

08 JULY 2025

EMPLOYEES COMMITTEE

Attention: Mr. Simon Macheke

Mr. Sam Mahlangu

Co-Chairpersons

Per Email: simon@saewa.co.za

Samuel.mahlangu733@gmail.com

RE: DAYBREAK FOODS // FORMATION OF EMPLOYEES COMMITTEE

1. The above matter and your correspondence addressed on 07 July 2025.
2. We are pleased to be informed that the employees committee has formally been established.
3. From the outset, we look forward to engaging the committee on all labour related issues. We trust that the formation of the committee will enable proper communication channels to be implemented and will result in the swift resolution of disputes that may arise during the Company's business rescue proceedings.

4. We take note of the members which constitute the committee. For the sake of convenience, we will address all future correspondences to the committee, through the co-appointed chairpersons, as you have advised.
5. The BRP takes note of your request to convene the first employees committee within 10 days from the formation of same. In this regard, we propose that the meeting take place at the Olifantsfontein premises on 11 July 2025.
6. We have considered the contents of the proposed TOR and wish to comment thereto as follows:
 - 6.1. The dispute resolution mechanisms set out in clause 5.3.2 must be amended to make same subject to the legal moratorium imposed by Section 133 of the Companies Act ("the Act"). More particularly, no legal proceedings or enforcement action may be instituted against the Company, save for the exclusions specifically set out in Section 133 of the Act.
 - 6.2. The provision of meeting venues, communication tools and administrative support set out in clause 5.4.1 shall be subject to the Company's means at any given time.
 - 6.3. In terms of clause 5.5.1, the BRP cannot commit to having bi-weekly meetings having regard to the full schedule of the business rescue process.

6.4. The BRP, with respect, is not under an obligation to provide training to the employees committee as requested in clause 5.6.1. The BRP will, however, assist employees with any legal queries which they may have from time to time.

7. We trust that you find the above in order and await your response.

ELECTRONICALLY SENT

Tebogo Maoto
Senior Business Rescue Practitioner