

**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

Business Rescue Status Report

Date: 30 September 2021

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Group Five Construction Proprietary Limited

Registration No: 1974/003166/07

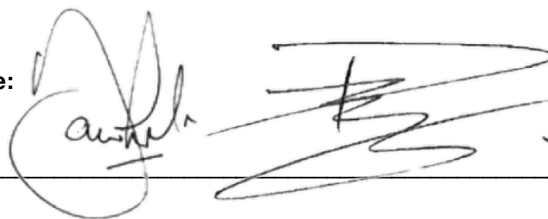
The above named company commenced business rescue proceedings on 11 March 2019.

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:



- 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
-

30 September 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 September 2021 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. Payment of Distributions to Concurrent Creditors

- 4.1. Pursuant to paragraph 5.6 of the Plan, a payment of a second Distribution of 2 cents in the Rand will be made to recognised Concurrent Creditors in early October 2021. Together with the first Distribution of 4 cents in the Rand already paid this will mean that Concurrent Creditors will have now received distributions totalling 6 cents in the Rand. This is comparable to the 3.4 cents in the Rand total recovery for Concurrent Creditors estimated in the

Group Five Construction (Pty) Ltd (in business rescue)

alternative scenario of a liquidation of the Company at commencement of business rescue proceedings.

- 4.2. Concurrent Creditors who did not receive payment of the first Distribution and/or who do not receive the payment of the second Distribution in early October 2021, are encouraged to contact Nesh Singh, the Group Five Creditors Manager, by email on: nsingh@groupfive.co.za, to confirm your company's Claim status, banking details and/or to provide the necessary tax invoice.
- 4.3. As at 30 September 2021 we have, in total, made or provided for Distributions to Concurrent Creditors of 6c in the Rand based on current actual and estimated claims of c.R2.9b. Distributions paid to, or ringfenced for payment to, Concurrent Creditors thus amount to R172m. The ringfenced amounts are held as free cash in a Group Five bank account and are available for distribution to Concurrent Creditors.
- 4.4. It is noted that we have sought to be conservative in our estimates of current actual and estimated (contingent) Concurrent Creditor claims (i.e. the R2.9b noted above). Going forward in the business rescue process we will make payments from these ringfenced funds to those currently unpaid Concurrent Creditors as their claims become proven and are thus no longer estimated. This "proving" process includes a number of elements including but not limited to: numerous dispute resolution processes underway; verifying claims and recipient details from known claimants; further collections from secured asset sales which will reduce the overflow into Concurrent Creditor claims of the claims of Secured Creditors; and resolving other specific and general provisions for Concurrent Creditor claims.
- 4.5. In the event that actual claims on a final reckoning are lower than the current estimate of R2.9b, the excess ringfenced funds arising from this reduction (the full amount having been previously provided for and ringfenced as cash in a Group Five Bank account) will be released to the remaining final "actual claims" pro rata as an additional distribution.
- 4.6. It is further noted that in addition to the 6c in the Rand (R175.5m) distributions declared to date, the BRPs anticipate further distribution amounts to be declared and paid to (or ringfenced for the benefit of) Concurrent Creditors as free cash becomes available in the business rescue process.

5. General

- 5.1. Construction Projects – As previously noted, 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 currently ongoing and nearing completion.

5.2. Asset Disposals and Business Sales – All remaining asset sale processes (approximately 19 in number), remain ongoing and in accordance with the Plan. The majority (by value) of asset disposals and business sale processes have been completed, some with deferred consideration proceeds to be collected.

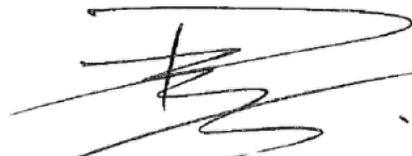
5.3. Litigation etc. – The Company continues to actively pursue the resolution of numerous disputes by means of negotiation or, where applicable, by means of litigation, arbitration and adjudication.

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, under the 'Business Rescue' tab.

Yours faithfully,



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



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