



**SOUTH AFRICAN AIRWAYS**

South African Airways  
Airways Park, Jones Road  
OR Tambo International Airport  
Johannesburg, South Africa

Private Bag X13  
OR Tambo International Airport  
1627

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**South African Airways (SOC) Limited (in business rescue)**

**Registration number 1997/022444/30**

**(“SAA”, “The Company”)**

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**July 2020**

**Report to the Companies and Intellectual Property Commission**

**and to all Affected Persons**

**In terms of section 132(3)(a) of the Companies Act 71 of 2008 (“Act”)**

Prepared by:

**Leslie Matuson and Siviwe Dongwana**

**Joint Business Rescue Practitioners (“BRPs”)**

**Directors**

TN Mgoduso (Interim Executive Chairperson), ZM Ramasia (Acting Chief Executive Officer), DJ Fredericks (Interim Chief Financial Officer), AH Moosa\* (Independent Lead Director), AI Bassa\*, ML Kingston\*<sup>1</sup>, HP Maluleka\*, G Rothschild\*, MP Tshisevhe\*

\*Non-Executive Director

<sup>1</sup> British Citizen

Company Secretary – RN Kibuuka

South African Airways SOC Ltd

Reg. No. 1997/022444/30

A STAR ALLIANCE MEMBER 

## 1. Introduction

1.1. In terms of section 132(3) of the Companies Act 71 of 2008 (“Act”), if a company’s business rescue proceedings have not ended within three (3) months after the start of those proceedings, or such longer time as the court, on application by the practitioner, may allow, the practitioner must –

1.1.1. prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and

1.1.2. deliver the report and each update in the prescribed manner to each affected person, and to the:

1.1.2.1. Court, if the proceedings have been the subject of a court order; or

1.1.2.2. Commission, in any other case.

1.2. Therefore, as required, this **Fifth Update Report** is being tabled in terms of section 132(3)(a).

## 2. Since the Fourth Update Report of June 2020

### 2.1. Business Rescue Plan

2.1.1. Following the adjournment on 25 June 2020, the meeting of creditors and other holders of a voting interest, as contemplated in terms of section 151 of the Companies Act, was held in respect of the Company on 14 July 2020.

2.1.2. At the Meeting the outcome on the voting on the proposed amendments was as follows:

2.1.2.1. 88% (eighty eight percent) of creditors, with a voting interest, voted in favour of the proposed amendments, which were incorporated into the business rescue plan prior to the voting on the business rescue plan with its amendments.

2.1.3. The outcome of the vote on the business rescue plan, incorporating the proposed amendments, at the Meeting was as follows:

2.1.3.1. 86%(eighty six percent) of creditors, with a voting interest, voted in favour of the adoption of the plan as proposed by the business rescue practitioners, as amended (“the Plan”); and



Labour Appeal Court held that business rescue practitioners may not issue notices in terms of section 189(3) of the Labour Relations Act 66 of 1995, until such time that the business rescue plan is published and/or adopted. As such, the BRPs withdrew the section 189 process initiated in March 2020 and, once the business rescue plan had been adopted, commenced a new section 189 process on 18 July 2020.

### **2.3. Impact of COVID-19**

**2.3.1.1.** Other than the repatriation and cargo charters, no commercial operations took place during the month of July 2020.

## **3. Proof of Claims**

**3.1.** Many claims have been lodged with the BRPs for proof but there still remains a large number of claims outstanding and creditors who have yet to submit their claims are encouraged to do so before the publication of the plan.

**3.2.** Claims can be submitted via the online form, which can be found on [www.matusonassociates.co.za/saa](http://www.matusonassociates.co.za/saa). A claim form has been provided ([Manual Claim Form](#)) for those unable to complete the online form.

**3.3.** A mechanism for the resolution of disputed claims will be included in the plan, unless any dispute can be resolved between the BRPs and the creditor.