

**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: 31 January 2021

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Group Five Limited

Registration No: 1969/000032/06

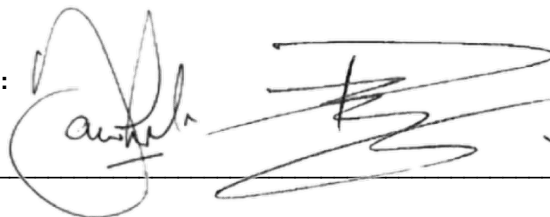
The above named company commenced business rescue proceedings on 11 March 2019.

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:



Attention: **All Affected Persons**

Group Five Limited (in business rescue) ("**the Company**")

Attention: **Companies and Intellectual Property Commission ("CIPC")**

businessrescue@cipc.co.za

Delivered by Email

Displayed

- Registered Office 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

January 2021

BUSINESS RESCUE STATUS UPDATE REPORT FOR GROUP FIVE LIMITED

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. This requirement is applicable to the Company.
3. This report is for the month of January 2021 and is published as an update to the status update report for the month of December 2020, circulated to all known Affected Persons and filed with the CIPC.

4. 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**").
5. Accordingly, we, the BRPs, hereby provide you with the twentieth status update report of the Company's business rescue proceedings.

6. General

- 6.1. Asset and Business Sales – A binding sale and purchase agreement for the disposal of the Everite business (including Sky Sands) was signed between the Company, Everite and the purchaser in early February 2021. The completion process relating to conditions precedent contained in the sale agreement has commenced. In the meantime the Everite business continues to trade well and ahead of expectations.
- 6.2. Group Five Construction – The legally separate business rescue process for Group Five Construction is ongoing. In this regard we enclose for your benefit the business rescue status update report that has simultaneously, with this report, been sent to the affected persons of Group Five Construction. We again record that there currently remains no prospect of any financial recovery by the Company from the Group Five Construction business rescue process.

7. Litigation

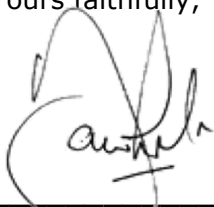
- 7.1. As outlined in previous Business Rescue Status Update Reports for the Company, the legal proceedings instituted against the Company, its Affected Persons, its BRPs and the consortium of lenders who have been recognized as creditors of the Company, by a group of Shareholders of the Company, remains ongoing. We envisage that these legal proceedings may be lengthy and time-consuming. Having taken legal advice on the matter, however, we are satisfied that the actions we have taken thus far in the Company's business rescue proceedings have been appropriate. Thus, the BRPs and the Company's attorneys continue to defend the BRPs and the Company's position.
- 7.2. The Company continues to actively pursue the resolution of all other legal disputes by means of negotiation or, where applicable, by means of litigation, arbitration and adjudication matters.

8. Disputed Creditors

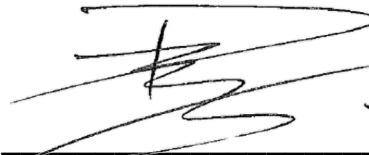
8.1. The BRPs are confident that the few remaining Disputed Claims will be resolved with Disputed Creditors of the Company in a timeous manner through the process set out in the Dispute Resolution Mechanism provided in the Plan.

9. All relevant notices circulated to the Affected Persons 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 Limited



Peter van den Steen
Business Rescue Practitioner
Group Five Limited