the accepted methodologies within the income capitalisation approach to valuation. DCF analysis has gained wide spread application due in part to the advancement of computer technology. DCF analysis is applied in valuations of real property, businesses and intangible assets; in investment analyses; and as an accounting procedure to estimate value in use.

9.3. Direct Market Comparison Approach

The Direct Market Comparison Approach is a comparative approach that considers the sales of similar or substitute assets and related market data. In general, an asset being valued is compared with similar items that have been transacted in the market or that are listed or offered for sale, with appropriate adjustment to reflect different properties or characteristics.

9.4. Income Approach

The income approach considers the income that an asset will generate over its remaining useful life and estimates value through a capitalisation process. This process applies an appropriate yield to the projected income stream to arrive at a capital value. The income stream may be derived under a contractor contracts, or be non-contractual, e.g., the profit generated from either the use of or holding of the asset.

Valuation method applied

I have decided not to employ the Direct Market Data approach as there were not enough sales to confidently allocate a capital value per square metre gross leasable area to the subject property. I also decided not to apply the Cost Approach because there is sufficient market data available to compare the subject property with similar buildings that are currently being rented in the area. The Cost Approach could result into an inaccurate value. The property could be rented to a tenant for an extended period and a Discounted Cash Flow Analysis could result in incorrect assumptions.

I therefore opted to apply the Income Approach to determine the current Forced Sale Value of the subject property because it can be rented to a tenant and /or multiple tenants for the remaining life of the building.

10. RESEARCH

When valuing real estate, the valuer must concern himself with placing a value on the rights attaching to the property and the benefits of occupation and/or ownership thereof. In the valuation process, cognisance must be taken of the purpose for which the property is capable of being used and the future income or amenities, which it is likely to produce. At the same time, however, the property must be compared with available substitutes and/or alternative investment opportunities. The object of the valuation process, therefore, is to

arrive at a figure, which will reflect the point of equilibrium between supply and effective demand at the time of valuing the property.

The property is regarded slightly specialized due to the cooling system that has been installed in a large section of the building. Most properties with similar installations are owner occupied and it is therefore not possible to obtain comparable market rentals. I consequently opted to add an additional premium of 10% to the current market rental rate to arrive at a reasonable rental rate for the building.

The following key elements determine the Income Capitalised Value of the property and have been researched:

10.1. Rental income

Market research indicates rentals between R40/m² and R50/m² for industrial accommodation in the Strijdompark area. The rental rates are dependent on the size, age and condition of the property.

10.1.1. Erf 313 Strijdom Park



Type of accommodation	Industrial
Erf Extent	2980m ²
GLA	1550m ²
Gross Monthly Income	R 69,750
Operating Expenses per Month	R 12,555
Nett annualised income	R 686,340
Purchase Price	R 7,200,000
Purchase Date	23 March 2012
Yield	9.53%
Nett Rental	R 37/m ²
Gross Rental	R 45/m ²

This property is located close to the subject property and offers inferior accommodation to that of the subject property.

10.1.2. Erf 15 Strijdom Park



Type of accommodation	Industrial
Erf Extent	1486m ²
GLA	900m ²
Gross Monthly Income	R 37,800
Operating Expenses per Month	R 6,804
Nett annualised income	R 371,952
Purchase Price	R 3,400,000
Purchase Date	9 May 2012
Yield	10.94%
Nett Rental	R 34/m ²
Gross Rental	R 42/m ²

This property is located close to the subject property and offers similar accommodation to that of the subject property.

10.1.3. Erf 107 Kya Sand



Type of accommodation	Industrial
Erf Extent	1925m ²
GLA	550m ²
Gross Monthly Income	R 22,000
Operating Expenses per Month	R 5,500
Nett annualised income	R 198,000
Purchase Price	R 1,781,288
Purchase Date	1 March 2012
Yield	11.12%
Nett Rental	R 33/m ²
Gross Rental	R 40/m ²

This property is located close to the subject property and is inferior with regards to accommodation offered.

Asking Rentals:

Property 1



Area	Strijdompark
Property Type	Industrial
Asking rental	R45
Lettable Area	565 m ²

Property 2



Area	Strijdompark
Property Type	Industrial
Asking rental	R47/m ²
Lettable Area	1335 m ²

Rode 2014:1

Rode 2014:1 reflects rental rates in Strijdompark as follows:

250m ²	R47.33 per m ²
500 m ²	R44.00 per m ²
1,000 m ²	R43.00 per m ²
2,500 m ²	R40.00 per m ²
5,000 m ²	R39.00 per m ²

Rental conclusion

For the purposes of calculating the **Forced Sale Value**, it is my opinion that a rate of R40/m² is applicable for good quality industrial space in Strijdompark. As mentioned before, an additional 10% will be added to the Forced Sale Rentals to compensate for the slightly specialised nature of a section of the building, which relates to a current through rental of R44 per m².

10.2. Vacancy rate

The subject area is well established and popular, and little vacancies were noted during the physical inspection in the area. According to Rode, the vacancy factor is 3%. Based on the reasonable demand for similar accommodation in this particular area I elected to apply a nominal vacancy provision of 3% for the purposes of this report.

10.3. Recoveries (if applicable)

This property is owner occupied and no provision is made for recovery of expenses.

10.4. Outgoings (expenses)

The valuation is based only on actual expenses provided by the client where possible. Provision was made for normalised expenditure and the expense ratio of approximately 18% or R9.46 per m² is well within market norms for similar developments. For the purpose of this valuation (Forced Sale Value), the following estimated property expenses have been projected and applied:

Assessment Rates	R 192,956	Annualised
Insurance	R 47,800	Estimated
Management fee	R 75,042	Estimated
Audit fee	R 6,566	Estimated
Repairs & maintenance	R 73,004	Estimated
Total	R 395,367	

- Rates & Tax

Rates & Tax was determined by multiplying the present municipal value of R10,300,000 with the tariff of 0.017604. The annualised municipal assessment rates, which is anticipated to increase by 7% on 01 July 2014, amounts to R192,956.

- Insurance

Insurance was determined by multiplying the estimated replacement cost of R23,900,000, with a market related factor of $\pm 0.200\%$. The annual insurance therefore amounts to R47,800.

- Management Fees

Management Fees were determined by multiplying the effective gross income of R 1,876,042 with a market related factor of 4.00%. The annual management fees therefore amount to R 73,004.

- Auditor's Fees

Auditor's Fees were determined by multiplying the effective gross income of R 1,876,042 with a market related factor of $\pm 0.350\%$. The annual auditor's fees therefore amount to R 6,566.

- Repairs & Maintenance – excluding overhead cranes

Repairs & Maintenance was determined by multiplying the estimated replacement cost of R18,250,900 with a market related factor of $\pm 0.40\%$. The annual repairs & maintenance therefore amounts to R73,004.

Conclusion of expenses

The total annual estimated expenditure figure of 21% as a percentage of the effective gross annual income equates to a rate of R8.99/m² per month, which is considered in line compared to market norms for similar type commercial buildings in the same vicinity, based on the Forced Sale Value. Therefore, for Forced Sale Value purposes the Net Annual Income is R 1,480,675.

10.5. Capitalisation rate

The capitalisation rate is best determined by referring to market transactions involving comparable properties, as it is based on information derived from market analysis. In addition I have extensively researched market opinion and interviewed property owners, investors and brokers regarding the required yield. The risk inherent in income producing properties is the degree of certainty that the income stream will be realised despite the uncertainty of the future and therefore the higher the risk factor, the better the return an investor will require. My research on capitalisation rates derived from similar properties, as well as market opinion, found that these typically range from a minimum of 10.5% to as high as 13.0%, depending on the location, the security of tenure stemming from the leases and the strength of the tenants, as well as the nature of the accommodation offered and the condition of the buildings. This valuation calculates the Forced Sale Value ("Liquidation Value") only, and a slightly higher capitalisation rate will therefore be applied.

In the case of the subject property, the following factors were considered:

- The good condition of the building;
- The specialised nature of the building;
- The relatively large extent of the warehouse section;
- The current active market condition in the Strijdompark area;
- Central location which enjoys easy access to major freeways;
- The subject property is owner occupied.

Capitalisation rate conclusion

Based on the sales transactions listed under Items 10.1, 10.2 and 10.3 above, and taking the specialised nature of the subject property into account, a capitalisation rate of 11% for Forced Sale Value purposes is regarded reasonable.

11. VALUATION CALCULATION - Forced Sale Value

Tenant	Lease Term	Lease Expiry	Lettable area in m ² / unit	Rate per m ² /unit	Monthly Rental - Excl recoveries	Annual Rental- Incl. Escalations
First floor offices	Owner occupied	Owner occupied	291 m ²	R 44.00	R 12,804	R 153,648
Ground floor restaurant, delicatessen and bakery	Owner occupied	Owner occupied	268 m ²	R 44.00	R 11,792	R 141,504
Double storey cold rooms	Owner occupied	Owner occupied	3104 m ²	R 44.00	R 136,576	R 1,638,912
Sub Total			3663 m ²	R 44.00	R 161,172	R 1,934,064
Vacancy factor				3.00%		R 58,022
Add: Recoveries						R 0
Gross Annual Income						R 1,876,042
Less: Annual Expenditure						R 395,367
Assessment Rates		R 16,079.66	x 12 months	R 192,956	Annualised	
Sanitary fees		R 0	x 12 months	R 0		
Refuse charge		R 0.00	x 12 months	R 0		
Refuse litter picking		R 0.00	x 12 months	R 0		
Basic sewerage charge		R 0.00	x 12 months	R 0		
Basic electricity charge.		R 0	x 12 months	R 0		
Basic electricity network access charge.		R 0	x 12 months	R 0		
Air-conditioning		R 0	x 12 months	R 0		
Lift maintenance		R 0	x 12 months	R 0		
Security costs		R 0	x 12 months	R 0		
Cleaning Costs		R 0	x 12 months	R 0		
Insurance	R 23,900,000	0.200%	R 3,983	x 12 months	R 47,800	Estimated
Management fee		4.00%	of gross rental income		R 75,042	Estimated
Audit fee		0.35%	of gross rental income		R 6,566	Estimated
Repairs & maintenance	R 18,250,900	0.40%	of replacement value		R 73,004	Estimated
Income/Expenditure Ratio	R8.99 per m ² , or 21.07% of Gross Annual Income					
Nett Annual Income						R 1,480,675
Capitalization Rate Used						12.00%
Valuation amount	R3370 per m ²					R 12,338,956
Rounded valuation amount						R 12,300,000

ANNEXURE A - CAVEATS

1. This valuation has been prepared for **V*SQUX.RED Business Rescue Services** on the basis that full disclosure of all information and factors which may affect the valuation has been made to ourselves, and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made. I have no personal interest in the subject property, nor will I have in the future. Furthermore I have conducted this valuation in accordance with the ethics of the valuation profession.
2. We emphasise that we have not carried out a structural survey of the improvements, nor have we examined them for signs of timber infestation, and accordingly, cannot be responsible for possible defects.
3. Where actual income and expenditure data has been made available to us, such data has been adjusted for anomalies and used on the understanding that it is correct as a basis for assessing capitalised values; in the absence of such data, we have made what we consider to be plausible assumptions.
4. The Insurance Value is a MINIMUM recommended value, subject to the qualifications set out above, and should be verified by the client to avoid the average clause being applied in the event of a claim. The Mortgagor must advise both the Insurer and the Valuer of all alterations and additions to the property, subsequent to the date hereof.
5. This valuation has been prepared on the understanding that no onerous easements, rights of way or encroachments exist by or on the subject property, other than those in favour of statutory bodies, applicable to all such properties, or which could be regarded as customary.
6. Finally, we must point out that neither the whole nor any part of this valuation, nor any reference thereto, may be included in any document, circular or statement, without the prior written approval of the Valuer of the form and content in which it is to appear.
7. We have not undertaken an environmental survey of the above property, catchment pits and subsurface fuel tanks; nor have we arranged for an environmental audit to establish the existence or probable extent of any environmental contamination.
8. This valuation is based on the subject property having an unencumbered freehold tenure. It is the responsibility of the client to draw our attention to any property subject to a Bare Dominium value, any form of property structured finance or similar arrangement that may affect a freehold valuation. We can accept no liability if such arrangements are not advised. Further, we reserve the right to withdraw from or decline the instruction or issue a qualified report if a property or properties are subject to any form of structured finance arrangement or similar. This valuation assumes that no such financing arrangements affect the property.

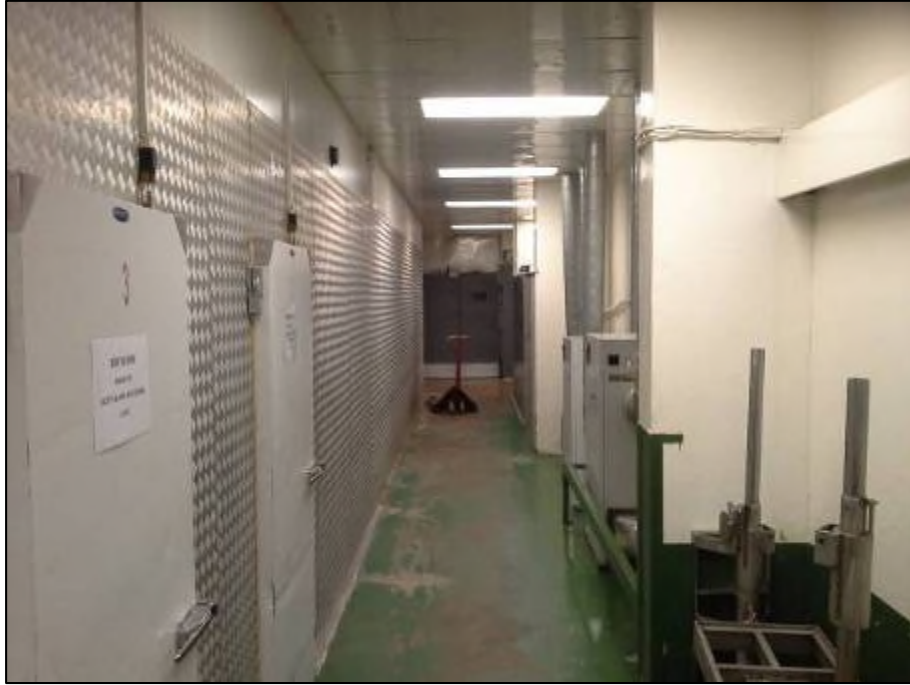
ANNEXURE B - PHOTOGRAPHS (AS AT DATE OF INSPECTION)











ANNEXURE C – ZONING CERTIFICATE

ZONING INFORMATION CERTIFICATE PAD FOR APPLICATION SUBMISSIONS



a world class African city

Date: 05/05/2014

Requested by:	Sandy Ngwenya
Town Planning Scheme:	Randburg
Name of Applicant:	ADVANCED VALUERS (PTY) LTD
Erf/Holding Name/Farm Portion:	Portion 2 of erf 418
Township/Holding Name/Farm Name:	Strijdom Park ext. 26
Street Name and No:	Hammer avenue
ZONING INFORMATION	
Use Zone:	Industrial 1
Height Zone:	0 (three storeys)
Floor Area Ratio:	1.00
Coverage:	60%
Density:	No Density
Building Line:	3m along the street boundary
Parking:	As per scheme
AMENDMENT SCHEME APPLICABLE:	1053
Served By:	Sandy Ngwenya


Terms and Conditions:

The Town Planning Scheme is open for inspection on the 8th Floor 158 Loveday Street Braamfontein between 8:00 and 15:30 weekdays. The applicant must verify the information contained herein by inspection of the scheme. Whilst the utmost is done to ensure accuracy the City of Johannesburg does not accept responsibility for any incorrect information given on this form. The applicant's attention is drawn to the general provisions of the Town Planning Scheme. It should be noted that the provisions of the Town Planning Scheme do not override any restrictive conditions that may be contained in the Title Deeds. PLEASE NOTE: No Information will be given telephonically due to the technical and interpretive complications.

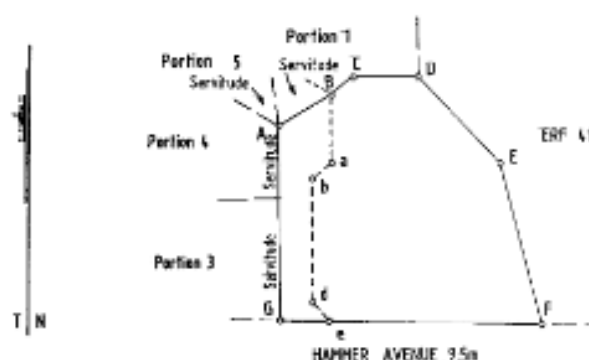
Corporate GIS 8th Floor, A-BLOCK, Metro Centre 158 Loveday Street, Braamfontein

ANNEXURE D – SG DIAGRAM

A. F. CAMERON, Professional Land Surveyor, SUBDIVISIONAL DIAGRAM
47 Chesterfield Road, BRYANSTON

SIDES metres	ANGLES OF DIRECTION	Servitude Note:	S.G. No. A
AB 17,59	239 21 00	The figure ABabdeG represents a Servitude Area. K 489/1991s	7332/90
BC 8,69	225 05 10		Approved
CD 18,93	270 50 20	 for SURVEYOR- GENERAL	1990-1991 1-8 Description of Beacons: A,B,C,D,E,F,G,a,b,d,e - 12mm iron peg
DE 36,28	316 03 10		
EF 48,98	345 43 00		
FG 78,35	90 51 30		
GA 57,59	180 51 30		
Servitude Data			
Ra 18,69	0 51 30		
ab 7,78	45 51 30		
bd 36,59	0 51 30		
de 8,69	315 51 30		
eG 15,50	90 51 30		


1988
Sec. 92
Cert. & Plan.



Scale 1 : 1 500

The figure A B C D E F G
represents 4579 square metres of land being
Portion 2 of Ref 418 STRIJDOMPARK EXTENSION 26 TOWNSHIP


Province of Transvaal
Surveyed in November 1989 - by me
July 1990


 Land Surveyor
 A.F. CAMERON

This diagram is annexed to	The original diagram is S.G.	File
No. T 7743/1991	No. A 7330/90	S.H. No. 3123/90
d.d.	Transfer	G.P. S.G. No. A 3495/89
i.f.o.	Grant	Comp. 1Q 2B-20/4-6 B
Registrar of Deeds		TP 7788

Printed by the Institute of Land Surveyors of the Transvaal

EXAMINATION FEES PAID


 for SURVEYOR-GENERAL

ANNEXURE E – TITLE DEED SUMMARY

Printed: 2014/04/30 11:56

Deeds Office Property



STRIJDOMPARK EXT 26, 418, 2 (PRETORIA)

GENERAL INFORMATION

Deeds Office PRETORIA
 Date Requested 2014/04/30 11:36
 Information Source WINDEED DATABASE
 Reference -

PROPERTY INFORMATION

Property Type ERF
 Erf Number 418
 Portion Number 2
 Township STRIJDOMPARK EXT 26
 Local Authority CITY OF JOHANNESBURG
 Registration Division -
 Province -
 Diagram Deed T7743/1991
 Extent 4579.0000SQM
 Previous Description -
 LPI Code T0IQ03890000041800002

OWNER INFORMATION

Owner 1 of 1
 Person Type Company
 Name BASHEE RIVER TRADING PTY LTD
 Registration Number 200500971507
 Title Deed T73910/2012
 Registration Date 2012/09/28
 Purchase Price (R) 80,000,000
 Purchase Date 2010/12/10
 Share 0
 Microfilm Reference -
 Multiple Properties NO
 Multiple Owners NO

ENDORSEMENTS (4)

#	Document	Institution	Amount (R)	Microfilm
1	K488/1991S	-	UNKNOWN	1994 0603 4389
2	K489/1991S	-	UNKNOWN	1994 0603 4378
3	B44008/2012	NEDBANK LTD	10,680,000	-
4	B44009/2012	NEDBANK LTD	3,000,000	-

HISTORIC DOCUMENTS (11)

#	Document	Owner	Amount (R)	Microfilm
1	B9168/1991	FINDEVCO PTY LTD	2,545,000	2005 1132 3215
2	T7743/1991	HAMMER STREET INV CC	UNKNOWN	2005 1132 3201
3	T7743/1991	HAMMER STREET INV PTY LTD	UNKNOWN	2005 1132 3201
4	T7743/1991	HAMMER STREET INV CC	UNKNOWN	2005 1132 3201
5	B67045/2005	-	6,000,000	2005 1132 3226
6	BC54918/2005	-	UNKNOWN	NO MICROFILM AVAILABLE
7	BC54919/2005	HAMMER STREET INV PTY LTD	UNKNOWN	2005 1132 3217
8	T110305/2007	FIRST LIFESYLE GROUP PTY LTD	12,219,000	NO MICROFILM AVAILABLE
9	B134878/2007	LEXSHELL 652 INV PTY LTD	1,400,000,000	NO MICROFILM AVAILABLE
10	BC132019/2007	-	UNKNOWN	NO MICROFILM AVAILABLE
11	BC64209/2012	-	UNKNOWN	-

ANNEXURE F – AERIAL PHOTOGRAPH



Annexure 4

CREDITOR	FINAL BALANCE APPROVED (ZAR)	CLASS	DEPENDENT/ INDEPENDENT	VOTE PERCENTAGE	SUBMITTED CLAIM DOCUMENTS FOR PURPOSE OF PROVING CLAIM
POST COMMENCEMENT FINANCING PARTIES					
ZICO (PTY) LTD	R0.00	Secured, Statutory Preferent	Dependent	0.0000%	No
NEDBANK LIMITED	R0.00	Secured, Statutory Preferent	Independent	0.0000%	No
SEEMANN'S SECURED CREDITORS (ZAR)					
NEDBANK LIMITED	R12,151,068.72	Secured, Preferent	Independent	33.7632%	Yes
FREDDY HIRSCH GROUP (PTY) LTD	R278,000.00	Secured, Preferent	Independent	0.7725%	Yes
MULTIVAC SOUTHER AFRICA (PTY) LTD	R47,000.00	Secured, Preferent	Independent	0.1306%	Yes
BT ENTERPRISES (PTY) LTD	R896,597.13	Secured, Preferent	Independent	2.4913%	Yes
WESBANK	R912,000.00	Secured, Preferent	Independent	2.5341%	No
SEEMANN'S UNSECURED INTEREST BEARING LOANS (ZAR)					
SJ NEL	R1,000,000.00	Concurrent	Independent	2.7786%	No
PRE COMMENCEMENT SALARY CLAIMS (ZAR)					
MW GERICKE	R38,719.95	Concurrent	Dependent	0.1076%	No
SEEMANN'S TRADE CREDITORS (ZAR)					
A C PACKAGING CC	R85,204.74	Concurrent	Independent	0.2368%	Yes
A & D LABELS	R5,814.00	Concurrent	Independent	0.0162%	No
FREDDY HIRSCH GROUP (PTY) LTD	R595,743.45	Concurrent	Independent	1.6553%	Yes
MULTIVAC SOUTHER AFRICA (PTY) LTD	R1,288,643.80	Concurrent	Independent	3.5807%	Yes
AFRICA SPICE	R613,005.44	Concurrent	Independent	1.7033%	Yes
AFTEX EXPORTERS CC	R1,028.23	Concurrent	Independent	0.0029%	Yes
AIR PRODUCTS	R72,575.43	Concurrent	Independent	0.2017%	No
ALB ABATTOIR BK	R169,560.06	Concurrent	Independent	0.4711%	Yes
AMAL BEV OUTLET #1108178	R17,116.19	Concurrent	Independent	0.0476%	No
AXIS PAC CC	R9,024.80	Concurrent	Independent	0.0251%	Yes
B & S AGENCIES (PTY) LTD	R51,903.76	Concurrent	Independent	0.1442%	Yes
BEARING MAN GROUP	R1,275.80	Concurrent	Independent	0.0035%	No
BAVARIA (BERLIN FOOTWEAR)	R2,599.09	Concurrent	Independent	0.0072%	No
BETTAFRESH (BM FOOD)	R4,179.59	Concurrent	Independent	0.0116%	No
BERCO (ARAMEX)	R3,259.66	Concurrent	Independent	0.0091%	No
BEVCAN A DIVISION OF NAMPAK	R8,882.77	Concurrent	Independent	0.0247%	No
BIG BOX CONTAINERS (PTY) LTD	R11,970.00	Concurrent	Independent	0.0333%	No

BHATIA INTERNATIONAL SA PTY LT	R67,599.56	Concurrent	Independent	0.1878%	No
DITTBERNER BROS CC	R4,393.56	Concurrent	Independent	0.0122%	No
BLACK FOREST BAKERY	R408,296.72	Concurrent	Independent	1.1345%	Yes
B LOGISTICS	R20,779.50	Concurrent	Independent	0.0577%	Yes
BOLTANIA MEAT PROCESSING (PTY)	R16,094.38	Concurrent	Independent	0.0447%	No
BOX LEE	R29,341.81	Concurrent	Independent	0.0815%	No
BROOK SALES	R35,174.89	Concurrent	Independent	0.0977%	Yes
BUILDERS SUPPLIES CENTRE	R13,527.67	Concurrent	Independent	0.0376%	Yes
BT ENTERPRISES	R354,418.84	Concurrent	Independent	0.9848%	Yes
BUFFALO EXECUTAPE (PTY) LTD	R6,623.86	Concurrent	Independent	0.0184%	No
BUSINESS IMAGES	R7,993.44	Concurrent	Independent	0.0222%	No
CAFE MINUCCI	R15,506.85	Concurrent	Independent	0.0431%	Yes
CAFE ALBRECHT(BLUE SANDS TRAD)	R59,980.57	Concurrent	Independent	0.1667%	No
CARBOCRAFT (PTY) LTD T/A CARBO	R3,306.00	Concurrent	Independent	0.0092%	Yes
COLDSURE DISTRIBUTION SERVICES	R20,770.94	Concurrent	Independent	0.0577%	No
RPF FENCING (PTY)	R14,079.00	Concurrent	Independent	0.0391%	No
CENTRAL MEAT MARKET (CENMEAT (PTY) LTD)	R750,051.96	Concurrent	Independent	2.0841%	Yes
CHESPAK (PTY) LTD	R43,251.49	Concurrent	Independent	0.1202%	No
CIBAPAC (INTERCAS)	R56,094.00	Concurrent	Independent	0.1559%	No
C.J. PETROW CHEMICALS	R50,134.92	Concurrent	Independent	0.1393%	Yes
CONSOLIDATED MEAT INDUSTRIES	R8,618.40	Concurrent	Independent	0.0239%	No
CONTRAST DESIGN & STUDIOS	R23,452.59	Concurrent	Independent	0.0652%	No
COOL RUNNERS (MILNEX 700 CC)	R5,735.58	Concurrent	Independent	0.0159%	Yes
CORPVEN TRADING 507 CC	R6,538.76	Concurrent	Independent	0.0182%	Yes
CREST CHICKENS	R45,750.70	Concurrent	Independent	0.1271%	No
CROWN NATIONAL	R294,234.75	Concurrent	Independent	0.8176%	No
SEALED AIR CRYOVAC	R78,741.52	Concurrent	Independent	0.2188%	No
CSIR CONSULTING & ANALYTICAL	R220.02	Concurrent	Independent	0.0006%	No
DECER COMPUTERS	R28,604.88	Concurrent	Independent	0.0795%	Yes
DEE IMPORT AND EXPORT cc	R147,426.77	Concurrent	Independent	0.4096%	No
DELI SPICES NORTH RAND PTY LTD	R271,079.66	Concurrent	Independent	0.7532%	No
DLA CLIFFE DEKKER	R6,452.40	Concurrent	Independent	0.0179%	No
DELUXE CHEMICALS	R34,446.24	Concurrent	Independent	0.0957%	Yes
DIMENSION MARKETING	R8,208.00	Concurrent	Independent	0.0228%	Yes
DR JOHN'S PLUMBING	R9,050.00	Concurrent	Independent	0.0251%	Yes
DAYMON WORLWIDE	R218,665.65	Concurrent	Independent	0.6076%	No
ECO PEST	R4,154.06	Concurrent	Independent	0.0115%	Yes
ENC FOODS (PTY) LTD	R154,817.02	Concurrent	Independent	0.4302%	Yes

THE ENERGY COMPANY (PTY) LTD	R561,342.46	Concurrent	Independent	1.5598%	Yes
EQSTRA FLEET SERVICES	R140,223.79	Concurrent	Independent	0.3896%	Yes
EUROCOOL	R6,320.74	Concurrent	Independent	0.0176%	No
FOOD BOYS COLD STORAGE	R37,705.50	Concurrent	Independent	0.1048%	No
FENRIS PERSONNEL	R26,790.00	Concurrent	Independent	0.0744%	Yes
FERROPRINT	R38,252.52	Concurrent	Independent	0.1063%	No
FIRST GARMENT RENTAL (PTY) LTD	R126,453.59	Concurrent	Independent	0.3514%	Yes
E LABELS CC T/A FIRST LABEL	R265,434.38	Concurrent	Independent	0.7375%	Yes
FLEET STREET PUBLICATIONS (PTY	R2,342.70	Concurrent	Independent	0.0065%	No
GOURMET SAUCES	R26,842.74	Concurrent	Independent	0.0746%	Yes
INTERNATIONAL MEAT QUALITY ASS	R3,346.00	Concurrent	Independent	0.0093%	No
GENEVA CONFECTIONERY	R12,512.81	Concurrent	Independent	0.0348%	No
GLENFAIR WINE & LIQUOR (PTY) L	R3,201.12	Concurrent	Independent	0.0089%	No
HOME MADE THAICUISINE	R1,620.00	Concurrent	Independent	0.0045%	No
HOUSE OF FOODS	R89,867.58	Concurrent	Independent	0.2497%	Yes
HURLYVALE FRESH MEAT SUPPLY	R27,088.48	Concurrent	Independent	0.0753%	Yes
ICE FOR AFRICA	R38,225.82	Concurrent	Independent	0.1062%	No
ICE CREAM CO	R1,946.84	Concurrent	Independent	0.0054%	Yes
ICEHOUSE MERCHANTS	R71,542.97	Concurrent	Independent	0.1988%	No
IDEAL TRADING 671 (PTY)LTD	R6,634.80	Concurrent	Independent	0.0184%	No
IGOR INVESTMENTS	R119,498.80	Concurrent	Independent	0.3320%	No
INHLE BEVERAGES (PTY) LTD	R28,073.27	Concurrent	Independent	0.0780%	Yes
IS STORE FARMING ENTERPRISES CC	R73,940.68	Concurrent	Independent	0.2055%	Yes
ITA BUSINESS COMMUNICATION SER	R1,821.72	Concurrent	Independent	0.0051%	No
JWK HOLDINGS (PTY) LTD	R11,279.59	Concurrent	Independent	0.0313%	Yes
KAMEELDRIFT FRESH MEAT	R363,677.96	Concurrent	Independent	1.0105%	No
KEMKLEAN HYGIENE SYSTEMS	R61,137.61	Concurrent	Independent	0.1699%	Yes
KEY 4 HEALTH CC	R7,650.71	Concurrent	Independent	0.0213%	Yes
KIEPERSOL	R14,280.00	Concurrent	Independent	0.0397%	No
KLL DISTRIBUTORS	R28,184.63	Concurrent	Independent	0.0783%	No
LABOUR WORKSHOP	R11,215.00	Concurrent	Independent	0.0312%	Yes
LEXUS SECURITY	R51,777.48	Concurrent	Independent	0.1439%	Yes
LIDO ELECTRICAL	R39,722.04	Concurrent	Independent	0.1104%	No
LIFE OCCUPATIONAL HEALTH	R29,598.95	Concurrent	Independent	0.0822%	No
LIONHEART	R111,903.24	Concurrent	Independent	0.3109%	No
ROTO LABEL JOHANNESBURG	R17,009.26	Concurrent	Independent	0.0473%	No
LONRHO LOGISTICS (PTY) LTD	R39,626.33	Concurrent	Independent	0.1101%	Yes
LUSITANIA FOOD PRODUCTS (PTY)	R1,231.89	Concurrent	Independent	0.0034%	No

NEW STYLE PORK	R188,086.46	Concurrent	Independent	0.5226%	Yes
M&M WHOLESALE FOOD DISTRIBUTIO	R446,767.30	Concurrent	Independent	1.2414%	No
MADIBI FOODS	R31,723.55	Concurrent	Independent	0.0881%	Yes
MAPIMO OUTSOURCING	R2,603.92	Concurrent	Independent	0.0072%	No
MDV HOLDINGS (HARIBO)	R23,324.48	Concurrent	Independent	0.0648%	No
MEAT PAK	R1,446.45	Concurrent	Independent	0.0040%	No
MEDITERR WRAP	R5,440.00	Concurrent	Independent	0.0151%	Yes
MEGA-LICIOUS (PTY) LTD	R126,999.66	Concurrent	Independent	0.3529%	Yes
MERLOG FOODS (PTY) LTD	R198,218.07	Concurrent	Independent	0.5508%	Yes
METROFILE	R7,817.91	Concurrent	Independent	0.0217%	No
CITY OF JOBURG - SS RATES	R396.30	Statutory Preferent	Independent	0.0011%	No
CITY OF JOHANNESBURGH S/S WATE	R0.00	Statutory Preferent	Independent	0.0000%	No
CITY OF JOBURG - H/S	R1,564,333.40	Statutory Preferent	Independent	4.3467%	No
CITY OF JOBURG - SS	R56,395.90	Statutory Preferent	Independent	0.1567%	No
MEZE FOODS CC	R62,697.64	Concurrent	Independent	0.1742%	No
MICRON PACKAGING (PTY) LTD	R18,929.18	Concurrent	Independent	0.0526%	Yes
MILLENNIUM MEAT (PTY) LTD	R628,967.67	Concurrent	Independent	1.7477%	Yes
MKHONZA & SON TRADING LTD	R38,700.00	Concurrent	Independent	0.1075%	Yes
MEISTERTECH MEAT POULTRY	R4,391.10	Concurrent	Independent	0.0122%	No
MOBILE SHARPENING IMPORT & EXP	R5,358.00	Concurrent	Independent	0.0149%	No
MONTEAGLE MERCHANDISING SERVIC	R195,577.37	Concurrent	Independent	0.5434%	Yes
DIRECT CLEANING SOLUTIONS	R15,437.03	Concurrent	Independent	0.0429%	No
MR SAUCE (CYTOTYPE PTY LTD)	R51,790.20	Concurrent	Independent	0.1439%	No
NAVITAS MNG SERVICES	R3,585.40	Concurrent	Independent	0.0100%	No
NORTH PAC PACKAGING SOLUTIONS	R131,805.28	Concurrent	Independent	0.3662%	Yes
NOVAWESIMPORT (PTY) LTD	R40,869.00	Concurrent	Independent	0.1136%	No
NUTRIX	R13,715.93	Concurrent	Independent	0.0381%	Yes
FORTIFIED FOODS	R117,270.77	Concurrent	Independent	0.3259%	Yes
OIL HEAT SERVICES (PTY) LTD	R66,640.89	Concurrent	Independent	0.1852%	No
PALLETISED EQUIPMENT	R3,884.18	Concurrent	Independent	0.0108%	Yes
PATLEYS	R56,998.92	Concurrent	Independent	0.1584%	No
PESUCO (CHAJDLE CC)	R64,660.03	Concurrent	Independent	0.1797%	Yes
POWER FORKLIFT HIRE & SALES	R0.00	Concurrent	Independent	0.0000%	Yes
PM INSTRUMENTATION CC	R7,470.42	Concurrent	Independent	0.0208%	Yes
PRETORIA PRIMAL TRADERS	R22,668.76	Concurrent	Independent	0.0630%	No
PRETORIA BOX MANUFACTURERS CC	R348,381.22	Concurrent	Independent	0.9680%	Yes
PRETORIA LAUNDRY (PTY) LTD	R4,988.00	Concurrent	Independent	0.0139%	Yes
RATZEGAAI VARKBOERDERY TRUST	R1,319,839.58	Concurrent	Dependent	3.6673%	Yes

BENTEL GROUP HIEMSTRA	R203,025.21	Concurrent	Independent	0.5641%	No
REWINDING TTS CC	R5,130.22	Concurrent	Independent	0.0143%	No
RED MEAT LEVY ADMIN	R3,838.21	Concurrent	Independent	0.0107%	No
ROADSWIFT LOGISTICS	R109,377.30	Concurrent	Independent	0.3039%	No
SAB&T	R1,368.00	Concurrent	Independent	0.0038%	No
SAMPLA BELTING (SA) (PTY) LTD	R3,451.20	Concurrent	Independent	0.0096%	No
SAMRO	R2,910.84	Concurrent	Independent	0.0081%	No
SANITECH HYGIENE SERVICES	R8,375.91	Concurrent	Independent	0.0233%	No
SEDAKA LOGISTICS (PTY) LTD	R4,446.00	Concurrent	Independent	0.0124%	No
SHAFT PACKAGING	R2,625.71	Concurrent	Independent	0.0073%	No
SHOPRITE CHECKERS	R369,151.86	Concurrent	Independent	1.0257%	No
SIR JUICE (PTY) LTD	R51,362.45	Concurrent	Independent	0.1427%	Yes
SLAM PAPER DISTRIBUTORS	R4,503.00	Concurrent	Independent	0.0125%	No
SUPERMARKET FARM CC	R109,858.81	Concurrent	Independent	0.3053%	Yes
SPICETECH	R223,977.49	Concurrent	Independent	0.6223%	No
SPICE IMPORTERS & MILLERS CC	R13,765.40	Concurrent	Independent	0.0382%	Yes
SEQUENCE LOGISTIC	R66,865.25	Concurrent	Independent	0.1858%	No
STEAM GENERATION AFRICA (PTY)	R42,934.14	Concurrent	Independent	0.1193%	Yes
ST KARAS BAKERY	R900.00	Concurrent	Independent	0.0025%	No
CLARIANT	R7,293.09	Concurrent	Independent	0.0203%	No
SUNBAKE BEORSTAR	R150,390.43	Concurrent	Independent	0.4179%	No
SUNBAKE BENONI	R14,586.80	Concurrent	Independent	0.0405%	No
SUPA QUICK RUIMSIG	R0.00	Concurrent	Independent	0.0000%	No
SWIFT MICRO LABORATORIES PTY L	R152,105.85	Concurrent	Independent	0.4226%	No
THE COLD CHAIN CITY DEEP	R272,573.57	Concurrent	Independent	0.7574%	No
THE COLD CHAIN - DURBAN	R60,288.94	Concurrent	Independent	0.1675%	No
THE COLD CHAIN - PORT ELIZABET	R19,539.19	Concurrent	Independent	0.0543%	No
THE COLD CHAIN - BLOEMFONTEIN	R62,789.20	Concurrent	Independent	0.1745%	No
THE COLD CHAIN CAPE TOWN	R426,228.58	Concurrent	Independent	1.1843%	No
THE COLD CHAIN EAST LONDON	R23,405.09	Concurrent	Independent	0.0650%	No
THE COLD CHAIN - GEORGE	R9,429.67	Concurrent	Independent	0.0262%	No
THE COLD CHAIN - KLERKSDORP	R68,507.65	Concurrent	Independent	0.1904%	No
THE COLD CHAIN - NELSPRUIT	R24,028.82	Concurrent	Independent	0.0668%	No
THE COLD CHAIN - POLOKWANE	R33,086.57	Concurrent	Independent	0.0919%	No
TEAK ICE (LC&HA&WW)	R4,905.81	Concurrent	Independent	0.0136%	No
FROSTECH	R0.00	Concurrent	Independent	0.0000%	No
TELKOM HA 339901243122 7912890	R0.00	Concurrent	Independent	0.0000%	No
TELKOM HA 539901244643 0117920	R0.00	Concurrent	Independent	0.0000%	No

TELKOM ER	R0.00	Concurrent	Independent	0.0000%	No
TERAOKA S.A. (PTY) LTD	R2,284.56	Concurrent	Independent	0.0063%	Yes
THERMOPAC	R236,515.12	Concurrent	Independent	0.6572%	Yes
THISTLE BAKERY	R10,476.70	Concurrent	Independent	0.0291%	No
THE INDUSTRIAL CLOTHING COMPA	R10,846.00	Concurrent	Independent	0.0301%	No
T.M. ENGINEERING (PTY) LTD	R15,599.99	Concurrent	Independent	0.0433%	No
CHEP	R105,109.42	Concurrent	Independent	0.2921%	No
TROSKIE & DE WET BK	R480,608.43	Concurrent	Independent	1.3354%	No
UNITED MEAT PACKERS	R9,102.41	Concurrent	Independent	0.0253%	No
UNNIC AUTO PARTS (PTY) LTD	R9,263.70	Concurrent	Independent	0.0257%	No
URBAN RISK MANAGEMENT	R76,526.51	Concurrent	Independent	0.2126%	No
VALUE TRUCK RENTAL	R89,023.06	Concurrent	Independent	0.2474%	Yes
VALOREM	R16,884.38	Concurrent	Independent	0.0469%	No
VENCOR HOLDINGS (PTY) LTD	R75,996.21	Concurrent	Independent	0.2112%	No
SAGE VIP	R5,491.62	Concurrent	Independent	0.0153%	No
VISCAGEN PTY LTD T/A GERMAN BU	R1,027,317.65	Concurrent	Independent	2.8545%	No
WALTONS (PTY) LTD	R11,745.40	Concurrent	Independent	0.0326%	No
WEIGHING INSTRUMENT SERVICES (PTY) LTD	R17,747.52	Concurrent	Independent	0.0493%	Yes
WELDING CENTRE	R1,930.66	Concurrent	Independent	0.0054%	No
WH ERASMUS BOERDERY & ABBATTOI	R22,896.54	Concurrent	Independent	0.0636%	Yes
WIZE-UP DEALS 148(PTY) LTD	R1,633.16	Concurrent	Independent	0.0045%	Yes
WMI MAINTENANCE	R14,146.03	Concurrent	Independent	0.0393%	No
ZORGVLIET WINES	R986.40	Concurrent	Independent	0.0027%	Yes
JOHANNESBURG WATER	R1,085,022.29	Statutory Preferent	Independent	3.0149%	No
QHUBEKA FORENSIC SERVICES	R134,348.24	Concurrent	Independent	0.3733%	No
WURTH SA CO. (PTY) LTD	R4,259.04	Concurrent	Independent	0.0118%	No
	R35,989,080.84			100.00%	

DISPUTED CLAIMS (ZAR)					
	CLAIM	CLASS	DEPENDENT/ INDEPENDENT	VOTE PERCENTAGE	SUBMITTED CLAIM DOCUMENTS FOR PURPOSE OF PROVING CLAIM
ELS AJEA BOERDERY	R71,873.03	Concurrent	Independent	None	Yes
J GERICKE	R1,000,000.00	Unsecured, Concurrent	Independent	None	Yes
JWK HOLDINGS (PTY) LTD	R2,165,087.00	Concurrent	Independent	None	Yes
SUBORDINATED CLAIMS (ZAR)					

	CLAIM	CLASS	DEPENDENT/ INDEPENDENT	VOTE PERCENTAGE	SUBMITTED CLAIM DOCUMENTS FOR PURPOSE OF PROVING CLAIM
MARTHINUS WILHELM GERICKE	R2,819,920.00	Concurrent	Dependent	None	No
GUSTAV BOTES	R2,075,938.00	Concurrent	Dependent	None	No
BENJAMIN STEYN GERICKE	R3,206,019.00	Concurrent	Dependent	None	Yes
CHARLES MOLLER FAMILIE TRUST	R1,656,143.00	Concurrent	Dependent	None	No
LOURENS VAN RENSBURG	R4,152,982.00	Concurrent	Dependent	None	No
WESTDENE FAMILY TRUST	R4,100,000.00	Concurrent	Dependent	None	No
MARLIZE SCHWÄR	R1,023,000.00	Concurrent	Dependent	None	No
RATZEGAAI VARKBOERDERY (EDMS) BPK	R2,100,000.00	Concurrent	Dependent	None	No
ZICO (PTY) LTD	R11,599,646.00	Concurrent	Dependent	None	No
ZICO CAPITAL (PTY) LTD	R2,899,912.00	Concurrent	Dependent	None	No
GERALD SYDNEY CROSSMAN	R7,865,000.00	Concurrent	Dependent	None	No
KENNETH PAUL MKHONZA	R10,000.00	Concurrent	Dependent	None	No



28 May 2014

Bashee River Trading (Pty) Ltd

25 Hammer Avenue
Strijdom Park Ext 26
Randburg
Johannesburg
2194

For the attention of: Peter van den Steen, BRP

Dear Mr van den Steen

Independent appraisal of voting interest, per section 145, “Participation by creditors”, Chapter 6, Companies Act 71 of 2008.

1. Your Request

In your capacity as Business Rescue Practitioner (“BRP”) to Bashee River Trading (Pty) Ltd, trading as Seemann’s (“Seemann’s” or “the Company”), you have advised that you are expected to comply with the terms of section 145(5)(b) of the Companies Act 71 of 2008 (“the Act”), which states: “The practitioner of a company must request a suitably qualified person to independently and expertly appraise and value an interest contemplated in subsection (4)(b) [a concurrent creditor who would be subordinated in a liquidation has a voting interest, as independently and expertly appraised and valued at the request of the practitioner, equal to the amount, if any, that the creditor could reasonably expect to receive in such a liquidation of the company]”. PricewaterhouseCoopers Advisory Services (Pty) Ltd (“PwC”, “we” or “us”) have been requested to assist in independently appraising the interest of the concurrent creditors who would be subordinated in a liquidation process. (“our work” or “the appraisal”).

2. Introduction

Seemann’s operate a speciality butchery with an attached deli and restaurant. Seemann’s filed a resolution placing itself into Business Rescue proceedings on 14 March 2014 and appointed Peter van den Steen as the BRP (“Peter” or “you” on 20 March 2014).

The BRP will publish his plan under section 150 of the Act on 30 May 2014 and as a result is required to advise certain creditors around their rights in the form of voting interests as prescribed by the Act.

In relation to this matter, you and your Attorney, Lara Kahn of Webber Wentzel, have drawn to our attention and advised us on the following with regards to the:

- the shareholders agreement clause 12.4.1 which provides that "Loan funding to (note should read "from") Shareholders as set out in this clause 12.3 will not be repayable unless the Company

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J G Louw – National Advisory Leader

The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.



achieves a debt (excluding any loan funding made available by Shareholders) equity ratio of 40:60"; and

- the creditors of the company, the only subordinated claims are those of the shareholders. The BRP has taken legal advice with regards to whether the relevant shareholder loan claims fall into the category of "concurrent creditors who would be subordinated in a liquidation" ie whether the loan claims in question constitute an " interest as contemplated in subsection 4(b)" and was advised that they do.

In light of the above matters brought to our attention and our high level review of other information provided by you, (described later in this letter as "Sources of Information") we have carried out our review in order to provide you with an opinion on the appraisal.

3. Requirements of the Act

The Act as per section 145 'Participation of Creditors', which provides for creditors at the time of filing for business rescue to receive voting powers equating to, (and we quote from the Act):

Section 145(4) "In respect of any decision contemplated in this Chapter that requires the support of the holders of creditors' voting interests:

- (a) a secured or unsecured creditor has a voting interest equal to the value of the amount owed to that creditor by the company; and
- (b) a concurrent creditor who would be subordinated in a liquidation has a voting interest, as independently and expertly appraised and valued at the request of the practitioner, equal to the amount, if any, that the creditor could reasonably expect to receive in such a liquidation of the company."

You have requested us to consider a shareholders loan which is subject to a subordination agreement. In terms of section 145(5)(b) of the Act, the BRP is obliged to:

"Request a suitably qualified person to independently and expertly appraise and value an interest contemplated in subsection (4) (b)".

4. Sources of Information

In the course of our work carried out, we relied upon financial and other information, obtained from the BRP. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in performing our appraisal include:

- valuation report of fixed and movable assets prepared by "Advanced Valuers";
- the Shareholders Agreement;
- the Subordination Agreement;



- illustrative statement of financial position of Bashee River Trading (Pty) Ltd;
- breakdown of trade and other payables as at March 2014; and
- breakdown of inventory as at March 2014.

5. Procedures

The procedures we performed comprised the following:

- high level analysis of limited financial information provided;
- high level review of shareholder loan and subordination agreements; and
- application of the subordination test as per the shareholder loan agreement clause 12.4.1 which provides that loan funding from shareholders will not be repayable unless Seemann's achieves a debt (excluding any loan funding made available by shareholders) equity ratio of 40:60.

6. Appraisal of Voting Interests Approach

In considering the voting interests, PwC firstly applied the debt to equity ratio test to ascertain whether the subordination would remain or convert to concurrent creditor status. To do this we excluded the shareholders loan from equity (as per the agreement) and applied the sum of March 2014 total liabilities.

For purposes of our estimated financial outcome for the liquidation calculation we used the basis above to determine the illustrative dividend in liquidation on the shareholders loan.

7. Assumptions

Our opinion is based on the following key assumptions:

- information provided as per the "Sources of Information" listed above, is reliable, complete and accurate;
- in the absence of up-to-date financial information as at 23 May 2014, we have assumed that the values used in our appraisal, specifically, but not limited to "bank overdraft" and "trade and other payables", do not materially vary from the values as 31 March 2014;
- cash and cash equivalents, intangible assets and goodwill, which form part of the statement of financial position, have been excluded from this appraisal;
- the costs of liquidation have not been calculated, however, according to section 89 of the Insolvency Act, liquidation (and associated) costs could easily amount to 30% of the estimated realisation (plus there is risk that sale proceeds will be much less than book value / valuation);
- there are likely to be the further secured and/or preference creditors which would further dilute the free residue available to concurrent creditors;



- we have not considered whether the classification of the shareholders loan as equity is correct or not but rather focused on the ratio assessment and liquidation estimate; and
- we have assumed that the advice provided by Webber Wentzel to the BRP, as required by the Act in the appraisal and determination of the subordination agreement has been assumed to be correct.

8. Appraisal

Our appraisal is based on the information provided, our procedures performed and through our experience both as Business Rescue Practitioners and advisors to Business Rescue Practitioners. We are of the opinion that the shareholders loan does not meet the required debt to equity ratio threshold to become concurrent and therefore remains subordinated.

Furthermore, our estimates of a liquidation dividend that would be received by shareholders in relation to this loan would be zero or more likely a contribution scenario, resulting in no voting rights being ascribed to this loan per the Act.

1. **SUBORDINATION:** The company has an equity position (net of the shareholders loan) that is negative due to accumulated losses, in the order of R20.9m as at March 2014. This means it is not possible to calculate the debt to equity ratio referred to in the Introduction (item 2) above. Furthermore, it would be necessary to recapitalise the company in excess of the accumulated loss of circa R21m in order to begin to calculate the ratio. This recapitalisation would need to be increased to more than R75m to achieve a ratio of debt to equity of 40:60. Please refer to table 1 below summarising the balance sheet provided to us.
2. **ILLUSTRATIVE LIQUIDATION VALUE:** Given that the shareholders loan remains subordinated, the value (if any) of the voting right of this claim is the liquidation value. We have not calculated this in the form of a liquidation and distribution account, however, believe our illustrative estimated financial outcome (table 2 below) shows a significant shortfall for concurrent creditors that provides a reasonable conclusion that the shareholders loan (if classified as subordinate) would not receive any distribution (zero) and therefore would result in a contribution, if a claim were proven to the liquidator. As a result there are no voting interests arising in Business Rescue to holders of the shareholders loan as is envisaged in section 145(b).



Table 1 : Illustrative balance sheet

Rands in 000s	Mar-14
Non-current assets	39,568
Current assets	32,188
Total assets	71,756
Equity	22,691
Share capital	1
Retained earnings	(20,906)
Subordinated shareholders loan	43,596
Non-current liabilities (Nedbank)	14,633
Current liabilities	34,432
Trade and other payables (various)	23,534
Bank overdraft (Nedbank)	10,898
Total equity and liabilities	71,756

(source : Management information and PwC analysis)

Table 2 : Illustrative estimated financial outcome liquidation values

Rands in 000s	Value per Valuation report*	Value per statement of financial position**	Possible realisation rate	Realisation before costs	30% cost estimate***	Illustrative liquidation value	Secured creditors
Encumbered Asset 1							
Portion 2 of Erf 418 Strijdompark Ext 26	12,300		100%	12,300	(3,690)	8,610	
Secured creditor amount							14,633
Encumbered Asset 2							
Trade and other receivables		22,806	50%	11,403	(3,421)	7,982	
Secured creditor amount							10,898
Free residue							
Inventory		9,309	10%	931	(279)	652	
Furniture and equipment	5,360		80%	4,288	(1,286)	3,002	
Vehicles	291		80%	233	(70)	163	
Total	17,951	32,115		29,155	(8,746)	20,408	25,531

* Value as per Valuation report of fixed and movable assets prepared by "Advanced Valuers"

** Value as per the statement of financial position as at 31 March 2014

*** Liquidation and costs per s89 of the Insolvency Act estimated at approximately 30% of the value of asset proceeds

(source : Management information and PwC analysis)

9. Independence

We confirm that PwC holds no shares in Bashee River Trading (Pty) Ltd, directly or indirectly. We have no interest, direct or indirect, beneficial or non-beneficial, in Bashee River Trading (Pty) Ltd or in the outcome of the business rescue.



Furthermore, we confirm that our professional fees, payable in cash, are not contingent on the outcome of the business rescue.

10. Limiting Conditions

This appraisal is technical and complex in nature. Our work has been limited by both time constraints and the high level of information provided.

11. Reliance on Information

We assume that the Company has used all reasonable skill, care and attention to ensure that all information that we may reasonably require to perform the Services was accurate and complete. The Company shall also notify us if it subsequently learns that the information provided to us by the Company is incorrect or inaccurate or otherwise should not be relied upon.

This document prepared by us is based upon the information provided by the Company (and/or on their behalf) and their respective management, including the BRP. The document has been prepared solely for the BRP of the Company for the purposes stated herein and should not be relied upon for any other purpose.

Whilst the engagement may involve an analysis of financial information and accounting records, the engagement does not include an audit in accordance with generally accepted auditing standards of the Company's existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and/or on behalf of the Company and/or their respective management. The Appraisal of an estimated liquidation value of the shareholders loan is as per the Act and does not constitute a valuation in accounting terms or valuation methodologies.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Venables', written over a light blue horizontal line.

Simon Venables
Director

A handwritten signature in black ink, appearing to read 'S Smyth', written over a light blue horizontal line.

Stefan Smyth
Associate Director