

METAIR INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1948/031013/06

ISIN: ZAE000090692

JSE and A2X share code: MTA

("Metair" or the "Company" or the "Group")

UPDATE REGARDING THE GROUP'S CAPITAL RESTRUCTURING PLAN

Metair shareholders ("**Shareholders**") are referred to the previous announcements published on SENS regarding the Company's liquidity and debt position and the Group's commitment to formulate and implement a feasible debt restructuring plan to reposition Metair for growth and long-term sustainability.

As noted in the announcement published on SENS on Friday, 14 February 2025, the Group's net debt (including Hesto Harnesses Proprietary Limited ("**Hesto**") and associated guarantees) amounted to approximately R4 billion at 31 December 2024 (31 December 2023: R4.5 billion), the majority of which is classified as short term.

Shareholders are hereby advised that on 10 March 2025, the board of directors of Metair ("**Board**") and Metair's lenders approved a capital restructuring plan ("**Capital Restructure**"), designed to provide Metair with a more sustainable debt structure and appropriately aligned repayment terms.

In terms of the Capital Restructure, the Group's lenders have in principle agreed to refinance Metair's current gross debt obligation, the majority of which is short-term, by means of two separate packages, namely:

- Hesto ("**Hesto Obligor**") in an amount of R1 377 million, to be used to refinance the existing R475 million facilities as well as to repay the disproportionate loan advanced to Hesto by its minority shareholder, Yazaki Corporation; and
- the remaining South African subsidiaries ("**SA Obligor**"), in an amount of R3 300 million, to be refinanced through a five-year senior debt of R1 700 million comprising an amortising loan and a bullet term loan of R850 million, respectively, with the remaining R1 600 million structured as a Mezzanine Instrument, repayable by 30 June 2027.

The Capital Restructure allows for a repayment profile that matches expected earnings growth and cash flows over a period of five years. Management is closely monitoring debt levels and liquidity, with a priority to reduce debt and de-gear in the medium term. In addition, the Group is implementing a range of strategies to support de-gearing towards a sustainable capital structure and enhance earnings and cash generation, including effective cash management through, *inter alia*, the introduction of a Centralized Treasury function, various cost control measures, delaying non-critical capital expenditures and engaging customers for flexible support on capital investments for new models.

The mandatory prepayment provisions for both the Hesto Obligor and SA Obligor will be governed by specific terms outlined in the agreed term sheets, which remain subject to certain conditions precedent. The Company anticipates that all outstanding conditions will be fulfilled within the next two months.

Further information regarding the Capital Restructure, including the key terms of the Hesto Obligor and SA Obligor term sheets will be detailed in the Company's annual results and included in the Company's 2024 Integrated Annual Report, both of which are expected to be made available on the Company's website on or about Wednesday, 26 March 2025.

12 March 2025

Johannesburg

Sponsor

One Capital