

Attention: **All Affected Persons**

Group Five Construction Proprietary Limited (In Business Rescue)

Attention: **Companies and Intellectual Property Commission**

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

Hand Delivered to the Trade Unions

15 August 2019

STATUS REPORT FOR GROUP FIVE CONSTRUCTION PROPRIETARY 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 Construction Proprietary Limited (In Business Rescue) ("**Company**").

Group Five Construction (Pty) Ltd

Reg No 1974/003166/07

Directors: TC Kgogo AJ Clacher NM Humphreys KR Maharaj

2 Eglin Road, Sunninghill, 2191

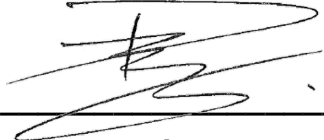
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- 3 Accordingly, we, the business rescue practitioners ("**BRPs**"), hereby provide you with the third report on the status of the Company's business rescue proceedings.
- 4 Since the second status report of 11 July 2019, the following has occurred -
- 4.1 Creditors Committee - The BRPs are continually engaging with the Independent Chairman of the Creditors Committee, Mr Laher, and the Creditors Committee on a regular basis. The third meeting with the creditors committee was held on 5th August 2019 and the fourth meeting of the creditors committee with the BRPs is scheduled for the week of the 19th of August, 2019.
- 4.2 Date for the Publication of the Plan – the BRPs intend to publish the Business Rescue Plan by the 30th August 2019.
- 4.3 Asset and Business Sales – We continue to engage in numerous sale processes related to subsidiary companies, operating divisions, properties and/or shareholdings that may be disposed of in order to relieve the burden of the secured debt owed by the Company (and/or by its direct and indirect subsidiaries) as well as to provide working capital for the business rescue proceedings.
- 4.4 External Auditors Update - The Company's external auditors, PricewaterhouseCoopers Incorporated ("**PWC**") resigned as auditors of Group Five on 2 July 2019. PWC resigned as auditors for the Group for the financial year that commenced on 1 July 2018. The BRPs of Group Five are in the process of appointing new auditors and notices to this effect will be sent out in due course.
- 4.5 Post-Commencement Finance – As per the Business Rescue Status Report of 11th July 2019, there continue to be a number of projects that are at various stages and for which post-commencement finance has been provided, or mechanisms have been put in place to ensure the completion of such projects.

- 4.6 Construction Contracts – Since inception of business rescue proceedings, payments under certain guarantees have been called for and made. However, the remaining guarantee-linked activities are stable with the majority of project executions progressing as planned. Four more projects have been brought back on line.
- 5 If you have any queries, they may be directed to G5constructionptyltd@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,



Peter van den Steen



Dave Lake

Joint Business Rescue Practitioners of Group Five Construction (Pty) Ltd. (in business rescue)