



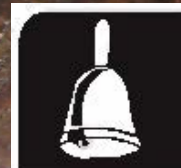
Project DB2.0

Teaser

*Vertically Integrated Poultry
Operation*



**DAYBREAK
FOODS**



PARK VILLAGE AUCTIONS

Trusted by banks, respected by buyers

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BACKGROUND

Daybreak Foods (Pty) Ltd (“Daybreak”) is seeking a Strategic Equity Partner (“SEP”) to invest in the business or acquire the business through a purchase of shares or assets, under supervision of the Business Rescue Practitioner (“BRP”).

Daybreak has been a significant player in the South African poultry industry for over two decades. Commencing business in 2001, the company has grown into a vertically integrated poultry operation, encompassing the full value chain.

The company has its head office in Clayville Gauteng, with operations in Delmas and Kinross in Mpumalanga, Bela-Bela and Mokgopong in Limpopo, and Howick in KZN (KZN asset being disposed separately)

Before entering business rescue the business had produced ~82,000 tonnes of meat and employed ~2,800 employees across four provinces, yielding a net revenue of ~R2.5bn as at the March 2025 financial year.







At its peak production of ~118,000 tonnes of meat in 2023, its net revenue was ~R3.7bn.



Company and Sector Overview

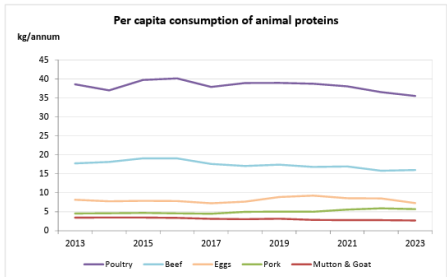


Business Overview

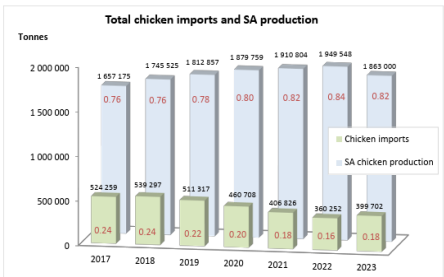
Value Chain	 Feed Mill	 Breeder Farms	 Hatchery	 Broiler Farm	 Abattoir	 Head Office
Capacity	17 000 tons	700 000 birds' capacity	1.75 million DOC weekly	1.1 million broiler capacity	140 birds per minute	1400 pallets capacity warehouse
Cycle	N/A	65 weeks	21 days	33 days	1 day	N/A

South African Poultry Sector key Statistics and Insights

1. The South African **poultry industry** is the **single largest contributor to the agricultural sector**, accounting for **ca. 17.8% of agricultural gross value** and **42.9% of animal product gross value** in 2023 (SAPA).
2. In **2023**, the **industry** was estimated at a **total gross value** of **ca. R80bn**, comprising **ca. R66bn of poultry meat** and **ca. R14bn of egg production**.
3. Poultry, the **most affordable animal protein** in the country, currently provides **ca. 55% of locally produced red and white meat protein consumed** in the country.
4. Production of **poultry meat has rebounded** after the **Highly Pathogenic Avian Influenza** (“HPAI” shock of 2023, reaching **1.59m tonnes in 2024** and forecast to rise to **1.65m tonnes in 2025** (USDA).
5. Industry bodies forecast chicken to capture the **bulk of incremental meat demand** this decade, **underlining robust domestic offtake** and **upside in value-added products**.
6. Analysts **forecast a 5% - 6% compound annual growth rate** in sector revenues between 2025 and 2030, driven by population growth, urbanisation and quick service demand.
7. Effective **protection from imports** has **tightened** over the **last few years** through tariffs and anti-dumping measures. Imports are expected to **trend downwards as industry output grows**.
8. Exports into the **rest of Africa** provide a **growth opportunity** for the sector, with South African product mainly **exported to the SADC region at present**.



Poultry remains the **most consumed animal protein**, consumption expected to grow as it is the most affordable protein and economic environment expected to be challenging.



Poultry imports on the decline as a percentage of local production – **local output increasing**, except for 2023 where local production was affected by the HPAI outbreak.

Current Status and Investment Opportunity



Current Status

Investment opportunity

- At present, all core operations at Daybreak remain suspended, except for the Breeder and hatchery operations, which continue to function under strict oversight and external support
- Extensive work is underway to develop a phased reactivation plan that minimizes the company’s exposure to compliance, operational and financial risks
- The reactivation plan includes a potential investment by an SEP with the requisite skills and capital to ensure the long-term sustainability of the business

- Before entering business rescue Daybreak controlled ca. 7% of the South African poultry meat market share
- The transaction perimeter includes fully integrated poultry business, 1 feed mill, 2 breeder farms, 1 hatchery (KZN hatchery disposed in separate transaction), 6 broiler farms, 2 abattoirs and a warehouse facility at head office

The BRP seeks partners possessing the following attributes:

Key investment highlights include:

- ✓ Access to Market
- ✓ Operational Capability
- ✓ Access to Capital
- ✓ B-BBEE Credentials

- 🏭 Large installed capacity (~1.5 million birds/week)
- 👥 Skilled workforce (~2,800 employees)
- 🚚 Proximity to consumer market (Gauteng)
- 📈 Positioned for quick ramp-up



Process, Timeframes and Contacts



Expressions Of Interest (EOI):

- EOIs to be submitted to Park Village Auctions by no later than 30 September 2025.
- Acceptance as and when EOI conditions fulfilled (NDA, FICA, Deposit, proof of funding).

Deposit Requirement:

- R3 million deposit required to be paid at EOI submission, refundable to unsuccessful bidders.

Due Diligence:

- Successful EOI participants will have the opportunity to perform a due-diligence. Access to a Data Room and site visits will be provided.

EOI Submission Format:

Expressions of Interest to include:

- Introduction to buyer / buying consortium
- High-level strategy (investment in and/or acquisition of business or individual assets)
- Relevant experience in the poultry industry or with similar acquisitions
- Indication of valid proof of funding / bank guarantee to execute the transaction
- BBBEE credentials
- Expected timeline for completing a transaction

EOIs submitted electronically to: John.taylor@parkvillage.co.za

For queries regarding the opportunity please contact: John on 082 416 3883 or

john.taylor@parkvillage.co.za / Jaco on 082 798 9476 or jaco@parkvillage.co.za

Indicative Timeline

