

**Comair Limited**

(Incorporated in the Republic of South Africa)

(Registration Number: 1967/006783/06)

ISIN: ZAE00002983

Share Code: COM

("Comair" or "the Company")

**NOTICE OF AMENDMENTS TO THE PUBLISHED BUSINESS RESCUE PLAN**

1. Shareholders of the Company ("**Shareholders**") are hereby advised that a Notice of Amendments to the Comair Business Rescue Plan has been published, the details of which are contained in this announcement.
2. Capitalised terms used but not defined in this notice, shall bear the meaning as defined in the Business Rescue Plan, as amended on 17 September 2020, and Adopted on 18 September 2020, and amended thereafter as set out in the Status Report dated 30 November 2020 ("**the Plan**").
3. The Plan provides at paragraph 13.5 that *"[if] the Business Rescue Plan requires amendment and the amendment is materially prejudicial to certain creditors but not to others, then the approval of that amendment will be procured in writing from those that have been so prejudiced."*
4. The BRPs of the Company, 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 1.3.21	<p>Replace the definition of "Creditors" with the following words:</p> <p><i>"means any creditors, whether Disputed Creditors or Contingent Creditors, with a monetary claim against the Company"</i></p>
New Paragraph 6.6.9.2.3	<p>Insert a new paragraph 6.6.9.2.3 after paragraph 6.6.9.2.2 with the following words:</p> <p><i>"Performance by the Company under certain agreements will result in significant hardship to the Company, which poses a threat to the future viability of the Company. Accordingly, the BRPs are hereby empowered and the Company has taken or intends to take such steps as may be necessary to cancel and/or reject, inter alia, the following agreements and/or any obligations thereunder:</i></p> <p>6.6.9.2.3.1 <i>the Purchase Agreement PA-04055, as revised, between the Company and the Boeing Company in relation to Boeing-Model 737-8 Max Aircraft, concluded in or about September 2013, together with the letter agreements, supplemental agreements, and the Aircraft General Terms Agreement;</i></p> <p>6.6.9.2.3.2 <i>the term sheet for the operation lease of one with A320 CEO concluded on or about 13 January 2019 between</i></p>

	<p><i>SIM International B.V, as lessor, and the Company, as lessee, together with any agreements between the parties that may have been concluded pursuant thereto;</i></p> <p><i>6.6.9.2.3.3 other onerous long term contracts, if any, to be identified,</i></p> <p><i>and, upon notice of cancellation or rejection the contractual counterparty is required to submit a provisional claim for damages (if applicable) under the agreement in accordance with the procedure set out in paragraph 11.3"</i></p>
New paragraph 6.6.9.2A	<p>Insert a new paragraph 6.6.9.2A in between new paragraph 6.6.9.2.3 and paragraph 6.6.9.3 with the following words:</p> <p><i>"<u>Repudiation of Contracts</u> – Performance by the Company under certain agreements will result in significant hardship to the Company, which poses a threat to the future viability of the Company. Accordingly, the Company will no longer perform under the following agreements:</i></p> <p><i>6.6.9.2A.1 the lease agreements, as revised, between HPF Properties Proprietary Limited, as lessor, and the Company, as lessee, in respect of shop 1, 6, and 8 of the Gautrain Hotel on the corner of Rivonia and West Streets, Sandton (previously Slow in the City) and shop 19 on retail level 1 in Sandton Eye on the corner of Rivonia and West Streets, Sandton (previously known as The Course Restaurant); and</i></p> <p><i>6.6.9.2A.2 other onerous long term contracts, if any, to be identified,</i></p> <p><i>and, the counterparty to such agreements would be entitled to submit a claim for damages under the cancelled agreement in accordance with the procedure set out in paragraph 11.3"</i></p>
Paragraph 6.9.2.5	<p>Revise paragraph 6.9.2.5 to read:</p> <p><i>"The Company shall establish a reserve for Disputed Claims that have not been determined prior to the Payment Date and maintain the reserve until such time as the claim has been determined in terms of paragraph 11. If a Disputed Claim has been accepted, the Company shall pay to such Creditor the Distribution to which it would have been entitled had its Claim been accepted before the Payment Date."</i></p>
Paragraph 8.5.6	<p>Revise paragraph 8.5.6 to read:</p>

	<p><i>The BRPs acknowledge that the Investors will procure that an offer ("Offer") to acquire the remaining 1% of the shares in the Company, be implemented by one of a number of possible mechanisms, including a scheme of arrangement, will (i) be made as soon as is practicable; and (ii) include, an application to terminate the listing of all the Company shares from the main board of the JSE. For the purposes of procuring the passing of the necessary resolutions by the Company's shareholders to achieve the foregoing, the BRPs confirm they have already received irrevocable undertakings from certain material shareholders of the Company and undertake to use their Best Efforts to the extent that it is within their power so to do to assist the Investors to procure the support of additional shareholders so that the requisite majority can be obtained for the passing of all resolutions required to achieve the foregoing."</i></p>
Paragraph 11.1	<p>Insert "<i>and the Company's counterclaims, if any</i>", after the words "Disputed Claims"</p>
Paragraph 11.2	<p>Insert "<i>and the Company's counterclaims, if any</i>", after the words "Disputed Claims"</p>
Paragraph 11.3.1	<p>Insert "<i>and the Company's counterclaims, if any</i>", after the words "Disputed Claims"</p>
Paragraph 11.3.2	<p>Insert the following sentence at the end of paragraph 11.3.2:</p> <p><i>"Notwithstanding a Disputed Creditor's deemed abandonment of its Disputed Claims, as such, the Company may continue to prosecute its counterclaims, if any, against that Disputed Creditor, and may accordingly request the chairman of AFSA or its successor in title, to nominate an arbitrator to decide the Company's counterclaims "</i></p>
Revised paragraph 11.3.4	<p>Revise paragraph 11.3.4 to read:</p> <p><i>"To the extent that the arbitrator as nominated refuses to act or is not available to act, the Disputed Creditor must within 7 days of receiving notice of the arbitrator's refusal or unavailability, request AFSA to appoint an alternate arbitrator until one such arbitrator is available, and is agreeable, to act. Should the Disputed Creditor not request AFSA to appoint an alternate arbitrator, within the period allowed, then the Disputed Creditor shall be deemed to have abandoned its Claim and will not, in terms with section 154 of the Companies Act, be able to enforce any Claim that, that creditor believes is owed to it by the Company. Notwithstanding a Disputed Creditor's deemed abandonment of its Disputed Claims, as such, the Company may continue to prosecute its counterclaims, if any, against that Disputed Creditor, and may accordingly request the chairman of AFSA or its successor in title to appoint an alternate arbitrator until one such arbitrator is available, and is agreeable, to decide the Company's counterclaims</i></p>

5. **THESE AMENDMENTS MUST BE APPROVED BY CREDITORS IN WRITING IN TERMS OF SECTION 152(2) OF THE COMPANIES ACT, AS READ WITH PARAGRAPH 13.5 OF THE PLAN, BY INDICATING ON OR BEFORE 29 MARCH 2021 IN AN EMAIL TO [creditorsvoting@comair.co.za](mailto:creditorsvoting@comair.co.za) WHETHER OR NOT THEY SUPPORT THESE AMENDMENTS. IF SUCH A VOTE IS CAST BY EMAIL UNDER POWER OF ATTORNEY OR ON BEHALF OF A COMPANY, SUCH AUTHORITY (I.E. POWER OF ATTORNEY (FOR AN INDIVIDUAL) OR AUTHORISING RESOLUTION (FOR A JURISTIC PERSON), AS APPLICABLE) MUST ACCOMPANY THE EMAIL.**
6. In order to vote as such on these amendments to the Business Rescue Plan a Creditor must have submitted a Claim or provisional Claim by **24 MARCH 2021**, and the amount of any such Claim will carry a voting interest as assessed and estimated by the BRPs based on the Company's books and records, but, in no event, shall a Claim (including a provisional Claim, a Contingent Claim or a Disputed Claim) carry a voting interest less than R1.00. Therefore, if there are Creditors, including Contingent Creditors and Disputed Creditors, who believe they have a Claim against Comair, but have not yet submitted their Claim, then they are requested to please download and complete the Claim Form at <https://www.comair.co.za/business-rescue/creditor-claims>, and to submit it to [creditorclaims@comair.co.za](mailto:creditorclaims@comair.co.za).
7. In this regard, such Claims may be accepted or rejected by the BRPs either provisionally (for purposes only to allow a Creditor to vote on this amendment and without prejudice to the BRPs rights under paragraphs 6.9, 7.3.1.1 and the Dispute Resolution Mechanism set out in the Plan), or finally.
8. **THE DATE FOR THE SUBMISSION OF CLAIMS HAS BEEN EXTENDED. THIS NOTICE IS ACCORDINGLY BEING SENT TO ALL AFFECTED PERSONS.**

**IF YOU HAVE NOT FILED A CLAIM AND PROVIDED SUFFICIENT DOCUMENTATION TO PROVE YOUR CLAIM AGAINST THE COMPANY, YOUR MUST FILE YOUR CLAIMS OR YOUR RIGHTS MAY BE MATERIALLY AFFECTED BY THE PLAN.**

9. All Creditors, including Contingent Creditors and Disputed Creditors, who are not reflected in Annexure B to the Plan, as amended, and who have not yet lodged their Claims against the Company, are required to provisionally lodge such Claims (with supporting documentation for each such claim) by no later than **24 March 2021**.

**IF YOU FAIL TO FILE A CLAIM, YOUR CLAIM WILL BE EXPUNGED AND YOU MAY BE FOREVER BARRED FROM ENFORCING YOUR CLAIM AGAINST THE COMPANY.**

10. If, once such Claims have been finally accepted either by the BRPs or as a consequence of the Dispute Resolution Mechanism, the BRPs will be required to amend Annexure B to the Plan, and where an amendment to Table 1 of the Plan may or may not also be necessary, as follows:

in terms of paragraph 13.2 of the Plan, the BRPs may in their sole and absolute discretion, amend, modify or vary any provision of the Plan, provided that (i) any amendment will not be materially prejudicial to any of the Affected Persons; (ii) at all times the BRPs act reasonably, and (iii) with the knowledge and consent of the Investors, which shall not be unreasonably withheld or delayed by the Investors. For purposes of determining a materially prejudicial outcome, paragraph 13.1 of the Plan provides that an outcome that results in Distributions to Creditors that would be less than the estimated liquidation dividend to as calculated by PWC and set out in Table 1, would be considered to be materially prejudicial;

if the Plan requires an amendment that is materially prejudicial to certain creditors, but not to others, then the approval of that amendment will be procured by the BRPs in writing from those creditors that have been so prejudiced, pursuant to paragraph 13.5 of the Plan; or

in terms of paragraph 13.6 of the Plan, if an amendment to the Plan will be materially prejudicial and the provisions of paragraph 13.5 of the Plan are either not applicable, or not met, then such amendments will be considered at a meeting of all Creditors and will be subject to the same voting threshold as was required for adoption of the Plan.

11. All creditors 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>.

05 March 2021

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](http://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.