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11 June 2019

Attention: **All Affected Persons**
Group Five Limited (In Business Rescue)

Attention: **Companies and Intellectual Property Commission**
businessrescue@cipc.co.za

STATUS REPORT FOR GROUP FIVE LIMITED (IN BUSINESS RESCUE)

- 1 In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008, as amended ("**Act**") when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, a business rescue practitioner is required to–
 - 1.1 prepare a report on the progress of the business rescue, 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 Companies and Intellectual Property Commission ("**CIPC**").
- 2 This requirement is applicable to Group Five Limited (In Business Rescue) ("**Group Five Limited**").
- 3 Accordingly, we hereby provide you with the first report on the status of Group Five Limited's business rescue proceedings.
- 4 As you are aware, Group Five Limited was placed in business rescue on 11 March 2019 by a resolution of the board of the company passed on 11 March 2019 and we were appointed as the business rescue practitioners on 13 March 2019.
- 5 Since our appointment we have been engaged in the following.
 - 5.1 The first meeting of the creditors of Group Five Limited was convened on 26 March 2019. No creditors' committee was formed.
 - 5.2 In terms of section 150(5) of the Act, the business rescue plan was required to be published on 16 April 2019 (i.e. within 25 days from the date of our

Group Five Limited

Reg No 1969/000032/06

Directors: *N Mandindi (Chairperson) *CH Fernandez *RJ Huntley *MR Upton *EB Williams TC Kgogo (CEO) AJ Clacher (CFO)
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appointment). We obtained an extension from the creditors at the first statutory meeting of creditors (as contemplated in section 150(5)(b) of the Act) for the extension of the publication date to 28 June 2019. In view of the complexity of the matter and the need for us to consult more widely in order to prepare an appropriately thorough business rescue plan, as at the date of publication of this update we are now of the view that the original extension date for the publication of the business rescue plan has proved to be optimistic. We will therefore be approaching creditors to seek their approval for an extension of the date for publication in due course.

- 5.3 The successful rescue of Group Five Limited is highly dependent on the successful rescue of Group Five Construction Proprietary Limited (in business rescue) ("**Group Five Construction**"). The material assets of Group Five Limited are limited to its investments in Everite, and shares in and claims against Group Five Construction. Proceeds from the realisation of the Everite manufacturing assets will be applied to the relevant secured creditor. The realisation of the Company's claims against Group Five Construction will be dependent upon the outcome of the Group Five Construction business rescue proceedings and the extent to which creditors are settled in Group Five Construction. Accordingly, in this regard, we enclose for your benefit the status report that was sent to the affected persons of Group Five Construction.
- 5.4 A number of SENS announcement and notices have been circulated to affected persons of the company and these have been published on notice boards at the registered office and principal place of business of Group Five Limited (and anywhere where employees are employed) and on Group Five Limited's website. The details of the website are set out below.
- 6 If you have any queries, they may be directed to G5ltdbr@groupfive.co.za. 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

Yours faithfully,



Dave Lake



Peter van den Steen

Joint Business Rescue Practitioners of Group Five Limited (in Business Rescue)