

Comair receives R270m in capital inflows, bolsters recovery

Following the resumption of scheduled flight operations on 1 September 2021, after a temporary suspension as a result of level 3 Covid-19 travel restrictions, Comair reached another milestone in the business rescue process with capital inflows of R270m.



Source: Bob Adams via [Wikimedia Commons](#)

This follows the sale of Comair's Slow Lounge business to FirstRand Bank Ltd for R250m and receipt of a R20m payment from South African Airways (SAA).

The Slow Lounge transaction will require an amendment to the business rescue plan, a notice of which has been despatched to affected persons.

The R20m distribution from SAA's business rescue practitioners is part of the R1.1bn the state-owned enterprise owed Comair in settlement a damages award for anti-competitive behaviour. SAA paid an initial amount of R289m in February 2019, with the balance payable in instalments until July 2022. These payments ceased when SAA entered business rescue in December 2019.

Richard Ferguson, one of Comair's business rescue practitioners, says the capital injection is a significant step towards the successful conclusion of the business rescue process.

"There is still work to be done but these capital inflows, the fact that Comair is back in the skies and again earning revenue coupled with the commitment by the investors to support the viability and sustainability of the business all point to a positive outcome."

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