



MANGO AIRLINES SOC LIMITED (in business rescue)

Registration Number 2006/018129/30

(“Mango” or “the Company”)

30 November 2022

**Status Report in terms of section 132(3) of the Companies Act 71 of 2008, as amended,
 (“Companies Act”), read with Regulation 125**

1. INTRODUCTION

In terms of section 132(3) of the Companies Act, a company whose business rescue proceedings (“**BR Proceedings**”) have not ended within three months after the start of those proceedings, or such longer time as the court, on application by the business rescue practitioner (“**BRP**”), may allow, the BRP must:

- (a) prepare a report on the progress of the BR Proceedings, and update it at the end of each subsequent month until the end of those proceedings; and
- (b) deliver the report and each update in the prescribed manner to each affected person, and to the court, if the proceedings have been the subject of a court order or the Companies and Intellectual Property Commission (“**CIPC**”), in any other case.

The BRP accordingly submits the thirteenth status update report.

2. SALIENT DATES

The following table sets out certain key events that took place during the BR Proceedings of the Company:

Events	Date
Board resolution commencing the BR Proceedings filed with the CIPC	16 April 2021
Commencement of the BR Proceedings	28 July 2021
Appointment of the BRP	3 August 2021
First meeting of the creditors of the Company	18 August 2021
Extension of time to publish the business rescue plan (“ BR Plan ”)	29 October 2021
Meeting to consider the BR Plan	15 November 2021
Publication of the amended BR Plan	25 November 2021
Meeting to consider the amended BR Plan	2 December 2021



3. INVESTOR PROCESS

The BRP is pleased to confirm that the issues that were raised by the board of South African Airways SOC Limited ("**SAA**"), pertaining to the application for approval of the disposal of SAA's shares in Mango ("**Application**") by the Minister of Public Enterprises ("**Minister**"), in accordance with section 54(3)(c) of the Public Finance Management Act No 1 of 1999 ("**PFMA**"), were resolved and an updated Application was submitted to the Minister on 28 November 2022.

With those issues now out of the way, the BRP anticipates that the Minister will consider the Application imminently, and if satisfied, approve the disposal.

The necessary Sale of Shares and Share Subscription Agreements have been drafted and will be concluded in due course, subject among other things to the approval of the Application by the Minister.

4. EMPLOYEES

As previously reported, the BRP has retained certain staff that occupy regulated and/or key positions on fixed term contracts, in order to facilitate the resumption of operations as soon the Domestic and International Air Services Licensing Councils have considered and approved the change of ownership of the airline. In addition, a limited number of administration staff have also been retained on fixed term contracts to provide support with various tasks required during the implementation phase of the business rescue proceedings. The abovementioned fixed term contracts have been extended until 31 March 2023, but are subject to termination on one week's notice.

5. WIND-DOWN PROCESS

In the unlikely event that the transaction or Investor Process contemplated in section 3 above fails for whatever reason, the BRP will implement the wind-down process that is already incorporated in the adopted BR Plan.

6. PROOF OF CLAIMS

The deadline for submission of claims was 3 March 2022, after which no new claims will be entertained. The BRP continues to evaluate the claims and has disputed some claims as he is entitled to do so.

7. CONCLUSION

The BRP remains of the opinion that there is a reasonable prospect of rescuing the Company, or that the BR Proceedings would result in a better outcome for creditors and the shareholder of the Company than would otherwise be achieved should the Company be placed in liquidation.



Sipho Sono
Business Rescue Practitioner, Mango Airlines SOC Limited