From: info@ndcag.co.za <info@ndcag.co.za>
Sent: Tuesday, 25 August 2026 10:06
To: 'admin@novapropertygroup.co.za' <admin@novapropertygroup.co.za>
Subject: Attention CEO Dominique Haese, Board Chair Connie Myburgh and the other Directors

NOVA DEBENTURE CREDITORS ACTION GROUP

NOVA SKULDBRIEF KREDITEURE AKSIEGROEP

Attention CEO Dominque Haese, Board Chair Connie Myburgh and other Directors

We wish to take issue with you regarding recent statements made by Ms Haese in response to Debenture Trustee J-P Tromp's lodgement of a CoR135.1 Complaint with CIPC over the missing cover bond for the debentures in respect of the Flora Centre property

Firstly, in your letter addressed to Klagsbrun Edelstein Bosman Du Plessis Inc. (KEBdP), Ms Haese stated that:

> "In addition to the above, should your client have the right to busy himself with the matters dealt
> within the letters as he claims he has the right to do (the existence of which right is denied)
> then your client's right to do so has prescribed as of on or about 18 January 2025, three years
> after your client's appointment as Trustee on or about 18 January 2022, in terms of the
> Prescription Act No 68 of 1969."
>
> and
>
> Your client is charging Investments R50 000.00 plus VAT per month for fulfilling no duties at all as prescribed in terms of the Debenture Deeds. This situation is intolerable and not in the best interests of Debenture Holders

We believe that this statement is incorrect insofar as who is and who is not actually serving the interests of the Debenture Holders:

> Question posed in Google:
>
> South Africa: does a registered Chartered Accountant's obligation to report detected non-compliance at any time regardless of the time/ occurrence of such non-compliance, override any action prescriptions present in any law and specifically, the Prescription Act No 68 of 1969?

This result provided at: https://tinyurl.com/54966nyp

> No, a Chartered Accountant's (CA) professional ethical obligation to report Non-Compliance with Laws and Regulations (NOCLAR) does not "override" or conflict with the Prescription Act No. 68 of 1969. They operate in completely separate legal domains and do not legally or practically overlap. [1]
>
> **Different Legal Spheres**
>
> - **The Prescription Act No. 68 of 1969:** Applies strictly to the *extinguishment of debts* and the time limits (prescription periods) within which a creditor can institute legal action to recover a civil debt in a court of law. [1, 2]
> - **The NOCLAR Framework:** Governs professional ethics, confidentiality waivers, and regulatory reporting duties (such as Reportable Irregularities under Section 45 of the Auditing Profession Act) when an accountant encounters ongoing or potential illegal acts. [1, 2]

> and a further question:
>
> If the Prescription Act deals only with debts and claims does this therefore exclude any late detected illegalities and irregularities in a court approved business rescue plan execution?

At https://tinyurl.com/bdckbh4t

> No, the Prescription Act 68 of 1969 does not exclude or excuse illegalities or irregularities in a business rescue plan. While prescription

extinguishes uncollected debts and civil claims after a set time (usually three years), challenges to unlawful administrative or procedural steps in a rescue plan are governed by the doctrine of **legality**, the Companies Act 71 of 2008, and principles of administrative finality—not the passage of debt prescription timeframes. [1, 2, 3, 4, 5]

The Role of the Prescription Act

- Applies strictly to debt enforcement and civil claims for payment.
- Does not validate or "cure" an illegal act or a fraudulent/ultra vires clause in a corporate rescue structure simply because time has passed.
- Does not govern the public-interest or statutory compliance duties binding a business rescue practitioner (BRP). [1, 2, 3, 4]

On this basis and looking to the Internet for information on what Tromp's "rights" – and obligations - are as a registered Chartered Accountant, we find the following in the SAICA Code of conduct:

> 360.5 A3 Non-compliance might, result in fines, litigation or other consequences for the client potentially materially affecting its financial statements. Importantly, such noncompliance might have wider public interest implications in terms of potentially substantial harm to investors, creditors, employees or the general public. For the purposes of this section, an act that causes substantial harm is one that results in serious adverse consequences to any of these parties in financial or non-financial terms. Examples include the perpetration of a fraud resulting in significant financial losses to investors, and breaches of environmental laws and regulations endangering the health or safety of employees or the public.

and

> 360.20 A2 Examples of circumstances that might cause the professional accountant no longer to have confidence in the integrity of management and, where applicable, those charged with governance include situations where:
> • The professional accountant suspects or has evidence of their involvement or intended involvement in any non-compliance.
> • The professional accountant is aware that they have knowledge of such noncompliance and, contrary to legal or regulatory requirements, have not reported, or authorised the reporting of, the matter to an appropriate authority within a reasonable period.

We are strongly of the opinion that your above statements are a case of "the pot calling the kettle black", which raises a question of the morality and hypocrisy in play here

We also find it extremely hard to believe that you have received multiple complaints about Tromp's actions. Do such complaint actions suggest by extension, that there are former Sharemax investors (including those who opted to become Nova Shareholders) who are actually satisfied with your and the company's performance? Equally hard to believe!

We are not in a position to opine on the validity of what Tromp charges for his services but as an example, was the acquisition of a property named Convey Assist in 2012/13 (name subsequently changed to Cold Creek Developments) and for some 48 million, to rescue board chair Myburgh (and other persons not connected to Nova?) in a situation of default on a debt to Rand Merchant Bank "assisting the Debenture Holders" and not "to their detriment"?

What has Nova achieved since the last debenture repayments in 2012/13? What has the company delivered over the last thirteen years that has indeed been beneficial for the Debenture Holders?

In the matter of the value of Tromp's "assistance", the placing of a value on same is, surely, the prerogative of the Debenture Holders and not the company's? Of course, the company derives its deemed right to place that value on the fact that the Trust Deed is not a document that places the interests of the Debenture Holders first. Rather, it is a document that places the company's interests above those of the Debenture Holders!

We go further to state that it is our firm conviction that the Trustee, despite the usually executed role of such person, is, from a perspective of the Trust Deed and interests of the Debenture Holders, a function that is "all form and no substance" and the appointed person is in place only to rubber stamp whatever proposals and decisions are tabled by the company/the board in pursuit of its own agenda and to the exclusion and quite probably also, the detriment, of the Debenture Holders

Did any of the following actions by the company deliver "assistance" for and have not been "detrimental" to the Debenture Holders interests?:

- The 2012/13 implemented strategy of property sale proceeds redeployed in order to achieve long-term growth rather than to use such proceeds to repay the relevant debentures – as in the Nova website FAQ content: "After a property sale …….. In most instances, funds realised from property sales are re-invested into Nova Properties to enable the best possible long-term capital growth to the benefit of all its stakeholders"?
- The mismanagement of the sale of Amogela (formerly Liberty) Mall in Welkom and write-off of the asset
- The disastrous and hugely illogical Beneficio loan which resulted in the loss of two of the portfolio properties? (Which the North Gauteng High Court Case Number: 22258/20 record shows that "[64.4] The money was borrowed as a result of a business decision by the defendants and the NOVA Group to repay debenture holders and to avoid reputational damage – it was a business decision which made sense to the defendants and the NOVA Group;
- The Bright Light Solar default and application for liquidation – outcomes yet to be seen as the case is, apparently, still pending
- The reported willingness to sacrifice Carnival Centre and Carletonville Centre to protect the continued possession of the Flora Centre property out of the Rand Merchant bank application for liquidation following loan repayment default
- And now, the publicised failure to register a covering bond over the Debenture liability for Flora Centre – and possibly all of the other properties for which dentures have been issued

We add also that the 2017 plan to list on the JSE to be followed by the conversion of the debentures into shares in the company was definitely not in the interests of the Debenture Holders. In fact, that conversion would have been, effectively, daylight robbery with the preference standing of the Debenture Holders, in a liquidation situation, being reduced, as Shareholders, to “last in line” for repayment. With the latest revelation about the absence of the covering mortgage bond protection for the Flora Centre Debenture Holders – and, for all of the other properties that made up the acquired portfolio back in 2012? – it seems obvious that one of the intentions of the proposed JSE listing was to resolve the hidden issue of the absence of the covering mortgage bonds. Besides, what would those shares be worth today? What value do the Class D shares held by the former Sharemax investors who elected to take same instead of debentures have today anyway ? This whilst Tromp asserts that the company is insolvent, just as both CIPC and Moneyweb have previously stated and thus meaning that, in reality, the Class D shares are worthless. How is that beneficial for the shareholders?

The above are some of the known negative outcomes. We ask: are they just the tip of the iceberg? What other detrimental activities remain to be uncovered which, in our opinion, will only add proof of ,and weight to, our assertions

The company, primarily in the persons of board chair Myburgh and CEO Haese, has, over the years followed a practice of deflection, counter-framing, denial, dismissal, manipulation of the law, and delaying tactics when reacting to criticism and revelation of irregularity and illegality.

Further, there are statements on record that paint a completely false picture of expectations when historically, results and delivery in the interests of the Debenture Holders have been so totally missing

Further still, the Board has mismanaged its core mission in its own interests and to such an extent that, just like the degradation that has taken place within the national and local government spheres with recovery to First World service levels being all but impossible, the damage to any capability of debenture repayment has resulted in the situation of recovery also being all but impossible

That damage and degradation has gone so far as to also make it impossible for you to recover and thus you are constantly having to defend the indefensible when valid and objective comment, appraisal, analysis and evaluation is presented and/or published

This situation exists whilst you continue to look for ways of reducing the assets and milk the company, if only by continuing to draw your remuneration, without any delivery for the original Sharemax investors – which, again – is your core mission!

We think that it is entirely appropriate to paraphrase the standard disclaimer clause used in every financial investment prospectus: “Past performance is no indication of future performance” with this version that rightfully applies to yourselves: Past performance is ***every*** indication of future performance

Whilst the publication of the 2025 AFS is still awaited, there is no doubt that same will contain all of the usual empty statements about going concern, solvency, finance prospects etc, etc, and we will no doubt, also see this standard but empty statement repeated in Nova Communications in the future:

Nova is here because we fundamentally believe we can succeed in getting as much of these investors' historical money invested back to them; at Nova we work tirelessly in achieving this goal; we have been and are their best chance to getting it done!

We beg to differ – not just strongly but vehemently and we have no doubt that every single one of the Debenture Holders and the Class D Shareholders will completely concur

We will be publishing this challenge in our web site and Facebook page after despatch to yourselves and will also send it to Moneyweb requesting that they publish in the interests of the wider audience of the former Sharemax investors and other property syndication investors who are also victims of the PSPC industry shut down in 2010, as well as to the Companies Tribunal of CIPC

We would appreciate receiving your transparent response which will also be published in our sites, if indeed received. We also reserve the right to send to you, and publish, our rebuttal if we are of the opinion that it proves necessary

For: NDCAG
(Roger Johnson)