

**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: 28 April 2022

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Consolidated Infrastructure Group Limited

Registration No: 2007/004935/06

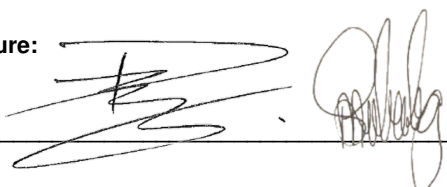
The above named company commenced business rescue proceedings on 09 November 2020.

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

April 2022

**REPORT ON THE STATUS OF THE BUSINESS RESCUE PROCEEDINGS OF CONSOLIDATED
INFRASTRUCTURE GROUP LIMITED (IN BUSINESS RESCUE) ("COMPANY" or "CIG")**

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 April 2022 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 March 2022 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 was undertaken for the sale of Conlog. The sale process was hampered and ultimately terminated due to the lengthy COVID-19 lockdowns in South Africa as well as the unrest, particularly in Durban where Conlog keeps its primary manufacturing facility and head office. As a result, the originally envisaged transaction has been terminated. The Business Rescue team continues to provide Conlog with the support that it requires, to deliver on its performance and valuation expectations, while engaging with the relevant stakeholders to ensure alignment, in an effort to maximise returns from the asset. An accelerated sale process is currently underway to determine if Conlog can be sold at a reasonable value within a short timeframe. As part of this process, the corporate advisors to CIG have commenced negotiations with a number of potential bidders with regard to a potential sale. CIG seeks to complete the accelerated sale process in its entirety before the end of December 2022.

4.1.2. AES: The sale process of AES has now completed with all sale proceeds in relation thereto having been received.

4.1.3. CBM: As previously disclosed, 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 requirement for DMR Section 11 approval, which the Business Rescue team are in the process of managing. Transaction closure is subject to the receipt of such regulatory approvals.

Sale of Smaller Assets:

4.1.4. CIGenCo: As previously disclosed, the sale proceeds for the sale of the Ejuva assets (CIGenCo SA) have been received in full. There remains an element of deferred consideration in relation to the CIGenCo Mauritius business, which is in the process of being collected. The timing and quantum thereof is uncertain as these are dependent on uncertain future events.

4.1.5. Consolidated Power Projects Energy Solutions (“CONCO ES”) – as previously disclosed, the sale process of the Company’s wholly owned subsidiary, CONCO ES, to DLO Energy Solutions Proprietary Limited (“DLO ES”) has been concluded. It should be noted that one of the primary beneficial factors of the transaction, was



the considered retention of employees. The primary aspect that enabled the transfer of employees from CONCO ES to DLO ES, was the ceding of specific contracts entered into between another wholly owned subsidiary of the Company's, Consolidated Power Projects Proprietary Limited (in business rescue) ("**CPP**"), and certain entities within the Eskom Holdings SOC Limited Group ("**Eskom**"). In this regard, CONCO ES, CPP and DLO ES continue discussions with Eskom regarding the cession of these contracts from CPP to DLO ES.

4.2. Contingent liabilities – Of the total financial guarantees outstanding as at the commencement of the Consolidated Power Projects (Pty) Ltd ("**Conco**") business rescue, which are in turn guaranteed by the Company, **c. 32%** have been **returned to the guarantee providers** (by way of reduction, cancellation or expiry) and **c. 20% have been called** (i.e. now recognised as creditor claims in the Company). Thus, **c. 48% of Conco guarantees remain outstanding** as of **31 March 2022**.

5. If you have any queries, they may be directed to business.rescue@ciqlimited.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.ciqlimited.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