

**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 December 2021

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Group Five Construction Proprietary Limited

Registration No: 1974/003166/07

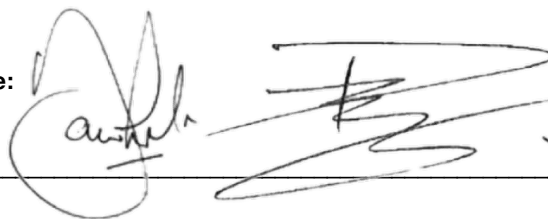
The above named company commenced business rescue proceedings on
11 March 2019.

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
-

December 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 December 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. **Litigation**

Given recent High Court judgements relating to CNA Operations (Pty) Limited and Timasani (Pty) Limited, the below and attached information serves as the BRPs Notice to Affected Persons of the Company, in terms of section 144(3)(a), section 145(1)(a) and section 146(a) of the Companies Act 71 of 2008, as amended.

- 4.1. In accordance with sections 144(3)(a), 145(1)(a) and 146(a) the Companies Act, we give notice of the legal proceedings in which the Company is involved, and which is listed in the schedule annexed hereto, marked "**SR1**".
- 4.2. This notification, which provides a summary of relevant litigation matters, is a statutory notice sent to you for your information purposes fulfilling the BRPs obligations in terms of, inter alia, sections 144(3)(a), 145(1)(a) and 146(a) the Companies Act
- 4.3. Should you require further information about any of the proceedings, or a copy of the documents exchanged between the parties in respect of any one or more of these proceedings, you are requested to submit your request, by email, to: lauren@metis.co.za.
- 4.4. Note that as arbitration and adjudication proceedings are by their very nature private and confidential, and the disclosure of any further information and/or documents in respect thereof would be subject to the consent of the parties to such proceedings

5. General

- 5.1. Asset Disposals and Business Sales – Since the commencement of business rescue, we have successfully completed the sale processes of the majority of the Company's assets. All remaining asset sale processes remain ongoing and in accordance with the Plan.
- 5.2. Construction Projects – As previously reported, the majority of the construction projects that the Company was involved in at the commencement of business rescue, have been successfully completed, ceded, sold as part of a business sale or terminated. Approximately 10 projects are currently ongoing and nearing completion.
- 5.3. Closure of entities: The project undertaken to clean up the Group structure and bring relevant financial statements and regulatory filings up to date is well advanced.

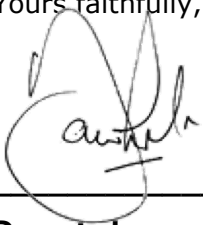
6. Payment of Distributions to Concurrent Creditors

- 6.1. Concurrent Creditors received distributions totalling **6 cents in the Rand** during the course of 2021. This is comparable to the 3.4 cents in the Rand total recovery for Concurrent Creditors that was estimated in the alternative scenario of a liquidation of the Company.
- 6.2. Concurrent Creditors who did not receive payment of the first or second Distribution in April and May 2021 and/or October 2021 are encouraged to contact Nesh Singh, the Group Five

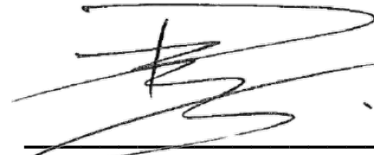
Creditors Manager, by email on: nsingh@groupfive.co.za, to confirm your company's Claim, banking details and/or to provide the necessary tax invoice.

- 6.3. Further Distributions are anticipated, and we will continue to communicate with the relevant Affected Persons regarding the timing and payment of these further distributions, as and when appropriate.
7. 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



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

ANNEXURE SR1

Party/ies	Party Description	Forum and/or Case Number	Commencement of Proceedings	Synopsis of the Matter
Group Five Construction (Pty) Ltd	Applicant	High Court (GD) Case No: 42861/2020	2020	A money judgment was sought against the respondents (jointly and severally) for the payment of R515,030 together with interest thereon. The debt including legal costs has since been paid by the respondents.
Isibonelo Property Services (Pty) Ltd	First Respondent			
Zakhele Shadrack Mthethwa	Second Respondent			
Mankwale Lucia Mthethwa	Third Respondent			
Petrus van den Steen N.O	Applicants	High Court Johannesburg (GLD) Case No.: 2021/12760	2021	The applicant has applied for the liquidation of the respondent in respect of a debt due to it of R 7 million since July 2019. The respondent has since brought an application to stay the liquidation proceedings pending arbitration of its alleged claim against the applicant for R15 million.
David Lake N.O				
Khewija Engineering and Construction (Pty) Ltd	Respondent			
The Competition Commission of South Africa	Applicant	Competition Tribunal CC Case No: CC2009Sept4641 CT Case No: CR229MAR15	2015	The applicant seeks an order declaring that the respondents engaged in certain prohibited practices, in contravention of the Competition Act, 1998 in respect of the rehabilitation of National Route 5, Section 4 between Senekal and Vaalpenspruit and declaring that the first respondent is liable for the payment of an administrative penalty equal to 10% of its turnover.
Group Five Construction (Pty) Ltd	First Respondent			
WBHO Construction (Pty) Limited	Second Respondent			
Murray and Roberts Limited	Third Respondent			
Group Five Construction (Pty) Ltd	Applicant in the High Court litigation and respondent in the SCA and CC applications	High Court (GD) Case No: 75995/2017; Supreme Court of Appeal Case No: 195/2020; Constitutional Court CCT Case No: CCT 141/2021	2017	Review proceedings brought by the applicant to have the respondent's complaint, initiated under case number 2009Feb4279 (in respect of the construction and refurbishment of stadia for the 2010 FIFA World Cup), and subsequent steps set aside.
The Competition Commission of South Africa	Respondent in the High Court litigation and appellant in the SCA and CC applications)			
EarthTech Engineers Limited; and Dennis Korblah Kulekey	Respondents	High Court of Justice, Commercial Division, Accra (Ghana) Case no. CM/BFS/0511/2018	2021	Application to have an injunction (attachment) against the applicant's assets lifted (in respect of proceedings against Group Five Power International (Pty) Ltd – commenced on 12 June 2020 in the Ghanaian High Court for payment of USD 2,804,229.48 (together with interest and legal costs) for services allegedly rendered).
Group Five Construction (Pty) Ltd	Applicant			

Group Five Construction (Pty) Ltd	Claimant	Arbitration	2021	The claimant seeks an award against the defendant for payment of the amount of R167,982.947.70 together with interest. The defendant has a counterclaim for: (i) an award declaring that the Defendant validly terminated the contract on 20 March 2019; (ii) payment of the amount of R292,470,808.00 and interest; and (iii) payment of the amount of R46,958,735.69 and interest.
Exxaro Coal (Pty) Ltd	Defendant			
Group Five Construction (Pty) Ltd	Applicant	High Court (GLD) Case No. 34068/2019	2019	A money judgment is sought against the first respondent for the payment of R3 406 535.14 together with interest thereon.
Constantia Insurance Company Ltd	First Respondent			
Fastrack Contracting Africa (Pty) Ltd	Second Respondent			
Group Five Construction (Pty) Ltd	Applicant	Supreme Court of Appeal Case No. 693/2021	2018	A money judgment is sought against the first respondent for the payment of R1 490 364.09 together with interest thereon. Successful in High Court, taken on appeal to the SCA by the second respondent.
Constantia Insurance Company Ltd	First Respondent			
Millennium Aluminium & Glass Services (Pty) Ltd	Second Respondent			
Pearls of Umhlanga (Pty) Ltd	Claimant	Arbitration	2020	Claim against the defendant for payment of penalties and damages in the sum of R201 249 237.65
Group Five Construction (Pty) Ltd	Defendant			
Group Five Construction (Pty) Ltd	Plaintiff	High Court (Durban) Case No. 11228/2017	2017	Judgment granted in favour of the plaintiff, declaring it the owner of certain movable items. Execution proceedings underway to recover the plaintiff's legal costs.
Transcon Plant and Civils CC	Defendant			
Group Five Construction (Pty) Ltd	Claimant	Arbitration (previously instituted by way of a High Court Action (WC Division), under Case No.16674/2020)	02 11 2020	A monetary award is sought against the defendant for payment in the amount of R1 658 552,00 (plus VAT) and interest thereon.
Fortress Engineering CC	Defendant			
Melrose Arch Investment Holdings (Pty) Ltd	Claimant	Arbitration	September 2020	A damages claim has been brought against the defendant for payment of the sum of approximately R190 million as a result of a contract being terminated
Group Five Construction (Pty) Ltd	Defendant			
Group Five Construction (Pty) Ltd	Defendant	Arbitration	2020	An award was sought for payment of R200 million by the defendant, as a result of breach of contract. The claimant was unsuccessful and the arbitration proceedings are being taken on review.
Government of South Africa	Claimant			