

**IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG DIVISION, JOHANNESBURG**

Case No: 2026-263191

In the matter between:

CANADIAN METAL SUPPLY COMPANY LIMITED
GLOBAL METALS ENTERPRISES (PTY) LTD

First Applicant
Second Applicant

and

**GLOBAL ROOFING SOLUTIONS (PTY) LTD (IN
BUSINESS RESCUE)**

First Respondent

WESSEL DE JAGER N.O.

Second Respondent

ALISON MARY TIMME N.O.

Third Respondent

WC YOUNGMAN SA (PTY) LTD

Fourth Respondent

McRix HOLDINGS (PTY) LTD

Fifth Respondent

WITKRANS INVESTMENTS (PTY) LTD

Sixth Respondent

**THE TRUSTEES FOR THE TIME BEING OF THE McRix
TRUST (IT2233/2001)**

Seventh Respondent

**THE TRUSTEES FOR THE TIME BEING OF THE
WAVERLEY TRUST (IT4589/1996)**

Eighth Respondent

**CREDIT GUARANTEE INSURANCE CORPORATION OF
AFRICA LTD**

Ninth Respondent

ROCKWOOD PRIVATE EQUITY (PTY) LTD

Tenth Respondent

FROZEN LEMON PROPERTIES (PTY) LTD

Eleventh Respondent

**THE TRUSTEES FOR THE TIME BEING OF THE GRS
EMPLOYEE SHARE TRUST**

Twelfth Respondent

**THE CREDITORS OF THE FIRST RESPONDENT AND ITS
OTHER AFFECTED PERSONS NOT CITED ABOVE**

Thirteenth Respondents

FIRST TO THIRD RESPONDENTS' ANSWERING AFFIDAVIT

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I, the undersigned,

ALISON MARY TIMME

do hereby make oath and state:

1. I am an adult female business rescue practitioner employed by Kroll South Africa (Pty) Ltd, 4th Floor, 96 Rivonia Road, Sandton. I am the third respondent, cited in my capacity as joint business rescue practitioner of the first respondent ("*the company*"), together with the second respondent, Mr de Jager. We are referred to as "*the BRPs*".
2. I depose to this affidavit on behalf of the company and the BRPs. Under section 140(1)(a) of the Companies Act 71 of 2008 ("*the Companies Act*"), the BRPs have full management control of the company. I am duly authorised to depose to this affidavit. Mr de Jager's confirmatory affidavit is filed together with this affidavit.
3. The facts in this affidavit are within my personal knowledge, unless the context indicates otherwise, and are true and correct. Where I make legal submissions, I do so on the advice of the respondents' legal representatives. Where I rely on information provided to me by others, I verily believe same to be true and correct and provide confirmatory affidavits where appropriate.
4. In this affidavit, I use the same abbreviations as in the founding affidavit unless I say otherwise. "*The plan*" is the business rescue plan, annexure FA1 to the founding affidavit. Page and paragraph references to the plan are to its own pagination.

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Overview of opposition

5. The application proceeds from a fundamental misconception about what business rescue is about. The applicants evaluate the plan as if a *conkursus* exists – that each creditors' claim is fixed at the date of rescue and that nothing should be done which alters that claim. That misunderstanding permeates the entire application and results in the (entirely misplaced and scurrilous) conclusion that the BRPs have somehow failed to perform their fiduciary mandate.
6. The correct starting premise is that a plan which achieves a better return for creditors than liquidation is a business rescue as the Companies Act contemplates. In this matter, it is common cause that in an immediate liquidation concurrent creditors would receive *nil* and all jobs would be lost. The applicants accept this at paragraph 70 of the founding affidavit.
7. Under the proposed plan, in contrast, concurrent creditors will receive between 3 to 5 cents in the rand. On the applicants' own figures, outlined at paragraph 105 of the founding affidavit, they themselves will accordingly receive between R460 000 to R770 000 (as opposed to nil). The plan therefore achieves rescue as contemplated by the Companies Act.
8. The applicants are the only affected persons who seek to interdict the plan. The relief they seek - a postponement of voting on the plan indefinitely - would mean the immediate liquidation of the company. The result being that concurrent creditors would receive nil and the 52 remaining employees, whose jobs are protected by the plan, will be placed at serious risk.

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9. Distilled to its essence, the applicants' real complaint is that others, namely the secured creditors and the shareholders, fare better than the applicants would like. But that complaint stems from the applicants' fundamental misconception about business rescue. Concurrent creditors only receive anything at all because the secured creditors have agreed to release part of their preferent proceeds due to them. Without that agreement, there would be no rescue. The applicants are disgruntled minority concurrent creditors who have misdirected their dislike for the plan into a contrived and meritless application to interdict it, at the expense of all other creditors and employees.
10. At the heart of the plan is the '*anchor transaction*' with Youngman. Youngman buys all the shares in the company from its shareholders, and then lends the company R40 318 750, which the company uses to pay the dividends to creditors under the plan. The company, then owned by Youngman, keeps a part of the business. The secured creditors, in turn accepted 12 cents in the rand and agree to release the balance of the proceeds so that concurrent creditors receive a dividend. The claims Youngman acquired are not compromised, but they remain claims against a company Youngman itself will own, and therefore they do not reduce the cash available to other creditors (and is irrelevant to the business rescue). There is nothing untoward about the anchor transaction. It emerged from an open and competitive sale process, its terms are set out in the plan, and it was negotiated and independently and at arm's length.
11. The applicants, curiously, do not present an alternative plan, do not propose amendments to the existing plan, do not undertake to fund or suggest that alternative funding can be secured pending the interdict they seek. Rather, they seek the BRPs removal. The allegations that the BRPs are conflicted, lack independence, are incompetent or have failed in their duties are scurrilous, dealt with *seriatim* below and

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denied. But in any event, the removal of the BRPs has absolutely no bearing on the adoption of the plan. The applicants do not suggest that new BRPs would not propose the present plan or that a better plan exists, which new BRPs could themselves propose and implement. The applicants do not allege that the plan does not contain the information required by sections 150(2) and (3) of the Companies Act. The removal relief can therefore be pursued in the ordinary course, and this application is entirely misguided and ill-conceived.

12. In summary: the plan is the best proposal available. The other offers (which are listed in the plan and dealt with further below) are either not capable of implementation or achieve a far worse return for creditors and employees than the existing plan. The plan was not “*tailored*” for anyone. It is the outcome of an open, accelerated sale process, in which the applicants were involved and consulted on. The relief sought would postpone the vote indefinitely, pending a removal application that the applicants first threatened on 18 September 2026 and have still not launched. The inevitable consequence of such an order is immediate liquidation, in which the concurrent creditors would receive nothing, and employees would likely all lose their jobs.
13. The applicants have adequate alternative statutory remedies. They may vote against the plan, propose amendments or an adjournment at the meeting, challenge any remuneration agreement under s143(4) of the Companies Act and pursue their removal relief in the ordinary course (under s139 of the Companies Act). There is simply no reason that this plan should not be presented at a meeting of creditors and voted upon.
14. Simply stated the applicants make out no case for the removal of the BRP’s, nor do they make out a case that the plan does not comply with the provisions of the Companies Act. As such no case is made out for the interdictory relief they seek.

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15. In the remainder of this affidavit, I intend *first*, dealing with the proper context in which this application must be evaluated; *second*, thematically with the complaint about the BRPs fees; *third*, with the removal and interdictory relief and *fourth*, with the content of the founding affidavit on a paragraph-by-paragraph basis. Where I fail to deal with an allegation directly, I ask that it be denied.

The context in which this application should be evaluated

16. The company was in the business of supplying specialised roofing systems (sheeting and associated clips) . It operated nationwide, through a branch structure. On 27 July 2026, the company's board resolved to commence business rescue. By then the company had been unable to trade effectively for months. Absa had closed its overdraft and trade finance facilities. The company's major coil suppliers - AMSA, Safal Steel, Hulamin and the Applicants - had stopped supplying the company and several branches had been without stock for some time and faced closure (due to landlord rent arrears).
17. When the BRPs were appointed, the company did not have enough cash to pay salaries and rent. Absa claimed approximately R13.3 million of the first debtor collections under its secured facilities. Branch leases were being terminated, and despite previous undertakings no PCF was available to enable the BRPs to carry on the business as a whole.
18. In accordance with their obligations to continually assess whether there is a reasonable prospect of rescuing the company, the BRPs commenced with an external specialist valuation of the assets and the likely outcome for each class of creditor in a liquidation.

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19. Both assessments were done independently. WH Auctioneers valued the plant and equipment. Matuson & Associates estimated the liquidation dividend on those values: 8 cents in the rand to secured creditors and nil to everyone else. To avoid unnecessary prolixity the valuations are not annexed. They will be made available if requested.
20. Based on these independent assessments, and by August 2026, the BRPs had concluded that a liquidation would leave concurrent creditors and employees with nothing. They accordingly launched an accelerated sale process to maximise the recovery for all affected persons.
21. Every interested party received the same information through the data room after signature of non-disclosure agreements. No party was given exclusivity over the process. The applicants were given access to the data room on 13 August 2026. They could have made an offer for the business or any part of it. They never submitted an offer. Armed with all available information, they could have proposed an alternative solution. They never did and continue to fail to do so.
22. Eleven formal offers were received by the BRPs. None was for the whole business as a going concern. Only Youngman's offer provided for branches to be kept open, preserved 52 jobs and offered PCF to fund the proceedings until competition approval was obtained.
23. The BRPs treated that offer as the 'anchor transaction' but negotiated to exclude from it the assets that other bidders would pay more for: the permanent-formwork assets (Clotan, R7 000 000), the HELM assets (SVS, R2 600 000), the Rump assets sold to WH auctioneers (R4,100,000 minimum) and the GRS Botswana shares (R3 500 000) – see clauses 22.10 to 22.13 of the plan.

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24. All the offers were presented to the secured creditors, AMSA (at the time) and CGIC, on 9 September 2026. They agreed to the combination of transactions now contained in the plan as the combination that would produce the best return. They also agreed, on the strength of this combination, to release part of their recoveries to fund a dividend of 3 to 5 cents in the rand to concurrent creditors, and the mutual separation packages for employees at the closing branches, who would have received nothing if the business rescue was unsuccessful and ended up in liquidation.
25. The mutual separation packages deserve mention. The closure of the branches that no bidder wanted to acquire meant that most of the workforce could no longer be employed. In a liquidation those employees would have received nothing. The BRPs therefore negotiated with the secured creditors, who agreed that the proceeds of assets over which they hold security could be used to fund separation packages. That money would otherwise have gone to the secured creditors. These packages were settled on or about 15 October 2026.
26. No alternative bid was remotely as beneficial. The highest competing offer, Bid B, was R48 million for all the assets. It was subject to downward adjustment after due diligence, its funding was unconfirmed, it offered no PCF and no jobs, it reserved a right to set off the bidder's own distribution against the price, and it was mutually exclusive with every other bid (meaning that the combination ultimately achieved was not possible if Bid B was pursued).
27. At paragraph 89 of the founding affidavit, the applicants single out the R20 million offered for the Klip-Lok/Klip-Tite assets. That offer (Bid E) was subject to due diligence and confirmation of the assets and their condition. Its funding was unconfirmed. It offered no PCF and no jobs, and it was mutually exclusive with Bid A.

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Accepting it would therefore have destroyed the anchor transaction and the R40 318 750 it brings.

28. The BRPs also did not have the luxury of marketing the assets for months. The company had been forced out of several branch sites for rental arrears, and every week was funded from scarce debtor collections that were released as PCF by the secured creditors who held a cession over the debtors. Business rescue is, by its very nature, an expeditious statutory mechanism. The BRPs put together the best possible plan in the time available to them. There is no alternative which achieves the outcome that this plan achieves.
29. The applicants' record, at paragraph 31 of the founding affidavit, that the applicants were not aware of what the plan would propose. The applicants insinuate that they were kept in the dark. The applicants do not disclose that they were in fact consulted on more than one occasion before the plan was published. At no point during these consultations were questions raised on the business rescue process itself or approach.
30. In this regard, on 22 September 2026, the BRPs circulated to all affected persons a request to extend the date for publication of the plan. The requisite majority approved publication by 16 October 2026 (plan clause 6.6). The applicants therefore knew when the plan would be published.
31. On 9 October 2026, at 15h00, the second respondent and Erns Heyns, a member of his team met Mr Craig du Plessis (vice-president of the second applicant), Mr Roothman (managing director of the second applicant) and Mr Glenn Beauchamp (the founder and owner of the applicants' group). They told them that the plan would be published on 16 October 2026, and took them through an overview of the proposals, the timelines, the

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transaction structure and the expected recoveries in business rescue compared with liquidation. They also discussed the applicants' position and their willingness to supply trading stock during implementation.

32. Aside from this meeting, the BRPs also offered on more than one occasion to meet the applicants to discuss the proceedings and the plan. An example of this offer can be found at FA5, paragraph 13 thereof. That offer was not taken up.
33. The applicants, notwithstanding brought this application on an extremely urgent basis, initially seeking to argue the matter on a Sunday at 14h00. The very short timelines have been extremely prejudicial to the respondents and the relief sought in this application does not justify such a deviation from the ordinary rules.
34. The fact is that the applicants are clearly capable of obtaining redress in due course. The ultimate relief they seek is the BRPs removal. That can take place at any stage under s139 and is divorced from voting on and implementation of the plan. Put differently, the appointment of new BRPs will have no effect on whether the creditors approve this plan or not, even on the applicants' own version.

The complaint about fees is misplaced

35. A central complaint by the applicants is that the BRPs have somehow '*increased their benefits*' under the plan. It is a complaint that is difficult to understand. The BRPs, to date, have charged only the tariff prescribed under s 143(1) and (6) of the Companies Act read with regulation 128(1). The BRPs have no fee or other arrangement with Youngman, CGIC, Rockwood or any other affected person in respect of the business rescue. Their only remuneration to date is from the company and is in alignment with the provisions of the Companies Act.

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36. Of the fees accrued, the BRPs have been paid approximately R2.5 million to date. They have chosen to prioritise salaries, mutual separation packages, rent and operating costs. Payments to the BRPs and their advisers are disclosed in the receipts and payments summary (see plan at clause 15.1).
37. The R11.5 million in the plan at clause 30.2.3 is an estimate of the fees the BRPs and their advisers will incur to achieve substantial implementation. It comprises both BRP fees accrued at tariff BRP adviser fees incurred and/or not yet paid (circ. R3.5 million), estimated tariff fees and the BRP adviser fees for the remainder of the proceedings (R3 million) and a proposed uplift of a maximum of R5 million. The uplift was included so that the estimate (and overall PCF requirements) is accurate as possible. The uplift is remuneration of the kind s143(2) of the Companies Act expressly permits. It is calculated against the time the BRPs have actually spent and is proposed to be payable only on the adoption of the plan and on its substantial implementation (see plan at clause 20.1). It is also calculated with reference to an inflation linked increase to the original tariff rate, which has not been increased since the inception of the Companies Act.
38. The uplift will be charged only if the remuneration agreement is approved under s143 of the Companies Act (and even then, if it is so approved, the applicants will be able to challenge it under s143(4) in due course). That is the applicants' remedy. It does not require the vote on the plan to be postponed.
39. Whilst s150(2)(a)(v) of the Companies Act requires a plan to include a copy of the written agreement concerning the practitioner's remuneration, there is as yet no such agreement to include. The plan however specifically discloses that it is the BRPs' intention that one will be proposed, and the basis on which it will be calculated (see plan at clause 20.1).

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40. The applicants misread clauses 25.2.4 and 35.5 of the plan. The plan is not conditional on the BRPs receiving higher fees. The condition is that the remuneration agreement be presented at a meeting in terms of s143 of the Companies Act.
41. Clause 29.2 of the plan then requires the BRPs' fees to be settled before substantial implementation. That reflects the priority the Companies Act gives them (s 143(5)). The clause does not hold the plan to 'ransom'. It is also industry standard to include clauses of this nature in plans.
42. The legal fees of R4.75 million cover the transaction documents for each of the four disposals and the filings for competition approval in South Africa and Botswana. These costs cannot be avoided and are part of achieving substantial implementation.

The removal and interdictory relief is unsustainable

43. As confirmed at paragraph 57 of the founding affidavit, the complaint is not about any relationship between the BRPs and the company or its stakeholders. The BRPs have no relationship with the company, its management or any person concerned in its affairs which could lead a reasonable and informed third party to conclude that their integrity, impartiality or objectivity is compromised.
44. Nor is there a conflict of interest. The BRPs make no secret profit from this business rescue and have no personal interest that conflicts with their duties. Their remuneration is disclosed, statutory and subject to creditor approval.
45. Nor is there any basis for the other grounds in s139(2). The BRPs are licensed business rescue practitioners and continue to satisfy s138(1). No illegal act is alleged. Incompetence and a want of care are not shown merely because a creditor dislikes the

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outcome. Alleged incompetence must relate directly to the performance of the task of a BRP. An inability to perform the role of BRP properly in relation to the circumstances of the particular company must be demonstrated. Where allegations of a failure to perform the duties of a BRP is relied on it is essential to identify the duties that the affected party says should have been performed and to show the respects in which they were not performed. Where a failure to exercise a proper degree of care in the performance of their functions is alleged, this will in most instances require proof of negligence. It is difficult to see how that could be shown by way of general allegations without reference to specific instances of negligence. Nothing of the sort is alleged and the objective facts show the opposite. In less than three months, the BRPs stabilised the company, paid its employees, ran a sale process that produced eleven formal offers, negotiated the secured creditors' release that funds the concurrent dividend and the separation packages, and published a plan within the period the creditors approved.

46. Finally, I am advised that the primary consideration in removing a practitioner is actual or potential prejudice to the company and its creditors. The applicants show none. The plan gives concurrent creditors, the applicants included, more than they would receive in a liquidation. What the applicants call prejudice is their disagreement with the commercial terms of the plan. The Companies Act gives them a vote on those terms. It does not make that disagreement a ground for removal of the BRPs.
47. Because the applicants rely on their right to remove the BRPs as the basis for their interim relief, the failure to sustain that right, on any level, means that the application for interim relief should fail too.
48. In any event, the applicants face no irreparable harm. If the plan is adopted, they will receive a dividend of approximately R460 000 to R770 000 (FA para 105). If the

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business rescue fails, which is the inevitable consequence should this application succeed, they will receive nothing. The interdict would result in harm being occasioned to them, not the other way around.

49. The applicants' own case shows that adoption causes them no irreparable harm. They say that the principal transactions require competition approval before they can be implemented (FA para 111). That approval may take up to 60 business days (plan clause 7.10.3). On their own version, a removal application can be heard after the vote, before the plan implemented.
50. Everyone else would be seriously harmed. An indefinite postponement means no PCF, delay in the competition filings and the likelihood that Youngman withdraws. Without PCF there is no reasonable prospect of rescue and the BRPs would be obliged to apply for liquidation. The 52 remaining employees would lose their jobs. All creditors other than the secured creditors would receive nothing.
51. By contrast, the plan benefits every class of affected person. Concurrent creditors receive a dividend and the prospect of future business with the company. The secured creditors rank back to allow for that dividend. Employees at the closed branches received mutual separation packages funded by the secured creditors. The 52 remaining employees keep their jobs, which no other offer provided for at the three remaining branches.
52. Business rescue proceedings must by their nature be conducted with the maximum possible expedition, and delay lessens or negates the prospect of effective rescue. The relief sought herein would suspend the process indefinitely and defeat one of the very

purposes of the Companies Act – to facilitate the rescue of financially distressed companies.

53. The applicants offer nothing in place of the plan. They do not say that they or anyone else will provide PCF, or that anyone will pay more for the business. No such party has come forward. The secured creditors and Frozen Lemon have confirmed that any further delay would lead to liquidation and that there is presently no alternative plan capable of being implemented. I will endeavour to obtain confirmatory affidavits before the hearing in this regard.
54. A replacement practitioner would face the same assets, the same secured creditors, the same offers and the same lack of liquidity. He or she would have to be funded to start again (and immediately). That would take months the company does not have.
55. The applicants have adequate alternative remedies. They may attend the meeting, vote against the plan, propose amendments, or move for an adjournment to revise it (s 152(1)(d)). They may challenge any remuneration agreement (s 143(4)). They may apply to remove the BRPs without the vote being postponed (s 139).
56. The decision whether to adopt a plan belongs to the holders of voting interests, not to creditors holding 6.39% of them. That the majority may disagree with the applicants is no reason to deprive them of their vote. The balance of convenience clearly favours the refusal of the interim relief, and the relief should be refused with costs, including the costs of two counsel to be taxed on scale C.
57. I turn now to deal with the paragraphs of the founding affidavit on a paragraph-by-paragraph basis. I ask that any allegation not dealt with directly be denied.

Ad paragraphs 1 and 2

58. Save to deny that the contents of the founding affidavit are true and correct, these allegations are not disputed for purposes of this application. I point out that the first applicant is a foreign *peregrinus*.

Ad paragraphs 3 to 5

59. These allegations are admitted.

Ad paragraphs 6 and 7

60. These allegations are denied. The applicants put up no evidence and advance only conclusions. The conclusions advanced against the BRPs are entirely unsustainable on the objective facts outlined above, per se defamatory, should never have been advanced in public court papers and the BRPs reserve their rights in this regard.

Ad paragraphs 8 and 9

61. It is admitted that the meeting was convened for that time. The vote has since been postponed by agreement to 5 November 2026. There is no basis for which the vote should not proceed on that date.

Ad paragraphs 10 and 11

62. The nature of the relief sought is noted, the entitlement to such relief is denied.

Ad paragraphs 12 to 30

63. The citation of the parties is admitted.

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Ad paragraphs 31 to 43

64. I have dealt with the proper context in which this application should be evaluated above. Importantly, the applicants' assertion that they were left in the dark about the contents of the plan is patently misleading and false. The removal relief was threatened as far back as 18 September 2026, yet no application has been forthcoming.
65. The applicants are plainly able to obtain adequate redress in due course -they can launch their removal application at any stage (it is only s130(1)(b) that is time barred but, as dealt with above, the applicants may pursue removal relief under s139 at any time). Substantial implementation is months away, and the issue of their removal can be determined before then, if necessary. Significantly they do not seek to set aside the resolution, nor do they seek the company's liquidation. In the absence of an alternative plan or an offer of post commence financing to keep the business afloat pending the removal application the ineluctable inference is that this application has been brought in a cynical attempt by the applicants to negotiate a better dividend for themselves as there is no way that liquidation can be avoided if the plan is not approved or further post commencement financing is obtained. Simply put: the applicants are holding the rescue to ransom. For that reason, the application was not urgent and is therefore an abuse of process. That said the BRP's are desirous that this application be heard on an urgent basis.

Ad paragraphs 44 to 47

66. These allegations have been dealt with above and are denied.

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Ad paragraphs 48 to 57

67. These allegations have been dealt with above and are denied.

Ad paragraph 58

68. These allegations are denied.

69. Clause 42 incorporates the AFSA-SARIPA arbitration rules, which are standard in business rescue plans. Their purpose is to determine disputed claims quickly and at a reasonable cost, so that a plan can be implemented without years of litigation. They are not intended to deter or to conceal and are entirely in accordance with industry norms.

70. In so far as the applicants argue that such a clause “*compels, inter alia, anyone who has an issue with you to engage in a process that can be prohibitively expensive and keeps the issues raised a secret*” that is plainly wrong. The clause does not oust the court’s jurisdiction under s130 and 139 to set aside the appointment of, or remove, a practitioner or to set aside a plan.

Ad paragraphs 60 to 61

71. These allegations reveal the applicants’ fundamental misconception regarding business rescue and are denied for the reasons outlined above.

Ad paragraphs 62 to 64

72. It is admitted that the BRPs consented to perfection on 28 July 2026. It is common for directors to consult the major creditors on the choice of practitioner; that does not make the practitioner dependent on them. The remaining allegations are denied.

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73. CGIC's general notarial bond was registered in July 2022 (AOD clause 2.1.2). Before business rescue commenced, CGIC and AMSA had applied to court to perfect it. CGIC and AMSA had also launched an application to place GRS into business rescue alternatively liquidation, which would be heard after the perfection was granted. The application for business rescue / liquidation was withdrawn pursuant to an agreement reached between the shareholders and GRS' board of directors - It was agreed that perfection could still proceed on the basis that some of the assets that were subject to the general notarial bond could be sold and the proceeds used to fund the business rescue.
74. Consent to the perfection of a general notarial bond in business rescue is common, and is often the only way to secure liquidity. The BRPs consented in exchange for access to the residual debtor collections after Absa had been settled. Those collections funded salaries and wages, security, IT and other operating costs, and allowed further orders to be fulfilled, which generated further debtors. Without that access the company would have had no liquidity and would have been liquidated in August 2026.
75. The bondholders also hold a cession of all the company's book debts, which ranked behind Absa. Absa has been settled in full (plan clause 15.2.1). A cession of that kind confers a real right and requires no perfection. The bondholders released the debtor receipts to the company to fund the rescue.
76. AMSA had also agreed in principle to provide PCF of R10 million and coil stock of up to R45 million, which would have allowed the company to trade in business rescue. AMSA was not willing to commit PCF on any basis other than perfection of the bond. This agreement was not ultimately concluded but was part of the decision to allow perfection and was recorded in the plan at clause 12.1.4.

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77. The perfection did not prejudice the applicants. The bond has been registered since 2022. I am advised that, even if it had remained unperfected, or if its perfection were set aside, it would confer a preference over the free residue in a liquidation which ranks ahead of concurrent creditors (s 102 of the Insolvency Act 24 of 1936). The value break lies well within the bondholders' claims of approximately R160 million (plan clauses 18.8 and 29.3). Concurrent creditors would receive nothing whether or not the bond was perfected.
78. The secured creditors' support referred to in FA3 (para 2.1.2) was not about votes or proxies. It was about liquidity, and their agreement to release part of their recoveries to employees and concurrent creditors.

Ad paragraphs 65 to 69

79. These allegations are references to the plan. Insofar as they correctly record the provisions of the plan, they are noted. Insofar as they do not, or they imply any impropriety, they are denied.
80. I wish to point out that it is ordinary commercial practice for a purchaser in business rescue to acquire creditors' claims, especially secured claims. Doing so mitigates the purchaser's risk if the transaction fails and the company is liquidated. Any creditor may sell its claim to a willing buyer. The applicants were free to buy AMSA's claim, or any other, themselves. They did not.
81. Youngman is willing to provide PCF because it is secured, and only if the plan is adopted. Without that PCF there is no reasonable prospect of rescue, and the BRPs would have to apply for the company to be liquidated (plan clause 40.2.2).

82. The BRPs did not hide the Youngman structure. They deliberately disclosed each entity and trust through which Youngman acts, so that creditors would know that, whatever the vehicle, it is Youngman (plan clauses 4.1.93 to 4.1.97). How Youngman structures its own acquisition(s) is a matter for Youngman.

Ad paragraph 70

83. This paragraph is admitted. It is fatal to the application as described above.

Ad paragraphs 71 to 76

84. These allegations are references to the plan. Insofar as they correctly record the provisions of the plan, they are noted. Insofar as they do not, or they imply any impropriety, they are denied.
85. The shares in the company belong to Rockwood (90%) and the GRS Employee Share Trust (10%). These shares are not an asset of the company. The price a purchaser pays for shares is paid to the seller of the shares, not to the company whose shares they are.
86. The share price was negotiated between Youngman and the shareholders, without the BRPs' involvement. It is not part of the plan. It is not paid from any asset of the company and does not reduce the R40 318 750 that Youngman will advance to the company for distribution under the plan.
87. Youngman requires the shares, not merely the assets. Because the plan alters the rights of the shareholders, it also requires their approval (section 152(3)(c); plan clause 34.2). Without the shareholders' agreement to sell there is no Youngman transaction, no PCF and no dividend. The alternative is liquidation, in which concurrent creditors receive nothing and employees lose their jobs.

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88. What Youngman pays the shareholders is not money that would otherwise be available to creditors. Neither the applicants (nor any to other creditors) suffer any prejudice from it.

Ad paragraphs 77 to 81

89. The figures and references to the plan are admitted insofar as they correctly reflect the plan itself. The conclusions drawn are denied.
90. The Excluded Liabilities (plan clause 4.1.30) are not paid out of the cash available to creditors. They remain claims against the company after Youngman acquires it, subordinated to the extent required for solvency (plan clause 4.1.30; Annexure E, note 1). Their survival is a burden on the purchaser, not on creditors.
91. The applicants have the consequence backwards. If those claims, of R26.1 million, were compromised "*like every other concurrent claim*", they would share in the R3.42 million available to concurrent creditors and dilute the dividend to everyone else, including the applicants.
92. Keeping claims at face value rather than compromising them is Youngman's commercial preference, not the BRPs'. It does not change the cash the plan makes available to concurrent creditors. The same applies to the secured claims.
93. The applicants do not criticise the Clotan, GRS Botswana, HELM or Rump Assets transactions on their own terms. Their complaint is directed at the Youngman transaction, which is the only one that preserves part of the business and the only one that funds the proceedings.

Ad paragraph 82

94. These allegations are noted.

Ad paragraph 83

95. These allegations are denied. The voting arithmetic in paragraph 82 does not show impropriety. Secured creditors rank first as a matter of law and their voting interests reflect their claims. That the applicants, who hold 6.39% of the voting interests, cannot block the plan is a consequence of the Companies Act, not of anything the BRPs did.
96. No creditor is treated better than the law allows. The secured creditors are paid as secured creditors and have accepted 12 cents in the rand. Creditors who sold their claims to Youngman did so at prices they negotiated.

Ad paragraphs 84 to 91

97. These allegations are denied, save insofar as they accord with the plan.
98. The value of the company's assets is what willing buyers would pay for them at the time and in the open market. The market was extensively tested. The offers received are the best evidence of value.
99. The management accounts overstate the value of the assets. Under the accounting policies of previous management and the board, the assets were depreciated over long assumed useful lives, and they were poorly maintained for years. The plan says so at clauses 14.6 and 16.2. The plan sets out the management accounts because s 150(2)(a)(i) requires it to list the company's material assets at commencement, and those accounts are the company's only record of them. The plan does not rely on them

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for value. For that, the BRPs relied on the independent valuations and, ultimately, on what the market was prepared to pay.

100. The deferred tax asset of R48.7 million is an accounting entry. It has no realisable value for creditors.
101. Previous management and the board never valued the company's intellectual property or reflected it in the financial statements. The Klip-Lok/Klip-Tite patents have expired, but the trademarks remain in place. The value competitors were willing to pay for that intellectual property, including the trademarks and copyright, is reflected in the offers received. The plan's statement, at clause 16.3, that it "*holds notable value*" refers to those offers. The trademarks and patents for the permanent-formwork and HELM ranges are sold with those transactions.
102. The intellectual property therefore did produce value. Because of it, increased offers were obtained for the permanent-formwork assets and from Youngman. The other offers for Klip-Lok/Klip-Tite also attributed value to it. Overall, however, the combination of offers in the plan will produce the best return for affected persons. The secured creditors, who hold the largest voting interests, agreed to that combination before it was included in the plan.
103. WH Auctioneers valued the assets as they stand, excluding intellectual property, which is how such assets would be sold at auction. The WH valuation was in the data room and has been sent to the applicants (see FA3, para 2.2.1).
104. The second valuation was commissioned by the secured creditors through Park Village Auctioneers, by the BRPs not by Youngman. Secured lenders routinely commission their own valuations to understand their exposure. Its results align with WH's.

105. The Durban assets were sold to Youngman for R5 040 000, approximately 10% below market value and not at forced-sale value, with the secured creditors' consent, because the BRPs needed cash to fund the proceedings and also there was litigation threatened to evict GRS (plan clauses 7.5.1, 15.2.3 and 15.3). The discount was also given because there no removal, transport, commission or landlord restoration costs payable.
106. The R3 500 000 offer for the 70% shareholding in GRS Botswana came from a consortium led by the 30% minority shareholder. Youngman's own earlier offer for the shareholding was lower. Youngman then approached that bidder to co-fund the transaction at the higher price. It was the only standalone offer for the shares (plan clause 22.13).
107. The applicants are international participants in the industry, and had access to the data room. They are well placed to assess the value of these assets. They never submitted a bid. They do not provide their own valuations either. It is yet another conclusion bereft of any evidence and confirms that this application is simply one by a disgruntled minority concurrent creditor who is upset by the terms of the plan.

Ad paragraphs 92 to 102

108. It is admitted that the applicants had access to the data room and that the correspondence was exchanged. The inferences and conclusions drawn in the remaining paragraphs are denied.
109. The BRPs have not preferred any pre-commencement creditor. The applicants' calculations rest on interim balances and a misunderstanding of CGIC's claim.

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110. Under the security cession of debtors of 24 February 2023, CGIC acts as security agent for a group of insured cessionaries, including Hulamin, AMSA and Investec. CGIC settled the insured claims of Hulamin (R6 396 486), Safal Steel (R18 355 495) and Investec (R44 502 099) under its credit insurance arrangements. Those amounts total R69 254 080. They were subrogated to CGIC, so the quantum did not change. CGIC's secured claim of R69 715 313 is the claim it acquired by those payments. The original creditors were in any event among the bondholders under the general notarial bond.
111. The applicants assume, at paragraph 99, that CGIC had a separate claim of about R69 million, which should then have increased by a further R69 million. It did not have such a claim. CGIC's claim has always been the claim it acquired by paying the insured creditors. Nothing was abandoned. Mr Smyth's email of 1 September 2026 (FA6) said as much: CGIC's total exposure was approximately R70 million.
112. The figure of approximately R210 million (FA paras 96 and 97) is the total of concurrent claims in the Matuson liquidation calculation. It includes the secured creditors' shortfall. In a liquidation, the secured creditors realise their security and prove the unpaid balance as a concurrent claim, so that balance goes into the concurrent pool and shares in the free residue. In business rescue, the Youngman Secured Debt Creditor (previously AMSA) and CGIC are dealt with as secured creditors in their own class, and their shortfall is not added to the concurrent pool. The two figures are therefore on different bases. No concurrent creditor has "disappeared".
113. The other principal movement was the updating of the records for the creditors whom CGIC settled. Voting interests are also built up as claims are received and assessed (see plan clause 17.3.1), and the balances in the data room were drafts.

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114. CGIC's subordinated claim of R35 068 591 is disclosed in the plan. It has a nil voting interest because it would be subordinated in a liquidation (plan clause 17.1; Annexure C, note 2).
115. A small number of suppliers of essential services, such as utilities and IT, refused to continue supplying the company unless their arrears were paid. When the IT provider cut off email access, the BRPs could not communicate with staff. The BRPs accordingly paid limited arrears to keep the essential areas of the business operating to the benefit of all creditors. The plan discloses this (plan clause 7.3.2; clause 15.1, "IT & Network Costs", "Rent & Utilities" and "Critical Stock Buy Outs").

Ad paragraphs 103 to 108

116. These allegations have been dealt with above and are denied.

Ad paragraphs 109 to 116

117. These allegations have been dealt with above and are denied.
118. Paragraph 114 mischaracterises the Chartwell proposal. CGIC and Youngman agreed to release their security so that the applicants could pursue the Chartwell debtor for their own account. It was not offered as security, and a discharge of the applicants' claim under the plan does not affect it. The position was explained to the applicants on 9 October 2026, and to their attorneys before that.

Ad paragraph 117

119. I am advised that applications under ss 130 and 139 are authorised by the Companies Act itself and are not subject to the moratorium in s 133(1). The respondents do not rely on the moratorium to oppose this application.

Ad paragraph 118

120. These allegations are denied. There is simply no basis in law or fact to hold the BRPs personally liable for the costs of this application.

Ad paragraphs 119 to 125

121. Save to point out that the applicants have not served this application on all affected persons, despite trying to interdict their statutory right to vote, these allegations are noted.

Conclusion

122. There is no basis for an order that the BRPs pay costs personally. They oppose in their official capacities, in good faith, to protect the business rescue and the interests of all affected persons. The BRPs cannot be expected to do so at personal risk.
123. The applicants have made serious allegations against the BRPs without foundation. The application itself is misguided, ill-conceived and an abuse of process. The respondents accordingly ask that the application be dismissed with costs, including the costs of two counsel on scale C.



ALISON MARY TIMME

I CERTIFY that the deponent has acknowledged that she knows and understands the contents of this affidavit, which was signed and sworn to before me at _____ on this the ____ day of **OCTOBER 2026**, the Regulations contained in Government Notice No. R.1258 dated 21 July 1972 (as amended), Government Notice No. R.1648 dated 19 August 1977 (as amended), Government Gazette R.1428 dated 11 July 1980 (as amended) and Government Notice No. R.774 dated 23 April 1982 having been complied with.

COMMISSIONER OF OATHS

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