IN THE COMPANIES TRIBUNAL OF SOUTH AFRICA

Case no.: **CT02507ADJ2025**

In the *ex parte* application of:

DMC EVOLUTION (RF) (PTY) LTD Applicant

Presiding member: Richard Bradstreet

Date of decision: 7 January 2026

DECISION (Reasons and Order)

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1. The Applicant is DMC Evolution (RF) (Pty) Ltd, a ring-fenced private company incorporated in terms of the laws of the Republic of South Africa, with registration number 2018/099594/07, and registered address at 12 Esplanade Road, Quigney, East London, Eastern Cape, 5201.

2. This application is brought in terms of section 72(5)(*b*) of the Companies Act 71 of 2008 ("**the Act**") for an exemption from the requirement to appoint a Social and Ethics Committee ("**SEC**"), notwithstanding that the Applicant's public interest score exceeds the threshold prescribed in regulation 43. The Applicant submits that, having regard to the nature and extent of its activities, it is not reasonably necessary in the public interest for it to be required to

appoint an SEC. The material submissions advanced in support of the application may be summarised as follows.

3. The Applicant explains that it is a ring-fenced private company, established as a special purpose debt funding vehicle within a group structure. Its activities are confined to the raising of funding through debt instruments, the acquisition and administration of debtors' books, and the performance of related administrative and compliance functions. It does not conduct trading activities, does not provide goods or services to the general public, and does not maintain an operational footprint.

4. The Applicant further submits that it has no employees. All substantive operational, employment-related, labour, and human resources functions are performed at the level of its servicer, Opco 365 (Pty) Ltd, which administers and manages the Applicant's affairs in terms of the relevant transaction documents. In these circumstances, the statutory functions of an SEC relating to labour and employment matters, as contemplated in regulation 43(5)(*a*)(v), are not capable of meaningful application to the Applicant.

5. It is also submitted that the Applicant does not engage in activities that would materially influence or promote social or economic development in any community, nor does it operate as a corporate citizen in a manner that would give rise to considerations under regulation 43(5)(*a*)(i) or (ii). Any broader social or economic impact arises, if at all, from the activities of the servicer, rather than from those of the Applicant itself.

6. With regard to environmental, health and public safety considerations, the Applicant explains that it does not produce goods, operate facilities, or conduct activities that could give rise to environmental impact or public safety concerns. Its functions are limited to financial structuring and administrative processes, and there is therefore no scope for the monitoring contemplated in regulation 43(5)(*a*)(iii) to apply.

7. The Applicant further submits that it does not interact with retail consumers or members of the general public. Its counterparties consist exclusively of sophisticated institutional investors, and its transaction documents prohibit advertising or direct marketing to the public. Accordingly, matters relating to consumer relationships, public relations, or consumer protection, as contemplated in regulation 43(5)(*a*)(iv), do not arise.

8. The Applicant's public interest score exceeds the prescribed threshold almost entirely as a result of its third-party liabilities, which are intrinsic to its function as a debt funding vehicle. The Applicant submits, and I accept, that this elevated score does not reflect any corresponding increase in public exposure, operational scale, or societal impact.

9. It is also relevant that the holding company of the servicer has an established SEC, which performs oversight functions in relation to the operational activities that do have a direct interface with employees, communities, and consumers. In this sense, the objectives underlying section 72 and regulation 43 are achieved at the level of the group where the activities giving rise to social and ethical considerations are in fact undertaken.

10. Having regard to the nature and extent of the Applicant's activities described above, as set out in the founding papers, I am satisfied that the appointment of an SEC would not meaningfully advance the public interest objectives of the Act. The Applicant has accordingly made out a proper case for exemption in terms of section 72(5)(*b*).

ORDER

11. The Applicant is exempted from the requirement to appoint a social and ethics committee in terms of section 72(5)(*b*) of the Companies Act 71 of 2008, for a period of five (5) years from the date of this decision.

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Richard Bradstreet

Member of the Companies Tribunal

7 January 2026