

30 August 2021

Ms Dominique Haese./Nova Board

Additional questions related to Nova's acquisition of Convey Assist/Cold Creek

Due to unforeseen circumstances and the delay in sourcing court documents from the Deed's Office, I haven't been able to conduct further research into the Convey Assist transaction. However, I plan to publish the first article on Friday.

Please find a request and few additional questions related to the Convey Assist acquisition.

1. Will you make the minutes of the meeting where the Nova board decided to acquire Convey Assist available to me?
2. Can you confirm the exact amount Nova paid for Convey Assist?
3. Can you confirm the exact amount Nova sold Cold Creek for? Can you disclose who bought the property from Nova?
4. Do you think the Nova Group and its board adhered to the highest level of corporate governance and ethics when this property was acquired?
5. RMB's liquidating valuation of the property, as disclosed in the liquidation application, was R18 million. Why did Nova not wait for the liquidation and potentially acquire the property at a (potentially) significantly reduced amount?
6. Nova took over Mr Myburgh's Convey Assist loan account. Nova's 2014 AFS states that Mr Myburgh has a loan account of R9 962 758. Is this the value of Mr Myburgh's Convey Assist loan account Nova took over? If not, what was the amount?
7. On what basis did Nova take over Mr Myburgh's loan account?
8. The following paragraphs appear in the Income Plan Scheme of Arrangement document:

**2.39** "restructuring funding" means the funding envisaged by the boards of directors of the Income Plan Companies to be raised by the Income Plan Companies, to be utilised to make payment in terms of the scheme of –

2.39.1 the scheme creditors' scheme consideration in respect of the claims of scheme creditors, excluding, the claims, of scheme shareholders and bondholders insofar as they may qualify as scheme creditors, the claims of scheme shareholders and bondholders being specifically dealt with and/or restructured in terms of the provisions of 4.3 and 4.9 below respectively, to the exclusion of the terms and conditions and effects of the scheme on the claims of scheme creditors as provided for in 4.2 below; 2.39.2 the procuring of the upgrading works; 2.39.3 the Sharemax

*Investments parties claims; and 2.39.4 the working capital funding;*

**2.60** *"upgrading works" means the construction and upgrading works and activities required to be undertaken at the instance of the Income Plan Companies, and completed, in order to procure the upgrading of all or certain of the Income Plan properties, to the best benefit of the businesses of the relevant Income Plan properties, and the Income Plan properties as a group, with the specific aim of enhancing the rental income and capital growth to be derived from the business activities of the Income Plan properties, following such upgrading works, it being furthermore recorded that the funding required to pay for the upgrading works will form part of the restructuring funding, and shall not exceed the amount of R 250,000,000 (Two Hundred and Fifty Million Rand);*

- a. These paragraphs clearly state Nova is not allowed to procure external properties. If you disagree with this interpretation, refer me to the paragraphs stating Nova can acquire the property.
  - b. Has Nova procured any other additional property which did not form part of the original Sharemax portfolio?
9. Ms Haese signed a sales contract between the Convey Assist shareholders and Marcybix PTY LTD as a witness on 8 December 2011. Did she sign this contract as a witness during office hours or after hours?

Kind Regards  
Ryk van Niekerk  
Editor of Moneyweb



Ryk van Niekerk <ryk@moneyweb.co.za>

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## RE: Moneyweb questions 31 August 2021

1 message

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**Dominique Haese** <dominique@novapropertygroup.co.za>  
To: Ryk Van Niekerk <ryk@moneyweb.co.za>

6 September 2021 at 09:36

Dear Mr van Niekerk

1. Your email dated 30 August 2021 ("your latest email") must be read in conjunction with your email dated 17 June 2021 ("your earlier email") and my reply of 22 June 2021 ("my reply") to your earlier email.
2. Insofar as the purchase price of Cold Creek is concerned, you yourself, in your earlier email, pointed to the fact that the purchase price was recorded in the 2013 AFS. It is unclear why you continue to ask a question in respect of an answer that is already known to you.
3. As to the sale of Cold Creek, it has not been sold.
4. Nova bought the shares in the Cold Creek company, in other words, inclusive of all its assets and liabilities. This included a historic loan account to a number of parties and Mr Myburgh. Mr Myburgh's extant Nova loan account has nothing to do with the Cold Creek transaction. All Related Party balances and transactions are fully disclosed in the Annual Financial Statements.
5. The recitations contained in paragraph 8 of your latest email do not accord with the assertions made in paragraph 8a of your latest email and the Schemes of Arrangement do not preclude Nova from having purchased assets outside of the original Sharemax portfolio. The extent of Nova's property portfolio is fully disclosed in Nova's AFS as published from time to time.
6. The import of paragraph 9 of your latest email is not understood and is, quite frankly irrelevant to any issue that has formed the subject matter of our previous debates.

**You are, once again, requested to quote the above responses and the content of my reply verbatim in any publication in this regard that you may release**

Kind Regards



NOVA PROPERTY GROUP

## Dominique Haese

Chief Executive Officer

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**From:** Ryk van Niekerk <[ryk@moneyweb.co.za](mailto:ryk@moneyweb.co.za)>  
**Sent:** Tuesday, 31 August 2021 10:57  
**To:** Dominique Haese <[dominique@novapropertygroup.co.za](mailto:dominique@novapropertygroup.co.za)>  
**Subject:** Moneyweb questions

Dear Ms Haese

Please find an attached set of questions.

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**Ryk van Niekerk**

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 **Questions to Nova 31 August.pdf**  
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