Companies and Intellectual Property Commission
Republic of South Africa

Business Rescue Status Report

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

Date: July 2025

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:

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

July 2025

BUSINESS RESCUE STATUS UPDATE REPORT FOR GROUP FIVE CONSTRUCTION PROPRIETARY LIMITED (IN BUSINESS RESCUE) (the "Company")

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 July 2025.

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 compared to the estimated recovery of **65 cents in the Rand** for Secured Creditors contained in the Plan, which was independently estimated in the event of a liquidation of the Company at commencement of business rescue.

4.2. All proven and/or accepted Concurrent Creditors have been **repaid in full** in respect of their proven and/or accepted Claims. This should be compared to the estimated recovery of **3.4 cents in the Rand** for Concurrent Creditors as contained in the Plan, which was independently estimated in the event of an immediate liquidation of the Company at commencement of business rescue.

4.3. 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 the Company and the approved business rescue plan for the Company. The purpose of such contact will be to validate information including: the claim so submitted; bank details; and the identification of the submitter/claimant.

5. BUSINESS RESCUE UPDATES

5.1 Asset Disposals and Value Collection – Several relatively small, but material, ongoing value collection initiatives and asset sale processes are still underway in accordance with the Plan – proceeds in respect of which continue to be secured and collected for the benefit of Affected Persons.

5.2 Litigation and Dispute Resolution – a small number of 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.

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:

5.4.1 collection of amounts owing to the Company (included in 5.1 above);

5.4.2 dealing with SARS related matters, including current and past VAT refund claims;

5.4.3 SARS have requested a VAT audit to be completed from 2020 to 2025, which audit is currently in progress. All supporting information in respect of the audits has been submitted. We have not received any official ruling yet from SARS, however certain historical refunds have been processed during July which have resulted in a material return of funds to the Company;

5.4.4 addressing residual matters relating to remaining staff and operations;

5.4.5 audit completions - the financial statements for Group Five Construction (Pty) Ltd (in business rescue) have been audited up to 2020. The 2021 audit is in progress, which is being undertaken by Nolands and expected to be completed by the end of September. During the quarter ending June 2025, a total of 17 audits were completed relating to the Group's international subsidiaries. The Group can now commence with the respective deregistration or liquidation processes, as appropriate.

5.4.6 extinguishing the final guarantee still outstanding in relation to the Company (Note: The successful recovery depends on the outcome of a court case before the Supreme Court of Appeal expected to take place in the 2^{nd} half of 2025);

5.4.7 winding down numerous group companies in conjunction with Group Five Limited. At the commencement of Business Rescue, there were 179 companies in the group (85 international, 94 local). Currently, 62 companies remain (32 international, 30 local). The deregistration or liquidation of the remaining companies is dependent on the completion of audits, tax compliance being brought up to date, the conclusion of the disposal of assets or resolution of outstanding matters, with considerable progress being made in this regard. Currently 16 entities have been submitted for deregistration or liquidation. The report will be **updated quarterly** to reflect the progress from a wind down and compliance perspective. The next such update will be at the end of the September quarter.

5.4.8 closure of excess bank accounts continues and will continue until such time that the remaining bank accounts are used for central treasury functions only.

5.4.9 Group company audits are underway to facilitate the above deregistration or liquidation and tax compliance processes.

5.4.10 **SSL Structural Systems (Africa) Pty Ltd** – The 2021 to 2023 independent audit review work has been completed however additional requests for supporting documentation was requested by the auditors during July. This information has been submitted. Once the 2019 to 2020 financial statements are finalised, the 2021 to 2023 financial statements will be finalised and signed off.

5.4.11 outstanding tax returns in respect of group companies are being submitted as audits are completed.

Reg No 1974/003166/07
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Directors: AJ Clacher
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5.4.12 dealing with matters as required in respect of the inter-related Group Five Limited business rescue process.

6. TERMINATION OF BUSINESS RESCUE PROCEEDINGS

6.1. The BRP's are pleased to record that Secured Creditors, Preferent Creditors and Post Commencement Financiers of the Company have all been repaid in full (100c in the Rand). In addition, as noted above, all verified Concurrent Creditors have now also been repaid in full (100c in the Rand). Full cash provision has been made for all known but (as yet) unverified Concurrent Creditors, as well as for potential Contingent Concurrent Creditors as reasonably estimated by the BRPs and their advisors.

6.2. On this basis the BRPs have commenced the process for the termination of the business rescue proceedings of both Group Five Construction Proprietary Limited and its parent company Group Five Limited.

6.3. Currently underway are numerous processes to facilitate the terminations, including: processes to update and firm up estimated contingent liabilities; preparing management accounts for Group Five Construction Proprietary Limited and Group Five Limited to confirm our estimates; putting in place processes to deal with all remaining matters which will require resolution post termination of the business rescue proceedings; appointing temporary boards of directors to the two entities; updating the share register of Group Five Limited; and other related administrative matters.

6.4. The BRPs are currently of the view that, once out of business rescue, there will be positive net asset value in Group Five Construction Proprietary Limited. As the shares of Group Five Construction Proprietary Limited are 100% held by Group Five Limited, this would infer that there will be positive value available to Group Five Limited (as the beneficiary of the Group Five Construction Proprietary Limited positive net asset value), and therefore currently our view is that there is likely to be positive value available to the shareholders of Group Five Limited.

6.5. Notwithstanding the independent value assessments at commencement of business rescue and the BRPs initial views that it would be highly unlikely that there would be any value flowing from the rescues to the shareholders of Group Five Limited (the formerly JSE listed entity), our current view is that there is likely to be value available to the shareholders of Group Five Limited. This value has arisen due to the recoveries achieved by the BRPs in the execution of the rescues far exceeding that as estimated by independent experts at the commencement of the business rescue proceedings (100 cents/Rand achieved for Secured Creditors vs 65 cents/Rand initial estimates; 100 cents/Rand achieved for Unsecured Creditors vs 3.4 cents/Rand initial estimates).

6.6. Affected persons will be advised as to progress on the terminations in due course.

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 10 August 2025