
ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1998/017276/06)
Share code: ADI
ISIN: ZAE000113163
("Adapt IT")

**VOLARIS GROUP INC**

(Incorporated in Canada)
(Corporation number: 002277095)
("Volaris")



**VOLARIS OFFER: EXTENSION OF DEADLINE FOR CERTAIN CONDITIONS PRECEDENT AND
UPDATE ON CIRCULAR DISTRIBUTION DATE**

1. Introduction

- 1.1. Shareholders are referred to the joint firm intention announcement released by Adapt IT and Volaris on SENS on Wednesday, 7 April 2021 ("**FIA**") relating to the offer from Volaris ("**Volaris Offer**") to acquire control of Adapt IT through the acquisition of up to 100% of the issued ordinary shares (excluding treasury shares) of Adapt IT ("**Adapt IT Shares**") from the holders of the Adapt IT Shares ("**Adapt IT Shareholders**") at a cash consideration of R6.50 per Adapt IT Share ("**Scheme Consideration**") by way of a scheme of arrangement (as contemplated in paragraph 2.1.1 of the FIA) ("**Scheme**") or, if the Scheme is not proposed or fails, a general offer (as contemplated in paragraph 2.1.2 of the FIA) ("**Standby Offer**").
- 1.2. In compliance with the Companies Act No. 71 of 2008 ("**Companies Act**") and the Companies Regulations, 2011 ("**Companies Regulations**") a circular containing full details of the Volaris Offer ("**Volaris Offer Circular**") will be distributed to Adapt IT Shareholders as per paragraph 4.3 below.
- 1.3. Adapt IT Shareholders are also reminded of the general offer by Huge Group Limited to acquire up to 100% of the entire issued share capital of Adapt IT ("**Huge Offer**"). The Huge Offer circular was posted on Friday, 16 April 2021, which means that in terms of Regulation 102(9) of the Companies Regulations, the offeree response circular ("**Huge Response Circular**") is due to be distributed by Adapt IT by no later than 17 May 2021 to Adapt IT Shareholders.

2. Conditions Precedent to propose the Scheme and in respect of the Scheme and Standby Offer

- 2.1. In paragraph 5.2 of the FIA, shareholders were advised that the Volaris Offer Circular will propose the Scheme only if on or before 30 April 2021 ("**Fulfilment Date**"), or such later date/s as may be extended by Volaris, the following conditions are fulfilled ("**Scheme Proposal Conditions**"):
 - 2.1.1. the Independent Board (as defined in the FIA) has retained an independent expert ("**Independent Expert**") in terms of section 114(2) of the Companies Act and regulation 90 of the Companies Regulations, and such expert has prepared and issued a report in terms of section 114(3) of the Companies Act on the Scheme Consideration and the fairness and reasonableness thereof ("**Fair and Reasonable Opinion**"); and

2.1.2.the Independent Board confirms to Volaris that it will recommend to the Adapt IT Shareholders to vote in favour of:

- i. the Scheme and the Scheme Delisting Resolution (as defined in paragraph 6.1.5 of the FIA); and
- ii. the General Offer Delisting Resolution (as referred to in paragraph 17.3 of the FIA) and to accept the Standby Offer, as may be applicable.

2.2. Furthermore, with reference to paragraph 6.1.10 and 17.1 of the FIA, it is a condition precedent to each of the Scheme and Standby Offer, that each of the executive directors of Adapt IT has entered into and signed a service contract with the Adapt IT group on such terms and conditions and in such form and substance as is acceptable to Volaris acting reasonably (as confirmed by Volaris by written notice to Adapt IT), effective from the implementation date of the Scheme by no later than the Fulfilment Date (“**Scheme and Standby Offer Condition**”).

2.3. The Scheme Proposal Conditions and the Scheme and Standby Offer Condition are collectively referred to as the (“**Conditions**”).

3. Timing of the Volaris Offer and Huge Offer

3.1. It is important to note that, when the Independent Board expresses its views on an offer, Companies Regulation 106(7)(a) also requires the Independent Board to provide its views on any other offer received within the offer period, or within six months prior to the offer period. This means that the Independent Board must provide its view on the Volaris Offer and the Scheme Consideration in the Huge Response Circular.

3.2. The Independent Expert is currently in the process of finalising its opinions relating to both the Huge Offer and the Volaris Offer. On the basis of these opinions, the Independent Board will be in a position to provide its views on both offers, but the Independent Board requires time to apply itself rigorously to evaluating the merits of each of the Huge Offer and Volaris Offer after receipt of the Independent Expert’s opinions.

4. Extension of Fulfilment Date and Distribution Date

4.1. Due *inter alia* to the reasons set out in paragraph 3 above, the Conditions will not be met by the Fulfilment Date. Accordingly, Volaris has extended the Fulfilment Date.

4.2. Shareholders are thus advised that the deadline for fulfilment of the Scheme Proposal Conditions have been extended to 7 May 2021 and the deadline for fulfilment of the Scheme and Standby Offer Condition has been extended to 31 July 2021.

4.3. In light of the above, the distribution date for the Volaris Offer Circular has also been extended, such that it will be distributed on or before 4 June 2021.

4.4. The Takeover Regulation Panel has provided their approval for the extension in paragraph 4.3 above.

5. Independent Board Responsibility Statement

The Independent Board accepts responsibility for the information contained in this announcement which relates to Adapt IT and confirms that, to the best of its knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

6. Volaris Board Responsibility Statement

The board of directors of Volaris accepts responsibility for the information contained in this announcement which relates to Volaris and confirms that, to the best of its knowledge and belief, the information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of the information.

Johannesburg

30 April 2021

Sponsor

Merchantec Capital

Financial Advisor

The Standard Bank of South Africa Limited

Legal Advisor

Webber Wentzel

Transaction Advisor to Volaris

PSG Capital

Legal Advisor to Volaris

Cliffe Dekker Hofmeyr