

Basil Read Holdings Limited
Incorporated in the Republic of South Africa
Registration Number 1984/007758/06
Share Code: BSR ISIN: ZAE 000029781
("Basil Read Holdings" or "the company")

UPDATE TO THE BASIL READ LIMITED BUSINESS RESCUE PLAN

Shareholders are referred to the last announcement released on SENS on 8 April 2022 in relation to the Business Rescue proceedings for Basil Read Limited ("BRL"), a subsidiary of the Company.

Given that the Business Rescue proceedings of BRL have not been concluded within three months of the commencement thereof, the Business Rescue Practitioners ("BRPs") publish a monthly update report in terms of section 132(3)(a) of the Companies Act 71 of 2008 ("Companies Act"). In this regard, twenty five update reports are available on www.matusonsassociates.co.za/basilread/. These update reports should be read in conjunction with the Business Rescue Plan.

These latest reports indicate the following:

1. The Group continued operating steadily despite the contraction in the local and global economies.
2. BRL has completed all the construction contracts that were earmarked for completion with the Employers having issued the Performance Certificates in this regard. BRL is now targeting the commercial close out, which includes final account determination and return of Construction Guarantees for two contracts in namely:
 - 2.1. TCTA (Olifants River Water Resources Development Project - Phase 2);
 - 2.2. Eskom Medupi Building Project.

3. The aggregate contingent liability in the form of construction guarantees have been reduced to R72.6 million versus R1.1 billion at the beginning of the rescue proceedings.
4. BRL continues to pursue contract claims as it relies heavily on claims proceeds to meet its commitments. Although there has been considerable progress in obtaining favourable rulings with respect to certain of these claims, some Employers continue withholding payments necessitating additional legal action to enforce the rulings. Thus, the timing of receipts of funds for these claims remains uncertain.
5. The BRPs have reported no further developments in the realisation of the non-core assets given the prevailing depressed economic conditions domestically and globally.
6. The business rescue practitioners remain of the view that a full implementation of the Business Rescue Plan will achieve a better result than a liquidation.
7. From a Basil Read Holdings Limited perspective, the implementation of the Business Rescue Plan of BRL continues. However, its effect at a group level remains uncertain until it is completed. Therefore, the suspension will remain in place until the implementation is complete and the effects on the group can be determined.

8. Due to the ongoing business rescue process of BRL, the Company will not be in a position to release financial results for the six months ending 30 June 2022.

Bedfordview

14 September 2022

Company secretary
Emmaus Holdings (Pty) Limited

JSE Sponsor
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