

- Delivered by Email To:** All known Affected Persons of Group Five Construction Proprietary Limited  
(In business rescue)  
Companies and Intellectual Property Commission
- Displayed:** Registered business address and principal place business of the Company and  
anywhere where employees are employed
- Published:** On the website maintained by the Company and accessible to Affected Persons
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July 2021

**BUSINESS RESCUE STATUS UPDATE REPORT FOR GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (IN BUSINESS RESCUE) ("COMPANY")**

1. In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008, as amended when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, the business rescue practitioners ("**BRPs**") are required to –
  - 1.1. prepare a report on the progress of the business rescue proceedings and update it at the end of each subsequent month until the end of the business rescue proceedings; and
  - 1.2. deliver the report and each update to each Affected Person and to the CIPC.
2. Accordingly, we, the BRPs of the Company, hereby provide you with the twenty-sixth report on the status of the Company's business rescue proceedings.
3. Capitalised words not otherwise defined in this report shall have the meaning ascribed to them in the approved Business Rescue Plan for the Company as published on 30 August 2019 ("**the Plan**").

**4. General**

- 4.1. Construction Projects – The majority of the projects being undertaken by the Company at Commencement of business rescue, have either been completed, ceded, sold as part of a business sale or terminated. A limited number of projects are ongoing.
- 4.2. Asset Disposals and Business Sales – The majority of the business assets held by the

Company and/or its subsidiaries at the commencement of the business rescue proceedings have been disposed of and the majority of the relevant proceeds received. All remaining asset and business sale processes remain ongoing and broadly in accordance with the Plan.

- 4.3. Distributions to Secured Creditors - Distributions to the Secured Creditors, together with the reduction in their guarantee exposure, has resulted in the Secured Creditor Claims reducing from R4.5bn to R1.6bn. This represents a recovery of 63% of Secured Creditor Claims (since Commencement), compared to the 18% anticipated recovery for Secured Creditors estimated in the alternative scenario of a liquidation of the Company. Further Distributions are anticipated.
- 4.4. Distributions to Concurrent Creditors - Distributions in the amount of c. 140m have been made to, or provided for, Concurrent Creditors. This represents an initial Distribution of 4% of remaining Concurrent Creditor Claims at Commencement. This is comparable to the 3.4% total recovery for Concurrent Creditors estimated in the alternative scenario of a liquidation of the Company. Further Distributions are anticipated.
- 4.5. Status Report on the Business Rescue Plan for the Company - As noted in previous reports, the BRPs published and distributed an update report on the Plan in May 2021 (the “**Status Report**”). The Status Report updated and informed Affected Persons on matters relating to the implementation and completion of Phase 1 and the commencement of the implementation of Phase 2 of the Plan. The Status Report is available to view on the Company’s website at: [www.g5.co.za](http://www.g5.co.za), under the ‘Business Rescue’ tab for the Company.
- 4.6. Ongoing Sourcing of Funds – the processes to liquidate and collect other fund sources available or potentially available to the Company and its Creditors continue to be pursued by the BRPs.
- 4.7. Dispute Resolution and Disputed Creditor Claims - Numerous disputes involving the Company and/or Group, in both formal and informal processes, have been either completed or settled with the relevant counterparties. A significant number of dispute resolution processes are ongoing.
- 4.8. Clean-up – The clean-up of the Group structure continues to be executed.

## 5. Payment of first Distribution to Concurrent Creditors

5.1. Concurrent Creditors who did not receive payment the first Distribution are, once again, encouraged to contact Nesh Singh, the Group Five Creditors Manager, by email on: [nsingh@groupfive.co.za](mailto:nsingh@groupfive.co.za), to confirm your company's Claim, banking details and/or to provide

the necessary tax invoice. The Company will make further payments in respect of the first Distribution to the Concurrent Creditors who have not yet received their payments on a monthly basis, once the relevant Concurrent Creditors have provided the Company with the correct and necessary documentation required and/or the Claim in question has become final.

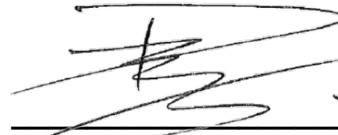
6. Please note that this report and all other relevant documents and notices regarding the business rescue proceedings of the Company, to date, have been published on the Company's website at [www.g5.co.za](http://www.g5.co.za), under the 'Business Rescue' tab.

Yours faithfully,



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**Dave Lake**  
**Business Rescue Practitioner**  
**Group Five Construction (Pty) Ltd**



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**Peter van den Steen**  
**Business Rescue Practitioner**  
**Group Five Construction (Pty) Ltd**

**Companies and Intellectual Property Commission  
Republic of South Africa**

**Form CoR 125.1**

**About this Form**

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
  - a) The Commission, if the business rescue proceedings were started by the company; or
  - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

**Contacting the Commission**

The Companies and Intellectual Property Commission of South Africa

**Postal Address**

PO Box 429  
Pretoria  
0001  
Republic of South Africa  
Tel: 086 100 2472

[www.cipc.co.za](http://www.cipc.co.za)

**Business Rescue Status Report**

**Date:** 31 July 2021

**Customer Code:** WERKMP

**Concerning**

*(Name and Registration Number of Company)*

**Name:** Group Five Construction Proprietary Limited

**Registration No:** 1974/003166/07

The above named company commenced business rescue proceedings on 11 March 2019.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

**Name and Title of person signing on behalf of the Practitioner:**

DAC Lake and PF van den Steen - Joint Business Rescue Practitioners

**Authorised Signature:**

