



Companies and Intellectual
Property Commission

a member of **the dtic** group

“Without Prejudice”

23.03.2026

Jean-Pierre Tromp

Trustee: Nova Debenture Trust

Per Email: jp@carian.co.za

RE: NOVA PROPGROW GROUP HOLDINGS LIMITED - NON-COMPLIANCE WITH SECTION 30 OF THE COMPANIES ACT

Dear Mr. Tromp

1. The Office of the Commissioner acknowledges receipt of your email, through the business unit under which the subject matter resides for enforcement purposes.
2. Ere we address your request for a response to certain itemized focal areas from the follow-on email dated 13 March 2026, we wish to address the distorted posture portrayed by your misrepresentation of facts in the email dated 09 March 2026, wherein you stated:

“Respectfully, the CIPC’s perceived silence regarding this matter over several years, and particularly in relation to the 2025 AFS, is interpreted as tacitly endorsing the conduct of the Board and the Audit Committee. In my professional opinion, decisive action should already have been taken to protect the very stakeholders (i.e., Debenture Holders) whom the Companies Act is expressly designed to safeguard.”

- 2.1. The CIPC, after issuing a Notice to Show Cause Regarding Reckless Trading or Trading Under Insolvent Circumstances to the Nova board in February 2021, took further enforcement steps against the Board by issuing two Compliance Notices in October 2021 and July 2022 respectively. In August 2025, an additional Notice to

Show Cause Regarding Reckless Trading or Trading Under Insolvent Circumstances was issued to the Nova Board.

2.2. Subsequent to the above interventions, the CIPC issued Media Releases in August 2022 and August 2024 respectively, informing the general public about the latest developments on the case.

2.2. To further expand on CIPC's decisive actions taken to date, it's worth rehearsing the following to you:

2.2.1. As recorded in the Final Inspector Report dated 25 July 2022:

"...Nova's directors have consistently approved its AFS late for the past four (4) consecutive financial years, from 2018 up to and including 2021. Over the last ten (10) years, it has approved its AFS late for seven (7) years on aggregate. This is a continued contravention of the Act, which requires that annual financial statements be prepared within six months after the end of a company's financial year, or such shorter period as may be appropriate to provide the required notice of an annual general meeting." ¹

"Not only is the late approval of AFSs a contravention of the Act, the timeliness of the reported information renders the usefulness thereof significantly futile, as users of Nova's AFSs would not be in a position to make timely and accurate decisions based on the information provided. By the time the AFS are approved and or published, material changes to the financial position and or performance of the company would have transpired." ²

2.2.2. Based on the above merits and the entirety of the findings expressed in the aforementioned Final Inspector Report, the CIPC issued a Compliance Notice instructing the Nova Board to cease the disposal of immovable assets, pending the outcome of inter-regulatory deliberations.

¹ At Section 4.5, page 21

² At Section 4.5, page 21-22

2.2.3. Subsequent to the issuance of the said Compliance Notice per para. 2.2.2. above, the Nova board sought to appeal the Notice through the Companies Tribunal ('the Tribunal'). As part of this appeal, an interlocutory process ensued in terms of the discovery of information contained in an Internal Memo referred to as Annexure F in the said Final Inspector Report. The Tribunal ruled in favour of the CIPC, after which the Nova Board approached the North Gauteng High Court to appeal the Tribunal order. This dragged for approximately 24 months, subsequent to which, on 30 July 2025; the CT resolved to strike Nova's appeal off its register of hearings. As such, case CT01130ADJ2022 no longer has a standing in the Tribunal's records. This eroded circa three years of precious time from our enforcement process.

2.2.4. At the time of writing this response, the CIPC had engaged various regulators at different junctures over the past three years to deal with the cross-departmental friction points of enforcement caused by the legislative intersections explicit to this case. The outcomes of such engagements will lead to expeditious enforcement and accurate redress of la egal recourse that is effective, just and procedurally fair.

2.2.5. We wish to add, at this juncture, that part of the plight suffered by Debenture Holders, whom you purport to represent and in whose interest you ought to act; is directly linked to your 'overnight' unilateral approval³ of extending the debenture repayment schedule beyond the ten-year period stipulated in the contentious Schemes of Arrangements. For the record, your letter explicitly said:

"I have nevertheless on the assumption that your view is correct, considered the issue and having done so, I confirm that I have decided to approve the postponement of the redemption of debentures and the payment of Debenture Holders beyond the 10-year period and this letter, which I have sent to the directors of PropGrow and Investments, constitutes my approval in this respect."

³ At Section 4.1., page 9

2.3. You will therefore appreciate, from the rehearsal of facts above, that the CIPC has taken decisive action against the Nova Board and has not, contrary to your averments, been silent about the conduct of the Nova Board.

2.4. In terms of your request for CIPC to make a ruling or decision confirming whether the Nova Group of Companies is in contravention of section 30 of the Act:

2.4.1. We advise that according to our records:

2.4.1.1. Nova PropGrow Group Holdings Ltd last filed its audited annual financial statements on 17/05/2024, for the financial year ended 28 February 2023.

2.4.1.2. Nova Property Group Investments (Pty) Ltd last filed its annual financial statements on 24/01/2025, for the financial year ended 28 February 2023.

2.4.1.3. Both companies have again contravened Section 33 of the Act. Furthermore, the XBRL version of the said filings were materially defective, making Nova even more non-compliant and reinforcing the CIPC's position *"that it would be unjustified to allow the company to carry on with business in the manner in which it has conducted itself over the past ten years."*⁴

2.4.2. To buttress the accuracy of Notice 33 of 2024, with emphasis on the requirement to prepare and approve annual financial statements within six months after the end of the financial year, in ***G.U.D. Holdings (Pty) Ltd v Companies and Intellectual Property Commission and Others (818/24) [2026] ZASCA 10 (4 February 2026)***, at para. 3; the Supreme Court of Appeal judgement delivered by Meyer JA held that:

"In terms of s 30(1) of the Companies Act, a company must prepare annual financial statements annually within six months after the end of its financial year. Sections 29 and 30 provide for what is to be contained in the financial statements. ...It must also file an annual return in the prescribed form within the prescribed period after the end of the anniversary date of its incorporation. In that return, it must include copies of its annual financial statements..." [emphasis added]

2.4.3. The court supra, at para. 15, continued to state that:

"Part C of Chapter 2 of the Companies Act (ss 23-34) is titled 'Transparency, accountability and integrity of companies'. This part of the Companies Act provides that a company must annually prepare financial statements and prescribes what they must contain. It directs that they must be audited and, together with the company's annual return, be submitted to the Commission." [emphasis added]

2.4.4. In citing **Cape Empowerment Trust Limited v. Druker and others**⁵, where the court held that "...It is through the publication of the company's financial statements that the shareholders, investors and creditors of the company have an idea of the state of affairs of the company, more particularly its solvency and liquidity position" ; Maier-Frawley J, in **Pillay v Stokes and Others (2022/22021) [2025] ZAGPJHC 733 (24 July 2025)**, endorsed the peremptory nature of Section 30, by stating that "...the preparation and publication of annual financial statements and the need to keep these on the records of the company in order that these be accessible to any person who has a beneficial interest in the company serves to round off the disclosure requirements contemplated in section 30 of the Companies Act." [emphasis added]

2.4.5. In light of the aforementioned, the CIPC hereby unequivocally confirms that the Nova Group of Companies, consolidated as Nova PropGrow Group Holdings Ltd, is in contravention of section 30 of the Act by not causing the preparation and approval of annual financial statements within six months of its financial year end.

2.5. Per Section 185(4)(b) of the Companies Act, "Except to the extent prescribed otherwise by or in terms of this Act, a certificate, notice, decision, determination or ruling issued or made with respect to any particular matter contemplated in this Act by-

(a) The Commissioner; or

(b) A person designated by the Commissioner to perform a particular function of the Commission, -

is the certificate, notice, decision, determination or ruling of the Commission with respect to that matter."

⁵ [2016] JOL 36987 (WCC) at par 10.

3. Having confirmed the contravention of Section 30 per para. 2 above, we can confirm that certain enforcement steps are in motion and are expected to unfold in two legal recourses, one dealing with Nova and its Board, the other with the constellation of entities that gave rise or contributed (expressly and tacitly) to the causal chain of events and outputs which resulted in Nova's formation and control of the Erstwile Sharemax Investments (Pty) Ltd; the net effect of which has been the erosion of capital and value under the control of the Nova board.
4. In terms of timelines, we cannot divulge the exactness of the subsequent actions as that could potentially compromise the integrity and outcomes of the investigation.
5. Kindly be advised that this response is not an invitation to engage in a dialogue with you or the Nova Board nor should it be construed as a passage to seek further clarification on the merits of the response.
6. The CIPC does, however, reaffirm its commitment to perform its functions without fear, favour or prejudice.
7. We trust you find the above in order.
8. The Commission's rights remain firmly reserved.

Sincerely,



Cuma Zwane
Senior Investigator: Corporate Compliance
and Disclosure Regulation

Joey Mathekga
Head: Corporate Compliance and
Disclosure Regulation