

Notes to liquidation scenario

1. Property plant and equipment: R50,000
 - The book value relates largely to lease hold improvements with a nominal value relating to movable assets. The realisable value is estimated to be R50,000 based on management representations.
2. Investments in Subsidiaries: R47,369,359
 - Genesis Risk and Investments (Pty) Ltd R1,773,720
 - This amount is not reflected in the books and records of the company and represents a flow through from asset realisations in this underlying entity. The amount is based on managements best estimates and management representations.
 - Genesis EB Solutions (Pty) Ltd R163,886
 - Investment in Genesis EB Solutions is stated at a cost. This business was sold, the balance of the purchase price is included under accounts receivable.
 - Khumo Africa (Pty) Ltd R50,000
 - An offer was received for the above amount which is yet to be assessed. The investment of R11,000 is recorded at cost in the books of the company .
 - Calculus Capital (Pty) Ltd R45,381,753
 - The amount of shares held as security amounts to R40,381,753 via Calculus enforcement of their rights under the Pledge. The balance of R5m is predicated on an assumed value of the remaining shares (5.66%) derived from the fact that they still form part of the security under the Pledge, as such these shares would not be free for the liquidator to realise for an extended period of time nor readily saleable to an independent third party and subject to the constraints attached to the sale of a minority shareholding.
3. Inter Company Loans Receivable: R27,532,684
 - Gen-Assist Insurance Brokers (Pty) Ltd R5,400,000
 - The balance of the purchase price for this asset is expected over the next 2 years. The maximum amount receivable is R6,000,000, but has been reduced to take into account current market conditions. This amount is a best estimate and based on management representations.
 - 1st Fusion Asset Management (Pty) Ltd: R2,249,565
 - This amount is considered to be recoverable, but it could some time before the funds are received per management representations.
 - Khumo Securities (Pty) Ltd: R2,000,000
 - The book value is recorded at R12,486,032. The amount recoverable is a best estimate based on Management representations.
 - Genesis Capital (UK) Ltd (In Liquidation): R12,073,505
 - This amount is an estimate based on information received from the UK liquidator.
 - EB Solutions: R5,809,614
 - This amount is regarded as recoverable and is based on discussions with management.
4. Accounts Receivable: R16,219,371

- Alefbet (Pty) Ltd R10,000,000
 - This is the balance of the purchase consideration.
 - Genesis Advisory Services R2,808,000
 - This amount is the balance of the purchase price that will flow to Genesis Capital. This is an estimate based on management representations and has been impaired by 20%.
 - Sale of Genesis EB Solutions: R3,411,371
 - The largest component of this balance is the purchase price expected over the next 2 years from the disposal of the shares in Genesis EB Solutions. This amount has been reduced to be conservative and is based on management representations.
5. Further Distribution from Subsidiaries: R3,863,729
- This amount is in respect of claims paid to Genesis Risk and Investment (Pty) Ltd and Genesis Advisory Services (Pty) Ltd. Funds will be receipted based on the percentage shareholding of 78%.
6. Expenses incurred by liquidator: R8,525,599
- Liquidators Fees R5,917,198
Fees are calculated per tariff on asset realisation.
 - Masters Fees R275,000
The fee based on asset value.
 - Bond of Security premium on value of Assets for 2 years R1,083,401
The premium is calculate as required by the Masters office.
 - Legal Fees R250,000
This amount is a best estimate.
 - Other R1,000,000
This amount is a best estimate and based on the costs to realise the assets at the highest possible value.
7. Creditors:
- Creditors are included per Annexure C of the plan.