RENTOZA PROPRIETARY LIMITED

(Registration No. 2017/505489/07)

Incorporated in the Republic of South Africa

("**the Company**")

SWORN STATEMENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 129(3) OF THE COMPANIES ACT NO 71 OF 2008

I, the undersigned,

Mishaan Ratan

ID: 840317[redacted]087

do hereby make oath and state that:

1. I am a director of Rentoza Proprietary Limited (Reg No: 2017/505489/07) (the "**Company**"), a private company duly registered and incorporated in terms of the laws of the Republic of South Africa and having its registered address and main place of business at 148 Katherine Street, Barlow Park, Sandton, 2148.

2. The facts contained herein, unless the context indicates otherwise, are within my personal knowledge and are to the best of my belief both true and correct.

3. I am duly authorised to depose to this affidavit on behalf of the Company in terms of a resolution passed by the board of directors.

MR

4. The main reasons for deposing to this affidavit are:

4.1 to support the Company's notice to commence business rescue proceedings as envisaged and contemplated in terms section 129 of the Companies Act, Act 71 of 2008 (the "**Act**"); and

4.2 to set out facts which are relevant to the Company's current financial distress as contemplated in section 128(1) of the Act.

1. **INTRODUCTION**

1.1. On 21 May 2026, it was resolved that the Company voluntarily commence business rescue proceedings in terms of section 129 of the Act.

1.2. The resolution was passed because the Company is financially distressed as envisaged in section 128 of the Act.

1.3. The Company's main business activity is operating a premium goods subscription platform. It is well established and has been trading since 2017. It has a loyal employee base.

2. **FINANCIAL DISTRESS**

2.1. The Company is financially distressed as envisaged in section 128 of the Act.

2.2. The Company has experienced financial difficulties as a result of a number of factors including the following:

2.2.1. The company failed to acquire the requisite funding in time to continue normal business functioning

MC

2.2.2. The company failed to complete its audit financials in time for the last year on which funding was contingent.

2.3. As a result of the aforesaid, the Company is financially distressed because it appears to be reasonably unlikely that the Company will be able to pay all of its debts as they become due and payable within the immediately ensuing six months.

2.4. The Company, its employees, its shareholder and its creditors' interests will be better served by a restructuring and organisation of its financial affairs and to negotiate restructured payments with creditors, which will be best achieved by business rescue proceedings as envisaged in terms of the Act.

2.5. The Company's financial and operational difficulties may also be better served by the intervention of a business rescue practitioner to facilitate the implementation of a business rescue plan for the benefit of all affected parties of the Company.

3. <u>REASONABLE PROSPECT OF RESCUING THE COMPANY</u>

3.1 Transformation to an Asset-Light Operating Model

The Company has successfully transitioned from its historical asset-intensive operating model to a significantly more asset-light structure. This transformation has materially reduced the Company's dependency on external capital and working capital funding requirements while maintaining its ability to generate recurring revenue.

MC

As part of this transition, management has implemented substantial restructuring initiatives including workforce rationalisation, office consolidation and reductions in discretionary marketing expenditure. These initiatives have resulted in annualised cost savings of approximately R15 million and have reduced the Company's monthly cash burn by approximately 80%, from between R5 million and R8 million per month to approximately R2 million per month.

The operational restructuring already undertaken provides a significantly more sustainable platform from which the Company can continue trading and implement a formal rescue plan.

3.2 Established Revenue Generating Business Units

The Company continues to operate three active business units that collectively generate approximately R3.8 million in monthly recurring revenue.

Revenue is diversified across:

- The core subscription business, contributing approximately 90% of revenue and generating gross margins of approximately 60%;
- The marketplace business, contributing approximately 8% of revenue; and
- The vehicle subscription marketplace, contributing approximately 2% of revenue.

MP

The Company's core subscription business continues to demonstrate strong unit economics and remains the primary contributor to revenue and gross profit.

The continued generation of recurring monthly revenue provides a stable trading platform during business rescue proceedings and demonstrates that the Company remains a viable going concern capable of supporting a restructuring process.

3.3 Recurring Customer Base and Future Revenue Streams

The Company maintains an active subscriber base of approximately 5,680 customers, generating monthly recurring revenue of approximately R3.8 million excluding R300k in monthly defaults which are in legal collections processes.

Subscribers remain contracted to the business for extended periods, with an average customer lifetime of approximately 18 months and an average remaining subscription term of approximately 16 months. This creates a predictable and recurring revenue stream that is expected to continue throughout the business rescue process.

The existence of a substantial recurring customer base distinguishes the Company from businesses experiencing terminal decline and provides a foundation upon which a successful turnaround can be executed.

MC

3.4 Significant Asset Base and Recoverable Value

The Company has assets deployed in the market with a carrying value of approximately R111 million before depreciation.

In addition, the Company holds inventory and refurbished assets with an estimated value of approximately R5.76 million, including approximately R3.77 million in refurbished inventory available for redeployment or monetisation.

These assets provide a meaningful foundation for a restructuring process and represent value that can be preserved and enhanced through continued trading rather than being subjected to a distressed liquidation process.

3.5 Support from Stakeholders and Debt Restructuring Opportunities

The directors and founders of the Company have indicated a willingness to support a restructuring process, including the subordination and/or conversion of shareholder and founder funding where required to facilitate a successful rescue outcome.

The Company has also engaged with key creditors and lenders who have expressed a willingness to consider restructuring alternatives as part of a formal business rescue process.

Management believes that a consensual restructuring of liabilities, combined with the operational improvements already implemented, creates a realistic pathway toward stabilisation and recovery.

3.6 Better Outcome for Creditors than Liquidation

MR

The Company believes there is a reasonable prospect of achieving a substantially better outcome for affected persons through business rescue than would be achieved through immediate liquidation.

Based on preliminary assessments, creditors would likely realise a negligible recovery in a liquidation scenario due to the distressed nature of asset disposals and the costs associated with winding up the Company.

Conversely, a successful business rescue process is expected to preserve the Company's recurring revenue base, maintain customer relationships, maximise the value of assets deployed in the market, and provide creditors with a materially enhanced recovery. Management believes that recoveries in excess of 50 cents in the Rand may be achievable through an orderly restructuring process, compared to an estimated recovery of approximately 1 cent in the Rand under liquidation.

3.7 Conclusion

The Company has demonstrated a reasonable prospect of rescue based on:

- A successful transition to an asset-light operating model;
- Material reductions in operating costs and cash burn;
- Monthly recurring revenue of approximately R3.8 million;
- An established subscriber base generating predictable future cash flows;
- Significant asset value capable of supporting a restructuring process;

ME

- The willingness of founders and creditors to participate in restructuring initiatives; and

- The likelihood of achieving a materially better outcome for creditors than would be achieved through liquidation.

Accordingly, the directors are of the view that there is a reasonable prospect of rescuing the Company as contemplated in Chapter 6 of the Companies Act 71 of 2008.

4. **LITIGATION**

I, hereby confirm that Rentoza Pty Ltd is not involved in any litigious matters before any court.

WHEREFORE it has been resolved that the Company should apply for voluntary business rescue proceedings to be commenced in accordance with section 129 (1) of the Act.

DEPONENT

I HEREBY CERTIFY that the deponent has acknowledged that she knows and understand the contents of this affidavit which was signed and sworn to before me at Umbilo SAPS this the 29 of June 2026, the regulations contained in Government notice R1258 dated 21st July 1972 as amended by Government notice 1648 dated 19th August 1977 having complied with.

SOUTH AFRICAN POLICE SERVICE
COMMUNITY SERVICE CENTRE
2 9 JUN 2026
UMBILO
KWAZULU NATAL

7268074-1 CST
Buthelezi
COMMISSIONER