

Group Five Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1969/000032/06)
Share code: GRF ISIN: ZAE000027405
("Group Five" or "the Company" or "the Group")

DELISTING ANNOUNCEMENT

1. Introduction

Shareholders are advised that Group Five has made application to the JSE Limited ("JSE") to delist the Company (the "Delisting"), which application was approved by the JSE on 6 May 2020.

The purpose of this announcement is to advise shareholders of the rationale and salient dates and times of the Delisting.

2. Rationale for the Delisting

- 2.1. On 12 March 2019, the board of directors of Group Five (the "Board") placed the Company and its major subsidiary, Group Five Construction (Pty) Limited ("Group Five Construction") into business rescue (the "Business Rescue") in accordance with Chapter 6 of the Companies Act, No 71 of 2008 (the "Companies Act"). The Company simultaneously requested the suspension of Group Five's shares on the JSE, which suspension was granted by the JSE on 12 March 2019 (the "Suspension").
- 2.2. In terms of the Business Rescue proceedings, the Board appointed joint business rescue practitioners ("BRPs") who assumed control of the Company and commenced the preparation of business rescue plans for both Group Five and Group Five Construction in terms of Section 150 of the Companies Act (the "Business Rescue Plans"). The Business Rescue Plans were approved and adopted by creditors on 11 September 2019.
- 2.3. Upon implementation of the approved and adopted Business Rescue Plans, the BRPs do not believe that there is any realistic prospect of there being any residual value available for or attributable to the Company's shareholders and, consequently, the issued shares of the Company have no value. This was communicated to stakeholders at a meeting of creditors held on 11 September 2019 as well as being tabled in the Business Rescue Plan and referenced in the monthly updates provided to the Company's stakeholders (which monthly updates have been drawn to the attention of shareholders in various SENS announcements)¹.
- 2.4. In addition, Group Five no longer complies, or will no longer be able to comply, with the JSE Listings Requirements in various material respects including:
 - the Company does not have a duly constituted Board following resignations of non-executive directors on 25 June 2019 and the resignation of the interim chief executive officer on 8 October 2019, with only one non-executive director remaining as well as a financial director who is assisting with the Business Rescue;

¹

- no board committees are in existence following the resignations as set out above and various resignations from key personnel, and therefore Group Five does not comply with the King IV Code on Corporate Governance;
- the subscribed capital, which includes reserves but excludes minority interests, revaluation assets and intangible assets, amount to an adverse R1.4 billion which is below the threshold of R50 million as prescribed in the JSE Listings Requirements; and
- Group Five has been unable to release audited financial results, with the last financial results having been released on 30 June 2018 which contained an operating loss of approximately R1.2 billion (including fair value adjustment) and which is below the requirement of an audited profit of at least R15 million before taxation and after taking account of headline earnings adjustments on a pre-tax basis.

2.5. Accordingly, the Delisting will be implemented on the dates and times set out in paragraph 3 below.

3. Salient dates and times

The salient dates and times for the Delisting are as follows:

Last day to trade for the Delisting	Tuesday, 9 June 2020
Record date for the Delisting	Friday, 12 June 2020
Removal of Group Five Limited listing from the JSE	Monday, 15 June 2020

11 May 2020

Sponsor
Nedbank Corporate and Investment Banking

Attorneys
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