

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

October 2020

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 October 2020 and is published as an update to the status update report for the month of September 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 seventeenth status update report of the Company's business rescue proceedings.

6. General

- 6.1. Asset and Business Sales – Following a detailed due diligence process a credible binding offer for the purchase of the Everite businesses was received by the BRPs on 30 September 2020. Certain details of the offer are currently being negotiated between the BRPs and the offeror and good progress is being made in this regard. Assuming that agreement is reached on the outstanding issues, a draft sale and purchase agreement (already in circulation between seller and buyer) will be finalised and entered into between the parties and the completion process will commence. In the meantime the Everite business is trading 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 realistic prospect of any financial recovery by the Company from the Group Five Construction business rescue process.
- 6.3. Change of Physical Address – Affected Persons are hereby notified that the lease for the Johannesburg office, which acts as the Company's primary registered physical address, has been terminated. The Company's Johannesburg office is longer situated at 2 Eglin Road, Sunninghill. Further updates regarding the Company's new registered physical address in Johannesburg, will be provided to all Affected Persons, in due course

7. Litigation

- 7.1. As outlined in the June 2020 Business Rescue Status Update Report for the Company, a group of Shareholders of the Company have instituted legal

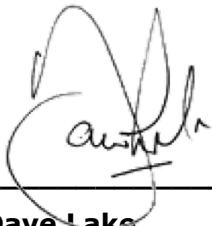
proceedings against the Company, its Affected Persons, its BRPs and the consortium of lenders who have been recognized as creditors of the Company. This matter remains ongoing.

- 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.

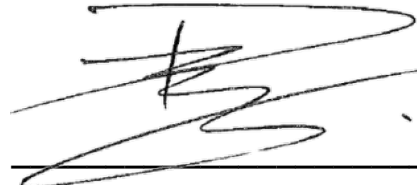
8. Disputed Creditors

- 8.1. Details relating to Disputed Creditors the abandonment and resultant expungement of claims have been provided in the Plan and in earlier updates.
- 8.2. The BRPs are confident that the 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