

Group Five Limited & Group Five Construction

Ongoing Business Rescue Process

Group Five was one of the largest, multi-disciplinary construction, manufacturing and infrastructure businesses in Africa with annual revenues of c.R15bn. Dave Lake and Peter van den Steen of Metis were appointed as joint business rescue practitioners of G5. Metis formulated and are well advanced in the implementation of the approved rescue plan.

Project Summary

Client	Group Five Limited and Group Five Construction Proprietary Limited
Structure & Presence	Head office in South Africa with 179 group entities operating across multiple jurisdictions throughout Africa and Europe
Industry	Construction, manufacturing and infrastructure management
Start Date	March 2019
End Date	Ongoing
Transaction Highlights	Wind down of loss-making construction projects; avoidance of material quantity of guarantees; disposal of assets of c.R4bn; c.5,000 jobs saved



Overview of the entity / business:

- Group Five was a JSE-listed entity and one of the largest construction businesses in Africa, with operations across the continent and material infrastructure operations in Europe.

High-level scope of services:

- Dave Lake and Peter van den Steen of Metis were appointed as the joint business rescue practitioners of Group Five.
- Full oversight of business and management, and development of business rescue plan.
- Raising of rescue funding, negotiations with creditors and clients.
- Metis and BSM appointed to assist with various elements required to implement the rescue plan.

Result:

- Numerous businesses restructured, and businesses and assets worth c.R4b disposed of. Board and lender expectations of business disposal proceeds exceeded by Metis.
- Managed c.80 construction projects to their completion and saved c.5,000 jobs.
- Returned c.R4b more to secured creditors, relative to liquidation alternative. On track to return c.16x dividend to unsecured creditors, relative to liquidation alternative.
- Avoided liquidation with a successful business rescue process.

Received the DealMakers Award: Business Rescue Transaction of the Year for Group Five (2021)