

**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: 08 October 2021

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Consolidated Infrastructure Group Limited

Registration No: 2007/004935/06

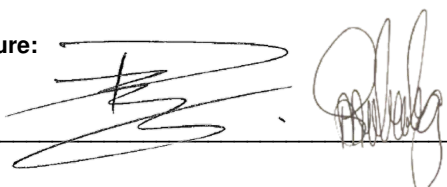
The above named company commenced business rescue proceedings on 09 November 2020.

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:





Delivered by Email To: All known Affected Persons of Consolidated Infrastructure Group 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

08 October 2021

**REPORT ON THE STATUS OF THE BUSINESS RESCUE PROCEEDINGS OF CONSOLIDATED
INFRASTRUCTURE GROUP 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 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 October 2021 report on the status of the Company's business rescue proceedings.
3. Capitalised words not otherwise defined in this notice shall have the meaning ascribed to them in the Plan.
4. Affected Persons are hereby updated on the following matters which remain relevant since the publication and distribution of the sixth status update report:



- 4.1. Asset and Business Sales – Negotiations regarding potential sales processes related to assets and businesses of the Company which are available to realise potential value for the Company's Affected Persons, are ongoing. As the Company has delisted, updates with regards to the sale processes shall be included in these monthly reports.

Sale of Major Assets:

- 4.1.1. Conlog: A comprehensive sale process is underway for the sale of Conlog. The sale process has advanced to the point whereby a limited number of interested parties are being directly engaged, with a view to negotiating and concluding the sale transaction with a preferred party (or group of parties). The sale process was hampered due to the lengthy COVID-19 Level 4 lockdown in South Africa as well as the unrest, particularly in Durban where Conlog keeps its primary manufacturing facility and head office. The transaction is now expected to complete in Q1 of 2022 and will likely be subject to a number of competition authority approvals in various African jurisdictions which could potentially cause delays to the implementation of the transaction.
- 4.1.2. CBM: The sale process of CBM has advanced significantly, culminating in the signing of transaction agreements on or about 16 September 2021. There are a number of conditions precedent contained in the sale agreement, including the regulatory requirements of the CBM sale transaction, specifically the requirement for DMR Section 11 approval, which the Business Rescue team are now in the process of managing. Transaction closure is subject to the receipt of such regulatory approvals.
- 4.1.3. AES: The sale process of AES has advanced, and negotiations are being concluded. Transaction agreements are now expected to be signed during the month of October 2021. Whilst we previously anticipated limited regulatory requirements to close this transaction, it is now possible that certain regulatory approvals may in fact be required. The Business Rescue team is in the process of engaging with CIG's attorneys in this regard in order to finalise the regulatory requirements and streamline the process to closure.



Sale of Smaller Assets:

- 4.1.4. CIGenCo: As per the Plan, the Ejuva assets (CIGenCo SA) was disposed of in April 2021. The remaining material assets within the CIGenCo business unit have been disposed of. As part of the sale of the Ejuva assets and the remaining assets, an element of deferred consideration exists which is in the process of being collected (to the extent possible). Collection of the deferred consideration, if due and payable, shall likely occur in Q1 2022.
- 4.1.5. Tractionel: As per the Plan, Tractionel was disposed of in April 2021. An element of deferred consideration exists, which is in the process of being collected (to the extent possible). Collection of the deferred consideration, if due and payable, shall likely occur in Q2 2022.
- 4.1.6. CPM: As per the Plan, CPM was disposed of in March 2021. An element of deferred consideration exists, which is in the process of being collected (to the extent possible). Collection of the deferred consideration, if due and payable, shall likely occur in Q4 2021.
- 4.1.7. Consolidated Power Projects Energy Solutions ("CONCO ES") - The Company is pleased to confirm that the sale process of its wholly owned subsidiary, CONCO ES, has been concluded. The transaction involved the sale of the ES business (defined in the sale agreement as selected contracts, employees and certain fixed assets and inventory) from CONCO ES to DLO Energy Solutions Proprietary Limited, a company owned by DLO Resources Group and JMD Energy Resources. This transaction enabled the Company to ensure that the ES business could continue to trade as a going concern and in so doing, ensured the retention of all current employees. DLO Energy Solutions is a 100% Black Owned, 51% Black Female Owned, level 1 BBBEE EPC and O&M Service Provider.
- 4.2. Disputed Creditor Claims – As noted in previous reports, Section 3.2 of the Plan provides a Dispute Mechanism process for Creditors to deal with any disputes related to Claims. Creditors who wish to dispute the amount and/or the inclusion/exclusion of their claims against the Company reflected in Annexure E are at liberty to follow such process if they so wish.



**Consolidated
Infrastructure
Group Limited**

5. If you have any queries, they may be directed to business.rescue@ciglimited.com. Affected Persons are reminded that all relevant notices circulated to the Affected Persons of the Company, to date, have been published on the Company's website at www.ciglimited.com, under the Business Rescue tab.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'PF van den Steen', written over a horizontal line.

PF VAN DEN STEEN
Business Rescue Practitioner
Consolidated Infrastructure Group Limited

A handwritten signature in black ink, appearing to be 'MDT Liebenberg', written over a horizontal line.

MDT LIEBENBERG
Business Rescue Practitioner
Consolidated Infrastructure Group Limited