



## CONSOLIDATED POWER PROJECTS

Consolidated Power Projects (Pty) Ltd

Co. Reg. No. 1963/006171/07

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c/o Old Johannesburg Road and Tlokweng Street  
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**Website:** [www.concogrp.com](http://www.concogrp.com)

**Delivered by Email To:** All known Affected Persons of Consolidated Power Projects Proprietary Limited  
(in business rescue)  
Companies and Intellectual Property Commission

**Displayed:** Registered office and principal place business of the Company and anywhere  
where employees are employed

**Published:** On the website maintained by the Company and accessible to Affected  
Persons

**Hand delivered to:** Relevant Trade Unions, after distribution and publication

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April 2021

**Attention:** All Affected Persons of the Company  
Companies and Intellectual Property Commission

### **STATUS UPDATE REPORT REGARDING THE PROGRESS OF THE BUSINESS RESCUE PROCEEDINGS OF CONSOLIDATED POWER PROJECTS PROPRIETARY LIMITED (IN BUSINESS RESCUE) ("COMPANY")**

1. In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008, as amended ("**Act**") when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, a business rescue practitioner is required to–
  - 1.1. prepare a report on the progress of the business rescue, and update it at the end of each subsequent month until the end of the business rescue proceedings; and
  - 1.2. deliver the report and each update to each affected person and to the Companies and Intellectual Property Commission.
2. Accordingly, we hereby provide you with the third report on the status of the Company's business rescue proceedings.



3. Since the publication and distribution of the second status update report, the following has occurred:

3.1. Publication of the proposed Business Rescue Plan for the Company

3.1.1. The business rescue practitioners ("**BRPs**") published the proposed Business Rescue Plan for the Company ("**Plan**") on 1 March 2021. The Plan was distributed to all known Affected Persons and is available to view and download under the "Business Rescue" tab on the Company's website at: [www.concogrp.com](http://www.concogrp.com).

3.1.2. Capitalised words not otherwise defined in this report shall have the meaning ascribed to them in the Plan.

3.2. Amendments to the Plan

3.2.1. On 11 March 2021, a notice in terms of sections 144(3)(a), 145(1) and 146(a) of the Act, was circulated to all affected persons. In this notice, we detailed the amendments made to 'Annexure F – List of Creditors of the Company' ("**Annexure F**"). Following the Publication Date, certain Affected Persons submitted further evidence regarding their Claims. This evidence was reviewed and reconciled with the Company's records and subsequently, the BRPs determined the need for certain amendments to be made to Annexure F of the Plan.

3.2.2. In addition to these amendments, Annexure F was further updated to include a List of Disputed Creditors of the Company. The BRPs accepted these Claims at their face value, for the sole purpose of their voting on the Plan. These Claims remain in dispute and constitute Disputed Creditors.

3.2.3. Furthermore, the BRPs informed affected persons that minor semantic changes were made to paragraphs 2.17.3.5.2 and 2.17.3.5.3, of the Plan.

3.2.4. These amendments are detailed in the aforementioned Notice, which has been circulated to affected persons and is available to view and download on the Company's website.



### 3.3. Outcome of the vote on the Plan held at the Meeting in terms of Section 151(2) of the Act

- 3.3.1. Notice was given to all known Affected Persons of the Company that a Meeting in terms of Section 151(2) of the Act ("**Meeting**") would be convened virtually by the BRPs for the purpose of determining the future of the Company through consideration and voting on the Plan.
- 3.3.2. The Meeting was held virtually on Friday 12 March 2021 at 10:00.
- 3.3.3. The BRPs permitted voting by proxy at the Meeting and provided Affected Persons with proxy forms, prior to the Meeting. Due to the virtual nature of the Meeting, Creditors and any other holders of a voting interest, could also submit their votes by live submission during the meeting or alternatively, they could submit their votes to the BRPs via email, by 17h00 on Monday 15 March 2021 (provided they were present at the meeting).
- 3.3.4. For the Plan to be approved and binding on the Company, it must be supported by the holders of more than 75% of the total Creditors' voting interests that were voted and the votes in support of the proposed plan must include at least 50% of the independent creditors voting interests, if any, that were voted.
- 3.3.5. Votes were cast by all Creditors and any other holders of a voting interest, present and voting at the meeting, and of the votes cast: **99.04% voted in favour** of the Plan; **0.96% voted against** the Plan; and **0.00% abstained** from voting on the Plan.
- 3.3.6. Of the votes cast by the independent creditors with voting interests: **98.33%** of the independent creditors voted in favour of the Plan; **1.67%** of the independent creditors **voted against** the Plan; and **0.00%** of the independent creditors **abstained** from voting on the Plan.
- 3.3.7. Based on the above, the Plan has been approved with an overwhelming majority of support and has therefore been adopted.
- 3.3.8. Affected Persons are reminded that in terms of section 152(4) of the Act, a business rescue plan that has been adopted is final and binding on the company, and on each of the creditors of the company and every holder of the company's securities, whether or not such a person was present at the meeting; voted in favour of adoption of the plan; or, in the case of creditors, had proven their claims against the Company.



- 3.3.9. Accordingly, the adopted Plan is final and binding on the Company and on all Affected Persons.
- 3.4. Disputed Creditor Claims – Section 3.3 of the Plan provides a Dispute Mechanism process for persons to deal with any disputes related to claims. Creditors who dispute the amount and/or the inclusion/exclusion of their claims against the Company reflected in Annexure F, are at liberty to follow such process if they so wish.
- 3.5. Projects – As stated in the previous status update report, we, together with the current management of the Company and its post-commencement finance (“**PCF**”) funders, identified those projects which the Company intends to or has the ability to complete. We continue to engage with all relevant stakeholders of the various key projects and have informed relevant parties whether a project will be completed by the Company.
- 3.6. PCF – We continue to engage with PCF lenders on a regular basis in an effort to secure the further PCF required to facilitate the business rescue proceedings and to allow the Company to continue to trade. The Company’s business rescue proceedings and ongoing ability to trade are wholly dependent on PCF, which will continue to be needed until such time as a number of the key projects start to generate positive cash flows. These anticipated cash inflows will be utilised for the purposes of the business rescue as well as repayment of PCF.
- 3.7. Employees – We continue to communicate and engage with the employees and the members of the Employee Committee, as and when needed.
- 3.8. Creditors – We continue to engage with Creditors and the members of the Creditors’ Committee regarding the business rescue proceedings of the Company, as and when such engagement is required or requested.
- 3.9. Cost Reduction Initiatives – We continue our ongoing efforts to reduce operating costs, wherever possible.
- 3.10. Asset and Business Sales – We are engaging with interested parties regarding sale processes related to assets surplus to the needs of the Company. These include but are not limited to, subsidiary companies, properties, shareholding, projects/claims and movable assets. The cash-inflow generated from these disposals will be utilised to offset the PCF requirements and to provide working capital for the business rescue proceedings - ultimately for the benefit of all Affected Persons of the Company.



4. If you have any queries, they may be directed to [br@concogrp.com](mailto:br@concogrp.com). All relevant notices circulated to Affected Persons of the Company, to date, have been published on the Company's website at [www.concogrp.com](http://www.concogrp.com), under the "Business Rescue" tab.

Yours faithfully,

A handwritten signature in black ink, consisting of several fluid, overlapping strokes. The signature is positioned above a solid horizontal line.

**PF van den Steen**  
**Joint Business Rescue Practitioner**  
**Consolidated Power Projects (Pty) Ltd**

A handwritten signature in black ink, featuring a large, circular initial 'M' followed by several smaller, connected letters. The signature is positioned above a solid horizontal line.

**MDT Liebenberg**  
**Joint Business Rescue Practitioner**  
**Consolidated Power Projects (Pty) Ltd**

**Companies and Intellectual Property Commission  
Republic of South Africa**

**Form CoR 125.1**

**About this Form**

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
  - a) The Commission, if the business rescue proceedings were started by the company; or
  - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

**Contacting the Commission**

The Companies and Intellectual Property Commission of South Africa

**Postal Address**

PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 086 100 2472

[www.cipc.co.za](http://www.cipc.co.za)

**Business Rescue Status Report**

**Date:** 02 April 2021

**Customer Code:** WERKMP

**Concerning**

*(Name and Registration Number of Company)*

**Name:** Consolidated Power Projects Proprietary Limited

**Registration No:** 1963/006171/07

The above named company commenced business rescue proceedings on 02 November 2020.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

**Name and Title of person signing on behalf of the Practitioner:**

PF van den Steen and MDT Liebenberg - Joint Business Rescue Practitioners

**Authorised Signature:**

