MINUTES OF THE ELECTRONIC ANNUAL SHAREHOLDERS MEETING OF DOORNKOP FISH AND WILDLIFE RESERVE SHARE BLOCK (PTY) LTD HELD ON THE 31ST OF MAY 2025 AT 09H00

PRESENT:
DIRECTORS:
AS PER THE ATTENDANCE REGISTER

MEMBERS:
AS PER THE ATTENDANCE REGISTER

IN ATTENDANCE:
AS PER THE ATTENDANCE REGISTER

1. OPEN AND WELCOME

The Chairperson opened the meeting and welcomed everyone present.

The Chairperson advised that prior to the Annual Shareholders Meeting (ASM), Shareholders were given the opportunity to submit any concerns or queries in writing. This allowed the Board and VRS adequate time to respond formally. It was noted, however, that the current 48-hour window for submissions may be too short, and it was recommended that this period be extended to seven days in future to allow for more considered responses. For this ASM, written correspondence was received from the Goodman and Crocker families. Although the timeframe was limited, written responses were provided, and the Managing Agent replied to both families accordingly. Shareholders who remained dissatisfied were welcome to submit further written communication, to which the Board would respond appropriately. No other correspondence was received from Shareholders.

2. APOLOGIES / PROXIES / QUORUM

The Chairperson advised that 6 attendees had registered to partake in the Zoom Webinar. 2 Apologies, 2 Proxies and 2 Letters of Representation had been received. The quorum was no less than 3 persons representing at least 1% of the share capital, and who were entitled to vote and who were present in person or by proxy at the commencement and throughout the meeting.

As more than 3 persons were present representing 17.75% of the share capital, there was a quorum present and as the notice had been served timeously, the Chairperson accordingly declared the meeting as properly constituted.

The Chairperson confirmed that the ASM Notice was submitted to Shareholders within the required timeframe, and the meeting would proceed on the basis that the ASM Notice had been read.

3. MINUTES OF THE PREVIOUS ANNUAL SHAREHOLDERS MEETING HELD ON THE 18TH OF MAY 2024

The minutes having been circulated was accepted as read. The Chairperson reviewed the pages of the 2024 minutes and requested the floor whether there were any points to be raised or corrections to be made in this regard. The minutes were approved as a true record of the meeting.

4. MINUTES OF THE GENERAL MEETING HELD ON THE 18TH OF MAY 2024

The minutes having been circulated was accepted as read. The Chairperson reviewed the pages of the 2024 minutes and requested the floor whether there were any points to be raised or corrections to be made in this regard. The minutes were approved as a true record of the meeting.

5. PRESENTATION OF THE DIRECTOR'S INTEGRATED REPORT

The Director's Report having been circulated was accepted as read. The Chairperson highlighted the pertinent aspects of the Report and the events that had transpired since the last Annual Shareholders Meeting.

PAYMENT OF LEVIES

The Board extended sincere thanks to all Shareholders who continued to pay their levies, this support was deeply appreciated and essential for the ongoing sustainability of Doornkop. It was acknowledged that some Shareholders were facing financial difficulties, which remained a concern, particularly where arrears occurred.

MANAGING AGENT

The Board also wished to express appreciation to VRS for their continued support and dedication. VRS had now served as the Managing Agent for five years, and during this time, they had consistently brought a wealth of experience and professionalism to the table. While this was not intended to diminish the contributions of previous Managing Agents, VRS had clearly distinguished itself through its commitment to the well-being of Shareholders and the protection of lifestyle assets. Their involvement has had a positive impact, and their efforts were recognised and valued. The Board was pleased to have VRS on board and thanked them for their continued partnership in the stewardship of Doornkop.

MANAGING COUPLE

It was important to also acknowledge the efforts of the on-site management team within the VRS group, specifically Bosman and Dorette Matthyser. As the managing couple at Doornkop, they had made a significant and commendable contribution to the improvement of the Reserve. Despite the challenges faced, they continued to do their utmost to maintain and enhance operations. The Board extended its sincere appreciation and compliments to both VRS and the managing couple for their dedication and hard work.

THATCHED ROOFS – INSURANCE

From a financial perspective, Shareholders had the opportunity to review the Annual Financial Statements (AFS) and to raise any questions or comments as needed. Looking ahead, one of the most pressing challenges was securing insurance for thatch-roofed units.

VRS undertook extensive efforts to identify insurers willing to provide cover for these high-risk structures. After considerable difficulty, they were able to secure a provider, but only at a significantly increased premium. Unfortunately, there were no alternative options, and the Share Block had no choice but to proceed with the available insurer.

This substantial rise in insurance cost has had a notable impact on the financials. It was important to note that this issue was not unique to Doornkop, Resorts and property owners across the country were experiencing similar challenges due to the limited appetite in the insurance market for covering thatch structures.

RCI AND GUESTREVU

The Board remained guided by both the RCI and GuestRevu ratings; however, it was acknowledged that the RCI ratings could be somewhat inconsistent. Greater reliance was placed on the GuestRevu feedback, which was more accurate and reflective of the actual guest experience. This review system, introduced by VRS, has proved to be a valuable tool in monitoring and improving service quality.

LANDOWNERS ASSOCIATION

The relationship with the landowners remained strong and constructive. The three Shareholder Directors, Wayne Haw and Jacques du Randt, along with Alan van der Vyver, continued to play an active and supportive role in maintaining this connection. There was a noticeable improvement in collaboration between the two Boards, even though they functioned quite differently.

The landowners did not utilise a Managing Agent, which meant their Directors were more involved in day-to-day operations. In contrast, the Share Block relied on VRS as its Managing Agent, allowing its Directors to focus more on governance and oversight. Despite these structural differences, meaningful progress was being made in strengthening ties with the Landowners Association. Both sides faced their own unique challenges, but a spirit of cooperation continued to grow.

FISHING

The Chairperson noted that as far as the fishing was concerned, three of the dams were currently undergoing refurbishment.

LIQUOR SALES

The shop continued to face challenges with liquor sales due to the absence of a valid liquor license. The primary obstacle was a zoning issue, which now required a review of historical records involving the original Developer, a complex but necessary process to move forward. Management was actively working on resolving this matter and was in the process of applying for the appropriate license.

MAINTENANCE

One of the recurring points raised by Shareholders in their communication ahead of the ASM related to the challenges of balancing maintenance requirements with income and expenditure constraints. While it may appear simple to propose an increase in levies or the introduction of special levies, the reality was that many Shareholders were already operating at break-even.

The Board continued to do its utmost to manage essential maintenance within the financial limitations that existed. The focus remained firmly on maintenance, not even refurbishment, as this was critical to preserving the integrity of the asset.

For context, in considering the levy for the upcoming financial year, the Board debated whether a 6% increase or more would be appropriate to help build a surplus. However, such a move had to be weighed carefully against fiduciary responsibilities and the financial impact on Shareholders.

Maintaining the necessary balance was a daily challenge, and the Board remained committed to thinking creatively within those boundaries. Shareholders were encouraged to bring forward any practical suggestions, which would be welcomed and considered.

ACKNOWLEDGEMENT OF SHAREHOLDER SUPPORT

The Chairperson, on behalf of the Board, thanked the loyal Shareholders for their continued support and commitment to ensuring that Doornkop remained well-guided. Their assistance was truly appreciated.

6. PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Mr Nardus Esterhuizen presented the Annual Financial Statements and explained the various notes relating to the line items concerned. The following matters were highlighted during the presentation and discussion:

The Financial Statements were duly authorized by the Directors on the 20th of November 2024, confirming that they had been properly approved in accordance with governance requirements.

Attention was then directed to the Independent Auditor's Report. The auditors, JS Brewing & Co, issued a clean and unqualified audit opinion. Mr Nardus Esterhuizen, on behalf of the Board, expressed appreciation for the auditors' hard work and professionalism throughout the audit process, as well as their adherence to all agreed timelines.

Income and Expenditure - Levies raised for the year amounted to R5 574 421, with additional income totalling R982 672. Operational expenditure stood at R6 689 249, resulting in a deficit before interest and taxation of R132 156. Interest received was R92 088, an increase compared to the previous year, while interest paid amounted to R17 836. Taxation on other income totalled R102 568, leading to a final reported deficit for the year of R160 472. It was noted that this deficit primarily arose from marketing expenses of R104 000, costs related to the swimming pool totalling R53 000, and depreciation on the Mahindra vehicle.

Statement of Financial Position: Total assets amounted to R2 443 015. Of note was the trade and other receivables balance of R1 329 036, which included levy debtors totalling R6 230 651. A provision for bad debts of R4 944 314 was raised against these outstanding levies, where no formal payment arrangements had been concluded.

Current liabilities stood at R2 125 588, and non-current liabilities totalled R76 143, representing the vehicle loan. After accounting for all assets and liabilities, the Company's equity position was R241 284.

In terms of statutory compliance, the solvency ratio as of 30 June 2024 was 1.11:1, indicating that Doornkop Fish and Wildlife Reserve Share Block Ltd (Pty) remained solvent. The current liquidity ratio stood at 1.10:1 as of the same date, confirming that the Company remained liquid as well.

7. APPOINTMENT OF AUDITORS

The Board proposed the re-appointment of the Auditors, J.S. Brewin & Co. for the current financial year. No counterproposal had been received. This was a decision that needed to be taken by the Shareholders at the Annual Shareholders Meeting and the proposal from the Board was put forward as a Resolution for consideration by the Shareholders. The Shareholders by poll:

RESOLVED:
That J.S Brewin & Co, the Auditors, are appointed for the current financial year.

8. INSURANCE SCHEDULE

The meeting considered the circulated Insurance Schedule detailing the insured values, premiums, Broker and Insurer / Re-insurer for Doornkop Fish and Wildlife Reserve Share Block (Pty) Ltd and as there were no questions or objections, the Shareholders by poll:

RESOLVED:
That the Insurance Schedule is approved until the next Annual Shareholders Meeting.

9. ELECTION OF DIRECTORS

9.1 Mr HR Lubbe confirmed that in terms of the provisions of the Memorandum of Incorporation the minimum number of Directors was 3 and the maximum number of Directors was 10 and in terms of Article 17.1 of the MoI half of the elected Directors stood down by rotation.

9.2 As Mr WR Haw stood down and as he had confirmed that he was eligible and available for re-election, Mr HR Lubbe proposed that Mr WR Haw be elected by poll to fill the vacancy.

RESOLVED:
That Mr WR Haw is elected and appointed as Director to serve on the Board for the new term.

9.3 Mr HR Lubbe congratulated Mr WR Haw on his appointment.

9.4 As Mr AV van der Vyver stood down and as he had confirmed that he was eligible and available for re-election, Mr HR Lubbe proposed that Mr AV van der Vyver be elected by poll to fill the vacancy.

RESOLVED:
That Mr AV van der Vyver is elected and appointed as Director to serve on the Board for the new term.

9.5 Mr HR Lubbe congratulated Mr AV van der Vyver on his appointment.

After the election and appointment of Directors the following items were discussed:

A question was raised by Mr A Knock regarding the ownership of the physical assets, specifically, the bricks and mortar. In response, Mr JA du Randt clarified that the bricks-and-mortar assets were owned by the Company itself, the Share Block Company held legal ownership of the physical property.

Mr A Knock also raised a question regarding access to the member register, or at least a link to view the members. Mr JA du Randt clarified that the full member register could be shared due to compliance with the Protection of Personal Information Act (POPIA). It was also noted that it was unclear whether the request pertained specifically to attendees of this meeting or to the complete register of members.

Additionally, regarding Mr A Knock's request to access, the WhatsApp group link could be provided, and he could be added to his unit's WhatsApp group once the relevant details were verified.

Mr A Knock again requested access to the full Shareholder register. Mr JA du Randt, asked for the reason behind the request, expressing concern about potential misuse of the information, particularly for marketing purposes. He explained that while Shareholders may request access, the Board had to ensure the request was reasonable and that other Shareholders' personal information was protected. Mr JA du Randt requested that Mr A Knock submit his request in writing with a clear reason, which Mr Knock agreed to do.

Mr E Crocker noted that he had submitted a number of questions, which had been addressed, but additional queries had since arisen, particularly regarding the weeks and their analysis. He highlighted that only 61% of the available weeks had been levied and actually paid, which represented a significant concern for the Board. While the matter was being monitored on an ongoing basis, Mr E Crocker stressed the need for innovative thinking and alternative strategies, whether through arrangements with third parties or other means, to improve the current situation.

Furthermore, Mr E Crocker expressed concern about the limited success of the tender system, pointing out that only three weeks were transferred during the financial year. He questioned the level of effort and cost involved in maintaining the system given its limited outcomes and emphasised the need for a reassessment of its effectiveness, suggesting that alternative approaches should be explored.

The Chairperson clarified that, as mentioned at the start of the ASM, Mr E Crocker was fully entitled to submit a written response if he was not satisfied with the answers provided. However, he expressed the view that going through the entire list of questions during the ASM was not appropriate from a statutory perspective.

Mr E Crocker expressed concern, stating that a Notice had been circulated inviting comments and questions. However, after responding to that request, he felt it was unacceptable to now be restricted from discussing financial matters, particularly at this stage of the meeting.

The Chairperson addressed Mr E Crocker, stating that it was not worthwhile to engage in an argument at that point and that the approach being taken was not fair. He reiterated that, out of respect to the Shareholders, it had been clearly communicated that written responses were welcome. Submitting questions in writing allowed the Board and VRS the opportunity to consider the matters properly, consult as needed, and provide a well-considered response. Proceeding to address each matter in real time and seeking various opinions during the ASM would extend the meeting unnecessarily, which he felt was not the intended purpose of the ASM.

Mr E Crocker clarified that he was not requesting for everything to be handled immediately during the meeting. Rather, the responses he had received had naturally led to further questions. He acknowledged that if written submissions were preferred, that was acceptable. However, he pointed out that he had already submitted his initial questions and comments in writing and felt that this should have been sufficient to initiate action or at least begin addressing the issues raised.

The Chairperson acknowledged the importance of fairness to other Shareholders and the individual concerned. He expressed appreciation for Mr E Crocker's consistent engagement and noted his respect for that involvement. However, he emphasised that the current meeting was not the appropriate forum to address the matter in detail.

The Chairperson respectfully requested that Mr E Crocker submit his comments and questions in writing. This, he explained, would allow the relevant parties sufficient time to review the matters thoroughly, engage in internal discussions, and provide a well-considered and comprehensive response.

Mr E Crocker indicated that he was willing to submit his comments in writing but wished to raise one point regarding the financials before their acceptance of approval. Specifically, he referred to a previous suggestion about the possibility of revisiting the idea of implementing special levies. Although he had been told that such levies were not viable, he pointed out an apparent contradiction: a special levy had in fact been implemented by the Directors for repairs to the pool at Unit 17.

Mr E Crocker went on to express concern about the poor maintenance quality at Unit 17, particularly regarding the doors and door frames. He noted that when the issue was raised with management, the response was that it fell under the five-year maintenance plan. However, in his view, this had been the case for some time, and given the current financial conditions, he questioned the practicality of relying on a long-term plan without considering alternative solutions such as a special levy. Mr E Crocker concluded by saying he would submit additional comments in writing for further consideration.

The Chairperson addressed Mr E Crocker, assuring him that his questions were highly respected and always welcomed. He emphasised that there was absolutely nothing wrong with raising such matters. However, he suggested that discussing a special levy during the ASM may not be appropriate at that moment. Instead, the Board should be given the opportunity to consider the suggestion carefully.

If the proposal reflected a broader request from Shareholders to generate a surplus and a special levy appeared to be the solution, then the Board would need to evaluate the feasibility. The Chairperson cautioned, however, that there may be significant resistance from levy payers, which remained a major concern. Nonetheless, he acknowledged that the point raised was entirely valid.

A question was raised by Mr M Pienaar regarding maintenance, specifically, how maintenance was prioritised and whether there was a maintenance list in place.

In response, Mr WR Haw advised that there was a maintenance schedule in place. As previously mentioned, Resort management worked according to a five-year plan, which was informed by input from various sources. The primary constraint, however, remained the availability of funds. While the desire was certainly there to undertake more refurbishments and maintenance projects, the Company and its Directors had to act responsibly by assessing available funding and prioritising accordingly. It was, therefore, a balancing act that involved careful decision-making.

Mr A Knock noted that there was currently no facility for the repurchase of shares and strongly recommended that this be considered as a Special Resolution. He highlighted that with only approximately 62% of levies being collected, it was evident that many Shareholders were experiencing financial difficulty.

He further criticised the lack of effective marketing for the shares, stating that the current agent, Univate Properties, merely listed the shares without making any real effort to sell them. As a potential solution, Mr A Knock suggested that clauses be introduced to allow Shareholders the option to return their shares to the Company. Given that the Company owned the bricks and mortar, he argued, the Company should be permitted to either resell those shares or rent out the time. In his view, the current economic challenges made it essential to provide Shareholders with a practical exit route if they were no longer able to afford the levies.

Mr JA du Randt explained that the Share Block Company had implemented several measures to address the issue of arrear levies and underutilised shares. A debt collection agency had been appointed to pursue outstanding levies, and a sales agency was actively working to market and sell available shares. In addition, a tender list was circulated to existing Shareholders, inviting them to express interest in acquiring available shares.

Regarding the suggestion of a share buyback or surrender process, Mr JA du Randt noted that this posed legal challenges under the Companies Act, as it could be interpreted as a share buyback, something the Share Block was not permitted to do, since it could not legally own its own shares.

For non-paying or defaulting Shareholders, their usage weeks were being rented out through online travel platforms to generate additional income. This initiative had already yielded approximately R130 000 in confirmed bookings. Mr JA du Rand concluded by assuring Shareholders that active steps were being taken and that the situation was being closely managed.

Mr A Knock asked why there was reluctance to buy back shares. Mr JA du Randt responded that doing so would place an additional burden on existing Shareholders and, legally, a Share Block could not necessarily own its own shares. He explained that the primary function of the Share Block was to maintain the property. Mr JA du Randt invited Mr A Knock to email him for a more detailed explanation.

Mr A Knock argued that it was in the Share Block's interest to ensure Shareholders could afford levies, noting that levies had increased by an average of approximately 14% per annum since 2002, which he believed was unsustainable. While he acknowledged the Directors' efforts, particularly in keeping the latest increase below 5%, he stressed the need for proactive solutions to support those struggling to pay, warning that continued increases could make the Share Block unviable.

In response, Board members acknowledged the challenge, noting that it was an industry-wide issue and not unique to their situation. They emphasised their ongoing efforts to manage costs carefully and their shared commitment to protecting Shareholders' lifestyle investments, while stressing the importance of avoiding financially risky decisions in a difficult economic climate.

It was challenging to balance the differing priorities and expectations of all members. Some members advocate for special levies to fund improvements, while others call for levy reductions. Increasing levies often resulted in more defaults, yet deferring maintenance could lead to dissatisfaction and further non-payment.

The Board continually strived to find the right balance, having considered and tested various options. While the solutions may not be perfect, the intention was always to act in the best interests of the Shareholders and the long-term sustainability of the Share Block.

Mr A Knock acknowledged the Board's efforts but emphasised that a solution must be found due to the seriousness of the situation. He raised a concern to VRS, about the debt collection process. It appeared to him that levies were being submitted directly to the debt collection agency before Shareholders received their levy statements, resulting in additional fees.

It was clarified that levies were invoiced 90 days before occupation and had to be paid by then. If unpaid, the account moved to the collection queue after occupation. Mr WR Haw confirmed that handover to debt collectors should only happen post-occupation. Mr A Knock agreed, saying that was his understanding as well. The matter was left with a commitment to email further details so it could be investigated.

Mr M Pienaar noted that while a five-year maintenance budget was useful, it did not offer sufficient clarity from an investor’s perspective. There needed to be a clear understanding of what maintenance was specifically prioritised for the next 12 months. If such a plan was not in place, it raised concerns, either the funding was not available, or the planning was inadequate, both of which were problematic.

It was important to recognise that if an asset was visibly deteriorating, it undermined investor confidence. As noted by Mr A Knock, and rightly so, retaining Shareholder commitment was essential, especially when payment levels were already a challenge. Mr M Pienaar advised, that as a new Shareholder, he was committed to paying but expressed concern that it became difficult to justify when the condition of the property did not align with expectations. A balance must be struck, and part of that required transparent disclosure of the specific maintenance plans for the upcoming year.

The Board acknowledged the validity of the concern raised and committed to reviewing the matter. It was noted that in the previous financial year, maintenance was affected due to the need to prioritise insurance changes, as highlighted by the Chairperson. Ensuring insurance coverage was essential, but there was now a need to refocus on catching up with the maintenance plan.

Mr M Pienaar requested a copy of the maintenance plan for the next 12 months to gain clarity for decision-making. It was confirmed that such a plan existed. VRS would be able to facilitate the request. Mr M Pienaar was advised to submit the request via email so all questions could be addressed appropriately.

In closing, the Chairperson acknowledged the Shareholders' input, noting valuable suggestions such as formally introducing Directors and clarifying VRS’s role. The importance of improving virtual meeting mechanisms was also recognized. It was suggested that new participants submit questions in writing ahead of future ASMs to allow the Board and VRS adequate time to prepare thoughtful responses. Appreciation was extended to all Shareholders, the Board, and VRS.

9. DISSOLUTION OF MEETING

As there were no further matters for discussion, the Chairperson thanked the Shareholders for their attendance and participation and dissolved the meeting.

Approved and signed at Pretoria on the 30th day of May 2026.

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HR Lubbe
(Chairperson)