COMPANIES TRIBUNAL

REPUBLIC OF SOUTH AFRICA

Case no CTO17NOV2016

In the Ex parte application of

SOUTH AFRICAN EXPRESS AIRWAYS SOC LTD **Applicant**

1990/007412/30

Presiding Member of the Tribunal: Lucia Glass

DECISION (Reasons and Order)

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1) The Applicant applies to the Companies Tribunal in terms of 61(7)(b) of the Companies Act 71 of 2008 (the Act) for an extension of time, to hold its Annual General meeting, due to be held on 9th December 2016.

2) The Applicant requests an extension of time to hold its Annual General meeting, to the end of May 2017, or beginning of June 2017, due to the fact that the Applicant's Financial Statements have not been finalised due to delays in finalising the annual statutory audit.

3) The Deponent to the Applicant's papers is Maryna Rene Gie, who avers that she is the Company Secretary and that she has authority to depose to her affidavit, as per annexure A attached to her affidavit, wherein the Board of Directors have given her the mandate to do so.

4) It is averred that the main reason for the extension of time to hold the annual general meeting, is for the following reasons;

4.1 The finalisation of the Annual Financial Statements has been delayed, due to the implementation of accounting policy changes, relating to:

4.1.1 The Maintenance Reserves and possible impairment thereof.

4.1.2 Clarity relating to the perpetual portion (R121m) of the guarantee granted by the Government of South Africa to the Company.

4.2 The Clarification regarding the guarantee as mentioned in paragraph 4.1.2 can only be resolved by the Fiscal Liability Committee (FLC) of National Treasury. The Committee's next sitting is scheduled for March 2017 and feedback will only be provided thereafter, thus the lengthy period of relief requested.

4.3 In the event that all outstanding audit issues being resolved without the intervention of the FLC, it is anticipated that the AGM can be held earlier.

5) This application is made in terms of Section 61(7) which provides that:

"A public company must convene an annual general meeting of its shareholders:

(a) Initially, no more than 18 months after the company's date of incorporation and

(b) Thereafter, once in every calendar year, but no more than 15 months after the date of the previous annual general meeting, or within an extended time allowed by the Companies Tribunal, on good cause shown."

6) The Applicant, requests an extension of time to hold its Annual General meeting, in order to finalize its Annual Financial Statements inter alia, clarity relating to the perpetual portion (R121m) of the guarantee granted by the Government of South Africa to the Company, which

can only be resolved by the Fiscal Liability Committee (FLC) of National Treasury. The Committee's next sitting is scheduled for March 2017 and feedback will only be provided thereafter, thus the lengthy period of relief requested. After weighing up the relevant Sections of the Act pertaining to this application, and the reasons given for the extension, I am convinced that the applicant has shown good cause in terms of the Act, for an extension of time to hold its AGM.

ORDER

This Application is granted as prayed, and the Applicant is allowed an extension of time to convene its annual general meeting of its shareholders, to the first week in June 2017.



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LUCIA GLASS

MEMBER OF COMPANIES TRIBUNAL OF SOUTH AFRICA

Dated this 30th November 2016