

20 May 2024

To: Affected Persons of West Pack Lifestyle (Pty) Ltd (in business rescue)

NOTICE TO THE AFFECTED PERSONS OF THE COMMENCEMENT OF BUSINESS RESCUE PROCEEDINGS IN RESPECT OF WEST PACK LIFESTYLE (PTY) LTD (REGISTRATION NUMBER 2015/084205/07) (IN BUSINESS RESCUE) ("THE COMPANY"), AND OF THE NOMINATION OF BUSINESS RESCUE PRACTITIONERS TO SUPERVISE THE COMPANY, IN TERMS OF SECTIONS 129(3)(a) OF THE COMPANIES ACT 71 OF 2008

1. You are hereby notified, in accordance with Section 129 of the Companies Act 71 of 2008 (as amended) ("the Companies Act"), that the board of Directors of the Company adopted a resolution on 9 May 2024, in terms of which the Company voluntarily commenced business rescue proceedings.
2. Accordingly, a form CoR 123.1, being a Notice of Beginning of Business Rescue Proceedings, as contemplated in section 129 of the Companies Act was filed with the Companies and Intellectual Property Commission ("the Commission") on 15 May 2024.
3. In accordance with the requirements of Sections 129 (3) (a) of the Companies Act, we attach copies of the following documents:
 - 3.1. the notice to commence business rescue proceedings, form CoR 123.1, filed with the Commission;
 - 3.2. the resolution passed by the board of Directors the Company;
 - 3.3. a sworn statement of the facts relevant to the grounds on which the board resolution was founded; and
4. The effective date of the Company's business rescue proceedings is accordingly **15 May 2024**.
5. The Company nominated Grant Chittenden, Jenna Osborne and Lance Schapiro to be its joint business rescue practitioners on 9 May 2024 and the form CoR 123.2, being a Notice of Appointment of the Business Rescue Practitioner, as contemplated in section 129 (b) of the Companies Act is in the process of being filed with the CIPC.
6. We will notify affected persons of the appointment of the business rescue practitioners once we have received confirmation of the appointments from the CIPC.

7. Please note that the aforesaid documents, as well as all other notices relevant to the business rescue proceedings of the Company, are also available at www.matusonassociates.co.za/wpl
8. In terms of section 147(1) and 148(1) of the Companies Act the business rescue practitioners must convene the first meeting of creditors and the first meeting of employees' representatives within 10 business days of their appointment. Further details about these meeting will be provided in due course.
9. If you have any queries relating to any operational issues, including ongoing trading and payment please continue to engage through the normal channels at West Pack Lifestyle (Pty) Ltd. For any queries specifically related to business rescue, please do not hesitate to contact us at creditors@westpackbr.co.za

Regards

For and on Behalf of West Pack Lifestyle (Pty) Ltd



Jose Cristovao Pereira Da Silva
Director



COMPANIES AND INTELLECTUAL PROPERTY COMMISSION REPUBLIC OF SOUTH AFRICA

Date: **15/05/2024**
Customer name: **LANCE SCHAPIRO**
Customer code: **LANC91**
E-mail address: **LANCESCHAPIRO@GMAIL.COM**
Rereference Number: **60001681027**

The Commission has received a form CoR123.1 Notice to Commence Business Rescue Proceedings in terms of section 129 or court order commencing business rescue proceedings in terms of section 131 of the Companies Act, 71 of 2008, dated 15/05/2024 for:

Company / Close Corporation Name: **WEST PACK LIFE STYLE (PTY) LTD**
Registration Number: **2015/084205/07**
Company / Close Corporation Status: **BUSINESS RESCUE**

The application was duly registered on 15/05/2024 and the effective date of commencement of business rescue proceedings is recorded as 15/05/2024.

Yours sincerely,

Commissioner: CIPC

The Companies and Intellectual Property Commission of South Africa
P.O Box 429, Pretoria, 0001, Republic of South Africa
DoceX 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za



2015/084205/07



60001681027



Certificate of Confirmation

Registration Number: **2015/084205/07**
Enterprise Name: **WEST PACK LIFE STYLE**

ENTERPRISE INFORMATION

Registration number: **2015/084205/07**

Enterprise Name: **WEST PACK LIFE STYLE (PTY) LTD**

Registration Date: **12/03/2015**

Business Start: **12/03/2015**

Enterprise Type: **PRIVATE COMPANY**

Enterprise Status: **BUSINESS RESCUE**

Financial Year End: **FEBRUARY**

Main business/Main object **NO RESTRICTION ON BUSINESS ACTIVITIES**

Tax number: **9900824153**

Addresses:

	Postal Address	Address Of Registered Office
	P O BOX 158 KRUGERSDORP 3370 1740	6 DWARS STREET KRUGERSDORP 3370 1739

Company Records Location:





Certificate of Confirmation

Registration Number: 2015/084205/07
Enterprise Name: WEST PACK LIFE STYLE

Registration Number: 2015/084205/07
Enterprise Name: WEST PACK LIFE STYLE (PTY) LTD

AUDITORS

Name

Postal Address

ACTIVE MEMBERS / DIRECTORS

Full Name	Director Type	ID Number	Appoint. Date	Cellphone Number	Address
DA SILVA JOSE CRISTOVAO PEREIRA	DIRECTOR	8402205142086	12/03/2015	0828183721	Postal:P O BOX 5881, KRUGERSDORP WEST, KRUGERSDORP WEST,3370,1742 Residential Address: STAND 788,PLOVERS NEST, FEATHERBROOKE, 3370,1739



2015/084205/07



60001681027

WEST PACK LIFESTYLE

09 MAY 2024
THE COMMISSIONER
THE COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
DIVISION: BUSINESS RESCUE

RE: WEST PACK LIFESTYLE (PTY) LTD
REGISTRATION NUMBER REG NO 2015/084205/07

MANDATE TO SUBMIT DOCUMENTATION

To Whom it may concern

I, JOSE CRISTOVAO PEREIRA DA SILVA, being a director of West Pack Lifestyle (Pty) Ltd confirm that I have been mandated by a resolution of the Board, dated 09 MAY 2024 (see attached) to sign all relevant documentation relating to the Business Rescue Proceedings of West Pack Lifestyle (Pty) Ltd.

As such, I hereby mandate that L Schapiro is authorised to submit, electronically or otherwise, all documentation pertaining to the Business Rescue to CIPC (including COR123.1, COR123.2 etc) on behalf of West Pack Lifestyle (Pty) Ltd.

For and on Behalf of West Pack Lifestyle (Pty) Ltd



JOSE CRISTOVAO PEREIRA DA SILVA
Director

West Pack Lifestyle (Pty) Ltd RG | 2015/084205/07

A| 43 Bertha Rd, Mostyn Park, Ext 1, Kaya Sand

T| (011) 791-1779 W| www.westpacklifestyle.co.za

**WRITTEN RESOLUTION OF THE SOLE OF DIRECTOR OF
WESTPACK LIFESTYLE (PTY) LTD (REGISTRATION NO.
2015/084205/07) (“THE COMPANY”)**

I, the person whose name appears below and who has signed this document (or any counterpart of it), am the sole director of the Company and I hereby adopt the following resolutions as written resolutions in accordance with section 74 of the Companies Act No 71 of 2008, as amended ("Companies Act"), and agree that they shall be as valid and effective as if they had been passed at a meeting of the board of directors of the Company duly convened, constituted and held.

1. INTRODUCTION

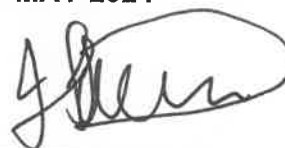
- 1.1 Having conducted investigations into the financial affairs of **the Company**, as more fully traversed in the sworn statement to be filed with this resolution, the board has recognised that **the Company** is financially distressed as envisaged in Section 128 (1)(f)(i) of the Companies Act 71 of 2008 ("**the Act**"), specifically in that **the Company** is unable to pay its debts as they become due and payable now and within the succeeding 6 (six) months.
- 1.2 The board of **the Company** recognises that it is the responsibility of the board to manage the business and affairs of **the Company**, in the best interest of **the Company** and in observance of the fiduciary duties and the duties of care and skill incumbent upon the board.
- 1.3 The board however believes, for the reasons traversed in the sworn statement to be filed with this resolution, that there are reasonable prospects for the rescue of **the Company** as envisaged in Section 128(1)(b) of **the Act**.

2. RESOLVED THAT:-

- 2.1 **The Company** voluntarily commence business rescue proceedings in terms of Section 129(1) of **the Act** and be placed under supervision of a business rescue practitioner.

- 2.2 Lance Schapiro (Identity No. 8404135027080) and Jenna Osborne (Identity No. 8506040100081) of Matuson & Associates (Pty) Ltd, situated at 3 Melrose Boulevard Melrose Arch Suite 23b, 4th Floor, and Grant Chittenden (Identity No. 7412065063083) of Credible Practitioners, situated at 99 Twin Palms Street, The Wilds Estate, Pretorius Park, 3370. 0181, be appointed as **the Company's** joint business rescue practitioners ("**BRPs**") in terms of Section 129(3)(b) of **the Act**, subject to the following being received from the **BRPs**:
- 2.2.1 confirmation of compliance with the requirements of Section 138 of **the Act**; and
- 2.2.2 written consent and acceptance of such appointment.
- 2.3 To achieve the above objectives **the Company** forthwith lodge all necessary documentation, information, the notice of Beginning of Business Rescue Proceedings (Form CoR 123.1) with the Companies and Intellectual Property Commission of South Africa ("**CIPC**"), and thereafter the Notice of Appointment of Business Rescue Practitioner (Form CoR123.2).
- 2.4 The sole director of **the Company** is hereby authorised on behalf of **the Company** to sign all documents and do all things necessary for **the Company** to begin the business rescue proceedings and to appoint the **BRPs** as its joint business rescue practitioners.
- 2.5 Insofar as any action has occurred before the adoption of the resolutions set out herein, such action is hereby authorised, ratified and approved to the fullest extent permitted at law.

SIGNED AT JOHANNESBURG ON THIS THE 09 DAY OF MAY 2024



JOSE CRISTOVAO PEREIRA DA SILVA

SWORN STATEMENT
IN SUPPORT OF
A NOTICE BEGINNING BUSINESS
RESCUE PROCEEDINGS IN
RESPECT OF WESTPACK
LIFESTYLE (PTY) LTD ("THE
COMPANY")

I, the undersigned,

JOSE CRISTOVAO PEREIRA DA SILVA
(ID No. 8402205142086)

do hereby make oath and state that:

1. I am a major male businessman with current place of employment at **the Company**. **The Company's** registration number is 2015/084205/07 and its registered office is located at 43 Bertha Street, Mostyn Park Extension 1, Kya Sands 2169.
2. The contents of this sworn statement are true and correct and unless stated otherwise the facts contained herein fall within my own personal knowledge and belief.
3. I am a director and the Chief Executive Officer of **the Company** and I am duly authorised to depose to this sworn statement.
4. I make this sworn statement in compliance with Section 129(3)(a) of the Companies Act 71 of 2008 ("**the Act**"). I am authorised by **the Company** to do so.

THE COMPANY

5. I am the sole director of **The Company**.
6. The issued shares of **the Company** are owned as follows:-
 - 6.1 The Cristovao Pereira Da Silva Family Trust as to 50%; and
 - 6.2 Jose Cristovao Pereira Da Silva Family Trust as to 50%.

7. **The Company** is principally involved in the retail industry and sells a diverse range of products to consumers.
8. **The Company** is one of eight related companies namely:-
 - 8.1 West Pack Lifestyle Distribution Centre (Pty) Ltd;
 - 8.2 West Pack Lifestyle (Pty) Ltd;
 - 8.3 West Pack Franchise (Pty) Ltd;
 - 8.4 Petzone (Pty) Ltd;
 - 8.5 Petzone Franchise (Pty) Ltd;
 - 8.6 Cafe Estreito (Pty) Ltd;
 - 8.7 Café Estreito Franchise (Pty) Ltd;
 - 8.8 Beija Flor Investments (Pty) Ltd.
9. The above companies are related by virtue of sharing substantially the same shareholder and me being effectively in control of each company. None of these companies are subsidiaries of a holding company and are therefore not formally consolidated as a group. Notwithstanding the aforesaid, for the purposes of this statement the companies, including **the Company**, when being referred to collectively, shall hereinafter be referred to as "**the Group**".
10. **The Company** employs approximately 924 (nine hundred and twenty four) employees.
11. **The Company's** Public Interest Score ("**PIS**") as last calculated is approximately 2603.
12. For the reasons set out below **the Company** is reasonably unlikely to pay its debts as and when they fall due for payment over the ensuing 6 (six) months. **The Company** is thus "*financially distressed*" as this term is defined in section 128(f) of the Companies Act 71 of 2008 ("**the Act**").

CAUSES OF FINANCIAL DISTRESS

13. **The Company's** financial distress arises from *inter alia* an accumulation of the following:-
- 13.1 Over the past four years, **the Group** has been on an accelerated growth path. This growth has placed strain on **the Group's** cash flows primarily due to:
- 13.1.1 the high capital cost of opening stores;
- 13.1.2 the increase in inventory levels, largely as a result of the incorrect product mix and.
- 13.2 Working capital constraints during 2023 resulted in **the Group** facing several challenges including difficulty in acquiring the correct stock and appropriate product mix.
- 13.3 Financial systems and procedures which have not managed mature and develop at the same speed as the Group has grown and have thus not been able to support the complexities of such a large group of businesses, with various inter-dependencies.
- 13.4 The depressed South African economy and loadshedding which changed buying habits.
14. Due to these facts **the Company's** turnover has steadily declined over the past number of months. It has not been able to achieve its budgeted turnovers. **The Company** has as a consequence been trading at a loss, which has put considerable pressure on its cash reserves.
15. In the result:
- 15.1 **the Company** finds itself "*financially distressed*" as this term is defined in terms of Section 128(1)(f) of **the Act** and for the reasons set out below, there is a reasonable prospect that **the Company** can be rescued; and

- 15.2 on 9 May 2024, the directors of **the Company** resolved that **the Company** be voluntarily placed into business rescue as envisaged in section 129(3) of **the Act**. The resolution will be filed evenly with this sworn statement.

LIQUIDATION PROCEEDINGS

16. To the best of my knowledge, there are no liquidation proceedings that have been initiated by or against **the Company**. **The Company** is also not involved in any major litigation.

PROSPECTS FOR RECOVERY IN BUSINESS RESCUE

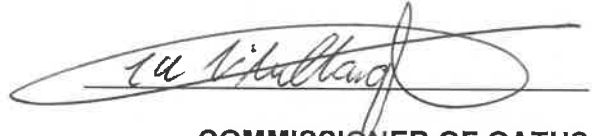
17. **The Company** is executing on initiatives to restructure the business and drive its turnaround which entails *inter alia*:
- 17.1 exploration of a number of offers to acquire either the assets or the business of **the Company** and/or **the Group**;
- 17.2 a corporate finance transaction;
- 17.3 improved procurement procedures and achieving optimal stock levels and product mix;
- 17.4 the sale of non-core assets;
- 17.5 reduction of overhead expenses and restructuring;
- 17.6 achieving an ideal retail footprint with market-aligned rental rates.
18. By implementing the above initiatives there will be a reasonable prospect of rescuing **the Company**.
19. A business rescue proceeding will afford **the Company** breathing space (per the moratorium) to allow its business rescue practitioners to explore the above initiatives and/or to engage with new potential investors and/or purchasers all with a view to restructuring **the Company** to render it solvent, and failing that, to wind down its assets or business to achieve a better return for **the Company**'s creditors and/or shareholders than would result from the immediate liquidation of **the Company**. It is for *inter alia*

these reasons that I hold the view that there are reasonable prospects for the rescue and recovery of **the Company** through utilising the business rescue processes envisaged in Chapter 6 of **the Act**.



DEPONENT

Thus signed and sworn to before me, at Sandton on this the 9th day of May 2024, by the deponent who has acknowledged that he knows and understands the contents of this affidavit, that he has no objection to taking the prescribed oath and that the prescribed oath is binding upon his conscience.



COMMISSIONER OF OATHS

Name: _____

Designation: _____

Address: _____

Tailei McCullough
Ex Officio Commissioner of Oaths
Non-practising Attorney
Republic of South Africa
84 Loper Ave, Spartan, Kempton Park, 1619