

Comair Limited
(Incorporated in the Republic of South Africa)
(Registration Number: 1967/006783/06)
ISIN: ZAE00002983
Share Code: COM
("Comair" or "the Company")



FURTHER TRADING STATEMENT

Shareholders are referred to the further trading statement released on the Stock Exchange News Service ("SENS") on 13 February 2020 in which Comair advised that:

- i. Earnings per share ("EPS") and headline earnings per share ("HEPS") would be more than 170% lower than the previous corresponding period.
- ii. SAA had breached the terms of their Settlement Agreement and that the full outstanding settlement amount of R790 million as at 31 December 2019 became due in terms of the Settlement Agreement.
- iii. The future recoverability of the amount outstanding from SAA was uncertain.

Comair had recorded a loss allowance of R285 million in terms of IFRS 9 against the SAA damages claim receivable as at 30 June 2019. Following on from the SAA Business Rescue Process, the Board of Directors of Comair have decided to increase the IFRS9 loss allowance as at 31 December 2019 by R505 million to the value of the full outstanding settlement amount of R790 million.

Regardless of the increase in the loss allowance provision as detailed above, Comair still intends to aggressively pursue the full outstanding settlement amount owed by SAA and will explore all options available in order to reclaim the full outstanding amount owing.

In these circumstances; shareholders are now advised that EPS and HEPS are expected to be between 534% and 554% lower than that of the EPS and HEPS for the six months ended 31 December 2018 ("comparative period"), resulting in a loss per share ("LPS") and headline loss per share ("HLPS") of between 118 cents and 123 cents per share (comparative period EPS and HEPS of 27.2 cents per share).

The financial information on which this trading statement is based has not been reviewed and reported on by Comair's external auditors.

The results for the six months ended 31 December 2019, are expected to be released on SENS on or about 26 February 2020.

Bonaero Park
19 February 2020

Sponsor
PSG Capital



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.