

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

October 2024

**BUSINESS RESCUE STATUS UPDATE REPORT FOR GROUP FIVE CONSTRUCTION
PROPRIETARY LIMITED (IN BUSINESS RESCUE) (the "Company") AND NOTICE OF
APPOINTMENT OF BUSINESS RESCUE PRACTITIONERS**

1. In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008, as amended ("**the Act**") 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 report on the status of the Company's business rescue proceedings for October 2024.
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. **PAYMENT OF BUSINESS RESCUE DISTRIBUTIONS**
 - 4.1. Secured Creditors of the Company have been **repaid in full**. This should be measured against the **c.65 cents in the Rand** total recovery for Secured Creditors independently estimated in the alternative scenario of a liquidation of the Company.

- 4.2. To date, Concurrent Creditors have received thirteen Distributions **totaling 65.0 cents in the Rand** in respect of their proven Claims. This should be measured against the estimated recovery of **3.4 cents in the Rand** for Concurrent Creditors independently estimated in the alternative scenario of a liquidation of the Company.
- 4.3. Concurrent Creditors are advised that further Distributions are anticipated. The BRPs will continue to communicate with the relevant Affected Persons in this regard, as and when necessary.
- 4.4. Concurrent Creditors, including trade creditors and sub-contractors, that have not yet received any or all of the cash distributions they believe are due to them are advised to contact Nesh Singh on email nsingh@groupfive.co.za with details of that creditor's claim so that due payments may be released. Payments will only be made to recognised and appraised Concurrent Creditors as previously notified in accordance with the business rescue proceedings of G5 and the approved business rescue plan for G5. The purpose of such contact will be to validate information including: the claim so submitted; bank details; and the identification of the submitter/claimant.
- 4.5. The BRPs' process to proactively locate and contact creditors still needing to validate their claims was successful with a material number of creditors located, their claims verified and catch-up payments made to such creditors.

5. BUSINESS RESCUE UPDATES

- 5.1. Asset Disposals and Value Collection – A material number of ongoing value collection initiatives and small asset sale processes are still underway in accordance the Plan – proceeds in respect of which continue to be secured and collected be for the benefit of Concurrent Creditors. Accordingly, the monetisation of group assets continued successfully with various recoveries during October 2024. Regulatory approval for the sale of the Sky Sands mining right was received during the month.
- 5.2. Litigation and Dispute Resolution – multiple litigation and dispute resolution matters relating to the Company as previously reported to Affected Persons remain ongoing and are in the process of being resolved by the BRPs and their legal advisors. Some of these are initiated by the Company to recover value for Creditors, and the balance are matters where the Company is defending its position for the benefit of Creditors.

- 5.3. Construction Projects – All construction projects that were in progress at the commencement of business rescue proceedings have now either been successfully completed, ceded, sold as part of a business sale or terminated.
- 5.4. Other – Other matters still underway in relation to the business rescue process include: collection of amounts owing to the Company; dealing with SARS related matters; addressing residual matters relating to remaining staff and operations; audit completions; extinguishing guarantees still outstanding in relation to the Company; cleaning up and winding down numerous group companies; and dealing with matters as required in respect of the inter-related Group Five Limited business rescue process.

6. APPOINTMENT OF JUNIOR BRPs

- 6.1. Affected Persons are advised that, in order to reduce ongoing business rescue costs during the wind-down stages of the Company's rescue, the Company has resolved, in conjunction with the current BRP's, to appoint Joshua Cunliffe and Ashleigh Cohen as junior BRPs for the remainder of the Company's business rescue proceedings.
- 6.2. The Company's rescue has been one of the largest and most complex business rescues in South Africa. At inception, it involved c.180 group entities across multiple jurisdictions, with c.6000 employees, c.120 active construction projects, over 100 legal and other dispute processes and over R7bn of creditor claims.
- 6.3. We are now, however, at the tail-end of the business rescue process. The majority of the required actions that were set out by the BRPs in the Plan have been implemented. There are a limited number of outstanding matters that still require monitoring, implementation and/or resolution. The BRP's have been advised by their attorneys that, notwithstanding this, the business rescue proceedings for the Company cannot be terminated (i.e. Substantial Implementation) until these matters have been appropriately settled.
- 6.4. The complex issues to be navigated in the business rescue are now behind us. Much of what still needs to be done is on track, and in any event will be done in accordance with the previously approved Plan. The need for senior BRPs input into the rescue has therefore materially reduced.
- 6.5. Taking this into account, it is considered an appropriate course of action at this time for Peter van den Steen to reduce his day-to-day role as BRP, and for the Company to appoint less expensive Junior BRPs to step in and handle the day-to-day implementation activities so released by Peter, with continued senior BRP oversight from Dave Lake (as before) and Peter (on a significantly reduced basis). The objective and impact of this change on the

business rescue proceedings of the Company will be a reduction in ongoing BRP fees incurred by the Company.

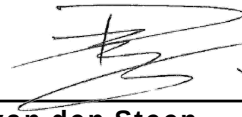
6.6. The board resolution to appoint Joshua Cunliffe and Ashleigh Cohen was taken on 31 October 2024. The appointments were filed manually with the Companies and Intellectual Property Commission (“CIPC”) also on 31 October 2024, with CIPC’s confirmation of the appointments now pending. We attach copies of the board resolution along with acceptance letters from Joshua Cunliffe and Ashleigh Cohen, as well as the submitted CoR 123.2 form.

7. If Affected Persons have any queries or concerns with regard to the business rescue proceedings of the Company, such queries or concerns may be directed to the business rescue team on: G5ConstructionBR@groupfive.com.

Yours faithfully,



Dave Lake
Business Rescue Practitioner
Group Five Construction (Pty) Ltd



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

Signed and issued on 5 November 2024

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: October 2024

Customer Code: D55152

Concerning

(Name and Registration Number of Company)

Name: Group Five Construction Proprietary Limited

Registration No: 1974/003166/07

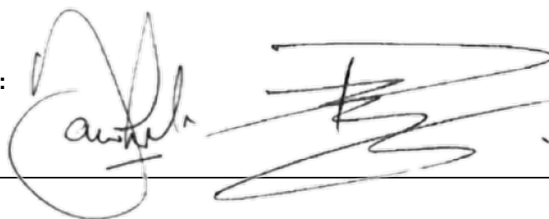
The above named company commenced business rescue proceedings on
11 March 2019.

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:



ANNEXURES – APPOINTMENT OF JUNIOR BRPs

GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED

(Registration number 1974/003166/07)

("the Company")

BOARD RESOLUTION PASSED ON 31 OCTOBER 2024**TO APPOINT JOSHUA CUNLIFFE AND ASHLEIGH COHEN AS ADDITIONAL BUSINESS RESCUE PRACTITIONERS FOR THE REMAINDER OF THE COMPANY'S BUSINESS RESCUE PROCEEDINGS****WHEREAS**

1. The Company's business rescue process has been one of the largest and most complex in South African history.
2. The magnitude and complexity of the business rescue has resulted in the jointly appointed business rescue practitioners ("**BRPs**"), David Lake ("**Lake**") and Petrus van den Steen ("**Van Den Steen**"), requiring support from each other and a team of skilled professionals to navigate and deliver the intended business rescue provisions and outcomes. Without a team of skilled professionals, it would not have been possible or practical (from a time, capacity, geographic and skill diversity perspective) for such a complex matter to have been so effectively advanced.
3. Joshua Cunliffe ("**Cunliffe**") and Ashleigh Cohen ("**Cohen**") have formed part of the team of skilled professionals that have assisted the BRPs with the application of their duties and responsibilities as BRPs. Furthermore, Cunliffe and Cohen are both licensed junior business rescue practitioners.
4. The Company is now in the tail-end of its business rescue process, which means that many aspects of the Business Rescue Plan (approved by creditors on 11 September 2019) ("**BR Plan**") have already been implemented. However, there are a limited number of outstanding matters that still require monitoring, implementation and/or resolution before the business rescue proceedings can be concluded and terminated.
5. Below is an update of the status of the Company's business rescue proceedings as at the end of September 2024:
 - 5.1. Secured Creditors have been repaid in full;
 - 5.2. Post Commencement Finance providers have been repaid in full;
 - 5.3. Preferent Creditors have been paid in full;
 - 5.4. Concurrent Creditors have, to date, received thirteen Distributions totalling 65 cents in the Rand in respect of their proven Claims;

Group Five Construction (Pty) Ltd (In business rescue)

Reg No 1974/003166/07

Directors: AJ Clacher

Business Rescue Practitioners: DAC Lake PF van den Steen



- 5.5. All construction projects that were in progress at the commencement of the business rescue proceedings have now either been successfully completed, ceded, sold as part of a business sale, or terminated, with approximately fifty projects still in their latent defect liability periods;
- 5.6. A number of ongoing asset sale processes and other value collection initiatives are still underway in accordance with the BR Plan – the proceeds in respect of which are to be collected for the benefit of Concurrent Creditors;
- 5.7. A material number of litigation and dispute resolution matters remain ongoing - the outcome of these matters has the capacity to significantly impact the quantum of remaining distributions to Concurrent Creditors;
- 5.8. Several Financial Guarantees for which the Company is liable remain outstanding;
- 5.9. Other matters which are still underway in relation to the Company's business rescue proceedings include: dealing with SARS related matters; addressing residual matters relating to remaining staff and operations; audit completions; cleaning up and winding down numerous group companies; dealing with matters as required in respect of the inter-related Group Five Limited business rescue process; distribution of net proceeds to Concurrent Creditors; and managing cash resources.
6. Forecast cash flows clearly show that there is still net value (after all related costs) to be collected and distributed for the benefit of Concurrent Creditors.
7. The Company's business rescue proceedings have progressed significantly. Therefore, the need for daily input from Lake and Van Den Steen has materially reduced.
8. Taking this into account, it is considered an appropriate course of action at this time for Van Den Steen to reduce his day-to-day roles, and for the Company to appoint less expensive junior business rescue practitioners, Cunliffe and Cohen, to assist with the remaining implementation activities, with continued oversight from Lake (as before) and Van Den Steen (on a reduced basis).
9. Cunliffe and Cohen have been intricately involved with the Company's business rescue proceedings and are both licensed as junior business rescue practitioners. To reduce the costs incurred by the Company, Cunliffe and Cohen will charge fees at the statutory tariff outlined in the Chapter 6 regulations (for a large business rescue), which is substantially less than Lake and Van Den Steen's current approved rate.
10. I, the undersigned, being the director of the Company, with the right to attend a meeting of the directors, deem it fit and in the best interest of the Company to exercise the authority given by article 26.4.1 of the memorandum of incorporation and section 74(1) of the Companies Act 71 of 2008 ("**Companies Act**"), hereby adopt by written consent, given in person or by electronic communication, the following resolutions and confirm that any and all notice requirements for the passing of the same be and are hereby waived.

NOW THEREFORE be it **RESOLVED** that:

1. Joshua Cunliffe (ID Number: 8312145705084) and Ashleigh Cohen (ID Number: 9306010017087) be appointed by the Company as additional jointly appointed business rescue practitioners, as contemplated in section 129(3)(b) of the Companies Act;
2. To the extent required, Werksmans Attorneys of 96 Rivonia Road, Dennehof, Sandton are authorised to lodge any and all documents with the Companies and Intellectual Property Commission in order to give effect to the aforesaid resolution; and
3. Anthony John Clacher (ID Number: 6501165192080) in his capacity as director of the Company be and is hereby authorised to do all things necessary, or to procure the doing of all things necessary and to sign any and all documents, or to procure the signing of any and all documents, as is necessary to give effect to the aforesaid resolution on behalf of the Board of Directors of the Company.

Certified a true copy of the extracts of the minutes of the meeting.

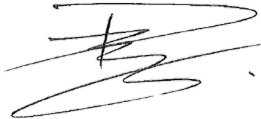
Date: 31 October 2024



ANTHONY JOHN CLACHER
DIRECTOR

THE BUSINESS RESCUE PRACTITIONERS OF THE COMPANY

The business rescue practitioners of **the Company** authorise the resolutions contained above.

BUSINESS RESCUE PRACTITIONER	SIGNATURE
DAVID ARTHUR CHARLES LAKE	
PETRUS FRANCOIS VAN DEN STEEN	

31 October 2024

APPOINTMENT AS JOINT BUSINESS RESCUE PRACTITIONER IN THE BUSINESS RESCUE OF GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (REGISTRATION NO: 1974/003166/07)

1. I, Ashleigh Cohen (identity number 9306010017087), hereby confirm that I have been nominated to act as one of the joint business rescue practitioners of GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (REGISTRATION NO: 1974/003166/07) ("**the Company**").
2. My identity document is attached hereto marked "**Annexure A**".
3. I hereby accept the appointment, and further confirm the following:
 - 3.1. I am of sound financial status and not insolvent in terms of Section 138 of the Companies Act, 71 of 2008 ("**the Act**");
 - 3.2. I am not subject to an order of probation in terms of Section 162(7) of the Act and as referred to in terms of Section 138(1)(c) of the Act;
 - 3.3. I would not be disqualified from acting as a director of the Company in terms of Section 69(8) of the Act and as referred to in Section 138(1)(d) of the Act;
 - 3.4. I do not have any relationship with the Company that would lead a reasonable and informed third party to conclude that my integrity, impartiality or objectivity is compromised by any such relationship as envisaged by Section 138(1)(e) of the Act;
 - 3.5. I am not related to any person who has a relationship contemplated in Section 138(1)(e) of the Act and as referred to in Section 138(1)(f) of the Act;

- 3.6. I currently have the capacity to accept this appointment; and
- 3.7. I am not otherwise disqualified from being appointed as one of the joint business rescue practitioners of the Company in terms of any other provision of Section 138(1) of the Act.
4. I am licensed as a Junior Business Rescue Practitioner by the Companies and Intellectual Property Commission. My license is attached as "**Annexure B**".
5. I am designated as a Business Restructuring Professional by the South African Restructuring and Insolvency Practitioners Association ("**SARIPA**"). My letter of good standing from SARIPA is attached hereto as "**Annexure C**".
6. I also attach hereto my tax clearance certificate as "**Annexure D**".

Yours faithfully,



A COHEN
JUNIOR BUSINESS RESCUE PRACTITIONER

31 October 2024

APPOINTMENT AS JOINT BUSINESS RESCUE PRACTITIONER IN THE BUSINESS RESCUE OF GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (REGISTRATION NO: 1974/003166/07)

1. I, Joshua Bruce Cunliffe (identity number 8312145705084), hereby confirm that I have been nominated to act as one of the joint business rescue practitioners of GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (REGISTRATION NO: 1974/003166/07) ("**the Company**").
2. My identity document is attached hereto marked "**Annexure A**".
3. I hereby accept the appointment, and further confirm the following:
 - 3.1. I am of sound financial status and not insolvent in terms of Section 138 of the Companies Act, 71 of 2008 ("**the Act**");
 - 3.2. I am not subject to an order of probation in terms of Section 162(7) of the Act and as referred to in terms of Section 138(1)(c) of the Act;
 - 3.3. I would not be disqualified from acting as a director of the Company in terms of Section 69(8) of the Act and as referred to in Section 138(1)(d) of the Act;
 - 3.4. I do not have any relationship with the Company that would lead a reasonable and informed third party to conclude that my integrity, impartiality or objectivity is compromised by any such relationship as envisaged by Section 138(1)(e) of the Act;
 - 3.5. I am not related to any person who has a relationship contemplated in Section 138(1)(e) of the Act and as referred to in Section 138(1)(f) of the Act;

- 3.6. I currently have the capacity to accept this appointment; and
- 3.7. I am not otherwise disqualified from being appointed as one of the joint business rescue practitioners of the Company in terms of any other provision of Section 138(1) of the Act.
4. I am licensed as a Junior Business Rescue Practitioner by the Companies and Intellectual Property Commission. My license is attached as "**Annexure B**".
5. I am designated as a Business Restructuring Professional by the South African Restructuring and Insolvency Practitioners Association ("**SARIPA**"). My letter of good standing from SARIPA is attached hereto as "**Annexure C**".
6. I also attach hereto my tax clearance certificate as "**Annexure D**".

Yours faithfully,



JB CUNLIFFE
JUNIOR BUSINESS RESCUE PRACTITIONER

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 123.2

About this Form

- This form is issued in terms of sections 129 and 131 of the Companies Act, 2008, and Regulation 123 of the Companies Regulations, 2011.
- This notice must be published to every affected person within-
 - (a) 2 business days after it has filed, if the company appointed the Practitioner; or
 - (b) 5 business days after the court order, in such a case.
- If this notice is issued following a company appointment, any affected person may apply to a court in terms of section 130 for an order setting aside the appointment, or requiring the practitioner to provide security.
- The fee for filing this Notice is R0.

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

Notice of Appointment of Business Rescue Practitioner

Date: 31 OCTOBER 2024

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.

The following person has been appointed as the business rescue practitioner:
JOSHUA CUNLIFFE and ASHLEIGH COHEN

☒ By the company, in terms of section 129 (3)(b).

☐ By the court, in terms of section 131 (5).

Name and Title of person signing on behalf of the Company:

ANTHONY JOHN CLACHER - DIRECTOR

Authorised Signature:

