



11 February 2021

BOARD RESPONSE TO THE FIN24 INQUIRY

Dear Mr Cronje,

Thank you for affording Daybreak Farms the opportunity to respond on this matter.

In light of the seriousness of the allegations levelled against the leadership of our company, Daybreak Farms has moved swiftly to ensure that the organisation remains stable and its long-term sustainability is not threatened in any way.

A special meeting was convened by the Board of Directors on the evening of 10 February 2021, where Mr Lerato Nage was given reasonable opportunity to present documentary evidence in response to the allegations. In the interest of good governance, the meeting was chaired by an alternative Board member and minutes thereof drafted by the Board secretariat.

It was resolved at the meeting that the Board reaffirms its position that Mr Lerato Nage will remain Chairman of the Board of Daybreak Farms. The Board has also initiated a consultation with the Public Investment Corporation (PIC) to further deliberate on the matter.

The Board of Daybreak Farms is committed to acting in the best interest of the organisation, shareholders, employees, customers, and the communities it serves. The independent forensic investigation involving all matters related to the leadership of the organisation is already underway. All stakeholders will be kept abreast of any new developments in this regard.

We look forward to future engagements with you.

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