

Comair Limited

(Incorporated in the Republic of South Africa)

(Registration Number: 1967/006783/06)

ISIN: ZAE00002983

Share Code: COM

("Comair" or "the Company")



SIXTH STATUS REPORT AND AMENDMENT TO THE PLAN

- 1 In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, a business rescue practitioner is required to:
 - 1.1 prepare a report on the progress of the business rescue, 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 Companies and Intellectual Property Commission ("**CIPC**").
- 2 This requirement is applicable to the Company. Accordingly, we hereby provide you with the sixth report on the status of the Company's business rescue proceedings.
- 3 Capitalised terms used but not defined in this notice, shall bear the meaning as defined in the Adopted Business Rescue Plan, as amended ("**Plan**").
- 4 The Plan was further amended, per the notice of 5 March 2021: of the creditors who participated in the vote on the amendments up to 24h00 SAST on 29 March 2021 –
 - 4.1 Creditors holding a Voting Interest of 98% voted in favour of the amendment, and
 - 4.2 the votes in support of the amendment included 95% of the independent Creditors' voting interests.
- 5 The Plan is accordingly amended and should now be read in conjunction with the notice of 5 March 2021.
- 6 The application in the United States of America, for an order recognising the Company's Business Rescue Proceedings and the Plan under Chapter 15 of the US Bankruptcy Code, is enrolled for hearing on 1 April 2021.
- 7 The Company continues to operate whilst steady progress is being made in implementing paragraph 7.2A of the Plan.

- 8 The Plan currently contemplates Shareholders being given an opportunity to vote on a delisting of the Company and that an offer will be made to acquire their shares at an estimated price of 4.26 cents per share.
- 9 In satisfaction of the stipulation in the Plan, that an offer be extended to Shareholders, the Investors will extend an offer to the Shareholders at the estimated price per share stipulated in the Plan.
- 10 Regarding the delisting from the JSE of the Company's shares, the JSE received a request from the Company to make a decision, as contemplated in paragraphs 1.8 and 1.12 of the JSE Listing Requirements. In this submission the Company recorded that it is not in a position to either comply with the JSE Listing Requirements and/or able to take the necessary and appropriate steps to do so with the objective of reinstating its listing. The Company also confirmed that it has waived (and will not pursue) its right to object to the removal of its listing in terms of paragraph 1.5 of the JSE Listing Requirements.
- 11 On 30 March 2021 the Company and the BRPs were advised that the JSE will be delisting the Company's shares with effect from 7 April 2021, in accordance with the SENS announcement that was released by the JSE on 30 March 2021.
- 12 The Company can now apply for funding in the sum of R100 million ("**Covid funding**") under the Covid-19 Loan Guarantee Scheme ("**Scheme**") put in place between the South African Reserve Bank and large commercial banks, within the requisite notice period before the Scheme comes to an end. Such funding is a fundamental element of the debt funding contemplated in paragraph 7.2.5.2 of the Plan. The Covid funding is critical to the Company's survival. It is important to note that the Covid funding is not available to listed companies, such as the Company was, and it was accordingly imperative that the Company's shares be delisted before such an application could be made.
- 13 The Plan must accordingly be amended to allow for the delisting to be effected by whatever mechanism, even if such mechanism does not entail a further Shareholders' vote.
- 14 The BRPs submit that the amendment referenced in 13 above is not materially prejudicial to Shareholders, as contemplated in paragraph 13.1 of the Plan, in as much as there is no impact on the estimated price of 4.26 cents per share payable to them in terms of the Plan.
- 15 Accordingly, the BRPs, with the knowledge and consent of the Investors, hereby notify Affected Persons of the following amendments to the Plan:

Clause of the Adopted Business Rescue Plan	Amendment
Paragraph 8.1.1.4.8, as amended on 30 th November 2020	Revise paragraph 8.1.1.4.8 to read:

	"the Company's shares will be delisted from the JSE by whatever mechanism, even if such mechanism does not entail a further Shareholders' vote, but a resolution of the Shareholders will nonetheless be sought to approve the extension of an offer to acquire the shares of the Shareholders at a price of 4,26 cents per share.
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- 16 These amendments will not have any materially prejudicial outcome as explained above, and the Plan is accordingly amended in terms of paragraphs 13.2 and 13.3 of the Plan, and should be read in conjunction with this notice.
- 17 All Affected Persons are reminded that all notices and the Plan, as amended, may be viewed on Comair's website by following this link: <https://www.comair.co.za/business-rescue>.

31 March 2021

Sponsor
PSG Capital



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IMPORTANT NOTICE TO FOREIGN SHAREHOLDERS AND PROSPECTIVE INVESTORS

FOREIGN SHAREHOLDERS AND PROSPECTIVE INVESTORS IN COMAIR LIMITED ("COMAIR") SHOULD NOTE THAT, IN ORDER TO ENABLE COMAIR (AS A LICENSED AIR SERVICES OPERATOR IN SOUTH AFRICA) TO REMAIN COMPLIANT WITH THE FOREIGN OWNERSHIP RESTRICTION CONTAINED SECTIONS 16(4)(c) AND 19(a) OF THE AIR SERVICES LICENSING ACT, NO. 115 OF 1990, THE VOTING RIGHTS OF FOREIGN SHAREHOLDERS MAY BE DECREASED PROPORTIONATELY SUCH THAT THE VOTING RIGHTS OF FOREIGN SHAREHOLDERS DO NOT, IN AGGREGATE, EXCEED 24.99%. FOREIGN SHAREHOLDERS AND PROSPECTIVE INVESTORS ARE REFERRED TO THE COMAIR'S MEMORANDUM OF INCORPORATION AND WEBSITE (www.comair.co.za) FOR FURTHER DETAILS. IF FOREIGN SHAREHOLDERS OR PROSPECTIVE INVESTORS ARE IN ANY DOUBT AS TO WHAT ACTION TO TAKE THEY SHOULD SEEK ADVICE FROM THEIR BROKER, ATTORNEY OR OTHER PROFESSIONAL ADVISER.