

**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

Business Rescue Status Report

Date: 03 August 2021

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Consolidated Power Projects Proprietary Limited

Registration No: 1963/006171/07

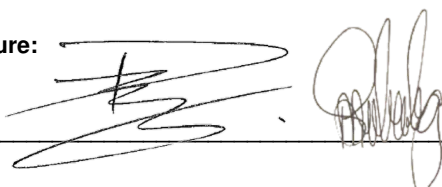
The above named company commenced business rescue proceedings on 02 November 2020.

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:





CONSOLIDATED POWER PROJECTS

Consolidated Power Projects (Pty) Ltd

Co. Reg. No. 1963/006171/07

Physical address: 1 Shale Road – N1 Business Park,
c/o Old Johannesburg Road and Tlokwa Street
Kosmosdal, Centurion, 0157, South Africa

Postal address: Private Bag X42
Halfway House, 1685, South Africa

Tel. no. +27 11 805 4281/2/3

Fax: +27 11 805 1132

E-mail: info@concogrp.com

Website: 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 of 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

03 August 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 ("**CIPC**").
2. Accordingly, we hereby provide you with the seventh report on the status of the Company's business rescue proceedings.
3. Capitalised words not otherwise defined in this report shall have the meaning ascribed to them in the legally binding Business Rescue Plan of the Company, duly approved and adopted by the relevant Affected Persons on Friday 12 March 2021 ("**Plan**").



4. Affected Persons are hereby updated on the following matters which have occurred or remain relevant since the distribution and publication of the sixth status update report:

4.1. Change of Registered Physical Address – Affected Persons are hereby notified that the lease for the Company’s Johannesburg office, which acts as the Company’s primary registered physical address, has been terminated. As of 01 August 2021, the Company’s Johannesburg office **will no longer be situated** at 1 Shale Road – N1 Business Park, c/o Old Johannesburg Road and Tlokwa Street, Kosmosdal, Centurion.

The Company’s new physical address is:

Regus Offices Midrand - Birchwood Court
43 Montrose Street
Vorna Valley
Johannesburg
1686

The Company is in the process of processing this change with the CIPC.

The Company’s postal address has not changed and remains:

Private Bag X42
Halfway House
1685
South Africa

4.2. Post-Commencement Finance (“PCF”) – As outlined in previous status update reports, the Company’s business rescue proceedings and ongoing ability to trade, are wholly dependent on the PCF provided by the PCF lenders. To date, sufficient PCF has been approved to be advanced by PCF lenders to enable the implementation of the business rescue plan, according to the Company’s current cash flow forecast. We continue to engage with PCF lenders on a regular basis to keep them apprised of progress and PCF requirements/utilisation.

4.3. Projects – Our view remains that endeavouring to bring all projects identified as key projects to a state of final completion or making alternative arrangements which will ensure their final completion, is of direct benefit to the Company and/or its Affected Persons. In this regard, we are pleased to confirm that we have successfully negotiated extended completion dates for two of the Company’s ongoing projects - in Kenya and Botswana – both identified as key projects.

4.4. Employees

4.4.1. The Company’s implementation of the section 189A large scale retrenchment process, which commenced prior to the onset of business rescue proceedings, remains ongoing and in accordance with the Plan.



4.4.2. The Company employed 773 employees at the commencement of business rescue, on 02 November 2020.

4.4.3. As of 01 August 2021, c. 80% of these employees have exited the Company by way of the section 189A large scale retrenchment process or alternative section 197 transfer processes. Upon their exit, the employees who exited through the section 189A process, have all received their full retrenchment package entitlements and benefits, as per the Labour Relations Act, No. 66 of 1995.

4.4.4. Since the commencement of business rescue, a further c. 8% of these employees have exited the Company for other reasons, including by way of resignation and/or retirement.

4.4.5. The Company continues to employ 96 employees as of 01 August 2021.

4.4.6. We continue to communicate and engage with the employees and the members of the Employee Committee, as and when needed.

4.5. Cost Reduction Initiatives

4.5.1. We have reduced operating and overhead costs significantly - when comparing our expected forecasts for overheads over the period 2021 and 2022, the BRPs have implemented cost cutting strategies which have resulted in a reduction of overheads by c. 42%. We continue our efforts to further reduce these costs, wherever possible.

4.5.2. The substantial reduction and the continued decrease in the Company's overhead and operating costs are a result of several cost saving initiatives implemented by the BRPs. These initiatives include, but are not limited to, the following: extensive IT cost reductions, the renegotiation of the terms and conditions of the Head Office lease and the early termination thereof on 31 July 2021, the relocation of the Head Office to a much smaller, more cost-effective office space and the ongoing head-count reduction across the CONCO Group, by way of the section 189A large scale retrenchment process.

4.6. Asset and Business Sales – We continue to engage with interested parties regarding sale processes related to assets and businesses surplus to the needs of the Company, in accordance with the Plan.

4.7. Guarantees – Of the total guarantees outstanding as at the commencement of business rescue, 16% have been returned to the guarantee providers (by way of reduction, cancellation or expiry) and 20% have been called. Thus, 64% of guarantees remain outstanding as of 30 June 2021.



- 4.8. Disputed Creditor Claims – As detailed in previous status update reports, 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 of the Plan, are at liberty to follow such process if they so wish. The Company has recorded all disputes duly submitted to the Company, to date. All persons who have submitted disputes are advised that the Company has commenced a process of investigating and analysing all disputes and will revert to the relevant persons with feedback regarding the submitted dispute, in due course.
5. Affected Parties are reminded that all notices and documents regarding the business rescue proceedings of the Company, to date, have been circulated to all known Affected Persons and have additionally been published on the Company's website at: www.concogrp.com, under the "Business Rescue" tab.
6. If you have any queries, they may be directed to the business rescue email address at: br@concogrp.com.

Yours faithfully,

A handwritten signature in black ink, consisting of several bold, sweeping 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 loops. The signature is positioned above a solid horizontal line.

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