

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 17 and 44 of this Circular apply, unless the context clearly indicates otherwise, throughout this Circular, including this cover page.

Action required:

1. This entire Circular is important and should be read with particular attention to the section entitled "Action required by Adapt IT Shareholders in relation to the Scheme", which commences on page 7 of this Circular, and the section entitled "Action required by Adapt IT Shareholders in relation to the Standby Offer", which commences on page 11 of this Circular.
2. If you are in any doubt as to what action to take, you should consult your Broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
3. If you have disposed of any of your Adapt IT Shares, please forward this Circular incorporating the Form of Proxy (*yellow*), the Form of Election (*blue*) and the Form of Surrender, Transfer and Acceptance (*green*) to the purchaser of such Adapt IT Shares, or the Broker, CSDP, banker or other agent through whom the disposal was effected.

Adapt IT and Volaris do not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Adapt IT Shares to notify such beneficial owner of the matters set out in this Circular.



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")



VOLARIS GROUP INC

(Incorporated in Canada)

(Corporation number: 002277095)

("Volaris")

COMBINED CIRCULAR TO ADAPT IT SHAREHOLDERS

Relating to:

- a scheme of arrangement in terms of section 114(1) of the Companies Act, proposed by the Adapt IT Board between Adapt IT and Adapt IT Shareholders, in terms of which, if successfully implemented, the Offeror will *inter alia* acquire all of the Exit Election Shares from the Scheme Participants for a cash consideration of R6.50 per Share;
- a Standby Offer, if a Standby Offer Trigger Event occurs; and
- the possible delisting of all Adapt IT Shares from the Main Board of the JSE if the Scheme becomes Operative and the JSE approves the delisting pursuant to either (i) Adapt IT no longer meeting the JSE Spread Requirements and therefore no longer qualifying for listing or (ii) the approval of the Scheme Delisting Resolution, or if the Standby Offer becomes Operative and the JSE approves the delisting pursuant to the approval of the Standby Offer Delisting Resolution, it being recorded that the Scheme Delisting Resolution and the Standby Offer Delisting Resolution will only be proposed to the Shareholders at the General Meeting if Adapt IT Shareholders have been notified that Volaris has announced an increase in the Scheme Consideration and the Standby Offer Consideration and, as a result of such increase, the Independent Expert and the Independent Board have determined that the Scheme and the Standby Offer are fair;

and incorporating, *inter alia*:

- a report prepared by the Independent Expert in terms of sections 114(2) and 114(3) of the Companies Act, as read with Companies Regulations 90 and 110, in respect of the Volaris Offer;
- an extract of section 164 of the Companies Act dealing with Appraisal Rights in respect of the Scheme;
- an extract of section 115 of the Companies Act dealing with the approval requirements for the Scheme;
- Notice of a General Meeting of Adapt IT Shareholders;
- the Form of Proxy (*yellow*) in respect of the General Meeting of Adapt IT Shareholders for use by Certificated Adapt IT Shareholders and Own-Name Dematerialised Adapt IT Shareholders only;
- a Form of Election (*blue*) in respect of the Scheme for use by Certificated Adapt IT Shareholders only; and
- a Form of Surrender, Transfer and Acceptance (*green*) in respect of the Standby Offer for use by Certificated Adapt IT Shareholders only.

Sponsor to Adapt IT



Legal advisor to Volaris



Transaction advisor to Volaris



Independent Expert to Adapt IT



Financial advisor to Adapt IT



Legal advisor to Adapt IT



This Circular is available in English only. Copies of this Circular may be obtained during normal business hours from the registered offices of Adapt IT, the Sponsor and the registered office of Volaris' Transaction Advisor, at their respective addresses set out in the "Corporate Information and Advisors" section of this Circular, and on the websites www.adaptit.com and www.volarisgroup.com from the date of posting of this Circular until the earlier of (i) the Scheme Implementation Date or (ii) if the Standby Offer becomes effective, the Standby Offer Closing Date. To the extent that Volaris has announced an increase in the Scheme Consideration and the Standby Offer Consideration prior to 15 (fifteen) Business Days before the General Meeting, the JSE's approval is then subject to the JSE approving the Updated Independent Expert Report in terms of the JSE Listings Requirements and such Updated Independent Expert Report and the Supplementary Information set out in paragraph 1.8 of the Circular being distributed to Adapt IT Shareholders in accordance with paragraph 1.8 of the Circular.

Date of issue: Tuesday, 1 June 2021

IMPORTANT LEGAL NOTES

The definitions and interpretations commencing on page 17 of this Circular apply, unless the context clearly indicates otherwise, to this section on Important Legal Notes.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about Adapt IT and Volaris that are or may be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Adapt IT and Volaris caution that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industries in which Adapt IT and Volaris operate may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions, as regards Adapt IT, made by Adapt IT or, as regards Volaris, made by Volaris, as communicated in publicly available documents by the respective companies, all of which estimates and assumptions, although Adapt IT or Volaris believe them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Adapt IT or Volaris or not currently considered material by Adapt IT or Volaris.

Adapt IT Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of either Adapt IT or Volaris not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known. Adapt IT and Volaris have no duty to, and do not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by Law.

FOREIGN ADAPT IT SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the Laws of South Africa and is subject to applicable Laws in South Africa, including but not limited to the Companies Act, the Companies Regulations and the JSE Listings Requirements, and the information disclosed may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the Laws of any jurisdiction outside of South Africa, or the requirements of any exchange other than the JSE.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by Law and therefore any persons who are subject to the Laws of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities Laws of any such jurisdiction.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer or solicitation, or where such offer or solicitation would require Adapt IT or Volaris to comply with any filing and/or other regulatory obligations. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa are restricted or prohibited by the Laws of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.

Adapt IT Shareholders who are not resident in, or who have a registered address outside of, South Africa must satisfy themselves as to the full observance of the Laws of any applicable jurisdiction concerning the receipt of, or their election to receive, the Scheme Consideration or the Standby Offer Consideration, including any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such other jurisdictions and are required to advise Adapt IT of all such filing or regulatory obligations as Adapt IT or Volaris may be required to comply with in such jurisdictions in relation to the Transaction. Adapt IT and Volaris and their respective boards of directors and advisors accept no responsibility for the failure by an Adapt IT Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by Adapt IT or Volaris to observe the requirements of any jurisdiction.

GENERAL

This Circular does not constitute a prospectus or a prospectus equivalent document. Adapt IT Shareholders are advised to read this Circular, which contains the full terms and conditions of the Scheme and the Standby Offer, with care. Any decision to approve the Scheme or to accept the Standby Offer or any other response to the Scheme or the Standby Offer should be made only on the basis of the information in this Circular.

The Scheme and the Standby Offer are governed by the Laws of South Africa and are subject to applicable South African Laws, including the Companies Act, the Takeover Regulations and the JSE Listings Requirements.

The offer by Volaris is made for the securities of a South African company, being Adapt IT, by means of the Scheme and the Standby Offer (if applicable). The Volaris Offer is subject to disclosure requirements under South African Law that are different from those in other jurisdictions. Financial statements included in this Circular have been prepared in accordance with South African accounting standards and IFRS that may not be comparable to the financial statements of companies in other jurisdictions.

It may be difficult for you to enforce your rights and any claim you may have arising under other foreign securities Laws, since Adapt IT is located in South Africa. You may not be able to sue Adapt IT or its officers or directors in any court, including South African courts, for violations of securities Laws in other jurisdictions. It may be difficult to compel Adapt IT or a Member of the Adapt IT Group to subject itself to a court's judgment in other jurisdictions.

Any Adapt IT Shareholder who is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

CORPORATE INFORMATION AND ADVISORS

The definitions and interpretations commencing on page 17 and page 44 of this Circular apply, unless the context clearly indicates otherwise, to this Corporate Information and Advisors section.

Directors of Adapt IT

Craig Chambers (Chairperson)*#
Oliver Fortuin*#
Sibusiso Shabalala (Chief Executive Officer on leave)
Nombali Mbambo (Chief Financial Officer)
Tiffany Dunsdon (interim Chief Executive Officer)
Antonio Vicente (Chief Strategy Officer)
Catherine-Candice Koffman*#
Innocentia Zizipho Nyanga*#

* non-executive

independent

Registered office of Adapt IT

Adapt IT Holdings Limited
(Registration number: 1998/017276/06)
152 14th Road
Midrand, 1682
(Adapt IT Johannesburg Campus, 152 14th Road,
Midrand, 1682)

Date of incorporation: 1 September 1998

Place of incorporation: South Africa

Company Secretary of Adapt IT

Statucor Proprietary Limited
(Registration number: 1989/005394/07)
Wanderers Office Park
52 Corlett Drive
Illovo, Sandton, 2196
(Private Bag X60500, Houghton, 2041)

Financial advisor to Adapt IT

The Standard Bank of South Africa Limited
(Registration number: 1962/000738/06)
30 Baker Street
Rosebank, 2196
(PO Box 7725, Johannesburg, 2000)

Directors of Volaris

Mark Miller (Director and Chief Executive Officer)
Brian Beattie (Chief Financial Officer and Treasurer)

Registered office of Volaris

Volaris Group Inc.
(Corporation number: 002277095)
5060 Spectrum Way, Suite 100
Mississauga, ON L4W 5N5
Canada

Date of incorporation: 8 March 2011

Place of incorporation: the Province of Ontario,
Canada

Volaris' nominated address in South Africa

c/o Cliffe Dekker Hofmeyr Incorporated
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Transaction advisor to Volaris

PSG Capital Proprietary Limited
(Registration number: 2006/015817/07)
1st Floor, Ou Kollege Building
35 Kerk Street
Stellenbosch, 7600
South Africa
(PO Box 7403, Stellenbosch, 7599)
and at
2nd Floor, Building 3
11 Alice Lane
Sandhurst
Sandton, 2196
South Africa
(PO Box 650957, Benmore, 2010)

Legal advisor to Adapt IT

Webber Wenzel
90 Rivonia Road
Sandton
Gauteng, 2196
South Africa
(PO Box 61771, Marshalltown, Johannesburg, 2107)

Legal advisor to Volaris

Cliffe Dekker Hofmeyr Incorporated
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Independent Expert to Adapt IT

Nodus Capital TS Proprietary Limited
(Registration number: 2014/226782/07)
Building 2, Commerce Square Office Park
39 Rivonia Road
Sandhurst, 2196
(PO Box 553696, Northlands, 2116)

Sponsor to Adapt IT

Merchantec Capital
(Registration number: 2008/027362/07)
13th Floor, Illovo Point
68 Melville Road
Illovo, Sandton, 2196
(PO Box 41480, Craighall, 2024)

Transfer Secretaries to Adapt IT

Computershare Investor Services Proprietary Limited
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
South Africa
(Private Bag X9000, Saxonwold, 2132, South Africa)

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ACTION REQUIRED BY ADAPT IT SHAREHOLDERS IN RELATION TO THE SCHEME

The definitions and interpretations commencing on page 17 of this Circular apply, unless the context clearly indicates otherwise, to this section on the action required by Adapt IT Shareholders in relation to the Scheme.

This Circular is important and requires your immediate attention. The action you need to take is set out below. If you are in any doubt as to what action to take, you should consult your Broker, CSDP, banker, accountant, attorney or other advisor. If you have disposed of any of your Adapt IT Shares, this Circular should be provided to the purchaser to whom, or the Broker, CSDP or other agent through whom, the disposal was effected. The Adapt IT Board has decided to proceed with the General Meeting by way of electronic participation only and not by way of a physical meeting. The General Meeting will accordingly be accessible through electronic communication, as permitted by the JSE and in accordance with the provisions of the Companies Act and the Company's MOI. "Attendance" throughout this section will be deemed to refer to electronic attendance.

Electronic participation at the General Meeting

Prior registration is necessary to participate in the General Meeting. Shareholders or their proxies will be given unique login details. Shareholders or their duly appointed proxy or proxies ("**General Meeting Participants**") must either register online using the online registration portal at www.smartagm.co.za; or apply to Computershare, by emailing a request to participate at the General Meeting to proxy@computershare.co.za, to be received by Computershare by no later than 12:00 on Monday, 28 June 2021. Computershare and the chairperson will first validate such requests and confirm the identity of the Shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided. The Company will inform General Meeting Participants who notified Computershare of their intended participation in accordance with this paragraph, by no later than 17:00 on Tuesday, 29 June 2021 by email of the relevant details through which General Meeting Participants can participate electronically.

Shareholders may participate in the General Meeting using the online platform <https://web.lumiglobal.com> and will be able to vote between the commencement of the meeting (12:00 on Wednesday 30 June 2021) and the closure of voting as announced by the chairperson during the General Meeting.

More information regarding online participation at the General Meeting (including how to vote and ask questions online during the General Meeting) is available in the Online Shareholders' Meeting Guide which can be accessed on Adapt IT's Investor Relations website page as well as on the SmartAGM portal: www.smartagm.co.za. To ensure your browser is compatible, please follow the instructions in the Online Shareholders' Meeting Guide. It is also recommended that Shareholders who elect to participate in the General Meeting through the online platform log into the online platform at least 15 minutes prior to the scheduled start time of the meeting. Should Shareholders require assistance with accessing the online platform, they can email proxy@computershare.co.za. **A General Meeting of Adapt IT Shareholders is scheduled to be held at 12:00 on Wednesday 30 June 2021, to consider and, if deemed fit, to pass the resolutions required to approve the Scheme and, if the Scheme Delisting Resolution is proposed to the Shareholders at the General Meeting, the delisting of the Company. A notice convening such General Meeting is attached to, and forms part of, this Circular.**

1. VOTING AND ATTENDANCE AT THE GENERAL MEETING

1.1 Dematerialised Shareholders without "own-name" registration

- 1.1.1 In accordance with the Custody Agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to:
 - 1.1.1.1 attend, speak and vote at the General Meeting; or
 - 1.1.1.2 appoint a proxy to represent you at the General Meeting.
- 1.1.2 Your CSDP or Broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the General Meeting. You will not be permitted to attend, speak or vote at the General Meeting, or send a proxy to represent you at the General Meeting, without the necessary letter of representation being issued to you.

- 1.1.3 If you do not wish to, or are unable to, attend (or appoint a proxy to represent you) at the General Meeting and you have not been contacted by your CSDP or Broker, it is advisable for you to contact your CSDP or Broker immediately and furnish your CSDP or Broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or Broker in terms of the Custody Agreement between you and your CSDP or Broker.
- 1.1.4 If your CSDP or Broker does not obtain voting instructions from you, your CSDP or Broker will be obliged to act in accordance with the instructions contained in the Custody Agreement between you and your CSDP or Broker.
- 1.1.5 You must **not** complete the attached Form of Proxy (*yellow*).

1.2 Dematerialised Shareholders with “own-name” registration and Certificated Shareholders

You may attend, speak and vote at the General Meeting in person (or, if you are a company or other body corporate, be represented by a duly authorised natural person). Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy (*yellow*) in accordance with its instructions and returning it to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (Private Bag X9000, Saxonwold, 2132, South Africa) or via email to proxy@computershare.co.za, to be received by it, for administrative purposes, by no later than 12:00 on Monday, 28 June 2021 or thereafter by emailing such form to Computershare at the aforementioned email address (for the attention of the chairperson of the General Meeting) to be received at any time before the proxy exercises any rights of the Adapt IT Shareholder at such General Meeting.

2. ELECTION PROCEDURE FOR SHAREHOLDERS

PLEASE TAKE CAREFUL NOTE OF THE DEFAULT POSITION. IN TERMS OF THE SCHEME, IF YOU DO NOT VALIDLY MAKE THE EXIT ELECTION AND/OR THE CONTINUATION ELECTION IN RESPECT OF ANY OF YOUR SHARES, YOU WILL THEN BE DEEMED TO HAVE MADE THE EXIT ELECTION IN RESPECT OF THOSE SHARES, IN WHICH EVENT THE OFFEROR WILL ACQUIRE ALL THOSE SHARES BY WAY OF EXPROPRIATION IF THE SCHEME BECOMES OPERATIVE.

2.1 Dematerialised Shareholders with or without “own-name” registration

- 2.1.1 Your CSDP or Broker should contact you in the manner stipulated in the Custody Agreement, to find out which election you wish to make in terms of the Scheme. If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker and furnish your CSDP or Broker with your election instructions in the manner and by the cut-off time stipulated by your CSDP or Broker in terms of the Custody Agreement. If your CSDP or Broker does not obtain instructions from you, it will be obliged to act in terms of the instructions contained in the Custody Agreement. Your CSDP or Broker must notify the Transfer Secretaries of your election by no later than 12:00 on the Scheme Consideration Record Date. If your CSDP or Broker has not notified the Transfer Secretaries of your election in terms of the Scheme by 12:00 on the Scheme Consideration Record Date, you will be deemed to have made the Exit Election in respect of all your Shares.
- 2.1.2 You must **not** complete the attached Form of Election (*blue*).

2.2 Certificated Shareholders

- 2.2.1 If you wish to make the Exit Election and/or the Continuation Election you must complete the attached Form of Election (*blue*) in accordance with its instructions and return it together with your relevant Documents of Title (if applicable) to the Transfer Secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (P.O. Box 61763, Marshalltown, 2107) to be received by no later than 12:00 on the Scheme Consideration Record Date. If the Transfer Secretaries do not receive the completed Form of Election (*blue*) together with the relevant Documents of Title (if applicable) by 12:00 on the Scheme Consideration Record Date, **you will be deemed to have made the Exit Election in respect of all your Shares.**

- 2.2.2 If you wish to surrender your Documents of Title in anticipation of the Scheme being implemented:
- 2.2.2.1 you should complete the Form of Election (*blue*) in accordance with its instructions and return it, together with the relevant Documents of Title, to the Transfer Secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (P.O. Box 61763, Marshalltown, 2107); and
- 2.2.2.2 you will not be able to Dematerialise or deal in your Shares between the date of surrender of your Documents of Title and the Scheme Implementation Date or, if the Scheme does not become Operative, the date on which your Documents of Title are returned to you as envisaged in the paragraphs below.
- 2.2.3 Documents of Title surrendered prior to 12:00 on the Scheme Consideration Record Date, in anticipation of the Scheme being implemented, will be held in trust by the Transfer Secretaries, at the risk of the Certificated Shareholder concerned, pending the Scheme being implemented.
- 2.2.4 Should the Scheme not be implemented, Documents of Title surrendered and held by the Transfer Secretaries will be posted, by registered post, at the risk of the Certificated Shareholder concerned, within 5 Business Days from the later of the date of receipt of the Documents of Title and the date on which it becomes known that the Scheme will not be implemented, unless they have also been surrendered for purposes of the Standby Offer, in which case they will be posted within 5 Business Days of the lapsing of the Standby Offer if applicable.

3. SETTLEMENT OF SCHEME CONSIDERATION

3.1 Dematerialised Shareholders with or without “own-name” registration

- 3.1.1 If you are a Dematerialised Adapt IT Shareholder who is, or is deemed (pursuant to paragraph 4.8.1 of this Circular) to be, a Scheme Participant that holds Exit Election Shares, you will have your account held at your CSDP or Broker credited with the Scheme Consideration due to you and debited with the Adapt IT Shares you are transferring to Volaris pursuant to the Scheme on the Scheme Implementation Date or, if you are a Dissenting Shareholder who subsequently becomes a Scheme Participant who is or is deemed to hold Exit Election Shares pursuant to paragraph 4.8.1 of this Circular, on the date contemplated in paragraph 4.8.1.2 of this Circular.
- 3.1.2 Dematerialised Shareholders who make the Continuation Election in respect of all or some of their Shares, will, if the Company is delisted, receive share certificates in respect of their Shares to be held in the unlisted Company. Such share certificates will be posted to you, by registered post in South Africa, at your own risk, within 5 Business Days of the Scheme Implementation Date.
- 3.1.3 You must **not** complete the attached Form of Election (*blue*).

3.2 Certificated Adapt IT Shareholders

- 3.2.1 If the Scheme becomes Operative and you have surrendered your Documents of Title and submitted your completed Form of Election (*blue*) to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank Johannesburg, 2196 (P.O. Box 61763, Marshalltown, 2107), at or before 12:00 on the Scheme Consideration Record Date, you will be paid the Scheme Consideration in cash by way of electronic funds transfer into your bank account recorded by Computershare or the bank account nominated by you in the Form of Election (*blue*), as the case may be, on the Scheme Implementation Date.

- 3.2.2 If the Scheme becomes Operative and you surrender your Documents of Title and completed Form of Election (*blue*) after 12:00 on the Scheme Consideration Record Date, the Scheme Consideration due to you will be held by Computershare in trust, and will be paid to you in cash by way of electronic funds transfer into your bank account recorded by Computershare or the bank account nominated by you in the Form of Election (*blue*), as the case may be, within 5 Business Days of receipt of your Documents of Title and Form of Election (*blue*), provided that should you:
- 3.2.2.1 be a Dissenting Shareholder who subsequently becomes a Scheme Participant pursuant to paragraph 4.8.1 of this Circular, you will still need to surrender your Documents of Title, together with a completed Form of Election (*blue*), to Computershare and payment of the Scheme Consideration will only be paid to you in cash by way of electronic funds transfer on the date set out in paragraph 4.8.1.2 of this Circular; and
 - 3.2.2.2 fail to surrender your Documents of Title and completed Form of Election (*blue*) to Computershare, or if your banking details are not recorded with Computershare and you have failed to provide your banking details in the completed Form of Election (*blue*), the Scheme Consideration due to you will be held in trust by Adapt IT (or its agent) on your behalf for a period of three years after the Scheme Implementation Date or a period of three years after the date on which you subsequently became a Scheme Participant pursuant to paragraph 4.8.1 of this Circular, after which the Scheme Consideration due to you will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Scheme Participants irrevocably authorise and appoint each of Adapt IT, Volaris, or their respective agents as appointed by each of them, *in rem suam* (that is, irrevocably for Adapt IT's and Volaris' advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund of the Master of the High Court in the aforesaid manner.
- 3.2.3 For the avoidance of doubt, no interest will accrue for the benefit of Scheme Participants on the Scheme Consideration.
- 3.2.4 **Volaris shall be entitled to instruct Adapt IT to accept late elections or amended elections on the same terms and conditions applicable to the Scheme (the acceptance of late elections or amended elections will be disclosed to the Takeover Panel).**

If you wish to Dematerialise your Adapt IT Shares, please contact your CSDP or Broker. Adapt IT Shareholders should note that it will take between 1 and 10 Business Days to Dematerialise their Adapt IT Shares through their CSDP or Broker. Adapt IT Shareholders that do not have a CSDP or Broker can contact Computershare directly to Dematerialise their Adapt IT Shares on 086 1100 634 (or +27 11 370 5000 if phoning from outside South Africa) on every Business Day between 8:30 and 16:00.

No Dematerialisation or re-materialisation of Adapt IT Shares may take place from the Business Day following the Scheme LDT. You do not need to Dematerialise your Adapt IT Shares to receive the Scheme Consideration.

If Documents of Title relating to any Adapt IT Shares to be surrendered are lost or destroyed, Certificated Adapt IT Shareholders should nevertheless return the attached Form of Election (*blue*) duly signed and completed to Computershare by hand to Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, or by post to P.O. Box 61763, Marshalltown, 2107, together with an indemnity form, which is obtainable from Computershare.

Volaris may dispense with the requirement to surrender Documents of Title upon production of evidence satisfactory to Volaris that the Documents of Title relating to the Adapt IT Shares in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to Volaris. Indemnity forms are obtainable from Computershare.

Adapt IT Shareholders are advised to consult their professional advisors about their personal tax positions regarding the Scheme.

ACTION REQUIRED BY ADAPT IT SHAREHOLDERS IN RELATION TO THE STANDBY OFFER

The definitions and interpretations commencing on page 17 and 44 to this Circular apply, unless the context clearly indicates otherwise, to this section on the action required by Adapt IT Shareholders in relation to the Standby Offer. The Standby Offer will only become Effective if a Standby Offer Trigger Event occurs.

This Circular is important and requires your immediate attention. The action you need to take is set out below. If you are in any doubt as to what action to take, you should consult your Broker, CSDP, banker, accountant, attorney or other advisor. If you have disposed of any of your Adapt IT Shares, this Circular should be provided to the purchaser to whom, or the Broker, CSDP or other agent through whom, the disposal was effected.

ACTION REQUIRED BY ADAPT IT SHAREHOLDERS IN RELATION TO THE STANDBY OFFER

Should a Standby Offer Trigger Event occur, the Standby Offer will automatically become Effective in accordance with the provisions of Annexure 1 to this Circular. In such event, an announcement will be issued on SENS, confirming that the Scheme will not proceed and that the Standby Offer has become Effective, and advising Adapt IT Shareholders of the salient dates applicable to the Standby Offer.

1. IF YOU HAVE DEMATERIALISED YOUR ADAPT IT SHARES

1.1 Acceptance of the Standby Offer

- 1.1.1 You must **not** complete the Form of Surrender, Transfer and Acceptance (*green*).
- 1.1.2 If you wish to accept the Standby Offer you should instruct your duly appointed CSDP or Broker, in accordance with the Custody Agreement concluded with your CSDP or Broker.
- 1.1.3 The instruction to accept the Standby Offer must be provided to your CSDP or Broker by no later than the cut-off time stipulated for such instruction in order for such CSDP or Broker to take the necessary action to accept the Standby Offer by 12:00 on the Standby Offer Closing Date. You are accordingly advised to confirm with your CSDP or Broker as to what the cut-off time will be. This must be done in accordance with the Custody Agreement between you and your CSDP or Broker.

1.2 Surrender of Documents of Title

You must **not** complete the Form of Surrender, Transfer and Acceptance (*green*).

1.3 Settlement of Standby Offer Consideration

If the Standby Offer becomes Operative, you will have your account held at your CSDP or Broker credited with the Standby Offer Consideration and debited with the Adapt IT Shares you are transferring to Volaris on the Standby Offer Settlement Date. For the avoidance of doubt, no interest shall accrue for the benefit of Adapt IT Shareholders on the Standby Offer Consideration.

2. IF YOU HAVE NOT DEMATERIALISED YOUR ADAPT IT SHARES

2.1 Acceptance of the Standby Offer

You must complete the Form of Surrender, Transfer and Acceptance (*green*) attached to this Circular, in accordance with the instructions therein, and forward it, together with the relevant Documents of Title, by hand or by mail to Computershare by no later than 12:00 on the Standby Offer Closing Date.

2.2 Surrender of Documents of Title

- 2.2.1 You are required to complete the attached Form of Surrender, Transfer and Acceptance (*green*) in accordance with its instructions and return it, together with the relevant Documents of Title representing all your Certificated Adapt IT Shares, to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61763, Marshalltown, 2107), to be received by it by no later than 12:00 on the Standby Offer Closing Date.
- 2.2.2 Documents of Title held by Certificated Adapt IT Shareholders in respect of their Adapt IT Shares that accept the Standby Offer will cease to be of any value, and shall not be good for delivery, from the Standby Offer Closing Date, other than for surrender in terms of the Standby Offer.
- 2.2.3 Subject to the Standby Offer becoming Effective, in order to surrender your Documents of Title:
 - 2.2.3.1 you should complete the Form of Surrender, Transfer and Acceptance (*green*) in accordance with its instructions and return it, together with your Documents of Title, to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61763, Marshalltown, 2107); and
 - 2.2.3.2 it should be noted that you will not be able to Dematerialise or deal in your Adapt IT Shares between the date of surrender of your Documents of Title and the Standby Offer Settlement Date.

2.3 Settlement of Standby Offer Consideration

- 2.3.1 If the Standby Offer becomes Operative and you have both (i) forwarded your completed Form of Surrender, Transfer and Acceptance (*green*), and (ii) surrendered your Documents of Title, to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61763, Marshalltown, 2107) on or before 12:00 on the Standby Offer Closing Date, you will be paid the Standby Offer Consideration by way of electronic funds transfer into your bank account recorded by Computershare or the bank account nominated by you in the Form of Surrender, Transfer and Acceptance (*green*), as the case may be, in cash on the Standby Offer Settlement Date.
- 2.3.2 If the Standby Offer becomes Operative and you forward your completed Form of Surrender, Transfer and Acceptance (*green*) to Computershare on or before 12:00 on the Standby Offer Closing Date, but you surrender your Documents of Title after 12:00 on the Standby Offer Closing Date, the Standby Offer Consideration will be paid to you by way of electronic funds transfer within 5 Business Days of receipt of your Documents of Title. If you fail to surrender your Documents of Title to Computershare, or if your banking details are not recorded with Computershare and you have failed to provide your banking details in the completed Form of Surrender, Transfer and Acceptance (*green*), the Standby Offer Consideration due to you will be held in trust by Adapt IT (or its agent) on your behalf, but only for a period of three years after the Standby Offer Settlement Date after which the Standby Offer Consideration due to you will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Standby Offer Participants irrevocably authorise and appoint each of Adapt IT and Volaris (or their respective agents, as appointed by each of them) in *rem suam* (that is, irrevocably for Adapt IT's, and Volaris' advantage), with full power of substitution, to act as agent in the name, place and stead of such Standby Offer Participants to pay the Standby Offer Consideration to the benefit of the Guardian's Fund in the aforesaid manner.
- 2.3.3 For the avoidance of doubt, no interest shall accrue for the benefit of Adapt IT Shareholders on the Standby Offer Consideration.
- 2.3.4 Documents of Title surrendered prior to 12:00 on the Standby Offer Closing Date, subject to the Standby Offer becoming Operative, will be held in trust by Computershare, at the risk of the relevant Certificated Adapt IT Shareholders.

2.3.5 Volaris may accept late acceptances or amended acceptances on the same terms and conditions applicable to the Standby Offer (the acceptance of late acceptances or amended acceptances will be disclosed to the Takeover Panel).

If you wish to Dematerialise your Adapt IT Shares, please contact your CSDP or Broker. Adapt IT Shareholders should note that it will take between 1 and 10 Business Days to Dematerialise their Adapt IT Shares through their CSDP or Broker. Adapt IT Shareholders that do not have a CSDP or Broker can contact Computershare directly to Dematerialise their Adapt IT Shares on 086 1100 634 (or +27 11 370 5000 if phoning from outside South Africa) on every Business Day between 8:30 and 16:00.

No Dematerialisation or re-materialisation of Adapt IT Shares will be permitted from the Business Day following the Standby Offer LDT. You do not need to Dematerialise your Adapt IT Shares to receive the Standby Offer Consideration.

If Documents of Title relating to any Adapt IT Shares to be surrendered are lost or destroyed, Certificated Adapt IT Shareholders should nevertheless return the attached Form of Surrender, Transfer and Acceptance (*green*) duly signed and completed to Computershare by hand to Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, or by post to PO Box 61763, Marshalltown, 2107, together with an indemnity form, which is obtainable from Computershare.

Adapt IT may dispense with the requirement to surrender Documents of Title upon production of evidence satisfactory to Volaris that the documents of title relating to the Adapt IT Shares in question have been lost or destroyed and upon provision of a suitable indemnity on terms satisfactory to Volaris. Indemnity forms are obtainable from Computershare.

Adapt IT Shareholders are advised to consult their professional advisors about their personal tax positions regarding the Standby Offer.

IMPORTANT DATES AND TIMES RELATING TO THE SCHEME

The definitions and interpretations commencing on page 17 of this Circular shall, unless the context clearly indicates otherwise, apply to this section.

2021

Record date to determine which Adapt IT Shareholders are entitled to receive this Circular on	Friday, 21 May
Circular posted to Adapt IT Shareholders and notice convening the General Meeting released on SENS on	Tuesday, 1 June
Notice of General Meeting published in the South African press on	Wednesday, 2 June
Last day to trade in order to be recorded in the Register on the Scheme Voting Record Date in order to be eligible to vote at the General Meeting on	Tuesday, 22 June
Scheme Voting Record Date being 17:00 on	Friday, 25 June
For administrative purposes only, Forms of Proxy (<i>yellow</i>) to be lodged with Computershare by 12:00 on	Monday, 28 June
Forms of Proxy (<i>yellow</i>) emailed to Computershare (for the attention of the chairperson of the General Meeting) to be received via email and provided to the chairperson, at any time before the proxy exercises any rights of the Adapt IT Shareholder at the General Meeting on	Wednesday, 30 June
Last date and time for Adapt IT Shareholders to give notice to Adapt IT objecting, in terms of section 164(3) of the Companies Act, to the Scheme Resolution to be able to invoke Appraisal Rights by 12:00 on	Wednesday, 30 June
General Meeting of Adapt IT Shareholders to be held at 12:00 on	Wednesday, 30 June
Results of General Meeting released on SENS on	Wednesday, 30 June
Results of General Meeting published in the South African press on	Thursday, 1 July
If the Scheme is approved by Adapt IT Shareholders at the General Meeting:	
Last date for Adapt IT Shareholders who voted against the Scheme Resolution to require Adapt IT to seek court approval for the Scheme Resolution in terms of section 115(3)(a) of the Companies Act (where applicable) on	Wednesday, 7 July
Last date for Adapt IT Shareholders who voted against the Scheme Resolution to apply to court for leave to apply for a review of the Scheme Resolution in terms of section 115(3)(b) of the Companies Act on	Wednesday, 14 July
Last date for Adapt IT to send objecting Adapt IT Shareholders notices of the adoption of the Scheme Resolution in accordance with section 164(4) of the Companies Act on	Wednesday, 14 July

Action

The following dates assume that all conditions precedent to the Scheme save for the condition set out in paragraph 4.3.1.6 of this Circular are fulfilled or, where applicable, waived by Friday, 19 November 2021 and will be confirmed in an announcement:

2021

Status of Scheme Conditions announcement expected to be released on SENS expected to be on	Friday, 19 November
Status of Scheme Conditions announcement expected to be published in the South African press expected to be on	Monday, 22 November
Scheme LDT expected to be on	Tuesday, 30 November
Trading in Adapt IT Shares on the JSE suspended from commencement of trade expected to be on	Wednesday, 1 December
Last day for Form of Elections (<i>blue</i>) to be validly lodged by Certificated Adapt IT Shareholders with the Transfer Secretaries and elections to be made by CSDPs or Brokers of Dematerialised Adapt IT Shareholders expected to be by 12:00 on	Friday, 3 December
Scheme Consideration Record Date to be recorded in the Register in order to receive the Scheme Consideration expected to be on	Friday, 3 December
Expected Scheme Finalisation Date and Finalisation announcement confirming Scheme unconditionality expected to be on	Friday, 3 December
Confirmation of Delisting announcement expected to be released on SENS on	Monday, 6 December
Scheme Implementation Date expected to be on	Tuesday, 7 December
Scheme Consideration payment to Dematerialised Adapt IT Shareholders expected to be on	Tuesday, 7 December
Scheme Consideration payment to Certificated Adapt IT Shareholders to take place within 5 Business Days of (assuming surrender of Documents of Title and duly completed Form of Surrender, Transfer or Acceptance) the date that is expected to be on	Tuesday, 7 December
If applicable, termination of the listing of Adapt IT Shares on the JSE at commencement of trade expected to be on	Wednesday, 8 December

Notes:

1. The above dates and times are subject to such changes as may be agreed to by Adapt IT and Volaris and approved by the Takeover Panel and/or the JSE, if required. If all the Scheme Conditions save for the condition set out in paragraph 4.3.1.6 of this Circular are not fulfilled or, where applicable, waived by Friday, 19 November 2021 (or if the all conditions precedent to the Scheme save for the condition set out in paragraph 4.3.1.6 of this Circular are fulfilled or, where applicable, waived on a day before Friday, 19 November 2021), an updated timetable will be released on SENS.
2. Completed Forms of Proxy and the authority (if any) under which they are signed must be (i) lodged with, posted or emailed to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (Private Bag X9000, Saxonwold, 2132), or proxy@computershare.co.za, to be received by them no later than 12:00 on Monday, 28 June 2021 or (ii) thereafter emailed to Computershare at the aforementioned email address (for the attention of the chairperson of the General Meeting) at any time before the proxy exercises any rights of the Adapt IT Shareholder at such General Meeting.
3. Adapt IT Shareholders should note that, as trade in Adapt IT Shares on the JSE is settled in the electronic settlement system used by Strate, settlement of trades takes place 3 Business Days after the date of such trades. Therefore, Adapt IT Shareholders who acquire Adapt IT Shares on the JSE after the voting last day to trade, expected to be on Tuesday, 22 June 2021 being the last day to trade in Adapt IT Shares so as to be recorded in the Register on the Scheme Voting Record Date, will not be entitled to vote at the General Meeting.
4. Adapt IT Shareholders who wish to exercise their Appraisal Rights are referred to **Annexure 5** to this Circular for purposes of determining the relevant timing for the exercise of their Appraisal Rights.
5. The exercise of Appraisal Rights may result in changes to the above salient dates and times and Adapt IT Shareholders will be notified separately of the applicable dates and times resulting from any such changes.

6. Adapt IT Shareholders who wish to exercise their right in terms of section 115(3) of the Companies Act, to require the approval of a court for the Scheme should refer to **Annexure 5** to this Circular which includes an extract of section 115 of the Companies Act. Should Adapt IT Shareholders exercise their rights in terms of section 115(3) of the Companies Act, the dates and times set out above may change, in which case an updated timetable will be released on SENS.
7. Dematerialised Adapt IT Shareholders, other than those with Own-Name Registration, must provide their CSDP or Broker with their instructions for voting at the General Meeting by the cut-off time and date stipulated by their CSDP or Broker in terms of their respective Custody Agreements between them and their CSDP or Broker.
8. No dematerialisation or rematerialisation of Adapt IT Shares may take place from the commencement of business on the Business Day following the Scheme LDT. The Scheme LDT is expected to be on Tuesday, 30 November 2021.
9. If the General Meeting is adjourned or postponed, the above dates and times will change, but the Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
10. Although the salient dates and times are stated to be subject to change, such statement shall not be regarded as consent or dispensation for any change to time periods which may be required in terms of the Companies Act, the Companies Regulations and the JSE Listings Requirements, where applicable, and any such consents or dispensations must be specifically applied for and granted.
11. **Should a Standby Offer Trigger Event occur, all dates and times pertinent to the Standby Offer will be published on SENS and in the press, subject to the approval of the JSE and the Takeover Panel, to the extent required.**
12. All times referred to in this Circular are references to South African Standard Time.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context clearly indicates a contrary intention, a word or an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following words and expressions bear the meanings assigned to them below:

“Adapt IT” or “the Company”	Adapt IT Holdings Limited (Registration number: 1998/017276/06), a public company duly registered and incorporated in accordance with the laws of South Africa and listed on the JSE;
“Adapt IT Group”	Adapt IT and its Subsidiaries;
“Adapt IT Proprietary Limited”	Adapt IT Proprietary Limited (Registration number: 1996/006272/07), a private company registered and incorporated in accordance with the laws of South Africa;
“Adapt IT Shares” or “Shares”	ordinary shares of no par value in the authorised and issued share capital of Adapt IT;
“Adapt IT Shareholders” or “Shareholders”	holders of Adapt IT Shares;
“Act in Concert”	for a specific purpose, means any action pursuant to an agreement between or among 2 (two) or more Persons, in terms of which all or any of them co-operate for that specific purpose, and “Acts in Concert” or “Acting in Concert” has a corresponding meaning;
“Alternative Proposal”	an alternative proposal described in paragraph 5.1 of this Circular;
“Appraisal Rights”	the rights afforded to Adapt IT Shareholders in terms of section 164 of the Companies Act as set out in Annexure 5 to this Circular;
“B-BBEE”	Broad-Based Black Economic Empowerment;
“Becomes Fair”	in relation to the Scheme and the Standby Offer means that Shareholders have been notified, after the Last Practicable Date, that Volaris has announced an increase in the Scheme Consideration and the Standby Offer Consideration and that, as a result of such increase, the Independent Expert and the Independent Board have determined that the Scheme and the Standby Offer are fair as contemplated in paragraph 1.15(d) of the JSE Listings Requirements;
“Board” or “Adapt IT Board” or “Adapt IT Directors”	the Adapt IT board of directors;
“Break Fee”	has the meaning ascribed to it in paragraph 6 of this Circular;
“Broker”	any Person registered as a “ <i>broking member (equities)</i> ” in terms of the requirements of the JSE and in accordance with the provisions of the Financial Markets Act;
“Budget”	the annual budget of the Company approved by the Adapt IT Board for any applicable period that falls within or during the Offer Period;
“Business Day”	a day which is not a Saturday, Sunday or official public holiday in South Africa;
“Certificated Adapt IT Shareholders”	holders of Certificated Adapt IT Shares;

“Certificated Adapt IT Shares”	Adapt IT Shares being “certificated securities” as defined in the Financial Markets Act and having accordingly not yet been Dematerialised, title to which is evidenced by Documents of Title;
“Circular”	this circular to Adapt IT Shareholders, dated Tuesday, 1 June 2021, together with the annexures hereto, and including the Notice of General Meeting, the terms of the Standby Offer, the Form of Proxy (<i>yellow</i>), the Form of Election (<i>blue</i>) and the Form of Surrender, Transfer and Acceptance (<i>green</i>);
“Common Monetary Area”	South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of eSwatini;
“Companies Act”	the Companies Act, No. 71 of 2008;
“Companies Regulations”	the Companies Regulations, 2011, published in terms of section 223, and item 14 of Schedule 5, of the Companies Act;
“Competition Act”	the Competition Act, No. 89 of 1998;
“Competition Appeal Court”	the Competition Appeal Court, a court established in terms of section 36 of the Competition Act;
“Competition Authorities”	the Competition Commission, the Competition Tribunal, the Competition Appeal Court and/or the South African Constitutional Court, the Competition Authority in Botswana, the Securities and Exchange Commission and/or Federal Competition and Consumer Protection Commission (as the case may be) in Nigeria and the Namibian Competition Commission, insofar as approvals are required from them in terms of the Competition Act and/or other applicable competition Laws to implement the Transaction, and all other competition authorities whose approvals are required for the Transaction;
“Competition Commission”	the Competition Commission of South Africa, a statutory body established in terms of section 19 of the Competition Act;
“Competition Tribunal”	the Competition Tribunal of South Africa, a statutory body established in terms of section 26 of the Competition Act;
“Concert Parties”	of a Person means any other Person who Acts in Concert with that first-mentioned Person;
“Conditions”	collectively the Scheme Conditions and the Standby Offer Conditions or either of the Scheme Conditions or the Standby Offer Conditions, as the case may be;
“Confidentiality Agreement”	the confidentiality agreement between Volaris and Adapt IT dated 12 February 2021;
“Continuation Election”	the election by a Scheme Participant to retain some or all of their Shares post the implementation of the Scheme, which Shares, in respect of which the Continuation Election is made, will consequently not be acquired by the Offeror in terms of the Scheme;
“Constellation Software Inc.”	Constellation Software Inc., a company incorporated under the laws of Ontario with company number: 1517581, whose registered office is at Suite 1200-20 Adelaide Street EAST, Ontario, Canada M5C 2T6;
“Controlling Shareholder”	has the meaning ascribed thereto in the JSE Listings Requirements;
“CSDP”	a “participant” as defined in the Financial Markets Act;

“Custody Agreement”	a custody mandate agreement between a Dematerialised Adapt IT Shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Adapt IT Shares held on Adapt IT’s uncertificated securities register administered by a CSDP or Broker on behalf of such Adapt IT Shareholder;
“the Default Position”	the automatic default position in the event that a Scheme Participant does not validly make the Exit Election and/or the Continuation Election in respect of any of his Shares, being that he is deemed to have made the Exit Election in respect of those Shares, and consequently those Shares will be acquired by the Offeror, by way of expropriation as contemplated by section 114(1)(c) of the Companies Act;
“Delisting”	the termination of the listing of the Shares on the Main Board of the JSE;
“Dematerialise” or “Dematerialised” or “Dematerialisation”	the process by which certificated shares are converted into an electronic format as dematerialised shares and recorded in a company’s uncertificated securities register administered by a CSDP;
“Dematerialised Adapt IT Shareholders”	holders of Dematerialised Adapt IT Shares;
“Dissenting Shareholders”	Adapt IT Shareholders who validly exercise their Appraisal Rights (if any) by giving written notice to Adapt IT objecting in advance to, and voting against, the Scheme Resolution at the General Meeting and by demanding, in terms of sections 164(5) to 164(8) of the Companies Act, that Adapt IT pay to them the fair value of their Adapt IT Shares;
“Distribution”	any capital reduction, distributions, dividends, capitalisation issue, or similar payments made to or for the benefit of Adapt IT Shareholders whether payable in cash or otherwise (including interest or dividend payments in respect of debentures or shares);
“Document of Title”	share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to the Adapt IT Shares in question acceptable to the Adapt IT Board;
“EBITDA”	Earnings Before Interest, Tax, Depreciation and Amortisation as reflected in the financial statements of Adapt IT in accordance with IFRS, but adjusted so as not to take into account: <ul style="list-style-type: none"> i. costs of corporate actions and transactions; ii. any impairment of right of use assets under IFRS 16; iii. any increase in the financial liability in respect of the Wisenet earnout under IFRS 3; iv. any impairment to the carrying value of goodwill or intangibles of the Energy Cash Generating Unit; and v. other adjustments (including fair value adjustments pertaining to IFRS 3) which are, in accordance with the SAICA Circular, excluded for the purposes of calculating headline earnings;
“Effective”	“Effective”, as defined in Annexure 1 to this Circular;
“Encumbrance”	(i) a mortgage, pledge, hypothecation, lien, option, restriction, right of first refusal, right of pre-emption, right of retention, right of set-off, third party right or interest, assignment in security, title extension, trust arrangement, cession in security, security interest of any kind or any other encumbrance of any kind; and (ii) any other type of preferential transaction or agreement having, or which might have, the effect of encumbering as contemplated in (i), whether or not subject to a condition precedent, and “Encumbered”, “Encumber” and “Encumbering” each bears a corresponding meaning;

“Energy Cash Generating Unit”	the Adapt IT Energy Division, which provides niche software solutions and services to the oil and gas industry;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, issued in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, and all directives and rulings issued thereunder;
“Excluded Shares”	the Treasury Shares;
“Excluded Shareholders”	Subsidiaries of Adapt IT that hold Treasury Shares. As at the Last Practicable Date, the Excluded Shareholder(s) being Adapt IT Proprietary Limited;
“Exit Election”	the election by a Scheme Participant to dispose of some or all of their Shares in the Company, which Shares in respect of which the Exit Election is made will, if the Scheme becomes Operative, be acquired by the Offeror as contemplated by section 114(1)(c) of the Companies Act;
“Exit Election Shares”	the Adapt IT Shares held by Scheme Participants on the Scheme Consideration Record Date for which an Exit Election has been validly made or for which no Continuation Election has been validly made;
“Facility Agreements”	written facility agreements entered into between The Standard Bank of South Africa Limited and the Adapt IT Group on 5 December 2018 relating to: <ul style="list-style-type: none"> i. a revolving credit facility with a maturation date of 3 January 2024; ii. term funding with a maturation date of 12 December 2023; and iii. a perpetual overdraft facility, or any revised or replacement facility agreements entered into between The Standard Bank of South Africa Limited and the Adapt IT Group after the Last Practicable Date;
“FICA”	Financial Intelligence Centre Act, No. 38 of 2001;
“Financial Advisor” or “Standard Bank”	The Standard Bank of South Africa Limited (Registration number: 1962/000738/06), a public company duly registered and incorporated in accordance with the laws of South Africa and the Financial Advisor to Adapt IT;
“Financial Information”	the audited historical financial information of Adapt IT for the financial years ended 30 June 2018, 30 June 2019 and 30 June 2020 and the unaudited interim results of Adapt IT for the 6 month period ended 31 December 2020;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012;
“FIO Agreement”	the firm intention offer letter agreement entered into between Volaris and Adapt IT on the FIO Agreement Signature Date in respect of the Transaction, setting out <i>inter alia</i> the terms upon which the Adapt IT Board will propose the Scheme to Adapt IT Shareholders and upon which Volaris will make the Standby Offer, if applicable, and the further terms of the Transaction, a copy of which is available for inspection by Adapt IT Shareholders, as indicated in paragraph 27 of this Circular and all addenda thereto;
“FIO Agreement Signature Date”	the date on which the FIO Agreement was signed by Volaris and Adapt IT, being 6 April 2021;
“Firm Intention Announcement”	the joint firm intention announcement published by Adapt IT and Volaris on SENS, dated 7 April 2021;
“Foreign Adapt IT Shareholder”	an Adapt IT Shareholder who is a non-resident of South Africa, as contemplated in the Exchange Control Regulations;

“Form of Election”	a form of election (<i>blue</i>) in respect of the Scheme for use by Certificated Adapt IT Shareholders only, enclosed herewith;
“Form of Proxy”	for purposes of the General Meeting, the form of proxy (<i>yellow</i>) for use by Certificated Adapt IT Shareholders and Dematerialised Adapt IT Shareholders with Own-Name Registration only, enclosed herewith;
“Form of Surrender, Transfer and Acceptance”	a form of surrender, transfer and acceptance (<i>green</i>) in respect of the Standby Offer for use by Certificated Adapt IT Shareholders only, enclosed herewith;
“Fulfilment Date”	the date by which all Conditions must be fulfilled, or if appropriate, waived (whether in whole or in part), this being 28 February 2022, or such later dates as may be extended by the Offeror (subject to such regulatory approval as may be required);
“General Meeting”	the general meeting of Adapt IT Shareholders scheduled to be held at 12:00 on Wednesday, 30 June 2021 entirely by electronic communication to consider and, if deemed fit, approve the Resolutions, as same may be postponed or adjourned from time to time;
“General Meeting Participant”	Shareholders or their duly appointed proxy or proxies that wish to participate in the General Meeting;
“Governmental Authority”	<ul style="list-style-type: none"> i. the government of any applicable jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof; ii. any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental authority or quasi-governmental authority within any applicable jurisdiction; and/or iii. any securities exchange within any applicable jurisdiction;
“Group”	in relation to any Person, that Person and its Subsidiaries from time to time;
“Huge”	Huge Group Limited (Registration number: 2006/023587/06), a public company registered and incorporated in accordance with the laws of South Africa and listed on the JSE;
“Huge Offer”	the offer by Huge to acquire all, or any, of the Adapt IT Shares held by Adapt IT Shareholders, as detailed in the Huge Offer Circular;
“Huge Offer Circular”	the bound document dated Friday, 16 April 2021, distributed to Adapt IT Shareholders, by Huge, including its annexures and attachments;
“IFRS”	International Financial Reporting Standards formulated by the International Accounting Standards Board from time to time;
“Independent Board”	collectively, Craig Michael Chambers, Oliver Darrel Fortuin, Catherine-Candice Koffman and Innocentia Zizipho Nyanga, being the Adapt IT Directors who have been appointed as the independent board in relation to the Volaris Offer for purposes of the Companies Regulations;
“Independent Expert” or “Nodus Capital”	Nodus Capital TS Proprietary Limited (Registration number: 2014/226782/07), a private company duly incorporated in accordance with the laws of South Africa, being the independent expert as described in section 114(2) of the Companies Act, appointed by the Independent Board in terms of Companies Regulation 110(1);

“Independent Expert Report”	the report prepared by the Independent Expert in terms of sections 114 and 115 of the Companies Act as read with Companies Regulations 90 and 110 in respect of the Volaris Offer;
“JSE”	the securities exchange, licensed under the Financial Markets Act, operated by JSE Limited (registration number: 2005/022939/06), a public company incorporated under the Laws of South Africa;
“JSE Spread Requirements”	the public shareholder spread requirements of the JSE set out in paragraph 4.28(e) of the JSE Listings Requirements;
“JSE Listings Requirements”	the Listings Requirements of the JSE in force as at the Last Practicable Date;
“Last Practicable Date”	the last practicable date prior to the finalisation of this Circular, being Wednesday, 26 May 2021;
“Laws”	laws, legislation, statutes, regulations, directives orders, notices, promulgations and other decrees of any Governmental Authority which have force of law or which would be an offence not to obey, and the common law, all of the aforementioned as modified, re-enacted, restated, replaced or re implemented from time to time;
“Legal Costs”	the costs and expenses of and incidental to the negotiation, drafting, preparation and implementation of the preparation and submission of the necessary filings (but excluding any filing fees payable to any regulatory authority, including the South African and applicable foreign Competition Authorities) and all other legal advice in relation to the implementation of the Volaris Offer;
“Main Board”	the main board of the list maintained by the JSE of securities admitted to listing on the JSE;
“Material Adverse Event” or “MAE”	means and will have occurred if either: <ul style="list-style-type: none"> i. the gross revenue or EBITDA of Adapt IT as indicated in the consolidated audited annual financial statements for the period ending June 2021 is less than the gross revenue or EBITDA for the preceding financial year (ended June 2020) by 10% or more; or ii. the Scheme is implemented after the December 2021 interim results of Adapt IT are published and the gross revenue or EBITDA of Adapt IT as indicated in such interim results is less than the gross revenue or EBITDA indicated in the preceding financial year’s interim results (December 2020) by 10% or more;
“Material Contracts”	collectively: <ul style="list-style-type: none"> i. the supplier contracts of the Adapt IT Group, which represent at least 10% of Adapt IT’s annual cost of sales; and ii. the partner/distributor contracts which represent at least 10% of Adapt IT’s annual gross revenue;
“Maximum Scheme Consideration”	a cash amount of ZAR 892 201 960 calculated on the basis that there are 137,261,840 Adapt IT Shares in issue (excluding the Excluded Shares);
“Member”	of a Group is a Person which forms part of that Group;
“Merchantec Capital” or “Sponsor”	Merchantec Proprietary Limited (Registration number: 2008/027362/07), a private company duly registered and incorporated in accordance with the laws of South Africa, being the Sponsor to Adapt IT;
“MOI”	the memorandum of incorporation of Adapt IT;
“Notice of General Meeting”	the notice of the General Meeting of Adapt IT Shareholders forming part of this Circular;

“Offer Period”	the period commencing on the FIO Agreement Signature Date and expiring on the Business Day following the earliest of the following dates: <ul style="list-style-type: none"> i. the Scheme Implementation Date; or ii. if the Standby Offer becomes Effective, the earliest of – <ul style="list-style-type: none"> a. the date on which a Standby Offer Condition fails; and b. the date of completion of the Standby Offer;
“Operative”	in relation to the Scheme or the Standby Offer (as the case may be) means all the Conditions have been fulfilled or, where applicable, waived;
“Own-Name Dematerialised Adapt IT Shareholders” or “Own-Name Registration”	Adapt IT Shareholders who hold Adapt IT Shares that have been Dematerialised and are recorded by the CSDP on the sub-register kept by that CSDP in the name of such Adapt IT Shareholders;
“Person”	includes any individual, body corporate, trust, company, close corporation, Governmental Authority, corporate entity, unincorporated association or other entity, whether or not recognised under any Law as having separate legal existence or personality and wherever incorporated, created or established;
“Register”	Adapt IT’s securities register, including the relevant sub-registers of the CSDP(s) administering the sub-registers of Adapt IT, and the register of disclosures in relation to Adapt IT;
“Resolutions”	collectively, all the Adapt IT Shareholders’ resolutions as set out in the Notice of General Meeting, and “Resolution” means one of them as the context may require, it being recorded that the Scheme Delisting Resolution and the Standby Offer Delisting Resolution will only be proposed to Adapt IT Shareholders at the General Meeting if the Scheme and the Standby Offer Become Fair;
“SAICA Circular”	means the Circular 1/2021 issued by the South African Institute of Chartered Accountants in March 2021, as updated, amended or replaced from time to time;
“Scheme”	the scheme of arrangement in terms of section 114(1) of the Companies Act, proposed by the Adapt IT Board between Adapt IT and the Scheme Participants, as more fully described in paragraph 4 of this Circular, in terms of which Volaris will, if the Scheme becomes Operative, <i>inter alia</i> acquire all Exit Election Shares from the Scheme Participants for the Scheme Consideration, subject to any amendment or variation, as contemplated in paragraph 4.13;
“Scheme Conditions”	the conditions precedent to the Scheme set out in paragraph 4.3 of this Circular;
“Scheme Consideration”	the cash consideration of ZAR 6.50 (six Rand and fifty Cents) per Adapt IT Share, calculated on the assumption that Adapt IT will not make any Distributions between 1 April 2021 and the settlement date of the Scheme Consideration. In the event that Adapt IT makes any such Distribution, the Scheme Consideration will be adjusted downwards by the amount of the Distribution on a per share basis;
“Scheme Consideration Record Date”	the time and date for Persons, who are Adapt IT Shareholders, to be registered as Adapt IT Shareholders in the Register in order to be eligible to receive the Scheme Consideration, being the first Friday following the Scheme LDT which is expected to be at 17:00 on Friday, 3 December 2021 (or such other date and time as may be announced on SENS);

“Scheme Delisting Resolution”	the ordinary resolution to be proposed to Adapt IT Shareholders (other than the Excluded Shareholders) for their approval of the Delisting, at the General Meeting if the Scheme Becomes Fair, which resolution will be required if Adapt IT still meets the JSE Spread Requirements on the Scheme Implementation Date, and will require the support of more than 50% of the votes of all shareholders present or represented by proxy at the General Meeting, excluding the votes of any controlling shareholder, its associates and any party Acting in Concert, and any other party which the JSE deems appropriate;
“Scheme Finalisation Date”	the date on which the “finalisation date announcement” (as contemplated by the JSE Listings Requirements) is released on SENS, after all the Scheme Conditions are fulfilled or waived, as the case may be, which is expected to be Friday, 19 November 2021 (or such other date as may be announced on SENS);
“Scheme Implementation Date”	the date on which the Scheme is to be implemented, being the second Business Day immediately following the Scheme Consideration Record Date, which is expected to be Tuesday, 7 December 2021 (or such other date as may be announced on SENS);
“Scheme LDT”	the last day to trade in Adapt IT Shares in order to participate in the Scheme, being at the close of trade 3 Business Days prior to the Scheme Consideration Record Date, which is expected to be at 17:00 on Tuesday, 30 November 2021 (or such other date as may be announced on SENS);
“Scheme Participants”	all Persons who hold Adapt IT Shares and who are recorded in the Register on the Scheme Consideration Record Date, excluding: <ul style="list-style-type: none"> i. the Excluded Shareholders; and ii. Dissenting Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of sections 164(5) to (8) of the Companies Act on or prior to the Scheme Consideration Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse on or prior to the Scheme Consideration Record Date;
“Scheme Resolution”	the special resolution to be proposed to Adapt IT Shareholders (other than the Excluded Shareholders) for their approval of the Scheme, as contemplated in section 115(2) of the Companies Act, at the General Meeting, which will require the support of at least 75% of the votes exercised on it;
“Scheme Voting Record Date”	the time and date for Adapt IT Shareholders to be recorded in the Register in order to be eligible to attend, speak and vote at the General Meeting, being 17:00 on Friday, 25 June 2021;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Standby Offer”	the general standby offer, forming an integral part of the Volaris Offer, by Volaris to Adapt IT Shareholders, the full details of which are set out in Annexure 1 to this Circular;
“Standby Offer Closing Date”	the “Standby Offer Closing Date”, as defined in Annexure 1 to this Circular;
“Standby Offer Conditions”	the “Standby Offer Conditions”, as defined in Annexure 1 to this Circular;
“Standby Offer Consideration”	the “Standby Offer Consideration”, as defined in Annexure 1 to this Circular;

“Standby Offer Delisting Resolution”	the ordinary resolution to be proposed to Adapt IT Shareholders (other than the Excluded Shareholders) for their approval of the Delisting, if the Standby Offer Becomes Fair, and which will require the support of more than 50% of the votes of all shareholders present or represented by proxy at the General Meeting, excluding the votes of any controlling shareholder, its associates and any party acting in concert, and any other party which the JSE deems appropriate;
“Standby Offer Opening Date”	the “Standby Offer Opening Date”, as defined in Annexure 1 to this Circular;
“Standby Offer Trigger Event”	a “Standby Offer Trigger Event”, as defined in Annexure 1 to this Circular, being when (i) any Scheme Condition is not fulfilled and, where applicable, not waived, or (ii) the Scheme otherwise lapses or fails;
“Strate”	Strate Proprietary Limited (registration number: 1998/022242/07), a private company incorporated under the Laws of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
“Subsidiary”	a “subsidiary” as defined in the Companies Act, but also includes a Person incorporated outside South Africa which would, if incorporated in South Africa, have been a “subsidiary” as defined in the Companies Act;
“Takeover Panel”	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
“Takeover Regulations”	the regulations published in terms of section 120 of the Companies Act and set out in Chapter 5 of the Companies Regulations;
“Transaction”	the transaction contemplated in the Volaris Offer, as set out in the FIO Agreement and in the Circular;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number: 2004/003647/07), a private company incorporated under the Laws of South Africa;
“Treasury Shares”	the Adapt IT Shares beneficially owned by any Member of the Adapt IT Group, being, as at the Last Practicable Date, 7 625 658 Adapt IT Shares held by Adapt IT Proprietary Limited, a wholly-owned Subsidiary of the Company;
“Updated Independent Expert Report”	an updated report that will be prepared by the Independent Expert in terms of sections 114 and 115 of the Companies Act, as read with Companies Regulations 90 and 110, and in terms of the JSE Listings Requirements in respect of the Volaris Offer to the extent that Volaris announces an increase in the Scheme Consideration and/or the Standby Offer Consideration;
“US” or “United States”	the United States of America;
“VARP”	the Company’s Value Appreciation Rights Plan in force as at the Last Practical Date;
“VAT”	value-added tax levied in terms of the Value-added Tax Act, No. 89 of 1991;
“Volaris” or “the Offeror”	Volaris Group Inc. (corporation number: 002277095) a corporation incorporated under the Laws of the Province of Ontario, Canada, a wholly-owned Subsidiary of Constellation Software Inc.;
“Volaris Board”	the Volaris board of directors;

“Volaris Directors”	the directors of Volaris as at the Last Practicable Date, whose names are set out in the “Corporate Information and Advisors” section of this Circular;
“Volaris Group”	Volaris, the other Members of its Group and each other Person controlled from time to time by Member(s) of the Volaris Group;
“Volaris Offer”	(i) the Scheme, and (ii) subject to the condition precedent that a Standby Offer Trigger Event occurs, the Standby Offer;
“Volaris’ Transaction Advisor” or “PSG Capital”	PSG Capital Proprietary Limited (registration number: 2006/015817/07), a private company incorporated under the Laws of South Africa, and the transaction advisor to Volaris;
“VWAP”	volume weighted average price;
“Wisenet”	the Wisenet Business, operating as part of the education division of Adapt IT, and which develops, markets and sells the Wisenet products; and
“ZAR” and “Rand”	the lawful currency of South Africa.

The following shall apply throughout this Circular, unless the context clearly provides otherwise:

1. headings are to be ignored when construing this Circular;
2. any reference to a time of day is a reference to South African Standard Time, unless a contrary indication appears;
3. a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, replaced or re-enacted;
4. a reference to any agreement or document referred to in this Circular is a reference to that agreement or document as amended, revised, varied, novated or supplemented at any time;
5. should any provision in a definition be a substantive provision conferring rights or imposing obligations on any Person, effect shall be given to that provision as if it were a substantive provision in the body of this Circular;
6. where any number of days is prescribed, those days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which event the last day shall be the next succeeding Business Day;
7. the use of the word “including”, “include/s”, “in particular” or any similar such word followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s;
8. the use of any expression covering a process available under South African Law shall, if any of Adapt IT and Volaris is subject to the Law of any other jurisdiction, be interpreted as including any equivalent or analogous proceedings under the Law of such other jurisdiction;
9. references to Laws or any similar such word shall be deemed to include the JSE Listings Requirements;
10. a Condition “fails” if it is not fulfilled by the latest date allowed for its fulfilment, and, if it is capable of being waived, it is also not waived by that latest date;
11. no rule of construction shall be applied to the disadvantage of Adapt IT and Volaris because any or all of them were responsible for, or participated in, the preparation of this Circular; and
12. all references to “Rand”, “ZAR”, “R”, or “cents” are references to the lawful currency of South Africa.



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")



VOLARIS GROUP INC

(Incorporated in Canada)

(Corporation number: 002277095)

("Volaris")

COMBINED CIRCULAR TO ADAPT IT SHAREHOLDERS

Directors of Adapt IT

Craig Chambers (Chairperson)*#
Oliver Fortuin (Lead Independent Director)*#
Sibusiso Shabalala (Chief Executive Officer on leave)
Nombali Mbambo (Chief Financial Officer)
Tiffany Dunsdon (interim Chief Executive Officer)
Antonio Vicente (Chief Strategy Officer)
Catherine Koffman*#
Innocentia Zizipho Nyanga*#

* non-executive

independent

Directors of Volaris

Mark Miller (Director and Chief Executive Officer)
Brian Beattie (Chief Financial Officer and Treasurer)

1. INTRODUCTION

- 1.1 Adapt IT Shareholders are referred to the joint Firm Intention Announcement by Adapt IT and Volaris, released on SENS on 7 April 2021. In that announcement, Adapt IT Shareholders were advised that Adapt IT had received notice from Volaris of its firm intention to make an offer, as contemplated by the Takeover Regulations:
 - 1.1.1 to acquire up to 100% of the Adapt IT Shares (other than the Excluded Shares) by way of a scheme of arrangement in terms of section 114 of the Companies Act, to be proposed by the Adapt IT Board between Adapt IT and the holders of Adapt IT Shares (other than the holders of the Excluded Shares); or
 - 1.1.2 if a Standby Offer Trigger Event occurs, to acquire up to 100% of the Adapt IT Shares (excluding the Excluded Shares) by way of the Standby Offer.
- 1.2 In terms of the Scheme, Adapt IT Shareholders will be afforded an election to:
 - 1.2.1 sell all or part of their Adapt IT Shares to the Offeror, on the Scheme Implementation Date, at the Scheme Consideration (Exit Election); or
 - 1.2.2 retain all or part of their Adapt IT Shares (Continuation Election),with the default position being that if Adapt IT Shareholders do not make valid elections in respect of any of their Adapt IT Shares, they will be deemed to have made an Exit Election in respect of those Adapt IT Shares. Consequently, subject to the Scheme being approved and becoming Operative, Shareholders who wish to retain some or all of their Shares or who wish to dispose of some or all of their Shares to Volaris, shall be required to make such election in the manner set out in paragraph 2 of the "Action Required By Shareholders in relation to the Scheme" section of this Circular set out on page 7, failing which, or in the event of an invalid election, the relevant Adapt IT Shares will constitute Exit Election Shares and will be acquired by the Offeror by way of expropriation in terms of the Scheme.
- 1.3 The Scheme Consideration represents a premium of 56.9% to the 30-day VWAP of Adapt IT Shares on the exchange operated by the JSE of ZAR 4.14 (four Rand and fourteen Cents), as at 26 January 2021, being the last trading date prior to the date on which the unsolicited Huge Offer was announced on SENS.

- 1.4 The Scheme Consideration also represents a premium of 56.3% to the closing price of Adapt IT Shares on the JSE of ZAR 4.16 (four Rand and sixteen Cents), as at 1 April 2021, being the last trading date prior to the FIO Agreement Signature Date.
- 1.5 Should the Scheme become Operative:
 - 1.5.1 Volaris will become the registered and beneficial owner of the Exit Election Shares and as a consequence thereof Adapt IT will become a Subsidiary of Volaris;
 - 1.5.2 the Scheme Participants that hold the Exit Election Shares will be paid the Scheme Consideration for each Exit Election Share held by them on the Scheme Consideration Record Date;
 - 1.5.3 the Scheme Participants that have made the Continuation Election in respect of any of their Adapt IT Shares will retain those Adapt IT Shares; and
 - 1.5.4 subject to the approval of the JSE, Adapt IT Shares may be delisted from the JSE, if Adapt IT no longer meets the JSE Spread Requirements and therefore no longer qualifies for listing or the Scheme Delisting Resolution is approved by Adapt IT Shareholders, it being recorded that the Scheme Delisting Resolution will only be proposed to Adapt IT Shareholders at the General Meeting if the Scheme Becomes Fair. The JSE will suspend the listing of the Adapt IT Shares on the JSE with effect from the commencement of trading on the JSE on the Business Day following the Scheme LDT and may, subject to the Scheme becoming Operative and to Adapt IT no longer meeting the JSE Spread Requirements and therefore no longer qualifying for listing or the approval of the Scheme Delisting Resolution, implement the Delisting from the commencement of trading on the Business Day following the Scheme Implementation Date.
- 1.6 Should a Standby Offer Trigger Event occur, the Standby Offer will automatically become Effective in accordance with the provisions of **Annexure 1** to this Circular.
- 1.7 If (i) a Standby Offer Trigger Event occurs, and (ii) the Standby Offer Conditions are fulfilled or, where applicable, waived, and if the Standby Offer Delisting Resolution is passed by the requisite majority of Adapt IT Shareholders (it being recorded that the Standby Offer Delisting Resolution will only be proposed to Adapt IT Shareholders at the General Meeting if the Standby Offer Becomes Fair) and Adapt IT has applied for the Delisting, the JSE may implement the Delisting.
- 1.8 To the extent that Volaris has announced an increase in the Scheme Consideration and the Standby Offer Consideration, the Independent Expert will issue the Updated Independent Expert Report and the Independent Board will update its view as set out in paragraph 19 of the Circular and will advise if the Scheme and the Standby Offer have Become Fair, both of which shall be distributed to Adapt IT Shareholders ("**Supplementary Information**"). If the Supplementary Information is issued before the General Meeting it shall be issued no later than 15 (fifteen) Business Days before the General Meeting. The Supplementary Information will be announced on SENS to the extent applicable, made available on the website of Adapt IT (www.adaptit.com), will be distributed to Adapt IT Shareholders in the same manner as this Circular and will be available for inspection in accordance with paragraph 27.
- 1.9 To the extent that the Adapt IT Shares are delisted from the JSE, Shareholders who have made the Continuation Election in respect of all or some of their shares, or who do not accept the Standby Offer in the event that it becomes Operative, will remain shareholders in the unlisted Company.

2. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to:

- 2.1 provide Adapt IT Shareholders with information regarding the Volaris Offer;
- 2.2 provide Adapt IT Shareholders with the Independent Expert Report in respect of the Volaris Offer;
- 2.3 advise Adapt IT Shareholders of the Independent Board's opinion in respect of the Volaris Offer (which opinion was reached after the Independent Board received and considered the Independent Expert Report);
- 2.4 convene the General Meeting to consider and, if deemed fit, approve the Resolutions; and
- 2.5 inform Adapt IT Shareholders of their Appraisal Rights.

3. RATIONALE FOR SCHEME AND INFORMATION ON VOLARIS

3.1 Background in respect of Volaris

- 3.1.1 Volaris specialises in acquiring vertical market software companies and is an operating group of Toronto-listed Constellation Software Inc., which has a market cap in excess of US\$ 25 billion. Its decentralised business model offers vertical market software companies the ability to maintain their independence, which allows them to focus on the needs of customers and employees post-acquisition. Volaris' buy-and-perpetual-hold acquisition philosophy provides a safe and permanent home for software businesses in a wide range of industries including Communications, Financial Services, Education and many more.
- 3.1.2 Constellation Software Inc., the parent company of Volaris, is an international provider of market-leading software and services to a number of industries, both in the public and private sectors. Its mission is to acquire, manage and build market-leading software businesses that develop specialised, mission-critical software solutions.
- 3.1.3 Constellation Software Inc. was founded in 1995 to assemble a portfolio of vertical market software companies that have the potential to be leaders in their particular market. Since then, Constellation Software Inc. has grown through a combination of acquisitions and organic growth and has established a group of companies with a customer base comprised of over 125,000 customers operating in over 100 countries around the World.
- 3.1.4 With its headquarters in Toronto, Canada, and offices in North America, Europe, Asia, Australia, South America and Africa, Constellation Software Inc. has over 27,000 employees generating consolidated revenues exceeding US\$ 3.8 billion.

3.2 Rationale for Volaris

- 3.2.1 Successful conclusion of the Volaris Offer will result in a well-governed, diversified, South African technology company with high growth ambitions being backed by a well-capitalised leading global technology firm keen to support this growth. Volaris will be able to support Adapt IT with capital, global reach, and best practices to aid the development of the Adapt IT business and further advance the value Adapt IT delivers to customers. In turn, Adapt IT will come to represent Volaris' interests on the African continent, a region in which it currently has limited presence but intends to grow in the coming years. Volaris is confident that its long-term operating philosophy will create sustainable growth for Adapt IT, its employees, customers, partners, and the broader community.
- 3.2.2 Accordingly, Volaris is of the opinion that the Volaris Offer is attractive for the following reasons –
 - 3.2.2.1 the Volaris Offer allows Adapt IT Shareholders to exit for a cash consideration or to remain shareholders in Adapt IT, which may be Delisted;
 - 3.2.2.2 the Scheme Consideration is at a substantial premium to the price at which Adapt IT Shares traded on the last trading date before the unsolicited Huge Offer was announced on SENS and as at 1 April 2021, being the last trading date prior to the FIO Agreement Signature Date;
 - 3.2.2.3 Volaris will support Adapt IT with capital, global reach, and best practices to aid the development of the Adapt IT business and further advance the value it delivers to customers;
 - 3.2.2.4 Volaris is well capitalised and will enable sustainable growth for Adapt IT, its employees, customers, partners, and the broader community;
 - 3.2.2.5 Volaris will use Adapt IT as its African champion for future transactions;
 - 3.2.2.6 post transaction, being part of a global group will enable Adapt IT to attract and retain new and existing talent with international opportunities for growth, training and development; and
 - 3.2.2.7 the Volaris Offer will result in much needed direct foreign investment for South Africa, additional growth capital being invested into South Africa and additional skills transfer, all to the benefit of Volaris, Adapt IT, South Africa and stakeholders in general.

3.3 Rationale for Adapt IT

- 3.3.1 Volaris and Constellation Software Inc. represent a very strategic shareholder group for a company of the nature of Adapt IT, that is expected to enhance skills and provide access to best of breed practices from an international perspective. Furthermore, Volaris has a long term strategic approach and will be patient if the business takes time to roll out an Africa and international strategy. Volaris therefore understands the strategy of Adapt IT as a specialised software business with global growth intent, both acquisitive and organic as this is akin to their own strategy. Volaris will be willing to invest further capital to support the growth ambitions of Adapt IT.
- 3.3.2 Adapt IT has been trading at a discount to its intrinsic value for a prolonged period, exacerbated by the uncertainty occasioned by the global Covid-19 pandemic.
- 3.3.3 The Volaris Offer provides Adapt IT shareholders a superior (premiums are set out below) cash alternative to the Huge Offer, or the alternative to remain shareholders in an unlisted Adapt IT which will have a strategic major shareholder which provides Adapt IT with long term stability and a growth platform. This is a compelling proposition for the Company and the Shareholders who have expressed their support for the Volaris Offer by providing irrevocable undertakings in favour thereof.
- 3.3.4 In addition to the aforementioned, the Scheme Consideration represents a premium of 56.9% to the 30-day VWAP of Adapt IT Shares on the JSE of ZAR 4.14 (four Rand and fourteen Cents), as at 26 January 2021, being the last trading date before the Huge Offer was announced on SENS.
- 3.3.5 The Scheme Consideration represents a premium of 56.3% to the closing price of Adapt IT shares on the JSE of ZAR 4.16 (four Rand and sixteen Cents), as at 1 April 2021, being the last trading date prior to the FIO Agreement Signature Date.
- 3.3.6 The Transaction will provide Adapt IT Shareholders with an opportunity to dispose of their Adapt IT Shares for cash at a substantial premium to the price at which Adapt IT Shares traded prior to the last trading date prior to the date on which the unsolicited Huge Offer was announced on SENS and the last trading date prior to the date on which the Volaris Offer was made and with little transaction risk. Accordingly, the Independent Board believes that it is in the interest of Adapt IT Shareholders that they be given an opportunity to consider the Volaris Offer.

4. THE SCHEME

The terms and conditions of the Scheme are set out in this paragraph 4.

4.1 Overview of the Scheme

In terms of section 114(1) of the Companies Act, the Adapt IT Board proposes the Scheme as set out in this paragraph 4 between Adapt IT and the Adapt IT Shareholders (other than the holders of the Excluded Shares). The Scheme will constitute an “affected transaction” as defined in section 117(1)(c) of the Companies Act. It will be implemented in accordance with the Companies Act and the Companies Regulations and is regulated by the Takeover Panel.

4.2 Effects of the Scheme

- 4.2.1 If the Scheme becomes Operative, then the provisions of this paragraph 4.2 apply.
- 4.2.2 In terms of the Scheme, Volaris will *inter alia* acquire the Exit Election Shares from the Scheme Participants who have made or are deemed to have made the Exit Election for the Scheme Consideration, whereupon Adapt IT will become a Subsidiary of Volaris.
- 4.2.3 If the Scheme becomes Operative:
- 4.2.3.1 the Scheme Participants who hold any Exit Election Shares (whether they voted in favour of the Scheme or not, or abstained or refrained from voting), shall be deemed to have disposed of and transferred their Exit Election Shares (including all rights, interests and benefits attaching thereto), free of Encumbrances, to Volaris on and with effect from the Scheme Implementation Date;

- 4.2.3.2 Volaris shall acquire and/or be deemed to have acquired registered and beneficial ownership, free of Encumbrances, of all the Exit Election Shares on and with effect from the Scheme Implementation Date;
 - 4.2.3.3 the disposal and transfer by each Scheme Participant of any Exit Election Shares held by such Scheme Participant to Volaris and the acquisition of registered and beneficial ownership of these Exit Election Shares by Volaris pursuant to the provisions of the Scheme, shall be effected on the Scheme Implementation Date;
 - 4.2.3.4 each Scheme Participant shall be deemed to have disposed of and transferred to Volaris, on the Scheme Implementation Date, all of the Exit Election Shares held by such Scheme Participant, without any further act or instrument being required;
 - 4.2.3.5 Scheme Participants who have made or are deemed to have made the Exit Election in respect of any of their Adapt IT Shares (such Adapt IT Shares constituting Exit Election Shares) shall be entitled to receive the Scheme Consideration, subject to the provisions of this Circular;
 - 4.2.3.6 Scheme Participants who have exercised the Continuation Election in respect of all or part of their Adapt IT Shares, shall retain the relevant Adapt IT Shares and will not be entitled to receive any consideration in respect of such election; and
 - 4.2.3.7 subject to the approval of the JSE, Adapt IT Shares may be delisted from the JSE, if Adapt IT no longer meets the JSE Spread Requirements and therefore no longer qualifies for listing or the Scheme Delisting Resolution is approved by Adapt IT Shareholders, it being recorded that the Scheme Delisting Resolution will only be proposed to Adapt IT Shareholders at the General Meeting if the Scheme Becomes Fair.
- 4.2.4 Each Scheme Participant irrevocably and unconditionally authorises and empowers Adapt IT *in rem suam* (that is, irrevocably for Adapt IT's advantage), as principal, with power of substitution, to cause the Exit Election Shares held by such Scheme Participant to be disposed of and transferred to, and registered in the name of, Volaris on or at any time after the Scheme Implementation Date, and to do all such things and take all such steps (including the signing of any transfer form) as Adapt IT in its discretion considers necessary in order to effect that transfer and registration.
- 4.2.5 Volaris will, on or before the Scheme Implementation Date, transfer or cause to be transferred to Computershare, as agent for and on behalf of Adapt IT, a cash amount in ZAR equal to the total Scheme Consideration to which Scheme Participants who have made or are deemed to have made the Exit Election in respect of any of their Adapt IT Shares are entitled. As agent for and behalf of Adapt IT, Computershare will, once it has received same, discharge the Scheme Consideration due to Scheme Participants in terms of the Scheme. Scheme Participants will be entitled to receive the Scheme Consideration from Computershare only.
- 4.2.6 The Scheme Consideration shall be settled, in full, in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim, deduction, withholding or other analogous right to which Volaris or Adapt IT may otherwise be, or claim to be, entitled against any Scheme Participant.
- 4.2.7 Adapt IT, as principal, shall procure that Volaris complies with its obligations under the Scheme, and Adapt IT alone shall have the right to enforce those obligations (if necessary) against Volaris.
- 4.2.8 The rights of the Scheme Participants to receive the Scheme Consideration will be rights enforceable by Scheme Participants against Adapt IT only. Scheme Participants will be entitled to require Adapt IT to enforce its rights in terms of the Scheme against Volaris.
- 4.2.9 The effect of the Scheme, *inter alia*, will be that Volaris will, with effect from the Scheme Implementation Date, become the registered and beneficial owner of all the Exit Election Shares (including all rights, interests and benefits attaching thereto), free of Encumbrances.
- 4.2.10 Volaris and Adapt IT agree that, upon the Scheme becoming Operative, they will give effect to the terms and conditions of the Scheme and will take all actions and sign all necessary documents to give effect to and implement the Scheme.
- 4.2.11 The Scheme is subject to, *inter alia*, Adapt IT Shareholders' approval. The Excluded Shareholders will be excluded from voting on the Scheme Resolution.

4.3 Scheme Conditions

- 4.3.1 The Scheme is subject only to the fulfilment or waiver (in whole or in part), as applicable, of each of the Scheme Conditions set out in paragraphs 4.3.1.1 to 4.3.1.9 and paragraphs 4.3.1.11 and 4.3.1.12 by no later than the Fulfilment Date, or by no later than 31 July 2021 in respect of the Scheme Condition set out in paragraph 4.3.1.10, or such later dates as may be extended by the Offeror (subject to such regulatory approval as may be required):
- 4.3.1.1 to the extent applicable, all requisite regulatory approvals required for the Scheme have been obtained from the JSE, the Takeover Panel, the Financial Surveillance Department of the South African Reserve Bank and the Competition Authorities (either unconditionally or subject to conditions acceptable to the Offeror);
 - 4.3.1.2 the approval of the Scheme Resolution by the requisite majority of Adapt IT Shareholders, and
 - 4.3.1.2.1 to the extent required, the approval of the implementation of the Scheme Resolution by a court in terms of section 115(2)(c) and/or section 115(3) of the Companies Act;
 - 4.3.1.2.2 if any person who voted against the Scheme Resolution applies to court for a review of the Scheme Resolution in terms of section 115(3)(b) of the Companies Act, either:
 - 4.3.1.2.2.1 leave to apply to court for any such review is refused; or
 - 4.3.1.2.2.2 if leave is so granted, the court refuses to set aside the Scheme Resolution;
 - 4.3.1.2.3 if applicable, Adapt IT not treating the Scheme Resolution as a nullity, as contemplated in section 115(5)(b) of the Companies Act;
 - 4.3.1.3 the receipt of a compliance certificate or exemption issued by the Takeover Panel in terms of the Companies Act in relation to the Scheme;
 - 4.3.1.4 within the period prescribed by section 164(7) of the Companies Act, no valid demands having been received by Adapt IT in terms of that section read with section 115(8) of the Companies Act which in aggregate represent more than 2.5% of the issued Adapt IT Shares (excluding Excluded Shares) as at the date of the General Meeting;
 - 4.3.1.5 if the Scheme Delisting Resolution is capable of being proposed to Shareholders at the General Meeting in terms of paragraph 1.15(a) of the JSE Listings Requirements, the approval of the Scheme Delisting Resolution by the requisite majority of Shareholders;
 - 4.3.1.6 Scheme Participants making the Exit Election (or are deemed to have made the Exit Election) as part of the implementation of the Scheme in respect of at least 50% plus one of the Adapt IT Shares (excluding Excluded Shares) and such result is announced on SENS;
 - 4.3.1.7 the executive Directors of Adapt IT as at 4 April 2021 make the Continuation Election in respect of at least 90% of the Adapt IT Shares they hold directly or indirectly;
 - 4.3.1.8 to the extent required, the counterparties to the Material Contracts, consenting in writing to the change of control of Adapt IT as a result of the implementation of the Scheme, in a manner and form reasonably acceptable to the Offeror;
 - 4.3.1.9 The Standard Bank of South Africa Limited has provided such consent or approval, in writing, as may be required under the Facility Agreements, in order for the Scheme to be able to be implemented without triggering any event of default or other potential adverse consequence under the Facility Agreements;
 - 4.3.1.10 each of the executive directors of Adapt IT has entered into and signed a service contract with the Adapt IT Group on such terms and conditions and in such form and substance as is acceptable to the Offeror acting reasonably (as confirmed by the Offeror by written notice to Adapt IT), effective from the Scheme Implementation Date;

- 4.3.1.11 Adapt IT's VARP has been consequentially amended, to allow for its continued operation for Adapt IT employees, should Adapt IT be delisted from the Main Board of the JSE, on terms and conditions and in such form and substance as is acceptable to the Offeror acting reasonably (as confirmed by the Offeror by written notice to Adapt IT) and the participants of the VARP have waived their right to a comparable offer in terms of the Companies Regulations pursuant to the Scheme; and
- 4.3.1.12 no MAE has occurred.
- 4.3.2 Volaris and Adapt IT shall use their reasonable endeavours to procure the fulfilment of the Scheme Conditions as soon as reasonably practicable.
- 4.3.3 The Scheme Conditions in –
 - 4.3.3.1 paragraphs 4.3.1.1 to 4.3.1.3 above are regulatory in nature and cannot be waived;
 - 4.3.3.2 paragraphs 4.3.1.8 and 4.3.1.9 above have been inserted for the benefit of Adapt IT and the Offeror, and shall be capable of waiver, in whole or in part, by mutual written agreement between Adapt IT and the Offeror; and
 - 4.3.3.3 paragraphs 4.3.1.4 to 4.3.1.7 and 4.3.1.10 to 4.3.1.12 above have been inserted for the benefit of the Offeror, which will be entitled, in its sole discretion, to waive fulfilment of such Scheme Conditions, in whole or in part, on written notice to Adapt IT.
- 4.3.4 The Scheme shall terminate and cease with immediate effect only as follows:
 - 4.3.4.1 if any Scheme Condition, which may be waived unilaterally by the Offeror or by the Offeror and Adapt IT by written agreement, as applicable, becomes incapable of fulfilment and the Offeror (or the Offeror and Adapt IT, as applicable) does not waive that Scheme Condition (if entitled to do so); or
 - 4.3.4.2 if each Scheme Condition (other than the Scheme Condition in 4.3.1.10) has not been fulfilled or waived on or by the Fulfilment Date or the Scheme Condition in 4.3.1.10 has not been fulfilled or waived by 31 July 2021, or such later dates as may be extended by the Offeror (subject to such regulatory approval as may be required).
- 4.3.5 An announcement will be released on SENS and published in the South African press as soon as possible after the (i) fulfilment, or waiver, as the case may be, of all of the Conditions or (ii) non-fulfilment of any Condition causes the Scheme to lapse.

4.4 **Scheme Consideration**

Subject to the Scheme becoming Operative, Scheme Participants will be paid the Scheme Consideration for each Exit Election Share held by them on the Scheme Consideration Record Date.

4.5 **Settlement of the Scheme Consideration**

- 4.5.1 Adapt IT Shareholders are referred to the section entitled "Action required by Adapt IT Shareholders in relation to the Scheme", commencing on page 7 of the Circular, for further information regarding the steps to be taken by Adapt IT Shareholders in relation to the settlement of the Scheme Consideration.
- 4.5.2 Scheme Participants who hold Dematerialised Exit Election Shares will have their accounts held at their CSDP or Broker credited with the Scheme Consideration due to them and debited with the Exit Election Shares they are transferring to Volaris pursuant to the Scheme on the Scheme Implementation Date or, in the case of Dissenting Shareholders who subsequently become Scheme Participants pursuant to paragraph 4.8.1 of this Circular and hold Dematerialised Exit Election Shares, on the date contemplated in paragraph 4.8.1.2 of this Circular.

4.5.3 Scheme Participants who hold Certificated Exit Election Shares:

4.5.3.1 who have surrendered their Documents of Title and the completed Form of Election (*blue*) to Computershare at or before 12:00 on the Scheme Consideration Record Date, will be paid the Scheme Consideration by way of electronic funds transfer by completing the relevant section on the Form of Election (*blue*) in cash on the Scheme Implementation Date by way of electronic funds transfer; or

4.5.3.2 who surrender their Documents of Title and the completed Form of Election (*blue*) to Computershare after 12:00 on the Scheme Consideration Record Date, will have the Scheme Consideration paid to them by way of an electronic funds transfer, within 5 Business Days of Computershare receiving their Documents of Title and completed Form of Election (*blue*), unless such Scheme Participants were Dissenting Shareholders who have subsequently become Scheme Participants pursuant to paragraph 4.8.1 of this Circular, in which case such Scheme Participants will still need to surrender their Documents of Title in respect of any Exit Election Shares, together with completed Forms of Election (*blue*), to Computershare and payment of the Scheme Consideration will only be paid to them by way of electronic funds transfer on the date contemplated in paragraph 4.8.1.2 of this Circular.

4.5.4 If:

4.5.4.1 a Scheme Participant who holds Certificated Exit Election Shares fails to surrender its Documents of Title and completed Form of Election (*blue*) to Computershare, or if its banking details are not recorded with Computershare and it has failed to provide its banking details in the completed Form of Election (*blue*); or

4.5.4.2 a Dissenting Shareholder subsequently becomes a Scheme Participant pursuant to paragraph 4.8.1.2 of this Circular and fails to surrender its Documents of Title and completed Form of Election (*blue*) to Computershare, or if its banking details are not recorded with Computershare and it has failed to provide its banking details in the completed Form of Election (*blue*),

the Scheme Consideration due to such Scheme Participants will be held in trust by Adapt IT (or its appointed agent) on behalf of such Scheme Participants for a period of three years from the Scheme Implementation Date, after which the Scheme Consideration will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Scheme Participants irrevocably authorise and appoint each of Adapt IT and Volaris (or their respective agents, as appointed by each of them), in *rem suam* (that is, irrevocably for their advantage), with full power of substitution, to act as agents in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund in the aforesaid manner.

4.5.5 For the avoidance of doubt, no interest will accrue for the benefit of Scheme Participants on the Scheme Consideration in respect of any Exit Election Shares.

4.6 **No Encumbrance**

Each Scheme Participant is deemed, on and with effect from the Scheme Implementation Date, to have warranted and undertaken in favour of Volaris that (i) the relevant Exit Election Shares are not subject to a pledge or otherwise Encumbered, or (ii) if subject to any such pledge or Encumbrance, such Exit Election Shares shall be released from such pledge or other Encumbrance immediately on payment and discharge of the Scheme Consideration. In this regard such Scheme Participants irrevocably authorise and appoint Adapt IT and Volaris, *in rem suam* (that is, irrevocably for Adapt IT's and Volaris' advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants in doing all things and signing all documents in ensuring that the relevant Exit Election Shares are released from any pledge or Encumbrance, including the removal of any endorsements to that effect present in the Register.

4.7 **Volaris as Offeror**

4.7.1 Volaris shall be the entity which will acquire title to the Exit Election Shares in terms of the Scheme.

- 4.7.2 Volaris confirms that it will be the ultimate acquirer of the Exit Election Shares and that it is acting alone and does not Act in Concert with any other Person.

4.8 Dissenting Shareholders

- 4.8.1 Any Dissenting Shareholder that withdraws its demand made in terms of sections 164(5) to 164(8) of the Companies Act, either voluntarily or pursuant to an order of Court, or that allows an offer by Adapt IT in terms of section 164(11) of the Companies Act to lapse without exercising its rights in terms of section 164(14) of the Companies Act, shall, if that Dissenting Shareholder withdrew its demand or allowed the offer to lapse:

4.8.1.1 on or prior to the Scheme Consideration Record Date, be deemed to be a Scheme Participant, be deemed to have disposed of and transferred all their Adapt IT Shares and be subject to the provisions of the Scheme, unless a Continuation Election is submitted before this date; and

4.8.1.2 after the Scheme Consideration Record Date, be deemed to have been a Scheme Participant, be deemed to have disposed of and transferred all their Adapt IT Shares and be subject to the provisions of the Scheme, provided that settlement of the Scheme Consideration due to such Dissenting Shareholder, and the transfer of such Dissenting Shareholder's Adapt IT Shares to Volaris, shall take place on the latest of (i) the Scheme Implementation Date, (ii) the date which is 5 Business Days after that Dissenting Shareholder so withdrew its demand or allowed the offer to lapse, as the case may be, and (iii) if that Adapt IT Shareholder is a Certificated Adapt IT Shareholder, the date which is 5 Business Days after that Dissenting Shareholder shall have surrendered its Documents of Title and submitted a completed Form of Election (*blue*) to Computershare, provided that its banking details are recorded with Computershare and if not, it has provided its banking details in the completed Form of Election (*blue*).

- 4.8.2 The wording of section 164 of the Companies Act (which sets out the Appraisal Rights) is included in **Annexure 5** to this Circular.

4.9 Foreign and Emigrant Adapt IT Shareholders and Exchange Control Regulations

Annexure 4 to this Circular contains a summary of the Exchange Control Regulations as they apply to Scheme Participants. Scheme Participants who are not resident in, or who have a registered address outside of, South Africa, must satisfy themselves as to the full observance of the Laws of any relevant territory concerning the receipt of the Scheme Consideration, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such territory.

4.10 Cash Confirmation

4.10.1 The Scheme Consideration will be funded by Volaris from a combination of debt and cash resources. The debt has been procured from available banking facilities. The interest rate, period and repayment terms are market related for debt of this nature.

4.10.2 In accordance with Regulation 111(4) and Regulation 111(5) of the Companies Regulations, the Offeror has provided an irrevocable bank guarantee to the Takeover Panel which confirms that, in aggregate, the Offeror has sufficient cash resources in terms of Regulation 111 to satisfy payment of the Maximum Scheme Consideration.

4.11 Restricted jurisdictions

4.11.1 To the extent that the distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the Laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only, and none of Adapt IT and Volaris and their respective boards of directors and advisors accept any responsibility for any failure by Adapt IT Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

4.11.2 Adapt IT Shareholders who are in doubt as to their position should consult their professional advisors.

4.12 Undertakings

Volaris and Adapt IT have agreed that, upon the Scheme becoming Operative, they will give effect to the terms and conditions of the Scheme and will take all actions and sign all necessary documents to give effect to the Scheme.

4.13 Amendment or variation of the Scheme

Subject to compliance with applicable Law including the requirements of the JSE and the Companies Regulations, no amendment or variation of the Scheme shall be valid unless it is consented to by Adapt IT and Volaris in writing, provided that Volaris shall, notwithstanding anything to the contrary in the FIO Agreement or this Circular, be entitled to (without the consent of Adapt IT) increase the Scheme Consideration.

4.14 Termination of the Scheme

4.14.1 Adapt IT Shareholders are advised that, notwithstanding that the Scheme Resolution may have been approved at the General Meeting in terms of section 115(3) of the Companies Act, Adapt IT will, in certain circumstances, not be permitted, to proceed to implement the Scheme without the approval of the Court. An extract of section 115 of the Companies Act pertaining to the required approval(s) for the Scheme is set out in **Annexure 5** to this Circular. In this regard, Adapt IT agrees that it will not treat the Scheme Resolution as a nullity (as contemplated in section 115(5)(b) of the Companies Act) unless Adapt IT and Volaris agree thereto in writing.

4.14.2 Failure of the Scheme shall be without prejudice to the rights of Adapt IT or Volaris to bring any other claim or action available at Law against the other arising from a breach of the FIO Agreement.

4.14.3 The failure of the Scheme will not impact the Standby Offer which will automatically become effective upon the occurrence of a Standby Offer Trigger Event.

4.15 General

The Scheme is governed by the Laws of South Africa. Each of Adapt IT and Volaris submits, and each Scheme Participant shall be deemed to have irrevocably submitted, to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Johannesburg, in relation to all matters arising out of or in connection with the Scheme.

5. MATERIAL PROVISIONS OF THE FIO AGREEMENT

5.1 Non-solicitation by Adapt IT

5.1.1 In terms of the FIO Agreement, during the Offer Period, Adapt IT shall not, and shall procure that no Director or employee thereof (acting in his/her capacity as such) shall directly or indirectly –

5.1.1.1 solicit or initiate any expression of interest, enquiry, proposal or offer regarding any scheme of arrangement, merger, amalgamation, business combination, takeover bid, general offer or partial general offer, sale or other disposition of all or substantially all of the equity in and/or business and/or assets of Adapt IT or a Subsidiary of Adapt IT; nor

5.1.1.2 afford options to acquire equity, the business and/or assets in or of Adapt IT or any Subsidiary of Adapt IT or enter into any negotiation or agreement or consummate any transaction for any type of similar transaction or series of transactions, which would or could in either case constitute a change of control (as contemplated in section 123(5) of the Companies Act, read with Regulation 86 of the Companies Regulations) in relation to Adapt IT or any Subsidiary of Adapt IT or reasonably be considered to be likely to prejudice or frustrate the Scheme or its implementation,

(each an “**Alternative Proposal**”). Notwithstanding the above, neither Adapt IT nor the Board is prevented from complying with any requirements imposed by law or the rules of any regulatory body, including any requirement to make any public announcement or media release concerning any Alternative Proposal or to convene a meeting of Adapt IT Shareholders.

5.2 Offer Period undertakings

In terms of the FIO Agreement, Adapt IT has provided certain undertakings, to Volaris relating to the conduct of the business of Adapt IT during the Offer Period, that are appropriate given the nature of the Transaction.

5.3 Transaction assistance

In terms of the FIO Agreement:

5.3.1 each of Adapt IT and Volaris have provided undertakings to the other to do all such things as may be reasonably required to assist in preparing and executing the Transaction documentation; and

5.3.2 Adapt IT has provided, *inter alia*, an undertaking to propose the Scheme to the Adapt IT Shareholders.

6. BREAK FEE

6.1 In terms of the FIO Agreement, in the event that –

6.1.1 Adapt IT breaches any warranty or undertaking provided by it in terms of paragraph 5.1; or

6.1.2 a transaction resulting from an Alternative Proposal (other than the Huge Offer), irrespective of its form, is consummated prior to the Scheme Implementation Date or the Standby Offer Closing Date,

Adapt IT shall, within 10 Business Days of such event, be required to pay to the Offeror a break fee in an amount equal to 1% of the Maximum Scheme Consideration, plus value-added tax.

6.2 Should the Break Fee become due and payable by Adapt IT in accordance with paragraph 6.1 above, Adapt IT shall discharge such obligation by making payment of the Break Fee by way of electronic transfer of immediately available and freely transferable funds, free of any deductions or set-off whatsoever, in the currency of South Africa to the South African bank account nominated by the Offeror in writing for this purpose.

7. DELISTING OF ADAPT IT

7.1 Should the Scheme become Operative and Adapt IT no longer meet the JSE Spread Requirements and therefore no longer qualifies for listing, the Adapt IT Shares will be delisted from the JSE, subject to the JSE approving the delisting in accordance with the JSE Listings Requirements.

7.2 Should the Scheme become Operative, Adapt IT Shares may be delisted from the JSE if the JSE approves the Delisting pursuant to the approval of the Scheme Delisting Resolution, it being recorded that the Scheme Delisting Resolution will only be proposed to the Shareholders at the General Meeting if the Scheme Becomes Fair.

7.3 In the event that the Scheme fails, and the Standby Offer becomes Operative, and if the Standby Offer Delisting Resolution is passed by the requisite majority of Adapt IT Shareholders (it being recorded that the Standby Offer Delisting Resolution will only be proposed to the Shareholders at the General Meeting if the Standby Offer Becomes Fair) and Adapt IT has applied for the Delisting, the JSE may implement the Delisting.

8. VARP AND COMPARABLE OFFER

8.1 In terms of the FIO Agreement, it is a Condition that the VARP be amended to allow for its continued operation for Adapt IT employees should Adapt IT be delisted from the Main Board of the JSE, on such terms and conditions and in such form and substance acceptable to the Offeror acting reasonably (as confirmed by the Offeror by written notice to Adapt IT) and that the participants of the VARP waive their right to a comparable offer in terms of the Companies Regulations.

8.2 Should the requisite majority of the participants of the VARP not agree to the proposed amendments to the VARP, the Offeror may waive the suspensive condition relating to such amendment.

8.3 To the extent that the Offeror waives the suspensive condition relating to such amendment (being the Condition in paragraph 4.3.1.11), then the Offeror will make a comparable offer to the participants of the VARP that do not waive their right to a comparable offer in terms of the Companies Regulations.

9. INTENTIONS REGARDING THE CONTINUATION OF ADAPT IT'S BUSINESS AND THE ADAPT IT BOARD

- 9.1 Should the Volaris Offer become Operative, Adapt IT will continue its business as a Subsidiary of Volaris.
- 9.2 The nature of Adapt IT's business will not change significantly pursuant to the Transaction and the composition of the Board will be considered in the light of the governance requirements for an unlisted company in accordance with the Companies Act requirements following the Delisting (if implemented).
- 9.3 Shareholders have the option of retaining their Shares in Adapt IT as an unlisted entity following the Delisting (if implemented) by electing the Continuation Election. The unlisted environment may not meet certain Shareholders' investment objectives and these Shareholders are given the opportunity to dispose of their Shares in Adapt IT prior to the Delisting in terms of the Scheme.
- 9.4 To the extent that the Delisting is implemented, Volaris has confirmed to Adapt IT that:
- 9.4.1 Adapt IT will continue to report to the Adapt IT Shareholders on a semi-annual basis (in a manner appropriate for an unlisted company). The Adapt IT Board will also consider the declaration and payment of dividends to Adapt IT Shareholders on an annual basis in their discretion, subject to the cash flow requirements of the business. Dividends will however not be declared or paid if cash flow is *inter alia* required for operational, expansion or acquisition purposes. Adapt IT may require capital injections for expansion and/or working capital purposes, and if required, such capital injections may be requested from all Adapt IT Shareholders on a *pro rata* basis, depending on the circumstances of the capital injection;
- 9.4.2 Volaris intends for Adapt IT and its main operating subsidiary to maintain their current B-BBEE rating and therefore the dilutive impact of any B-BBEE transaction required post the implementation of the Volaris Offer will be shared equally by all remaining shareholders; and
- 9.4.3 although no certainty currently exists in respect of those Adapt IT Shareholders that remain Adapt IT Shareholders post implementation of the Volaris Offer, an exit mechanism may be agreed with Volaris (in its discretion) and such Adapt IT Shareholders post the implementation of the Volaris Offer. To the extent that an exit mechanism is so proposed and agreed, it will be premised on an approximate five year plus holding period and such exit value will most probably be based on similar metrics as were used to determine the cash consideration, namely R6.50 subject to market conditions and the growth prospects of Adapt IT at the time. Volaris provides no guarantee or warranty that any such exit mechanism will be proposed or agreed.

10. INTERESTS OF VOLARIS AND VOLARIS DIRECTORS IN ADAPT IT SHARES

- 10.1 As at the Last Practicable Date, Volaris held no Adapt IT Shares.
- 10.2 Volaris had no dealings in Adapt IT Shares during the six-month period prior to the FIO Agreement Signature Date and during the period from the FIO Agreement Signature Date up to the Last Practicable Date.
- 10.3 As at the Last Practicable Date, no Volaris Director has any beneficial interest in Adapt IT Shares.
- 10.4 No Volaris Director had any dealings in Adapt IT Shares during the six-month period prior to the FIO Agreement Signature Date and the period from the FIO Agreement Signature Date up to the Last Practicable Date.

11. VOLARIS ACTING AS PRINCIPAL

Volaris confirms that it is the ultimate prospective purchaser of the Exit Election Shares and is acting alone and does not Act in Concert with any other Person.

12. INTERESTS OF ADAPT IT AND ADAPT IT DIRECTORS IN VOLARIS SECURITIES

- 12.1 As at the Last Practicable Date, Adapt IT held no Volaris securities.
- 12.2 Adapt IT had no dealings in Volaris securities during the six-month period prior to the FIO Agreement Signature Date and during the period from the FIO Agreement Signature Date up to the Last Practicable Date.
- 12.3 As at the Last Practicable Date, no Adapt IT Director held any beneficial interest in Volaris securities.
- 12.4 No Adapt IT Director had any dealings in Volaris securities during the six-month period prior to the FIO Agreement Signature Date and the period from the FIO Agreement Signature Date up to the Last Practicable Date.

13. INTERESTS OF ADAPT IT DIRECTORS IN ADAPT IT SHARES

- 13.1 As at the Last Practicable Date, no Adapt IT Director had any beneficial interest in Adapt IT Shares, other than as set out below:

Adapt IT Director	Direct	Indirect	Total	Adapt IT issued share capital (%)
Sibusiso Shabalala	14 316 646	–	14 316 646	10.4
Tiffany Dunsdon	1 900 000	2 600 000	4 500 000	3.3
Antonio Vicente	650 000	–	650 000	0.47
Nombali Mbambo	318 115	–	318 115	0.2
Total	17 184 761	2 600 000	19 784 761	14.37

- 13.2 During the last 12 months there have been no resignations of Directors holding direct and indirect beneficial interests in the Company.
- 13.3 No Adapt IT Director had any dealings in Adapt IT Shares during the six-month period prior to the FIO Agreement Signature Date and the period from the FIO Agreement Signature Date up to the Last Practicable Date.

14. IRREVOCABLE UNDERTAKINGS AND MAJOR SHAREHOLDERS

- 14.1 As at the Last Practicable Date, Adapt IT Shareholders collectively holding 65 479 710 Adapt IT Shares representing 47.70% of the Adapt IT Shares in issue (excluding the Excluded Shares), provided irrevocable undertakings to vote in favour of the Resolutions in respect of their Adapt IT Shares held on the Scheme Voting Record Date of which details are set out in **Annexure 6** of this Circular. To the best of the knowledge of Adapt IT and Volaris, none of the Persons set out above hold securities in Volaris.
- 14.2 As at the Last Practicable Date, Adapt IT Shareholders collectively holding 22 506 557 Adapt IT Shares representing 16.40% of the Adapt IT Shares in issue (excluding the Excluded Shares), provided irrevocable undertakings to elect the Exit Election, and, to the extent applicable, accept the Standby Offer in respect of the Adapt IT Shares, the details of which are set out in **Annexure 6** of this Circular. The major shareholders of Adapt IT as at the Last Practicable Date are also set out in **Annexure 6** of this Circular.
- 14.3 The irrevocable undertakings referred to in paragraphs 14.1 and 14.2 above, are collectively referred to in this Circular as “**Irrevocable Undertakings**”.

15. DEALINGS BY PROVIDERS OF IRREVOCABLE UNDERTAKINGS

To the best of the knowledge of Adapt IT and Volaris, the dealings of the providers of Irrevocable Undertakings in Adapt IT securities during the six-month period prior to the FIO Agreement Signature Date and the period from the FIO Agreement Signature Date up to the Last Practicable Date are as set out in **Annexure 7**.

16. AGREEMENTS

16.1 Save for the Confidentiality Agreement, FIO Agreement and the Irrevocable Undertakings:

16.1.1 no agreements have been entered into by Volaris and/or any persons Acting in Concert with Volaris, with any of:

16.1.1.1 Adapt IT;

16.1.1.2 the Adapt IT Directors (or persons who were Adapt IT Directors in the 12 months preceding the Last Practicable Date); or

16.1.1.3 Adapt IT Shareholders (or Persons who were Adapt IT Shareholders in the 12 months preceding the Last Practicable Date) which agreements are considered to be material to the decision to be taken by Adapt IT Shareholders regarding the Scheme; and

16.1.2 no agreements have been entered into by Adapt IT with any of:

16.1.2.1 Volaris and/or persons Acting in Concert with Volaris;

16.1.2.2 the Volaris Directors (or persons who were Volaris Directors in the 12 months preceding the Last Practicable Date); or

16.1.2.3 Volaris and/or Volaris shareholders (or Persons who were Volaris shareholders in the 12 months preceding the Last Practicable Date) which agreements are considered to be material to the decision to be taken by Adapt IT Shareholders regarding the Scheme.

16.2 The material terms of the FIO Agreement are embodied in this Circular including in paragraphs 4 to 14 (both inclusive) of this Circular.

16.3 The material terms of the Irrevocable Undertakings are, *inter alia*, that the providers of the Irrevocable Undertakings, irrevocably undertake in favour of Volaris to vote in favour of, or support, all Resolutions. Some providers of the Irrevocable Undertakings have also undertaken to make the Exit Election.

16.4 A copy of the Confidentiality Agreement, FIO Agreement and the Irrevocable Undertakings are available for inspection as set out in paragraph 27 of this Circular below.

17. FINANCIAL INFORMATION OF ADAPT IT

The audited historical financial information of Adapt IT for the last three financial years ended 30 June 2018, 30 June 2019 and 30 June 2020 and the unaudited interim financial information of Adapt IT for the six-month period ended 31 December 2020 is annexed hereto as **Annexure 3**.

18. INDEPENDENT EXPERT REPORT

18.1 The Independent Expert Report is provided in **Annexure 2** to this Circular and has not been withdrawn prior to publication of this Circular.

18.2 Having considered the terms and conditions of the Volaris Offer, based on the conditions set out in its report, the Independent Expert has concluded that the terms and conditions of the Volaris Offer are unfair but reasonable to Adapt IT Shareholders as each of these terms is contemplated in the Companies Regulations.

19. THE VIEWS OF THE INDEPENDENT BOARD ON THE VOLARIS OFFER AND THE HUGE OFFER

19.1 As stated above, the Independent Board appointed the Independent Expert to compile the Independent Expert Report on the Volaris Offer.

19.2 The Independent Board, after due consideration of the Independent Expert Report, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Volaris Offer, the Scheme Consideration and the Standby Offer Consideration, as contemplated in Companies Regulation 110(3)(b). The Independent Board has formed a view on the value of Adapt IT Shares, which accords with the value of Adapt IT Shares

contained in the Independent Expert Report, in considering its opinion and recommendation. The Independent Board is not aware of any factors which are difficult to quantify or are unquantifiable (as contemplated in Companies Regulation 110(6)).

- 19.3 The Independent Board, taking into account the Independent Expert Report, has considered the terms and conditions of the Volaris Offer, the Scheme Consideration and the Standby Offer Consideration and the members of the Independent Board are unanimously of the opinion, in agreement with the Independent Expert, that the terms and conditions thereof are unfair but reasonable to Adapt IT Shareholders.
- 19.4 Although the Scheme Consideration and the Standby Offer Consideration are at a premium to the traded price of Adapt IT shares immediately prior to the release of the Firm Intention Announcement, they are below the range which the Independent Board considers to be the fair value of Adapt IT Shares.
- 19.5 Whilst the Independent Board cannot recommend that Adapt IT Shareholders make the Exit Election and vote in favour of the Scheme (or accept the Standby Offer should the Scheme fail) the Volaris Offer nonetheless presents an opportunity for Adapt IT Shareholders to realise their investment at the price of R 6.50, which is regarded as reasonable.
- 19.6 Accordingly, Adapt IT Shareholders who wish to realise their investment at R 6.50:
 - 19.6.1 should make the Exit Election and vote in favour of the Scheme; or
 - 19.6.2 in the event that the Scheme fails, should accept the Standby Offer.
- 19.7 Adapt IT Shareholders who do not wish to realise their investment at R 6.50 should make the Continuation Election and, in the event that the Scheme fails, should not accept the Standby Offer.
- 19.8 Adapt IT Shareholders should be aware that, even if the Scheme Delisting Resolution and the Standby Offer Delisting Resolution are not passed, Adapt IT may be Delisted if it no longer satisfies the JSE Spread Requirements and therefore no longer qualifies for listing after the implementation of the Scheme.
- 19.9 Those Directors who hold Adapt IT Shares intend to vote in favour of all the Resolutions to be proposed at the General Meeting.
- 19.10 As at the Last Practicable Date, (i) the Adapt IT Board has also received the Huge Offer; and (ii) there have been no material changes to the terms of the Huge Offer, as set out in the Huge Offer Circular and the terms of the Volaris Offer as set out in this Circular.
- 19.11 Following the Independent Board's review of the Huge Offer as detailed in the Huge Offer Circular, the Independent Board hereby provides its views and guidance to Adapt IT Shareholders:
 - 19.11.1 the Huge Offer was made to acquire all of the Adapt IT Shares for an offer consideration of 0.9 Huge ordinary shares for every 1 Adapt IT Share held;
 - 19.11.2 the offer consideration effectively places a value at the Last Practicable Date of 513 cents per Adapt IT Share;
 - 19.11.3 the Independent Expert has in accordance with Regulation 90 of the Companies Regulations, performed a valuation of the Huge and Adapt IT Shares and provided its opinion to the Independent Board; and
 - 19.11.4 the Independent Board, taking into account the opinion of the Independent Expert, has considered the terms and conditions of the Huge Offer, and is of the opinion that the terms and conditions of the Huge Offer are unfair and unreasonable to the Adapt IT Shareholders and has recommended to Adapt IT Shareholders that they do not accept the Huge Offer.
 - 19.11.5 The full opinion and recommendation of the Independent Board, in relation to the Huge Offer are detailed in a circular distributed to Adapt IT Shareholders on 17 May 2021 and available at: <https://f.hubspotusercontent40.net/hubfs/1848095/investor/Adapt%20IT%20Response%20Circular%2017%20May%202021%20-%20Huge.pdf>

The Independent Board has noted the announcement released on SENS by Huge on Friday, 28 May 2021, increasing the consideration offered to Adapt IT Shareholders. Adapt IT Shareholders are advised that the statements contained in this Circular relating to the Huge Offer were made, and are true, as at the Last Practicable Date before the Circular was finalised, being Wednesday, 26 May 2021.

20. ADAPT IT DIRECTORS' SERVICE CONTRACTS

20.1 There are no material provisions of an abnormal nature in respect of the Adapt IT Directors' service contracts which require disclosure except that:

20.1.1 the notice periods set out in the service contracts for termination of employment are three months; and

20.1.2 Tiffany Dunsdon is employed by an Australian Subsidiary of the Company and her employment is in terms of and governed by the laws of Western Australia.

20.2 No service contracts have been concluded between Adapt IT and the non-executive Adapt IT Directors.

20.3 No service contracts have been entered into or amended within the six month period preceding the Offer Period, although it is noted that, with effect from 10 May 2021, Tiffany Dunsdon assumed the role of interim Chief Executive Officer of Adapt IT.

20.4 Notwithstanding the above, it is a Scheme Condition that each of the executive directors of Adapt IT enter into a service contract with the Adapt IT Group on such terms and conditions and in such form and substance as is acceptable to the Offeror, effective from the Scheme Implementation Date.

21. REMUNERATION OF ADAPT IT DIRECTORS

The remuneration of the non-executive Adapt IT Directors will not be affected by the Scheme or the Standby Offer, however following the successful implementation of either the Scheme or the Standby Offer, the composition of the Adapt IT Board will be assessed by Volaris. The members of the Independent Board will, subject to approval by Shareholders, receive a market related fee for their role as the Independent Board in the Transaction and the Huge Offer. The market related fees are set out in the below table:

	Proposed once-off fee
Craig Michael Chambers	R223 050
Oliver Darrel Fortuin	R151 850
Catherine-Candice Koffman	R151 850
Innocentia Zizipho Nyanga	R151 850

22. TAX IMPLICATIONS FOR ADAPT IT SHAREHOLDERS

The tax position of an Adapt IT Shareholder under the Transaction is dependent on such Adapt IT Shareholder's individual circumstances, including but not limited to whether it holds the Adapt IT Shares as capital assets or as trading stock, whether the Adapt IT Shares are held by a Collective Investment Scheme or Pension Fund, the tax jurisdiction in which the Adapt IT Shareholder is resident and whether he elects the Exit Election or the Continuation Election. It is recommended that the Adapt IT Shareholders seek appropriate advice in this regard.

23. INDEPENDENT BOARD RESPONSIBILITY STATEMENT

The Independent Board accepts responsibility for the information contained in this Circular which relates to Adapt IT and confirms that, to the best of its knowledge and belief, such information which relates to Adapt IT is true and the Circular does not omit anything likely to affect the importance of such information.

24. VOLARIS BOARD RESPONSIBILITY STATEMENT

The Volaris Board accepts responsibility for the information contained in this Circular which relates to Volaris and confirms that, to the best of its knowledge and belief, such information which relates to Volaris is true and the Circular does not omit anything likely to affect the importance of such information.

25. ADVISORS' CONSENTS

The advisors referred to in the "Corporate Information and Advisors" section of this Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, reports, in this Circular in the form and context in which they appear and have not withdrawn their consent prior to the publication of this Circular.

26. COSTS AND EXPENSES

26.1 Subject to the following provisions of this paragraph 26, each of Adapt IT and Volaris shall bear and pay the Legal Costs incurred by it in connection with the Transaction.

- 26.2 Each of Adapt IT and Volaris will bear and pay the costs incurred by it in engaging advisors other than legal advisors separately.
- 26.3 Volaris shall, as per the FIO Agreement, be liable for:
- 26.3.1 the filing fees payable to any regulatory authority, including the Competition Authorities;
- 26.3.2 the costs of any application required to be made to the High Court of South Africa necessary to procure the approval and implementation of the Scheme; and
- 26.3.3 any amounts payable by Adapt IT to Adapt IT Shareholders pursuant to them exercising their appraisal rights in terms of section 164 of the Companies Act, as contemplated in paragraph 4.8.
- 26.4 Adapt IT will bear and pay the costs of the Independent Expert being an amount of R300 000 (excluding VAT).
- 26.5 Adapt IT and Volaris will jointly bear and pay the costs of printing and posting the Circular.
- 26.6 There have been no preliminary expenses relating to the Scheme incurred by Adapt IT in the three years immediately preceding the date of this Circular.
- 26.7 The estimated expenses of Adapt IT in relation to the Scheme and Standby Offer, including the fees payable to professional advisors, exclusive of VAT, are as follows:

	R'000
Sponsor to Adapt IT – Merchantec Capital	850
Financial Advisor to Adapt IT – Standard Bank	5 000
Legal Advisor – Webber Wentzel	2 000
Independent Expert	300
JSE documentation fees	34
Takeover Panel Fees – Takeover Panel	152
Transfer Secretaries – Computershare	50
Printing, publication, distribution and advertising expenses	75
Contingency	250
Total	8 711

27. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by the Adapt IT Shareholders at the registered office of Adapt IT and at the offices of Merchantec Capital and Volaris' Transaction Advisor at their respective addresses set out in the "Corporate Information and Advisors" section of this Circular from the date of posting of this Circular until the earlier of (i) the Scheme Implementation Date or (ii) if the Standby Offer becomes Effective, the Standby Offer Closing Date (as defined in **Annexure 1** of this Circular):

- 27.1 the audited annual financial statements of Adapt IT for the three financial years ended 30 June 2020 and unaudited interim results for the six months ended 31 December 2020 as reproduced in **Annexure 3** to this Circular;
- 27.2 the consent letter of the Independent Expert and all other consent letters referred to in paragraph 25 of this Circular;
- 27.3 the Irrevocable Undertakings referred to in paragraph 14 of this Circular;
- 27.4 a signed copy of this Circular;
- 27.5 the signed Independent Expert Report;
- 27.6 the letter confirming approval of this Circular by the Takeover Panel;
- 27.7 the signed FIO Agreement; and
- 27.8 the signed Confidentiality Agreement.

SIGNED AT CAPE TOWN ON 1 JUNE 2021 BY CRAIG CHAMBERS ON BEHALF OF THE ADAPT IT BOARD

CRAIG CHAMBERS

Chairman of the Adapt IT Board

SIGNED AT ONTARIO ON 1 JUNE 2021 BY MARK MILLER ON BEHALF OF THE VOLARIS BOARD

MARK MILLER

Authorised Signatory



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
 (Registration number: 1998/017276/06)
 Share code: ADI
 ISIN: ZAE000113163
 ("Adapt IT" or "the Company")



VOLARIS GROUP INC

(Incorporated in Canada)
 (Corporation number: 002277095)
 ("Volaris")

STANDBY OFFER BY VOLARIS TO ADAPT IT SHAREHOLDERS

1. DEFINITIONS AND INTERPRETATIONS

Except for the additional definitions set out below, unless the context clearly indicates otherwise, the definitions commencing on page 17 in the main body of the Circular and the rules of interpretation commencing on page 26 in the main body of the Circular, apply to this **Annexure 1**.

"Effective"	in relation to the Standby Offer, means the Standby Offer will be commencing by reason of the occurrence of a Standby Offer Trigger Event;
"Standby Offer Closing Date"	the closing date of the Standby Offer, which date shall be 12:00 on the first Friday following the expiry of 10 Business Days after announcement of the fulfilment or, where applicable, waiver of the Standby Offer Conditions, or the first Friday falling on or after the 30 th Business Day after the Standby Offer Opening Date, whichever is the later, but subject to any extension of that date by Volaris in accordance with paragraph 6.3.2 of this Annexure 1 below; provided that if that Friday is not a Business Day, the closing date of the Standby Offer shall be the Business Day preceding that Friday (or such other date as the JSE may direct);
"Standby Offer Conditions"	the conditions precedent to which the Standby Offer is subject, should a Standby Offer Trigger Event occur, as set out in paragraph 8 of this Annexure 1 below;
"Standby Offer Consideration"	ZAR 6.50 (Six Rand and Fifty Cents) per Standby Offer Share;
"Standby Offer LDT"	the last day to trade Adapt IT Shares in order to be registered in the Register on the Standby Offer Closing Date, which date will be 3 Business Days prior to the Standby Offer Closing Date;
"Standby Offer Opening Date"	the opening date of the Standby Offer, expected to be the first Business Day after the date on which it is announced on SENS that the Standby Offer is open for acceptance;
"Standby Offer Participants"	Adapt IT Shareholders referred to in paragraph 6.3.1 below who Validly Accept the Standby Offer by the Standby Offer Closing Date and who are accordingly entitled, subject to the Standby Offer Conditions being fulfilled or, where applicable, waived, to receive the Standby Offer Consideration;
"Standby Offer Period"	the period from the Standby Offer Opening Date to the Standby Offer Closing Date;

“Standby Offer Settlement Date”	in respect of a Standby Offer Participant, the date on which the Standby Offer Consideration payable to a Standby Offer Participant is settled, being a date within 6 Business Days after the later of (i) the Standby Offer being declared wholly unconditional and (ii) the Valid Acceptance of the Standby Offer by that Standby Offer Participant;
“Standby Offer Shares”	those Adapt IT Shares held by Standby Offer Participants in respect of which the Standby Offer Participants have Validly Accepted the Standby Offer;
“Standby Offer Trigger Event”	either (i) any Scheme Condition is not fulfilled (and where applicable) not waived (the Scheme Conditions are set out in paragraph 4.3.1 of the Circular), or (ii) the Scheme otherwise lapses or fails; and
“Valid Acceptance”	acceptance of the Standby Offer by an Adapt IT Ordinary Shareholder and “Validly Accept” shall have a corresponding meaning.

2. INTRODUCTION

- 2.1 Adapt IT Shareholders are referred to the joint Firm Intention Announcement by Adapt IT and Volaris, published on SENS on 7 April 2021. In that announcement, Adapt IT Shareholders were advised that Volaris and Adapt IT had entered into the FIO Agreement, and Adapt IT had received notice from Volaris of its firm intention to make an offer, as contemplated by the Takeover Regulations:
- 2.1.1 to acquire up to 100% of the Adapt IT Shares (other than the Excluded Shares) by way of a scheme of arrangement in terms of section 114 of the Companies Act, to be proposed by the Adapt IT Board between Adapt IT and the holders of Adapt IT Shares (other than the holders of the Excluded Shares); or
- 2.1.2 if a Standby Offer Trigger Event occurs, to acquire up to 100% of the Adapt IT Shares (excluding the Excluded Shares) by way of the Standby Offer.
- 2.2 The Standby Offer will automatically become Effective if a Standby Offer Trigger Event has occurred. Volaris and Adapt IT shall announce through SENS and the printed media, as required, that the Standby Offer has become Effective.
- 2.3 In the event that the Scheme becomes Operative, the Standby Offer Trigger Event will not occur and the Standby Offer will never become Effective.
- 2.4 The Standby Offer will form part of an affected transaction as defined in section 117 of the Companies Act. The Standby Offer will be implemented in accordance with the Companies Act and the Companies Regulations and will be regulated by the Takeover Panel.
- 2.5 The purpose of this **Annexure 1** is to:
- 2.5.1 set out the terms and conditions on which the Standby Offer is extended to all Adapt IT Shareholders, if a Standby Offer Trigger Event has occurred; and
- 2.5.2 record the terms of the Standby Offer in compliance with the Companies Act and the Companies Regulations.
- 2.6 The Standby Offer is an integral part of the Transaction and this **Annexure 1** should be read together with and in the context of the Circular as a whole.

3. IMPORTANT DATES AND TIMES

Should a Standby Offer Trigger Event occur, all dates and times pertinent to the Standby Offer will be published on SENS and in the press.

4. **INFORMATION ON VOLARIS**

Please refer to paragraph 3.1 in the main body of the Circular for information regarding Volaris.

5. **RATIONALE FOR THE STANDBY OFFER**

5.1 **Rationale for Volaris**

The rationale for the Transaction from Volaris' perspective appears in paragraph 3.2 in the main body of the Circular.

5.2 **Rationale for Adapt IT**

The rationale for the Transaction from Adapt IT's perspective is detailed in paragraph 3.3 in the main body of the Circular.

6. **TERMS OF THE STANDBY OFFER**

6.1 **The Standby Offer**

6.1.1 On the occurrence of a Standby Offer Trigger Event, Volaris offers to acquire up to 100% of all Adapt IT Shares, excluding the Excluded Shares, in exchange for the Standby Offer Consideration. Adapt IT Shareholders are entitled to elect to accept the Standby Offer in respect of all or some of the Adapt IT Shares held by them at any time during the Standby Offer Period.

6.1.2 Adapt IT Shareholders who do not provide Valid Acceptances of the Standby Offer to sell any of their Shares in accordance with the terms of the Standby Offer, will retain such Shares in Adapt IT, which might no longer be listed on the JSE. If the Standby Offer Delisting Resolution is passed by the requisite majority of Adapt IT Shareholders (it being recorded that the Standby Offer Delisting Resolution will only be proposed to the Shareholders at the General Meeting if the Standby Offer Becomes Fair) and Adapt IT has applied for the Delisting, the JSE may implement the Delisting.

6.1.3 In the event that the Scheme becomes Operative, the Standby Offer will never become Effective. If the Standby Offer becomes Effective, the Standby Offer will be subject to, and will become unconditional upon the fulfilment or, where applicable, waiver of the Standby Offer Conditions.

6.1.4 Volaris confirms that it will be the acquirer of the Standby Offer Shares and that it is acting alone, as a principal and does not Act in Concert with any other Person.

6.2 **Transfer and the Standby Offer Consideration**

6.2.1 If all the Standby Offer Conditions are fulfilled or, where applicable, waived, each Standby Offer Share held by a Standby Offer Participant for which Valid Acceptances have been submitted and received by Volaris will be disposed of and transferred to Volaris for the Standby Offer Consideration.

6.2.2 The Standby Offer Consideration represents a premium of 56.3% to the closing price of Adapt IT shares on the JSE of ZAR 4.16 (four Rand and sixteen Cents), as at 1 April 2021, being the last trading date prior to the FIO Agreement Signature Date.

6.2.3 The Standby Offer Consideration represents a premium of 56.9% to the 30-day VWAP of Adapt IT Shares on the exchange operated by the JSE of ZAR 4.14 (four Rand and fourteen Cents), as at 26 January 2021, being the last trading date prior to the date on which the unsolicited Huge Offer was announced on SENS.

6.3 The Standby Offer Period

6.3.1 The Standby Offer is irrevocable and will be open for acceptance from 09:00 on the Standby Offer Opening Date and shall close at 12:00 on the Standby Offer Closing Date. The Standby Offer will be open for acceptance by those Adapt IT Shareholders that are recorded in the Register as holders of Adapt IT Shares at any time from 09:00 on the Standby Offer Opening Date up to and including 12:00 on the Standby Offer Closing Date.

6.3.2 The Offeror may, in its absolute and sole discretion, but subject to the provisions and requirements of the Companies Act and the Companies Regulations, extend the Standby Offer Closing Date on one or more occasions, in which event, the amended Standby Offer Closing Date will be announced on SENS and in the South African press.

6.4 Cash confirmation

In accordance with Regulation 111(4) and Regulation 111(5) of the Companies Regulations, the Offeror has provided an irrevocable bank guarantee to the Takeover Panel which confirms that, in aggregate, the Offeror has sufficient cash resources in terms of Regulation 111 to satisfy payment in respect of the Standby Offer and the maximum Standby Offer Consideration. Adapt IT Shareholders are referred to paragraph 4.10 in the main body of the Circular for more information in this regard.

6.5 Amendment or variation of the Standby Offer

Subject to compliance with applicable Law, including the requirements of the JSE and Takeover Regulations, no amendment or variation of the Standby Offer shall be valid unless it is agreed to by Volaris in writing, provided that:

6.5.1 Volaris shall not agree to any amendment or variation that has the effect of reducing the Standby Offer Consideration; and

6.5.2 Volaris shall be entitled at any time to increase the Standby Offer Consideration, and to effect the necessary amendments consequent on such increase, without requiring the consent of Adapt IT.

6.6 No set-off of Standby Offer Consideration

As per Regulation 106(4)(h) of the Companies Regulations, settlement of the Standby Offer Consideration pursuant to the Standby Offer will be implemented in full in accordance with the terms of the Standby Offer without regard to any lien, right of set-off, counterclaim, deduction, withholding or other analogous right to which Volaris may otherwise be, or claim to be, entitled against any Adapt IT Shareholder.

6.7 No Encumbrance

Each Standby Offer Participant is deemed, on the relevant Standby Offer Settlement Date, to have warranted and undertaken in favour of Volaris that the relevant Standby Offer Shares are not subject to a pledge or otherwise Encumbered, or if subject to any such pledge or other Encumbrance, that such Standby Offer Shares shall be released from such pledge or other Encumbrance immediately on payment and discharge of the Standby Offer Consideration. In this regard, each Standby Offer Participant irrevocably authorises and appoints Volaris, *in rem suam* (that is, irrevocably for Volaris' advantage), with full power of substitution, to act as agent in the name, place and stead of such Standby Offer Participant in doing all things and signing all documents to procure that the relevant Standby Offer Shares are released from any pledge or Encumbrance, including the removal of any endorsements to that effect present in the Register.

6.8 Foreign Adapt IT Shareholders and Exchange Control Regulations

Annexure 4 to the Circular contains a summary of the Exchange Control Regulations as they apply to Standby Offer Participants. Standby Offer Participants who are not resident in, or who have a registered address outside of, South Africa, must satisfy themselves as to the full observance of the Laws of any relevant territory concerning the receipt of the Standby Offer Consideration, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory.

7. **GOVERNING LAW**

The Standby Offer is governed by the Laws of South Africa. Each of Adapt IT and Volaris submits, and each Standby Offer Participant shall be deemed to have irrevocably submitted, to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Johannesburg, in relation to all matters arising out of or in connection with the Standby Offer.

8. **STANDBY OFFER CONDITIONS**

- 8.1 The Standby Offer will only become Effective if a Standby Offer Trigger Event occurs.
- 8.2 If a Standby Offer Trigger Event occurs, the Standby Offer will be subject to the fulfilment or, where applicable, waiver (in whole or in part), as applicable, of the Standby Offer Conditions set out in paragraphs 8.2.1 to 8.2.2 and 8.2.4 to 8.2.7 by no later than the Fulfilment Date (unless extended by the Offeror, subject to such regulatory approval as may be required), and by no later than the 45th Business Day after the Standby Offer Opening Date in respect of the Standby Offer Condition set out in paragraph 8.2.3 (unless extended by the Offeror with the consent of the Independent Board, and subject to such regulatory approval as may be required):
- 8.2.1 to the extent applicable, all requisite regulatory approvals required for the Standby Offer have been obtained from the JSE, the Takeover Panel, the Financial Surveillance Department of the South African Reserve Bank and the South African and other applicable foreign competition authorities (either unconditionally or subject to conditions acceptable to the Offeror);
 - 8.2.2 the receipt of a compliance certificate or exemption issued by the Takeover Panel in terms of the Companies Act in relation to the Standby Offer;
 - 8.2.3 Adapt IT Shareholders holding at least 50% plus one of the Adapt IT Shares (excluding Excluded Shares) accept the Standby Offer;
 - 8.2.4 the executive directors of Adapt IT, as at 4 April 2021, do not accept the Standby Offer in respect of at least 90% of the Adapt IT Shares they hold directly or indirectly;
 - 8.2.5 if the Standby Offer Delisting Resolution is proposed to Shareholders at the General Meeting, in terms of paragraph 1.15(a) of the JSE Listings Requirements, the approval of the Standby Offer Delisting Resolution by the requisite majority of Shareholders;
 - 8.2.6 Adapt IT's VARP has been consequentially amended to allow for its continued operation for Adapt IT employees should Adapt IT be delisted from the Main Board of the JSE, on terms and conditions and in such form and substance as is acceptable to the Offeror acting reasonably (as confirmed by the Offeror by written notice to Adapt IT) and the participants of the VARP have waived their right to a comparable offer in terms of the Companies Regulations pursuant to the Standby Offer; and
 - 8.2.7 no MAE has occurred.
- 8.3 The Standby Offer Conditions in:
- 8.3.1 paragraphs 8.2.1 and 8.2.2 above are regulatory in nature and cannot be waived;
 - 8.3.2 paragraphs 8.2.3 to 8.2.5 above have been inserted for the benefit of the Offeror, which will be entitled, in its sole discretion, to waive fulfilment of such Standby Offer Conditions, in whole or in part, on written notice to Adapt IT.
- 8.4 If the Standby Offer is made, Adapt IT Shareholders will be able to accept the Standby Offer in respect of all or part of their Shares.
- 8.5 An announcement will be released on SENS and published in the South African press as soon as possible after the fulfilment or waiver of all of the Standby Offer Conditions, or non-fulfilment of any of the Standby Offer Conditions, as the case may be.

9. MATERIAL PROVISIONS OF THE FIO AGREEMENT

Adapt IT Shareholders are referred to the Circular generally, as well as more specifically paragraphs 5 and 6 in the main body of the Circular for information regarding the provisions of the FIO Agreement, including those relating to the non-solicitation and other undertakings given by Adapt IT. The FIO Agreement is available for inspection, along with the other documents, as set out in paragraph 27 in the main body of the Circular.

10. PROCEDURE FOR ACCEPTANCE OF THE STANDBY OFFER

10.1 General

10.1.1 The Standby Offer may be accepted by Adapt IT Shareholders in respect of all or part of their Adapt IT Shares (excluding any Excluded Shares). Adapt IT Shareholders who do not wish to accept the Standby Offer need take no further action and will be deemed to have declined the Standby Offer. In order to accept the Standby Offer, an Adapt IT Shareholder must be recorded in the Register on the date of Valid Acceptance. In this regard it should be noted that the Standby Offer LDT is the last day to trade Adapt IT Shares in order to be registered in the Register on the Standby Offer Closing Date.

10.1.2 **Adapt IT Shareholders are referred to the section entitled “Action required by Adapt IT Shareholders in relation to the Standby Offer”; commencing on page 11 in the main body of the Circular, which details the action to be taken by Adapt IT Shareholders in relation to the Standby Offer.**

10.1.3 In relation to Certificated Adapt IT Shareholders, Volaris reserves the right, in its absolute and sole discretion, to:

10.1.3.1 treat as invalid, Forms of Surrender, Transfer and Acceptance (*green*) not completed correctly or not accompanied by the relevant Documents of Title (or, if applicable, evidence reasonably satisfactory to Volaris that the Documents of Title to the relevant Standby Offer Shares have been destroyed or lost and an indemnity reasonably acceptable to Volaris); and

10.1.3.2 require proof of the authority of the Person signing the Form of Surrender, Transfer and Acceptance (*green*) where such proof has not yet been lodged with or recorded by Computershare; or

10.1.3.3 condone the non-compliance by any Certificated Adapt IT Shareholder with any of the terms of the Standby Offer.

10.1.4 If a Form of Surrender, Transfer and Acceptance (*green*) is treated as invalid due to non-compliance with the instructions contained therein, then the Adapt IT Shareholder that submitted that Form of Surrender, Transfer and Acceptance (*green*) will be deemed to have declined the Standby Offer, unless that Adapt IT Shareholder re-submits a properly completed Form of Surrender, Transfer and Acceptance (*green*) on or prior to the Standby Offer Closing Date.

10.2 Acceptances irrevocable

10.2.1 All acceptances of the Standby Offer received by Computershare on or prior to the Standby Offer Closing Date, shall be irrevocable, subject to the rights of Standby Offer Participants to withdraw such acceptance in the limited circumstances contemplated in the Companies Regulations.

10.2.2 Standby Offer Participants should note that they may not trade any Adapt IT Shares in respect of which they have accepted the Standby Offer, from the date of acceptance of the Standby Offer.

10.3 Transaction receipts

No receipts will be issued by Computershare for Forms of Surrender, Transfer and Acceptance (*green*) unless specifically requested to do so by the Adapt IT Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by Computershare together with the Form of Surrender, Transfer and Acceptance (*green*).

10.4 Acceptances of the Standby Offer by nominee companies and representatives

Acceptances of the Standby Offer by recognised nominee companies may be submitted in aggregate or in respect of each Adapt IT Shareholder represented by such nominee companies. Any representative accepting the Standby Offer warrants that it is duly authorised to do so.

10.5 Offer not made where unlawful

10.5.1 The lawfulness of the Standby Offer to Adapt IT Shareholders resident in jurisdictions outside of South Africa may be affected by Laws of the relevant jurisdiction. Such Adapt IT Shareholders should familiarise themselves with any applicable legal requirements, which they are obligated to observe. It is the responsibility of any such Adapt IT Shareholders wishing to accept the Standby Offer to satisfy themselves as to the full observance of the Laws of the relevant jurisdiction in connection therewith.

10.5.2 In particular, the Standby Offer is not being made, directly or indirectly, in or into any jurisdiction where it is unlawful for the Standby Offer to be made or accepted (“**the Affected Jurisdictions**”) or by the use of mail, or by means or instrumentality of interstate or foreign commerce of, or any facility of a national securities exchange of, any of the Affected Jurisdictions. In such circumstances, the Circular is sent for information purposes only.

10.5.3 Adapt IT Shareholders wishing to accept the Standby Offer should not use the post of any of the Affected Jurisdictions or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to the Standby Offer. Envelopes containing Forms of Surrender, Transfer and Acceptance (*green*) or other documents relating to the Standby Offer should not be post-marked in any of the Affected Jurisdictions or otherwise dispatched from any of the Affected Jurisdictions and all acceptors must provide addresses outside the Affected Jurisdictions for receipt of the Standby Offer Consideration to which they are entitled under the Standby Offer.

10.5.4 Without limitation to the generality of the above, the Standby Offer is, unless otherwise permitted by Law and in the sole discretion of Volaris, not being made, directly or indirectly, in or into or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States, Australia, Canada or Japan and the Standby Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States, Australia, Canada or Japan. Unless otherwise permitted by law and in the sole discretion of Volaris, purported acceptances will not be valid if given from within any of the United States, Australia, Canada or Japan.

10.6 Representation and Warranty of Foreign Adapt IT Shareholders

Certificated Adapt IT Shareholders who complete the Form of Surrender, Transfer and Acceptance (*green*) are deemed to represent and warrant to Volaris that they have not received or sent copies or originals of the Circular, the Form of Surrender, Transfer and Acceptance (*green*) or any related documents in, into or from the Affected Jurisdictions and have not otherwise utilised in connection with the Standby Offer, the mails, or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or of any facility of a national securities exchange of, the Affected Jurisdictions, and that the Form of Surrender, Transfer and Acceptance (*green*) has not been mailed or otherwise sent in, into or from the Affected Jurisdictions and such Adapt IT Shareholders is accepting the Standby Offer from outside the Affected Jurisdictions.

11. SETTLEMENT OF THE STANDBY OFFER CONSIDERATION

ADAPT IT SHAREHOLDERS ARE REFERRED TO THE SECTION ENTITLED “ACTION REQUIRED BY ADAPT IT SHAREHOLDERS IN RELATION TO THE STANDBY OFFER”; COMMENCING ON PAGE 11 IN THE MAIN BODY OF THE CIRCULAR, WHICH DETAILS THE ACTION TO BE TAKEN BY ADAPT IT SHAREHOLDERS IN RELATION TO THE STANDBY OFFER.

- 11.1 Settlement of the Standby Offer Consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure 4** to the Circular.
- 11.2 Volaris or its agents will administer and effect the payment of the Standby Offer Consideration to Standby Offer Participants.
- 11.3 If the Standby Offer becomes Operative:
 - 11.3.1 Standby Offer Participants who hold Dematerialised Adapt IT Shares will have their accounts held at their CSDP or Broker credited with the Standby Offer Consideration and debited with the Adapt IT Shares they are transferring to Volaris pursuant to the Standby Offer on the Standby Offer Settlement Date; and
 - 11.3.2 Standby Offer Participants who hold Certificated Adapt IT Shares who:
 - 11.3.2.1 have both surrendered their Documents of Title, and delivered completed Forms of Surrender, Transfer and Acceptance (*green*), to Computershare on or before 12:00 on the Standby Offer Closing Date, will be paid the Standby Offer Consideration in cash by way of electronic funds transfer into their bank account recorded by Computershare or the bank account nominated by them in the Form of Surrender, Transfer and Acceptance (*green*), as the case may be, on the Standby Offer Settlement Date; or
 - 11.3.2.2 deliver completed Forms of Surrender, Transfer and Acceptance (*green*) to Computershare on or before 12:00 on the Standby Offer Closing Date, but only surrender their Documents of Title after 12:00 on the Standby Offer Closing Date, will have the Standby Offer Consideration paid to them by way of electronic funds transfer into their bank account recorded by Computershare or the bank account nominated by them in the Form of Surrender, Transfer and Acceptance (*green*), as the case may be, within 5 Business Days of Computershare receiving their Documents of Title.
- 11.4 In the event that a Standby Offer Participant who holds Certificated Adapt IT Shares fails to surrender its Documents of Title to Computershare or if its banking details are not recorded with Computershare and it has failed to provide its banking details in the completed Form of Surrender, Transfer and Acceptance (*green*), the Standby Offer Consideration due to such Standby Offer Participant will be held in trust by Adapt IT and/or Volaris (or their respective agents, as appointed by each of them), but only for a period of three years from the Standby Offer Closing Date, and will thereafter be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Standby Offer Participant irrevocably authorises and appoints each of Adapt IT, and /or Volaris (or their respective agents, as appointed by each of them), in *rem suam* (that is, irrevocably for Adapt IT's and/or Volaris' advantage), with full power of substitution, to act as agent in the name, place and stead of such Standby Offer Participant to pay the Standby Offer Consideration to the benefit of the Guardian's Fund in the aforesaid manner.
- 11.5 Payment by Volaris or its agent to Standby Offer Participants of the Standby Offer Consideration shall be the sole and exclusive manner of discharge by Volaris of its obligations in terms of the Standby Offer.
- 11.6 The rights of Standby Offer Participants to receive the Standby Offer Consideration will be rights enforceable by the Standby Offer Participants against Volaris or its agent.
- 11.7 For the avoidance of doubt, no interest shall accrue for the benefit of the Adapt IT Shareholders on the Standby Offer Consideration.

12. INTENTIONS REGARDING THE CONTINUATION OF ADAPT IT'S BUSINESS AND THE ADAPT IT BOARD

Adapt IT Shareholders are referred to paragraph 9 in the main body of the Circular in this regard.

13. INTEREST, DEALINGS IN SHARES AND IRREVOCABLE UNDERTAKINGS

13.1 Interests of Volaris and Volaris Directors in Adapt IT Shares

Adapt IT Shareholders are referred to paragraph 10 in the main body of the Circular in this regard.

13.2 Interests of Adapt IT and Adapt IT Directors in Volaris Securities

Adapt IT Shareholders are referred to paragraph 12 in the main body of the Circular in this regard.

13.3 Interests of Adapt IT Directors in Adapt IT Shares

Adapt IT Shareholders are referred to paragraph 13 in the main body of the Circular in this regard.

13.4 Irrevocable Undertakings and Dealings by providers of Irrevocable Undertakings

Adapt IT Shareholders are referred to paragraphs 14 and 15 in the main body of the Circular in this regard.

14. AGREEMENTS

14.1 Save for the Confidentiality Agreement, FIO Agreement and the Irrevocable Undertakings:

14.1.1 no agreements have been entered into by Volaris and/or any persons Acting in Concert with Volaris, with any of:

14.1.1.1 Adapt IT;

14.1.1.2 the Adapt IT Directors (or persons who were Adapt IT Directors in the 12 months preceding the Last Practicable Date); or

14.1.1.3 Adapt IT Shareholders (or Persons who were Adapt IT Shareholders in the 12 months preceding the Last Practicable Date) which agreements are considered to be material to the decision to be taken by Adapt IT Shareholders regarding the Standby Offer;

14.1.2 no agreements have been entered into by Adapt IT with any of:

14.1.2.1 Volaris and/or persons Acting in Concert with Volaris;

14.1.2.2 the Volaris Directors (or persons who were Volaris Directors in the 12 months preceding the Last Practicable Date); or

14.1.2.3 Volaris and/or Volaris shareholders (or Persons who were Volaris shareholders in the 12 months preceding the Last Practicable Date) which agreements are considered to be material to the decision to be taken by Adapt IT Shareholders regarding the Standby Offer.

14.2 Adapt IT Shareholders are referred to paragraph 16 in the main body of the Circular for information on the aforementioned agreements.

15. FINANCIAL INFORMATION OF ADAPT IT

The audited historical financial information of Adapt IT for the last three financial years ended 30 June 2018, 30 June 2019 and 30 June 2020 and the unaudited interim financial information of Adapt IT for the six-month period ended 31 December 2020 is annexed hereto as **Annexure 3**.

INDEPENDENT EXPERT REPORT

Adapt IT Shareholders are referred to paragraph 18 in the main body of the Circular in this regard.

16. THE VIEWS OF THE INDEPENDENT BOARD ON THE STANDBY OFFER AND THE HUGE OFFER

Adapt IT Shareholders are referred to paragraph 19 in the main body of the Circular in this regard.

17. ADAPT IT DIRECTORS' SERVICE CONTRACTS

Adapt IT Shareholders are referred to paragraph 20 in the main body of the Circular in this regard.

18. TAX IMPLICATIONS FOR ADAPT IT SHAREHOLDERS

The tax position of a Standby Offer Participant under the Standby Offer is dependent on such Standby Offer Participant's individual circumstances, including but not limited to whether it holds the Standby Offer Shares as capital assets or as trading stock, whether the Standby Offer Shares are held by a Collective Investment Scheme or Pension Fund and on the tax jurisdiction in which the Standby Offer Participant is resident. It is recommended that each Standby Offer Participant seek appropriate advice in this regard.

19. REMUNERATION OF ADAPT IT DIRECTORS

Adapt IT Shareholders are referred to paragraph 21 in the main body of the Circular in this regard.

20. INDEPENDENT BOARD RESPONSIBILITY STATEMENT

The Independent Board accepts responsibility for the information contained in the Circular, including this **Annexure 1**, which relates to Adapt IT and confirms that, to the best of its knowledge and belief, such information which relates to Adapt IT is true and the Circular does not omit anything likely to affect the importance of such information.

21. VOLARIS RESPONSIBILITY STATEMENT

The Volaris Board accepts responsibility for the information contained in the Circular, including this **Annexure 1**, which relates to Volaris and confirms that, to the best of its knowledge and belief, such information which relates to Volaris is true and the Circular does not omit anything likely to affect the importance of such information.

22. ADVISORS' CONSENTS

The advisors referred to in the "Corporate Information and Advisors" section of the Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, reports, in the Circular in the form and context in which they appear and have not withdrawn their consent prior to the publication of the Circular.

23. COSTS AND EXPENSES

Subject to paragraphs 26.3 and 26.5 in the main body of the Circular, each of Adapt IT and Volaris shall bear and pay their own costs incurred by them in connection with the Transaction.

24. DOCUMENTS AVAILABLE FOR INSPECTION

The documents, or copies thereof, listed in paragraph 27 in the main body of the Circular, will be available for inspection by the Adapt IT Shareholders at the registered office of Adapt IT and at the offices of Merchantec Capital and Volaris' Transaction Advisor at their respective addresses set out in the "Corporate Information and Advisors" section of this Circular from the date of posting of the Circular until the Standby Offer Closing Date.

SIGNED AT CAPE TOWN ON 1 JUNE 2021 BY CRAIG CHAMBERS ON BEHALF OF THE ADAPT IT BOARD

CRAIG CHAMBERS

Chairman of the Adapt IT Board

SIGNED AT ONTARIO ON 1 JUNE 2021 BY MARK MILLER ON BEHALF OF THE VOLARIS BOARD

MARK MILLER

Authorised Signatory

REPORT OF THE INDEPENDENT EXPERT REGARDING THE VOLARIS OFFER

The Independent Board
 Adapt IT Holdings Ltd
 152 14th Road
 Midrand
 Gauteng
 1687

Dear Sirs and Mesdames

31 May 2021

INDEPENDENT EXPERT OPINION TO ADAPT IT HOLDINGS LTD (“Adapt IT” or the “Company”) REGARDING AN OFFER BY VOLARIS GROUP INC (“Volaris” or the “Offeror”) TO ACQUIRE UP TO 100% OF THE ORDINARY SHARES (EXCLUDING TREASURY SHARES) OF ADAPT IT (“Adapt IT Shares”)

Introduction

Adapt IT Shareholders are referred to the joint announcement published by Adapt IT and Volaris on the Stock Exchange News Service (“**SENS**”) of the JSE Limited (“**JSE**”) on Wednesday, 7 April 2021, in which Adapt IT announced that the Company had received notice from Volaris of its firm intention to make an offer (the “**Volaris Offer**”) (the “**Firm Intention Announcement**”) to acquire control of the Company through the acquisition of up to 100% of Adapt IT Shares from the holders of the Adapt IT Shares (“**Adapt IT Shareholders**”) as contemplated in Chapter 5 of the Companies Act, No. 71 of 2008, as amended (the “**Companies Act**”) and Chapter 5 of the Companies Regulations, 2011 (the “**Companies Regulations**”).

The Volaris Offer will be implemented by way of a scheme of arrangement in terms of section 114 of the Companies Act (the “**Volaris Scheme**”) or a standby offer, should the Volaris Scheme not be proposed or fails (the “**Standby Offer**”).

The Volaris Offer was made at a cash consideration of R6.50 per Adapt IT Share (the “**Scheme Consideration**”).

Should the Volaris Scheme be implemented, the following will occur:

- subject to the approval of the JSE, Adapt IT Shares may be delisted from the JSE, if Adapt IT no longer meets the JSE Spread Requirements (as defined in the circular to Adapt IT Shareholders dated Tuesday, 1 June 2021 (“**Circular**”)) and therefore no longer qualifies for listing or the Scheme Delisting Resolution (as defined in the Circular) is approved by Adapt IT Shareholders, it being recorded that the Scheme Delisting Resolution (as defined in the Circular) will only be proposed to Adapt IT Shareholders at the General Meeting if the Scheme Becomes Fair (as defined in the Circular) ; and
- Adapt IT Shareholders will be entitled to sell all or part of their Adapt IT Shares (“**Exit Election**”) or retain all or part of their Adapt IT Shares (“**Continuation Election**”). In the absence of Adapt IT Shareholders making a valid election, they will be deemed to have made the Exit Election.

For the implementation of the Volaris Scheme, unless the condition has been waived by the Offeror, *inter alia*, Adapt IT Shareholders holding at least 50% plus one Adapt IT Shares (excluding treasury shares) must make the Exit Election (or are deemed to have made the Exit Election) and the executive directors of Adapt IT make the Continuation Election of at least 90% of the Adapt IT Shares they hold directly or indirectly.

Adapt IT Shareholders who do not provide valid acceptances of the Standby Offer to sell any of their Adapt IT Shares in accordance with the terms of the Standby Offer, will retain such shares in Adapt IT, which might no longer be listed on the JSE if (i) a Standby Offer Trigger Event (as defined in the Circular) occurs, and (ii) the Standby Offer Conditions (as defined in the Circular) are fulfilled or, where applicable, waived, and if the Standby Offer Delisting Resolution (as defined in the Circular) is passed by the requisite majority of Adapt IT Shareholders (it being recorded that the Standby Offer Delisting Resolution will only be proposed to Adapt IT Shareholders at the General Meeting if the Standby Offer Becomes Fair (as defined in the Circular)) and Adapt IT has applied for the delisting and the JSE approves the delisting.

For the implementation of the Standby Offer, unless the condition has been waived by the Offeror, *inter alia*, Adapt IT Shareholders holding at least 50% plus one Adapt IT Shares (excluding treasury shares) must

accept the Standby Offer and the executive directors of Adapt IT must not accept the Standby Offer in respect of at least 90% of the Adapt IT Shares they hold directly or indirectly.

The Volaris Scheme and the Standby Offer are affected transactions as defined in section 117, of the Companies Act and as such is regulated by the Companies Act and the Companies Regulations.

As at the date of this opinion, the share capital of the Company comprised the following:

- Authorised share capital of 300 000 000 no par value shares; and
- Issued share capital of 144 887 497 Adapt IT Shares.

The Company holds 7 625 658 ordinary shares as treasury shares.

The Company had no share options outstanding as at the date of this opinion.

The Volaris Offer will directly or indirectly affect all Adapt IT Shareholders. More information on the material effects that the Volaris Offer may have on the rights and interests of Adapt IT Shareholders is detailed in the Circular.

Full details of the Volaris Offer are contained in the Circular, which includes a copy of this letter.

The material interests of the directors are set out in paragraph 13 of the Circular.

Scope

The Volaris Scheme and the Standby Offer are affected transactions as defined in section 117(1)(c)(iii) and 117(1)(c)(v), respectively of the Companies Act. In terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations, the Adapt IT Independent Board ("**Independent Board**") is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act and Regulations 90 and 110 of the Companies Regulations (the "**Opinion**" or the "**Fair and Reasonable Opinion**").

Nodus Capital TS Proprietary Limited ("**Nodus**") has been appointed by the Independent Board as the Independent Expert to advise on whether the terms and conditions of the Volaris Offer are fair and reasonable to the Shareholders of Adapt IT.

Copies of sections 115 and 164 of the Companies Act are included as **Annexure 5** to the Circular.

Responsibility

Compliance with the Companies Act and the Companies Regulations is the responsibility of the Independent Board. Our responsibility is to report on the terms and conditions of the Volaris Offer in compliance with the related provisions of the Companies Act and the Companies Regulations.

We confirm that our Fair and Reasonable Opinion has been provided to the Independent Board for the sole purpose of assisting them in forming and expressing an opinion for the benefit of Adapt IT Shareholders in relation to the Volaris Offer. This opinion is prepared solely for the Independent Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

Definition of the terms "fair" and "reasonable"

The "fairness" of a transaction is based on quantitative issues. A transaction may be said to be fair if the benefits received by the shareholders, as a result of the transaction, are equal to or greater than the value surrendered by the shareholders.

The Volaris Offer may be said to be fair if the Scheme Consideration is greater than or equal to the value of one Adapt IT Share or unfair if the Scheme Consideration is less than the value of one Adapt IT Share. Furthermore, in terms of Regulation 110(8) of the Companies Regulations, an offer with a consideration per offeree regulated company security within the fair-value range is generally considered to be fair.

In terms of the Companies Regulations, a transaction will be considered reasonable if the offer consideration received by shareholders in terms of the corporate action is higher than the market price of the company's securities at the time that the corporate action was announced, or at some other more appropriate identifiable time. In addition, other qualitative considerations may be taken into account when considering the reasonableness of the corporate action. Even though the consideration may differ from the

market value of the assets being acquired, a transaction may still be reasonable after considering other significant qualitative factors.

Our approach in considering the Volaris Offer

In considering the Volaris Offer, we have independently calculated the fair value of one Adapt IT Share and compared our fair value of one Adapt IT Share to the Scheme Consideration.

Details and sources of information

The principal sources of information used in performing our work include:

- the Firm Intention Announcement;
- the terms and conditions of the Volaris Offer and its rationale, as set out in the Circular;
- representations and assumptions made available by, and discussions held with, the management of Adapt IT;
- representations and assumptions made available by, and discussions held with, the Independent Board of Adapt IT and its advisors;
- publicly available information relating to the industries in which Adapt IT operates;
- publicly available information relating to Adapt IT that we deemed to be relevant, including company announcements, media articles, and analyst presentations, where applicable;
- share price information of Adapt IT over the last 12 months to assess the relative liquidity and volatility of Adapt IT Shares;
- published market data on Adapt IT;
- various analyst reports and their respective views on the value of an Adapt IT Share (the “**Analyst Reports**”);
- audited annual financial statements of Adapt IT for the five years ended 30 June 2020;
- interim financial results of Adapt IT for the six months ended 31 December 2020;
- interim financial results for Adapt IT for the nine months ended 31 March 2021;
- forecast financial information of Adapt IT for the years ending 30 June 2021 to 30 June 2025;
- Huge Group Limited’s (“**Huge Group**”) offer circular to Adapt IT Shareholders, dated 16 April 2021 (the “**Huge Circular**”);
- Adapt IT’s response circular in respect of the Huge Circular, dated 17 May 2021 (the “**Response Circular**”);
- Huge Group’s SENS announcement on SENS on Friday, 28 May 2021, wherein it revised its offer, per the Huge Circular, to Adapt IT Shareholders (the “**Huge Updated Offer**”); and
- the 30-day, 60-day and 90-day volume weighted average price (the “**VWAP**”) of Adapt IT Shares as at date preceding the date of the Firm Intention Announcement.

The information above was obtained from:

- directors and management of Adapt IT; and
- third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Adapt IT.

Procedures performed

In arriving at our Opinion we have undertaken the following procedures in evaluating the fairness and reasonableness of the Volaris Offer:

- Considered the rationale for the Volaris Offer, as represented by the Independent Board, its advisors, Adapt IT management and disclosed in the Circular.
- Reviewed the terms and conditions of the Volaris Offer.
- Supplemented our knowledge and understanding of Adapt IT as well as the industries in which it operates.
- Held discussions with management on the prospects of Adapt IT.
- Reviewed and analysed the historical financial information of Adapt IT.
- Assessed the Adapt IT forecasts, as prepared by management, and challenged certain assumptions;

- Considered the value of Adapt IT, taking cognisance of the market multiples of comparable companies and comparable/recent transactions, as applicable, and a discounted cash flow valuation performed on Adapt IT.
- Reviewed Adapt IT's historic traded share prices and trading volumes on the JSE to ascertain the relative trading activities, liquidity and volatility of the Adapt IT Shares.
- Reviewed certain publicly available information relating to Adapt IT and the industries in which it operates that we deemed to be relevant, including company announcements and media articles.
- Performed an analysis of other information considered pertinent to our valuation and Opinion.
- Considered the fact that ~47% of the Adapt IT Shareholders, who are eligible to vote on the Volaris Offer, have provided irrevocable undertakings to vote in favour of the Volaris Scheme.
- Reviewed the Huge Circular and the Response Circular.
- Reviewed the Huge Updated Offer and noted that Adapt IT is required to respond by Friday, 4 June 2021, and that it would update Adapt IT Shareholders accordingly.
- Reviewed the Analyst Reports.
- Obtained from the management of Adapt IT a letter of representation in respect of amongst other things the information shared and/or statements made to us and upon which we have relied.

We have not interviewed any of the Adapt IT Shareholders to obtain their views on the Volaris Offer.

Based on the results of the procedures mentioned above, we determined the fairness and reasonableness of the Volaris Offer to Adapt IT Shareholders. We believe that the above considerations justify the opinion outlined below.

Limiting conditions

This Opinion of the Independent Expert is provided to the Independent Board in connection with and for the purpose of the Volaris Offer. The Opinion of the Independent Expert does not purport to cater for each individual Adapt IT Shareholder's perspective, but rather that of the general body of Adapt IT Shareholders.

We have relied upon and assumed the accuracy of the information provided to and obtained by us in deriving our Opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our Opinion, whether in writing or obtained in discussion with Adapt IT management, by reference to publicly available or independently obtained information.

While our work has involved an analysis of, *inter alia*, the annual financial statements and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

This Opinion of the Independent Expert is provided in terms of the Companies Act and the Companies Regulations. It does not constitute a recommendation to any Adapt IT Shareholder as to how to vote at any shareholders' meeting relating to the Volaris Offer or on any matter relating to it. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion of the Independent Expert is used or relied upon for anything other than its intended purpose. Should an individual Adapt IT Shareholder have any doubts as to what action to take, such shareholder should consult an independent advisor.

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the forecast period. Accordingly, this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods.

We express no opinion as to how closely actual results will correspond to those projected/forecast by the management of Adapt IT. We have compared the projected/forecast financial information to past trends as well as discussed the assumptions inherent therein with management.

Our Opinion is based on the current economic, regulatory, and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments. We have assumed that all conditions precedent in the transaction agreements, including any material regulatory and other approvals, if any, will be properly fulfilled/obtained. Our Opinion does not include an evaluation of the commercial rationale of the Volaris Offer.

The valuation of companies and businesses is not a precise science and conclusions arrived at, will, in many cases, be subjective and dependent on the exercise of individual judgement.

Valuation

Nodus performed an independent valuation of Adapt IT to determine whether the Scheme Consideration represents fair value to the Adapt IT Shareholders.

For our valuation of Adapt IT, we utilised both an income approach (discounted cash flow) valuation methodology and a market approach valuation methodology (based on financial data for comparable publicly traded companies, which included both local and international companies in the software industry).

The valuation was performed taking cognisance of risk and other market and industry factors affecting Adapt IT. Additionally, sensitivity analyses were performed considering key assumptions. Prevailing market and industry conditions were also considered in assessing the risk profile of Adapt IT.

Key internal value drivers included the discount rate, revenue growth, and operating margins.

Key external value drivers including gross domestic product growth rates, interest rates, headline inflation rates, and prevailing market and industry conditions in respect of the industry in which Adapt IT operates were also considered in assessing the forecast cash flows and risk profile of Adapt IT.

Growth is predominantly driven by a combination of Adapt IT's existing client base (66% of its revenue is annuity based) and new customers and/or revenue streams. The long-term inflation rate utilised in the income approach valuation approximated 4.5%. A change of 0.5% in the discount rate would result in a ~6% change in the value attributable to Adapt IT.

Assumptions

Our Opinion is based on the following key assumptions:

- Any agreements that will or have been entered into in terms of the Volaris Offer will be legally enforceable.
- The Volaris Offer will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisors of Adapt IT.
- Reliance can be placed on the financial information of Adapt IT.
- For the purposes of this Opinion of the Independent Expert, we assumed Adapt IT's existing businesses to be ongoing under current business plans and management.
- Current economic, regulatory and market conditions will not change materially.
- Adapt IT is not involved in any material legal proceedings other than those conducted in the ordinary course of business and/or as disclosed in the Circular.
- Adapt IT is, at the date of this Opinion of the Independent Expert, not engaged in any discussions relating to any acquisitions or transactions that will have a significant impact on the value of Adapt IT (other than the Huge Offer, as referred to in the Huge Circular and the Response Circular).
- Adapt IT has no material outstanding disputes with the South African Revenue Service.
- There are no undisclosed contingencies that could affect the value of Adapt IT.
- Global financial markets are still currently facing some uncertainty as a result of the ongoing COVID-19 pandemic, with its continued impact remaining uncertain at this stage. We have assumed economic, regulatory and market conditions remain stable over the forecast period after factoring in the impact of COVID-19, as far as practically possible. There is, however, uncertainty, which could persist for some time, as to the full impact of COVID-19 on Adapt IT and, as a result, our work may not have identified or reliably quantified the impact of all such uncertainties.
- Representations made by the Independent Board, Adapt IT management and their advisors during the course of forming this Opinion of the Independent Expert.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our Opinion by:

- placing reliance on audit reports in the financial statements of Adapt IT;
- conducting analytical reviews on the historical financial results and the forecast financial information, such as key ratio and trend analyses, where applicable; and
- determining the extent to which representations from Adapt IT management were confirmed by documentary and audited financial evidence, as well as our understanding of Adapt IT and the economic environment in which it operates.

Valuation results

In undertaking the valuation exercise of Adapt IT above, we determined a valuation range of the Adapt IT Shares of R7.00 to R9.09 per share, with a likely value of R8.05.

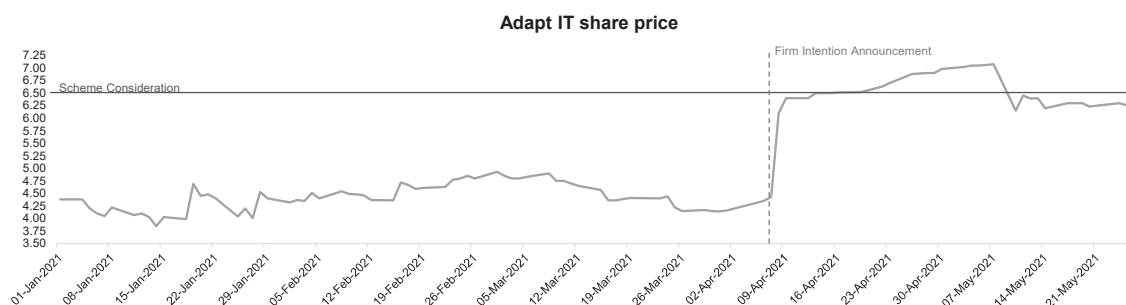
The Scheme Consideration falls below our calculated valuation range of Adapt IT Shares.

The valuation above is provided solely in respect of this Fair and Reasonable Opinion and should not be used for any other purposes.

Qualitative considerations

In arriving at our Opinion, we have also considered the following key qualitative considerations in evaluating the reasonableness of the Volaris Offer:

- The rationale for the Volaris Offer, as set out in the Circular.
- The opinion of the Independent Board, as set out in the Circular.
- The trading liquidity of the Adapt IT Shares.
- The historic trading price of the Adapt IT Shares.
 - In evaluating the reasonableness of the Volaris Offer to arrive at our Opinion, we have considered that the Scheme Consideration is at a premium to the traded price of the Adapt IT Shares as well as the 30-, 60-, and 90-day VWAP immediately prior to the Firm Intention Announcement.
- The Scheme Consideration exceeds the 52 week high share price prior to 7 April 2021.
- The Volaris Offer exceeds the implied value of the unsolicited general offer made by the Huge Group, as detailed in the Huge Circular.
- Adapt IT Shareholders selecting the Exit Election are given the opportunity to exit a small market capitalisation at a significant premium for cash.
- Adapt IT Shareholders selecting the Continuation Election are given the opportunity to maintain exposure to Adapt IT, albeit potentially in an unlisted entity.
- Adapt IT Shareholders selecting the Continuation Election may be invested in an unlisted entity which brings an element of uncertainty in regard to future liquidity.
- If none of the offers to Adapt IT Shareholders are implemented, the Adapt IT share price may retract back to levels prior to any of the offers and it may take time for the Adapt IT share price to reach such levels again, considering the small market capitalisation of Adapt IT.
- Adapt IT management is supportive of the Volaris Offer.
- Adapt IT Shareholders, collectively holding ~47% of the Adapt IT Shares, have furnished irrevocable undertakings supporting the Scheme.
- The Adapt IT Share price has increased significantly since the announcement of the Huge Offer and Volaris Offer and has, for a period, traded above the value of the Volaris Offer, reaching an intraday high of R7.08 on 7 May 2021, as depicted in the graph below:



Opinion

Nodus has considered the terms and conditions of the Volaris Offer and, based on and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Volaris Offer based on quantitative considerations, are unfair to the Adapt IT Shareholders.

Based on qualitative factors, we are of the opinion that the terms and conditions of the Volaris Offer are reasonable from the perspective of the Adapt IT Shareholders.

Our Opinion is necessarily based upon the information available to us up to 26 May 2021, including in respect of the financial information as well as other conditions and circumstances existing and disclosed to us.

Independence, competence and fees

We confirm that we have no direct or indirect interest in Adapt IT nor do we have any relationship with Adapt IT or any person related to Adapt IT such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary competence and experience to provide the Independent Expert Report.

Furthermore, we confirm that our professional fee of R300 000 (excluding VAT) is not contingent upon the success of the Volaris Offer.

Consent

We consent to the inclusion of this letter and the reference to our Opinion in the Circular to be issued to the Shareholders of Adapt IT in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

Johan le Roux CA(SA)

Director: Nodus Capital TS Proprietary Limited
Building 2
Commerce Square Office Park
39 Rivonia Road
Sandhurst
2196

AUDITED HISTORICAL FINANCIAL INFORMATION OF ADAPT IT FOR THE FINANCIAL YEARS ENDED 30 JUNE 2018, 30 JUNE 2019 AND 30 JUNE 2020 AND UNAUDITED INTERIM RESULTS FOR SIX MONTH PERIOD ENDED 31 DECEMBER 2020

AUDITED RESULTS FOR THE THREE FINANCIAL YEARS ENDED 30 JUNE 2020 AND UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The full set of audited annual financial statements for the three financial years ended 30 June 2020 and the six months ended 31 December 2020 are available on the Company's website at <https://www.adaptit.com/investor-reports-new> and at its registered address.

The preparation of the interim results for the six-month period ended 30 December 2020 is the responsibility of the Adapt IT Directors.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at

Figures in Rand	1H2021	2020	2019	2018
ASSETS				
Non-current assets	1 282 764 000	1 338 521 178	1 180 766 704	995 138 890
Property and equipment	102 273 000	108 422 774	122 968 584	109 829 565
Intangible assets	215 740 000	246 896 147	296 666 349	219 762 342
Right-of-use assets	226 364 000	239 839 938	–	–
Goodwill	699 599 000	705 099 424	704 183 385	598 251 511
Finance lease receivables	23 362 000	22 993 060	20 200 070	23 666 262
Loans receivable	250 000	500 000	6 000 000	15 288 798
Deferred taxation asset	15 176 000	14 769 835	30 748 316	28 340 412
Current assets	488 572 000	589 796 586	456 425 060	376 031 870
Inventories	23 625 000	31 685 937	26 417 695	21 994 177
Trade and other receivables	235 139 000	285 280 103	311 535 257	248 563 134
Contract assets	27 826 000	37 259 177	24 224 014	–
Current tax receivable	49 917 000	40 566 298	22 538 189	3 813 541
Finance lease receivables	9 939 000	9 900 352	12 804 422	10 986 946
Loans receivable	492 000	541 667	500 000	4 096 044
Cash and cash equivalents	141 634 000	184 563 052	58 405 483	86 578 028
Non-current assets classified as held for sale	9 500 000	9 500 000	7 826 087	15 561 988
Total assets	1 780 836 000	1 937 817 764	1 645 017 851	1 386 732 748

Figures in Rand	1H2021	2020	2019	2018
EQUITY AND LIABILITIES				
Equity				
Stated capital	248 138 000	248 138 154	–	–
Share capital	–	–	15 251	16 054
Share premium	–	–	248 123 665	340 277 986
Treasury shares	(1 000)	(763)	(1 525)	(819)
Equity compensation reserve	–	17 988 406	17 988 406	19 221 006
Business combination reserves	(15 664 000)	(15 664 396)	(15 664 396)	(15 664 396)
Foreign currency translation reserve	14 250 000	24 426 545	3 089 150	5 019 439
Retained earnings	517 239 000	471 712 936	424 356 290	380 639 756
Attributable to equity holders of the parent	763 962 000	746 600 882	677 906 841	745 173 422
Non-controlling interests	(172 000)	(106 532)	(221 126)	2 283 174
Total equity	763 790 000	746 494 350	677 685 715	747 456 596
Non-current liabilities				
Interest-bearing borrowings	430 640 000	486 932 556	2 986 854	200 794 458
Financial liabilities	5 741 000	6 279 638	40 749 830	33 479 340
Lease liabilities	263 409 000	276 207 597	877 849	1 670 033
Deferred taxation liability	32 054 000	36 619 632	60 613 697	50 836 572
Current liabilities	285 202 000	385 283 991	862 103 906	352 495 749
Trade and other payables	120 299 000	141 570 638	170 537 886	148 517 520
Contract liabilities	63 480 000	131 518 788	107 743 673	–
Deferred income	–	–	–	95 669 242
Leave pay and provisions	37 972 000	23 433 873	59 763 217	51 841 262
Current tax payable	3 127 000	10 656 094	8 069 869	2 519 351
Current portion of interest-bearing borrowings	34 131 000	34 145 448	498 005 325	13 680 725
Current portion of financial liabilities	–	18 469 219	16 866 530	38 951 795
Current portion of lease liabilities	26 193 000	25 489 931	1 117 406	1 315 854
Total liabilities	1 017 046 000	1 191 323 414	967 332 136	639 276 152
Total equity and liabilities	1 780 836 000	1 937 817 764	1 645 017 851	1 386 732 748

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended

Figures in Rand	1H2021	2020	2019	2018
Revenue	707 394 000	1 483 346 995	1 438 138 457	1 332 848 801
Cost of sales	(321 117 000)	(661 285 411)	(645 556 263)	(527 789 474)
Gross profit	386 277 000	822 061 584	792 582 194	805 059 327
Administrative, selling and other costs	(299 381 000)	(601 497 016)	(622 900 117)	(623 465 647)
Other income	–	–	–	26 350 922
Impairment loss on trade receivables, contract assets and finance lease receivables	(7 068 000)	(1 243 380)	(6 306 183)	–
Impairment of non-current assets	–	(22 134 216)	–	–
Profit from operations	79 828 000	197 186 972	163 375 894	207 944 602
Finance income	435 000	2 332 399	3 033 728	5 492 972
Finance costs	(33 996 000)	(84 698 847)	(42 830 348)	(28 559 603)
Profit before taxation	46 267 000	114 820 524	123 579 274	184 877 971
Income tax expense	(18 794 000)	(44 028 610)	(48 549 339)	(62 728 482)
Profit for the year	27 473 000	70 791 914	75 029 935	122 149 489
Attributable to:				
Equity holders of the parent	27 538 000	70 652 503	73 975 543	114 557 933
Non-controlling interests	(65 000)	139 411	1 054 392	7 591 556
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit and loss	(10 177 000)	21 337 395	(1 930 289)	2 248 472
Exchange gain/(loss) arising from translation of foreign operations	(10 177 000)	21 337 395	(1 930 289)	2 248 472
Items that will not be reclassified to profit and loss	–	–	–	(2 750 454)
Devaluation of land and building	–	–	–	(3 544 400)
Income tax effect	–	–	–	793 946
Total comprehensive income	17 296 000	92 129 309	73 099 646	121 647 507

CONSOLIDATED STATEMENT OF CASH FLOWS
for the period ended

Figures in Rand	1H2021	2020	2019	2018
OPERATING ACTIVITIES				
Operating cash flow	130 651 000	305 383 086	232 199 817	232 779 858
Working capital (outflow)/inflow	(6 822 000)	(31 021 826)	(53 512 179)	27 215 337
Cash generated from operations	123 829 000	274 361 260	178 687 638	259 995 195
Finance income	435 000	2 332 399	3 033 728	3 957 779
Finance costs	(33 011 000)	(79 980 139)	(41 669 024)	(24 689 771)
Dividends paid	–	–	(28 906 428)	(34 970 537)
Tax paid	(40 247 000)	(55 582 586)	(68 838 320)	(68 951 177)
Net cash flow from operating activities	51 006 000	141 130 934	42 307 594	135 341 489
INVESTING ACTIVITIES				
Property and equipment acquired	(5 150 000)	(10 405 108)	(35 021 299)	(90 683 597)
Intangible assets acquired and developed	(3 342 000)	(6 203 946)	(51 909 396)	(9 033 738)
Proceeds on disposal of property and equipment	37 000	1 744 805	290 851	2 065 746
Proceeds from loans receivable	300 000	5 458 333	17 723 077	5 752 936
Settlement of contingent purchase considerations	(13 619 000)	(13 299 800)	(33 635 484)	(12 684 552)
Net cash outflow on acquisition of Subsidiaries	–	–	(130 641 237)	(108 554 069)
Loan advanced	–	–	(5 000 000)	–
Proceeds from disposal of subsidiary	–	–	–	42 027 110
Net cash utilised in investment activities	(21 774 000)	(22 705 716)	(238 193 488)	(171 110 164)
FINANCING ACTIVITIES				
Proceeds from borrowings	–	150 604 747	797 936 803	323 000 000
Repayment of borrowings	(57 023 000)	(131 697 578)	(507 541 488)	(242 822 697)
Payment of lease liabilities	(12 092 000)	(18 449 880)	(1 313 276)	285 291
Transaction costs relating to borrowings	–	–	(6 290 974)	–
Settlement of acquired contingent purchase consideration relating to subsequent fair value changes	1 944 000	1 225 607	(2 388 608)	(8 419 663)
Treasury shares purchased	–	–	(95 765 877)	(72 666 348)
Net cash outflow on acquisition of non-controlling interest	–	–	(16 125 633)	–
Issue of shares for cash	–	–	–	30 851 603
Repayment of vendor loans	–	–	–	(6 723 864)
Net cash flow from financing activities	(67 171 000)	1 682 896	168 510 947	23 504 322
Net increase/(decrease) in cash resources	(37 939 000)	120 108 114	(27 374 947)	(12 264 353)
Exchange gain/(loss) on translation	(4 990 000)	6 049 455	(797 598)	793 671
Cash and cash equivalents at beginning of year	184 563 000	58 405 483	86 578 028	98 048 710
Cash and cash equivalents at end of year	141 634 000	184 563 052	58 405 483	86 578 028

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited and the requirements of the Companies Act. The financial statements have been prepared under the historical cost method, except for certain financial instruments and properties at fair value.

These accounting policies have been consistently applied to all the years presented, except for the Standards and Interpretations which became effective during the current financial year which are disclosed in the Integrated Annual Report.

The financial information is presented in the financial statements for the parent company Adapt IT Holdings Limited, together with its subsidiaries.

2. Basis of consolidation

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control and continue to be consolidated until the date when such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated.

None of the investments in subsidiaries are listed. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where considered necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies in line with those of the group.

Any subsequent changes to the group's ownership interests in subsidiaries are accounted for as equity transactions and are accumulated in the business combination reserve.

3. Business combinations

Acquisitions of subsidiaries (entities acquired) and businesses (assets and liabilities acquired) are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net fair value of the identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Non-controlling interests at acquisition date are determined as the non-controlling shareholders' proportionate share of the fair value of the net assets of the subsidiary acquired. Acquisition-related costs are recognised in profit or loss as incurred.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Contingent consideration in a business combination is included in the cost of a business combination at fair value on the date of acquisition. The classification of the arrangement into debt or equity will dictate the subsequent accounting. If the arrangement is classified as debt the amount will have to be remeasured at each reporting period with changes being recognised in profit or loss. Changes in the fair value of a contingent consideration that has been classified as equity are not recognised and settlement is accounted for within equity.

When the accounting for a business combination can only be determined provisionally at the date of reporting, provisional values are used. These provisional values are adjusted once the initial accounting has been completed, which must be within 12 months of the date of acquisition, by retrospectively adjusting the fair values of the net assets acquired and goodwill.

4. Foreign currency transactions

The group's consolidated financial statements are presented in South African Rands, which is also the parent company's functional currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The assets and liabilities of foreign operations are translated into South African Rands at the rate of exchange prevailing at the reporting date and their statements of profit or loss and other comprehensive income are translated at the weighted average exchange rate for the year. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated in equity in the foreign currency translation reserve.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within other costs.

On disposal of a foreign operation, the cumulative amount in the foreign currency translation reserve relating to that particular foreign operation is reclassified to profit or loss.

5. Financial instruments

Financial instruments are initially recognised when the group becomes a party to the contractual terms of the instrument.

Financial assets

Financial assets are presented as non-current assets, except for those with maturities within 12 months from the statement of financial position date, which are classified as current assets. The group classifies its financial assets into the category discussed below:

Amortised cost

These assets arise principally from the provision of goods and services to customers, but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The group calculates its allowance for credit losses based on expected credit losses (ECLs). To calculate ECLs, the group segments financial assets by customer type i.e. corporate, parastatal/government and SME.

Impairment provisions for trade receivables and contract assets are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables and contract assets. Trade receivables are written off against the associated provision where there is no realistic prospect of future recovery and all methods of collections including legal interventions have been exhausted.

The group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. Refer to 2020 Integrated Annual report, note 32.1 credit risk for management's processes for assessing such default. The inputs used in the calculation of the ECLs are based on various relevant published indices.

The group has elected the general approach for measuring the loss allowance for finance lease receivables due to there being a significant financing component on these financial assets. Stage 1 includes finance lease receivables that have not had a significant increase in credit risk. All finance lease receivables which are current and until 30 days past due date of contractual terms are included in stage 1. Stage 2 includes finance lease receivables that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment risk since initial recognition or that have low credit risk at the reporting date. Stage 2 includes the finance lease receivables which are 31 days to 89 days past due date. The group considers finance lease receivables in default when contractual payments are 90 days past due.

The group's financial assets measured at amortised cost comprise trade and other receivables, contract assets, finance lease receivables, loan receivables and cash and cash equivalents in the consolidated statement of financial position.

In the company, related party loans include loans between the parent and a subsidiary (i.e. intragroup loans). The following types of arrangements exist within the company:

- Loans advanced on an interest rate that is considered arm's length and repayable on a specified date (term loan); and
- Loans advanced on an interest-free basis that are payable on demand.

These loans are within the scope of IFRS 9. All related party loans are held with the objective of collecting their contractual cash flow under a 'hold to collect' business model and consequently classified at amortised cost. Intercompany positions eliminate in the consolidated financial statements.

Simplifications from IFRS 9's general 3 stage impairment model are available for trade receivables, contract assets or lease receivables, but these do not apply to intercompany loans. The general model was therefore applied to calculate the expected credit loss on related party loans within the company.

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Judgements and estimates

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation. The group considers all reasonable and supportable information available to management at year end. Such information may be evaluated on an individual basis, a portfolio basis or a portion of a portfolio in determining the requisite expected credit loss. Management has adopted a multifactor and holistic analysis which considers both qualitative and quantitative information as criteria for the recognition of lifetime ECLs.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or fair value through profit or loss depending on the nature of the instrument.

Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

6. Intangible assets

Customer relationships

The cost of customer relationships acquired in a business combination is its fair value at the date of the acquisition. Following initial recognition, the value of customer relationships is carried at cost less any accumulated amortisation and any accumulated impairment losses. The amortisation of customer relationships is recognised in profit or loss in the period to which it relates.

Inhouse developed software

Research costs are expensed as and when incurred.

Development costs that relate to an identifiable product or process that is demonstrated to be technically and commercially feasible which the group has sufficient resources and the intention to complete and bring to market and which is expected to result in future economic benefits, are recognised as assets.

The expenditure capitalised, provided the costs are measurable, includes the cost of material, direct labour and an appropriate portion of overheads. Capitalised development expenditure is shown as cost less accumulated amortisation and impairment losses.

The amount of capitalised development cost recognised as an asset is amortised over the estimated useful life of the asset.

Acquired and computer software

All acquired and computer software acquired separately is measured on initial recognition at cost. The cost of software acquired in a business combination is its fair value at the date of the acquisition. Following initial recognition, software is carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful life of software is assessed as finite and is reassessed, with the amortisation method, at least at each financial period end.

The amortisation of software is recognised in profit or loss in the period to which it relates.

Trademarks

Trademarks are recognised at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised in profit or loss and commences when the trademarks are available for use.

Licenses acquired

Licenses acquired are measured on initial recognition at cost. Following initial recognition, licenses acquired are carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised in profit or loss and is included in cost of sales.

Impairment

The group applies IAS 36 to determine whether an intangible asset is impaired and accounts for any identified impairment loss immediately in profit or loss. Impairment testing is performed by comparing the recoverable amount of the asset to the carrying value of the asset. The recoverable amount is the greater of the value in use and fair value less costs to sell.

Judgements and estimates

The group amortises its finite useful life intangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, maintenance programmes and relevant market information.

7. Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease and are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs and lease payments made at or before the commencement date, less any lease incentives received.

Depreciation

Right-of-use assets are depreciated on a straight-line basis from commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Impairment

The group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss immediately in profit or loss. Impairment testing is performed by comparing the recoverable amount of the asset to the carrying value of the asset. The recoverable amount is the greater of the value in use and fair value less costs to sell.

Judgements and estimates

Determination of the right-of-use asset involves judgement on and estimate of key inputs being interest rates and the duration of the lease contract including take up of lease options.

8. Goodwill

Goodwill arises on the acquisition of subsidiaries and is recognised as an asset on the date that control is acquired, being the acquisition date. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net fair value of the identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Impairment

Goodwill is not amortised but is tested for impairment at least once a year. Any impairment loss is recognised immediately in profit or loss. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Impairment testing is performed by comparing the recoverable amount of the cash generating unit to the carrying value of the unit, including allocated goodwill. The recoverable amount is the greater of the value in use and fair value less costs to sell.

Derecognition

Where goodwill forms part of a cash generating unit and part of the operation within which that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Significant judgements and estimates

The group's impairment test for goodwill is based on value in use calculations that use a discounted cash flow model. Future cash flows are derived from the budget for a period of five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset base of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The discount rates used in the discounted cash flow models are calculated using the principles of the Capital Asset Pricing Model, taking into account current market conditions. Management judgement is applied in estimating the future cash inflows of the cash generating units when preparing detailed budgets. These estimates are set in relation to historic figures and current projects and opportunities that each unit is currently delivering or pursuing.

9. Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value and net of directly attributable transaction costs. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest rate method. The effective interest rate amortisation is included as finance costs in the statement of profit or loss.

Fees paid on the establishment of selected loan facilities are capitalised as a prepayment against the loan and amortised over the period of the facility to which they relate.

The group presents current and non-current borrowings separately on the face of the statement of financial position. A liability is classified as current unless the group has an unconditional right to defer settlement of the liability for at least 12 months after year end.

10. Lease liabilities

The group assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (value of under R75 000 such as IT equipment and printers). For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate. The incremental borrowing rate applied to leases during the year varied between 6,17% and 10,26%.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. Lease payments are apportioned between the finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

When the group modifies the terms of a lease or reassesses the estimates without increasing the scope of the lease, that results in changes to future payments, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the applicable rate at the date of reassessment or modification. An equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term.

When the group modifies the terms of a lease resulting in an increase in scope, the group accounts for these modifications as a separate new lease.

Judgements and estimates

Determination of the lease liability involves judgement on and estimate of key inputs being interest rates as described above and the duration of the lease contract including take up of extension options. Lease contracts are typically entered for fixed periods but may contain extension options. These may be exercised to maximise operational profitability in terms of managing the assets used in the group's operations. For options held that are exercisable only by the group and not by the respective lessor, the leases were individually assessed for management's intention of extending the lease on an individual basis and the extension period was included in determining the lease liability where management was reasonably certain that the extension period would be exercised.

11. Contract liabilities

A contract liability is recognised if a payment is received from a customer before the group transfers the related goods or services. Contract liabilities are recognised as revenue when the group performs under the contract (i.e. transfers control of the related goods or services to the customer). There is no significant financing component in contract liabilities.

FOREIGN ADAPT IT SHAREHOLDERS AND EXCHANGE CONTROL REGULATIONS

1. FOREIGN ADAPT IT SHAREHOLDERS

- 1.1 The Scheme and/or the Standby Offer may be affected by the Laws of the relevant jurisdiction of a Foreign Adapt IT Shareholder. A Foreign Adapt IT Shareholder should acquaint itself with and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect it. It is the responsibility of each Foreign Adapt IT Shareholder to satisfy itself as to the full observance of the Laws and regulatory requirements of the relevant jurisdiction in connection with the Scheme and/or the Standby Offer, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any taxes or other requisite payments due in such jurisdiction.
- 1.2 The Scheme and, if applicable, the Standby Offer are governed by the Laws of South Africa and are subject to any applicable Laws and regulations, including the Exchange Control Regulations.
- 1.3 Any Adapt IT Shareholder who is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

2. EXCHANGE CONTROL REGULATIONS

- 2.1 The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which may apply to Scheme Participants or Standby Offer Participants (collectively referred to as “**Offer Participants**”), nor advice in relation thereto. Offer Participants who have any queries regarding the Exchange Control Regulations should contact their own independent professional advisors without delay.
- 2.2 The Exchange Control Regulations provide for restrictions on the exportation of capital from the Common Monetary Area. The Common Monetary Area consists of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini. Transactions between residents of the countries comprising the Common Monetary Area and foreigners are subject to Exchange Control Regulations provisions, which are administered by the South African Reserve Bank (“**SARB**”).
- 2.3 Various reforms have been made to the Exchange Control Regulations with a view to relax the rules pertaining to foreign investments. A considerable degree of flexibility is built into the system and the SARB has substantial discretionary powers in approving or rejecting a specific application that has been submitted through an authorised dealer in foreign exchange appointed by the SARB (“**Authorised Dealer**”). The relaxations of the provisions of the Exchange Control Regulations are contained in the Currency and Exchanges Manual for Authorised Dealers (“**AD Manual**”). As provided for in the Exchange Control Regulations, the SARB has also delegated to Authorised Dealers the power to approve certain transactions, without the SARB’s prior approval. The transactions that may be approved by Authorised Dealers without the SARB’s prior approval are contained in the AD Manual, which is updated from time to time through the release of circulars by the SARB.
- 2.4 It was announced in the South African 2020 Budget that the Exchange Control Regulations would be replaced with a new capital flow management framework and regulations, which would be implemented within a period of 12 months from the announcement. It was subsequently announced in the South African 2021 Budget on 24 February 2021, that in 2021, National Treasury and the SARB will continue to develop the legislative framework for the new capital flow management system announced in the South African 2020 Budget. The capital flow management framework will continue to be implemented during 2021. The SARB will issue a new set of “Capital Flows Management Regulations” in terms of the Currency and Exchanges Act, No. 9 of 1933. This framework is being developed with the Financial Intelligence Centre and SARS. However, insofar as the various transactions are concluded before the Exchange Control Regulations are replaced, the Exchange Control Regulations will still apply.

- 2.5 It was further stated that the concept of “emigration” as recognised by the SARB would be phased out with effect from 1 March 2021 and be replaced by a verification process. Exchange Control Circular 6/2021 dated 26 February 2021 sets out the changes in relation to emigrants and changes to the AD Manual with effect from 1 March 2021.
- 2.6 Up until 28 February 2021, the Exchange Control Regulations read with the AD Manual distinguished between residents, non-residents and emigrants. As of 1 March 2021, under the new framework, natural person residents and natural person emigrants are treated identically. To ensure a smooth transition from the old framework to the new framework, natural persons who applied to be emigrants under the old framework, by obtaining a MP336(b) form that was attested by an Authorised Dealer before 28 February 2021, will be dealt with in terms of the exchange control procedures relating emigration for exchange control purposes prior to 1 March 2021 provided their emigration applications are approved before 28 February 2022. For the purposes of the Exchange Control Regulations:
- 2.6.1 a resident means any person, being a natural person or a legal entity, who has taken up permanent residence, is domiciled or registered in South Africa;
- 2.6.2 a non-resident is a person, being a natural person or a legal entity, whose normal place of residence, domicile or registration is outside the Common Monetary Area; and
- 2.6.3 an emigrant means a South African resident who has left South Africa to take up permanent residence or has been granted permanent residence in any country outside of the Common Monetary Area. For purposes of the Exchange Control Regulations read with the Currency and Exchanges Manual for Authorised Dealers, a South African resident will only be regarded as an emigrant if he placed his emigration on record with an Authorised Dealer under the exchange control policy which applied up to 28 February 2021.
- 2.7 Offer Participants who are uncertain as to whether they are residents or non-residents or South African non-tax residents (emigrants) for purposes of the Exchange Control Regulations read with the AD Manual, are advised to approach their relevant Authorised Dealer to request confirmation.
- 2.8 **Residents of the Common Monetary Area (and emigrants from the Common Monetary Area under the previous framework)**
- 2.8.1 From 1 March 2021, natural person emigrants and natural person residents of the Common Monetary Area are treated identically, save in the context of securities control as indicated below.
- 2.8.2 The Scheme Consideration or, if applicable, the Standby Offer Consideration (“**Offer Consideration**”) is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations read with the AD Manual.
- 2.8.3 The distinction between South African assets and non-resident assets remains extant.
- 2.8.4 In the context of the exchange control rules regarding securities control, the SARB has indicated in Exchange Control Circular 6/2021 that the rules applicable to natural person emigrants will temporarily apply until discussions with the relevant stakeholders have been finalised. As such, a distinction must still be drawn between residents and emigrants for the time being and the following applies in respect of emigrants who formally emigrated on or before 28 February 2021:
- 2.8.4.1 The Offer Consideration is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations.
- 2.8.4.2 Offer Participants who are Certificated Adapt IT Shareholders and whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Offer Consideration will be paid by way of electronic funds transfer to such Offer Participant in accordance with paragraph 4.5 of the Circular, or paragraph 11 of **Annexure 1** to the Circular, as applicable; or
- 2.8.4.3 Offer Participants who are Dematerialised Adapt IT Shareholders and whose registered address in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, the Offer Consideration will be credited directly to the accounts nominated for

the relevant Dematerialised Adapt IT Shareholders by their duly appointed CSDP or Broker in terms of the provisions of the custody agreement with their CSDP or Broker.

- 2.8.4.4 The Offer Consideration due to an Offer Participant who is an emigrant from South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title are held in certificated form and have been restrictively endorsed under the Exchange Control Regulations will be forwarded to the Authorised Dealer to whose order the Offer Participant's Shares have been held, since the formalisation of the Offer Participant's emigration, against delivery of the relevant Documents of Title.
- 2.8.4.5 In the case of Offer Participants who are emigrants and who are Certificated Adapt IT Shareholders and whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be paid to the authorised dealer in foreign exchange in South Africa controlling such Certificated Adapt IT Shareholder's remaining assets in terms of the Exchange Control Regulations. The attached Form of Surrender, Transfer and Acceptance (*green*) makes provision for details of the authorised dealer concerned to be given.
- 2.8.4.6 In the case of Offer Participants who are emigrants and who are Dematerialised Adapt IT Shareholders and whose registered addresses are within the Common Monetary Area and have been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or Broker, which shall arrange for same to be credited directly to the emigrant's capital account of the Dematerialised Adapt IT Shareholder concerned with their authorised dealer in foreign exchange in South Africa.

2.9 All other non-residents of the Common Monetary Area

The Offer Consideration accruing to non-resident Offer Participants (and Emigrants who acquired Adapt IT Shares with funds from outside the Common Monetary Area) whose registered address is outside the Common Monetary Area and who are not Emigrants from the Common Monetary Area whose Adapt IT Shares are part of their remaining assets will:

- 2.9.1 in the case of Offer Participants who are Certificated Adapt IT Shareholders and whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be paid by way of electronic funds transfer in accordance with paragraph 4.5 of the Circular, or paragraph 11 of **Annexure 1** to the Circular, as applicable. The attached Form of Surrender, Transfer and Acceptance (*green*) makes provision for substitute bank details; or
- 2.9.2 in the case of Offer Participants who are Dematerialised Adapt IT Shareholders, be paid to their duly appointed CSDP or Broker and credited to such Dematerialised Adapt IT Shareholders in terms of the provisions of the custody agreement with their CSDP or Broker.

2.10 Information not provided

If the information regarding the authorised dealer is not given, or the instruction are not given and no bank account for the Offer Participant in question appears in the Register, the Offer Consideration will be held in trust by Adapt IT (or its agent) on the same basis provided for in paragraph 4.5 of the Circular, or paragraph 11 of **Annexure 1** to the Circular, as applicable.

EXTRACT OF SECTION 115 AND SECTION 164 OF THE COMPANIES ACT

“Section 115: Required approval for transactions contemplated in Part A

- (1) *Despite section 65, and any provision of a company’s Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless—*
- (a) *the disposal, amalgamation or merger, or scheme of arrangement—*
 - (i) *has been approved in terms of this section; or*
 - (ii) *is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and*
 - (b) *to the extent that Parts B and C of this Chapter and the Takeover Regulations, apply to a company that proposes to—*
 - (i) *dispose of all or the greater part of its assets or undertaking;*
 - (ii) *amalgamate or merge with another company; or*
 - (iii) *implement a scheme of arrangement,**the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).*
- (2) *A proposed transaction contemplated in subsection (1) must be approved —*
- (a) *by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company’s Memorandum of Incorporation, as contemplated in section 64(2); and*
 - (b) *by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company’s holding company if any, if—*
 - (i) *the holding company is a company or an external company;*
 - (ii) *the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and*
 - (iii) *having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and*
 - (c) *by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).*
- (3) *Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if—*
- (a) *the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or*
 - (b) *the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).*

- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights—
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), 'act in concert' has the meaning set out in section 117(1)(b).
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either—
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant—
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if—
- (a) the resolution is manifestly unfair to any class of holders of the company's securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person—
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect—
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

Section 164: Dissenting shareholders appraisal rights

- (1) *This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.*
- (2) *If a company has given notice to shareholders of a meeting to consider adopting a resolution to—*
 - (a) *amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or*
 - (b) *enter into a transaction contemplated in section 112, 113, or 114,*
that notice must include a statement informing shareholders of their rights under this section.
- (3) *At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.*
- (4) *Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who—*
 - (a) *gave the company a written notice of objection in terms of subsection (3); and*
 - (b) *has neither—*
 - (i) *withdrawn that notice; or*
 - (ii) *voted in support of the resolution.*
- (5) *A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if—*
 - (a) *the shareholder—*
 - (i) *sent the company a notice of objection, subject to subsection (6); and*
 - (ii) *in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;*
 - (b) *the company has adopted the resolution contemplated in subsection (2); and*
 - (c) *the shareholder—*
 - (i) *voted against that resolution; and*
 - (ii) *has complied with all of the procedural requirements of this section.*
- (6) *The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.*
- (7) *A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within—*
 - (a) *20 business days after receiving a notice under subsection (4); or*
 - (b) *if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.*
- (8) *A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state—*
 - (a) *the shareholder's name and address;*
 - (b) *the number and class of shares in respect of which the shareholder seeks payment; and*
 - (c) *a demand for payment of the fair value of those shares.*

- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless—
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of—
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11)—
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12)—
- (a) the shareholder must either in the case of—
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and—
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has—
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14)—
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court—
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

- (iii) *in its discretion may—*
 - (aa) *appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or*
 - (bb) *allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;*
 - (iv) *may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and*
 - (v) *must make an order requiring—*
 - (aa) *the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and*
 - (bb) *the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.*
- (15A) *At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case—*
- (a) *that shareholder must comply with the requirements of subsection 13(a); and*
 - (b) *the company must comply with the requirements of subsection 13(b).*
- (16) *The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.*
- (17) *If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months—*
- (a) *the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and*
 - (b) *the court may make an order that—*
 - (i) *is just and equitable, having regard to the financial circumstances of the company; and*
 - (ii) *ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.*
- (18) *If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.*
- (19) *For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to—*
- (a) *the provisions of that section; or*
 - (b) *the application by the company of the solvency and liquidity test set out in section 4.*
- (20) *Except to the extent—*
- (a) *expressly provided in this section; or*
 - (b) *that the Panel rules otherwise in a particular case,*
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.*

IRREVOCABLE UNDERTAKINGS BY ADAPT IT SHAREHOLDERS AND MAJOR SHAREHOLDERS

Irrevocable Undertakings

As at the Last Practicable Date, the following Adapt IT Shareholders collectively holding 65 479 710 Adapt IT Shares representing 47.70% of the Adapt IT Shares in issue (excluding the Excluded Shares), provided irrevocable undertakings to vote in favour of the Resolutions in respect of their Adapt IT Shares held on the Scheme Voting Record Date:

Adapt IT Shareholder	Number of Adapt IT Shares held as at the Last Practical Date	Adapt IT Shares held as a % of all the issued Adapt IT Shares (excluding the Excluded Shares)
Blacksheep Master Fund Limited	17 870 104	13.02%
Sibusiso Shabalala	14 316 646	10.43%
Nedgroup Investment Advisors	7 000 000	5.10%
Sunset Amplified ³	5 088 288	3.71%
Tiffany Dunsdon & the Dunsdon Self-Managed Super Fund	4 500 000	3.28%
Rubistar (Pty) Ltd	3 600 000	2.62%
Kishore Chhotu Gopal	3 517 682	2.56%
In2itive (Pty) Ltd	2 788 676	2.03%
Amplified Holdings LP ³	2 486 796	1.81%
Jeevaruthnam Pillay	1 614 529	1.18%
Narain Naidoo	1 335 653	0.97%
Antonio Vicente	650 000	0.47%
Nombali Mbambo	318 115	0.23%
Scott Bredin	130 000	0.09%
Shirley Breytenbach	104 121	0.08%
Zuretha Steyl	100 000	0.07%
Sylvian Pillay	59 100	0.04%
Total	65 479 710	47.70%

Notes:

1. Adapt IT Shareholders should however note that certain of the above shareholdings may change further prior to the Scheme Voting Record Date or the Standby Offer Opening Date.
2. To the best of the knowledge of Adapt IT and Volaris, none of the Persons set out above hold securities in Volaris.
3. Managed by Ampfield Management, L.P. (on behalf of its clients).

As at the Last Practicable Date, the following Adapt IT Shareholders collectively holding 22 506 557 Adapt IT Shares representing 16.40% of the Adapt IT Shares in issue (excluding the Excluded Shares), provided irrevocable undertakings to elect the Exit Election, and, to the extent applicable, accept the Standby Offer in respect of the below-mentioned Adapt IT Shares.

Adapt IT Shareholder	Number of Adapt IT Shares held as at the Last Practical Date	Adapt IT Shares held as a % of all the issued Adapt IT Shares (excluding the Excluded Shares)
Nedgroup Investment Advisors	7 000 000	5.10
Rubistar (Pty) Ltd	3 600 000	2.62
Kishore Chhotu Gopal	3 517 682	2.56
In2itive (Pty) Ltd	2 788 676	2.03
Amplified Holdings LP	2 486 796	1.81
Jeevaruthnam Pillay	1 614 529	1.18
Narain Naidoo	1 335 653	0.97
Shirley Breytenbach	104 121	0.08%
Sylvian Pillay	59 100	0.04
Total	22 506 557	16.40%

Notes:

1. Adapt IT Shareholders should however note that certain of the above shareholdings may change further prior to the Scheme Voting Record Date or the Standby Offer Opening Date.
2. To the best of the knowledge of Adapt IT and Volaris, none of the Persons set out above hold securities in Volaris.

Major Shareholders

As far as Adapt IT is aware, as at the Last Practicable Date the following persons were beneficially interested, directly or indirectly, in 5% or more of the Shares in issue (excluding treasury shares):

Adapt IT Shareholder	Number of Adapt IT Shares held as at the Last Practical Date	Adapt IT Shares held as a % of all the issued Adapt IT Shares (excluding the Excluded Shares)
Blacksheep Master Fund Limited	17 870 104	13.02%
Sibusiso Shabalala	14 316 646	10.43%
Nedgroup Investment Advisors	7 000 000	5.10%
Sunset Amplified ¹	5 088 288	3.71%
Amplified Holdings LP ¹	2 486 796	1.81%
Total	45 852 926	33.41%

Notes:

1. Managed by Ampfield Management, L.P. (on behalf of its clients)
2. Adapt IT (Pty) Ltd holds 7 625 658 Adapt IT Shares as treasury shares.

DEALINGS BY PROVIDERS OF IRREVOCABLE UNDERTAKINGS

To the best of the knowledge of Adapt IT and Volaris, the providers of Irrevocable Undertakings had no dealings in Adapt IT securities during the six-month period prior to the FIO Agreement Signature Date and the period from the FIO Agreement Signature Date up to the Last Practicable Date, other than as set out below:

Amplified Holdings, L.P. has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
8 April 2021	Purchase	2 486 796	6.00

Sunset Amplified Holdings, L.P. has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
14 April 2021	Purchase	1 000 000	6.45
15 April 2021	Purchase	38 145	6.46
16 April 2021	Purchase	606 843	6.50
19 April 2021	Purchase	102 293	6.50
20 April 2021	Purchase	689 737	6.52
21 April 2021	Purchase	85 000	6.56
22 April 2021	Purchase	125 293	6.58
23 April 2021	Purchase	1 050 000	6.60
4 May 2021	Purchase	70 069	7.00
5 May 2021	Purchase	95 000	7.04
6 May 2021	Purchase	277 000	7.03
7 May 2021	Purchase	40 000	7.04
11 May 2021	Purchase	50 000	6.45
12 May 2021	Purchase	140 000	6.50
18 May 2021	Purchase	171 253	6.31
19 May 2021	Purchase	115 000	6.29
20 May 2021	Purchase	106 036	6.30
21 May 2021	Purchase	5 570	6.26
24 May 2021	Purchase	30 822	6.32
25 May 2021	Purchase	190 043	6.28
26 May 2021	Purchase	100 184	6.30

Narain Naidoo has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
20 March 2021	Sold	13 000	4.41
10 April 2021	Purchase	2 000	6.18
20 April 2021	Purchase	21 500	6.51
29 April 2021	Purchase	5 000	6.91
5 May 2021	Sold	10 000	7.02

In2itive Proprietary Limited has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
29 January 2021	Sale	2 800	4.45
1 February 2021	Sale	222 200	4.45
8 March 2021	Sale	94 000	4.90
9 March 2021	Sale	30 000	4.80
10 March 2021	Sale	60 000	4.70
11 March 2021	Sale	11 827	4.80
15 March 2021	Sale	73 945	4.52
16 March 2021	Sale	118 600	4.50
25 March 2021	Sale	10 000	4.20
26 March 2021	Sale	6 300	4.25
29 March 2021	Sale	15 000	4.20
30 March 2021	Sale	20 000	4.20

Nedgroup Investment Advisors has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
9 November 2020	Sale	15 297	2.95
10 November 2020	Sale	33 385	2.86
11 November 2020	Sale	146 418	2.85
12 November 2020	Sale	14 668	2.85
16 November 2020	Sale	7 721	2.75
17 November 2020	Sale	118 619	2.75
18 November 2020	Sale	49 651	2.62
19 November 2020	Sale	38 899	2.64
20 November 2020	Sale	20 157	2.76
23 November 2020	Sale	54 261	2.72
24 November 2020	Sale	70 684	2.77
25 November 2020	Sale	34 609	2.66
26 November 2020	Sale	47 224	2.67
27 November 2020	Sale	32 914	2.66
30 November 2020	Sale	54 657	2.74
1 December 2020	Sale	30 651	2.67
2 December 2020	Sale	167 524	2.74
3 December 2020	Sale	62 661	2.80

Blacksheep Master Fund Limited has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
8 April 2021	Purchase	1 608 110	6.05
9 April 2021	Purchase	3 122 006	6.26
12 April 2021	Purchase	959 897	6.39
13 April 2021	Purchase	4 187 909	6.44
14 April 2021	Purchase	3 003 485	6.50
15 April 2021	Purchase	2 097 295	6.50
16 April 2021	Purchase	761 251	6.50
20 April 2021	Purchase	155 176	6.54
21 April 2021	Purchase	23 058	6.55
23 April 2021	Purchase	900 807	6.69
4 May 2021	Purchase	157 635	7.03
5 May 2021	Purchase	390 493	7.05
6 May 2021	Purchase	208 565	7.04
7 May 2021	Purchase	294 417	7.05

Rubistar Proprietary Limited has dealt in Adapt IT Shares as indicated below:

Trade Date	Nature of transaction	Number of Adapt IT Shares	Price (Rand)
6 October 2020	Purchase	15 856	1.90
9 October 2020	Purchase	50 000	3.05
12 October 2020	Purchase	916	3.03
14 October 2020	Sale	772	2.95
14 October 2020	Purchase	34 000	2.95
22 October 2020	Purchase	147 800	2.91
23 October 2020	Purchase	2 200	2.95
26 October 2020	Purchase	50 000	2.94
28 October 2020	Purchase	100 000	2.30
4 February 2021	Sale	150	4.70
5 February 2021	Sale	95 859	4.38
11 February 2021	Sale	53 991	4.47
18 February 2021	Sale	1 050	4.65
1 March 2021	Sale	298	4.99
4 March 2021	Sale	3 152	4.97
8 March 2021	Sale	20 000	5.02
30 March 2021	Sale	25 500	4.13
9 April 2021	Sale	200 000	6.18



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")

NOTICE OF GENERAL MEETING OF ADAPT IT SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a general meeting of Adapt IT Shareholders will be held at 12:00 on Wednesday, 30 June 2021. The Board of Adapt IT has decided to proceed with the General Meeting by way of electronic participation only and not by way of a physical meeting. The General Meeting will accordingly be accessible through electronic communication, as permitted by the JSE and in accordance with the provisions of the Companies Act and the Company's MOI. "Attendance" throughout this Notice of General Meeting will be deemed to refer to electronic attendance.

Shareholders will be required to access the meeting platform at <https://web.lumiagm.com>. A unique meeting ID (ID number 195-944-371), username and password will be sent via email or SMS to each Shareholder who has pre-registered and is entitled to participate at the meeting. A shareholders' guide to assist and provide meeting participation guidelines is available on the Company's website: <https://www.adaptit.com/hubfs/investor/Adapt%20IT%202021%20GM%20Guide.pdf> on the 'Investor Relations' page as well as on the SmartAGM portal: www.smartagm.co.za

Purpose

The purpose of the General Meeting of Adapt IT Shareholders is to consider and, if deemed fit, to approve, with or without modification, the special and ordinary resolutions set out in this notice of general meeting.

Note:

- *The definitions and interpretations commencing on page 17 of the Circular to which this notice of general meeting is attached ("**the Circular**"), and the definitions contained in **Annexure 1**, commencing on page 44 of the Circular (i) apply, unless the context clearly indicates otherwise, mutatis mutandis to this notice and to the resolutions set out below, and (ii) are hereby incorporated into this notice by reference thereto.*
- *For Special Resolution Number 1 to be approved by Adapt IT Shareholders, it must be supported by at least 75% of the votes exercised on the resolution by Adapt IT Shareholders. The Excluded Shareholders will be excluded from voting on Special Resolution Number 1. As at the Last Practicable Date, the only Excluded Shareholder is Adapt IT Proprietary Limited.*
- *For each of Special Resolutions Number 2 and 3 to be approved by Adapt IT Shareholders, it must be supported by at least 75% of the votes exercised on the resolution.*
- *For Ordinary Resolutions Number 1 and 2 (to the extent capable of being proposed to the Adapt IT Shareholders at the General Meeting in terms of paragraph 1.15 of the JSE Listings Requirements) to be approved by Adapt IT Shareholders they must, in terms of the JSE Listings Requirements, be supported by more than 50% of the votes exercised on the resolution by Adapt IT Shareholders, excluding any Controlling Shareholder of Adapt IT, its associates and any party acting in concert with it (if any). As at the Last Practicable Date, Adapt IT does not have a Controlling Shareholder.*
- *For Ordinary Resolution Number 3 to be approved by Adapt IT Shareholders, it must be supported by more than 50% of the votes exercised on the resolution.*
- **Quorum requirements:** *The General Meeting may not begin unless i) at least three Adapt IT Shareholders entitled to attend and vote are present or represented at the General Meeting; and ii) sufficient Persons are present or represented at the General Meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting. Further, a matter to be decided at the General Meeting may not begin to be considered unless at the time the matter is called on the agenda (a) at least three Adapt IT*

Shareholders entitled to attend and vote on that matter are present or represented at the General Meeting; and (b) sufficient Persons are present or represented at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter.

- The date on which Adapt IT Shareholders must have been recorded as such in the Register for purposes of being entitled to receive this notice is Friday, 28 May 2021.
- Each of Special Resolution Number 1 and Special Resolution Number 2 will only be implemented if the conditions precedent to the Scheme are fulfilled or, where capable of waiver, waived.
- Ordinary Resolution Number 1 and Ordinary Resolution Number 2 will only be implemented in the circumstances set out therein.
- Special Resolution Number 3 will be implemented regardless of whether the Scheme or the Standby Offer becomes Operative.

SPECIAL RESOLUTION NUMBER 1 – Approval of the Scheme in terms of sections 114 and 115 of the Companies Act by Adapt IT Shareholders

“**RESOLVED THAT**, the scheme of arrangement in terms of section 114 of the Companies Act (as more fully set out in the Circular and as same may be amended or varied as contemplated in the Circular) proposed by the Adapt IT Board between Adapt IT and the holders of Adapt IT Shares (other than the holders of the Excluded Shares) in terms of which, *inter alia* if such scheme of arrangement becomes Operative:

- Volaris will acquire, on the terms and subject to the conditions set out in the Circular (as same may be amended or varied as contemplated in the Circular), all the Exit Election Shares; and
- each Scheme Participant who makes or is deemed to have made the Exit Election will be paid the Scheme Consideration in respect of its Exit Election Shares,

be and is hereby approved as a special resolution in terms of section 115(2)(a) of the Companies Act.”

Reason for and effect of Special Resolution Number 1

The reason for and the effect of Special Resolution Number 1 is to obtain Adapt IT Shareholder approval, as required in terms of section 114 read with section 115 of the Companies Act, for the Scheme proposed by the Adapt IT Board between Adapt IT and the Scheme Participants. Adapt IT Shareholders are referred to the content of the Circular for more information relating to the reason for and effect of Special Resolution Number 1.

SPECIAL RESOLUTION NUMBER 2 – Revocation of Special Resolution Number 1

“**RESOLVED THAT**, in terms of section 164(9) of the Companies Act, if Special Resolution Number 1 is adopted, but thereafter any Scheme Condition fails or the Scheme otherwise lapses or fails, then Special Resolution Number 1 will be deemed to have been revoked; and accordingly each Dissenting Shareholder which has, pursuant to the adoption of the relevant revoked Special Resolution, sent a demand to Adapt IT in terms of sections 164(5) to (8) of the Companies Act to be paid the fair value of its Adapt IT Shares, shall cease to have, and be deemed not to have had, any right, pursuant to the adoption of the relevant revoked Special Resolution, to be paid under section 164 of the Companies Act.”

Reason for and effect of Special Resolution Number 2

The reason for Special Resolution Number 2 is to revoke the approval of the Scheme in the event that it fails, with the consequence that Dissenting Shareholders’ will not have a right to payment under section 164 of the Companies Act pursuant to the approval of the Scheme.

SPECIAL RESOLUTION NUMBER 3 – Approval for the payment of fees to the members of the Independent Board

“**RESOLVED THAT**, Adapt IT be and is hereby authorised to pay the following fees to the members of the Independent Board for their services rendered in relation to the Huge Offer and the Volaris Offer:

	Proposed once-off fee
Craig Michael Chambers	R223 050
Oliver Darrel Fortuin	R151 850
Catherine-Candice Koffman	R151 850
Innocentia Zizipho Nyanga	R151 850

Reason for and effect of Special Resolution Number 3

The reason and effect of Special Resolution Number 3 is to authorise Adapt IT to pay the above proposed fee to the members of the Independent Board for their services rendered in respect of the Huge Offer and the Volaris Offer, in terms of section 66(9) of the Companies Act. The existing authority provided by shareholders for the payment of fees to non-executive directors does not provide for fees to be paid per meeting and so, in the absence of this resolution, the Independent Board members will not be paid for the considerable time and effort they have spent on dealing with the Huge Offer and the Volaris Offer.

ORDINARY RESOLUTION NUMBER 1 – Delisting of Adapt IT Shares from the Main Board of the JSE following the implementation of the Scheme

Note that Ordinary Resolution Number 1 will only be proposed to Adapt IT Shareholders at the General Meeting if the Scheme Becomes Fair.

“RESOLVED THAT, if the Scheme Becomes Fair and becomes Operative (and irrespective of whether Adapt IT still meets the JSE Spread Requirements and therefore qualifies for listing) the delisting of the Adapt IT Shares from the Main Board of the JSE in terms of paragraphs 1.14 to 1.16 of the JSE Listings Requirements be and is hereby approved and Adapt IT be and is hereby authorised to apply for the delisting of the Adapt IT Shares from the securities exchange operated by JSE Limited with effect from the commencement of business on or about the Business Day following the date it is announced that the Scheme is Operative, or as soon as reasonably possible thereafter.”

Reason for and effect of Ordinary Resolution Number 1

The reason for and effect of Ordinary Resolution Number 1 is to authorise Adapt IT to make application to the JSE to delist the Adapt IT Shares from the Main Board of the JSE in terms of paragraphs 1.14 to 1.16 of the JSE Listings Requirements, in the event that Scheme becomes Operative and Adapt IT still meets the JSE Spread Requirements and therefore qualifies for listing and/or the JSE does not approve the delisting of the Adapt IT Shares from the Main Board of the JSE in terms of paragraph 1.17(b) of the JSE Listings Requirements.

ORDINARY RESOLUTION NUMBER 2 – Delisting of Adapt IT Shares from the Main Board of the JSE following the implementation of the Standby Offer

Note that Ordinary Resolution Number 2 will only be proposed to Adapt IT Shareholders at the General Meeting if the Standby Offer Becomes Fair.

“RESOLVED THAT, if the Standby Offer Becomes Fair and (i) a Standby Offer Trigger Event occurs, and (ii) the Standby Offer Conditions are fulfilled or, where applicable, waived, the delisting of the Adapt IT Shares from the Main Board of the JSE in terms of paragraphs 1.14 to 1.16 of the JSE Listings Requirements be and is hereby approved and Adapt IT be and is hereby authorised to apply for the delisting of the Adapt IT Shares from the securities exchange operated by JSE Limited with effect from the commencement of business on or about the Business Day following the Standby Offer Closing Date or as soon as reasonably possible thereafter.”

Reason for and effect of Ordinary Resolution Number 2

The reason for and effect of Ordinary Resolution Number 2 is to authorise Adapt IT to make application to the JSE to delist the Adapt IT Shares from the Main Board of the JSE in terms of paragraphs 1.14 to 1.16 of the JSE Listings Requirements (to the extent applicable), in the event that the Standby Offer Conditions are fulfilled or, where applicable, waived.

ORDINARY RESOLUTION NUMBER 3 – Implementation

“RESOLVED THAT, each director and the company secretary of Adapt IT be and is hereby authorised to do all such things, including signing all such documentation, as are necessary or desirable to give effect to the ordinary and special resolutions passed at the General Meeting.”

Reason for and effect of Ordinary Resolution Number 3

The reason for Ordinary Resolution Number 3 is to authorise the directors and the company secretary of Adapt It to do all such things, including signing of documents and entering into of agreements, to give effect to and implement the special and ordinary resolutions approved at the General Meeting.

ELECTRONIC PARTICIPATION AT THE GENERAL MEETING

Prior registration is necessary to participate in the General Meeting. Shareholders or their proxies will be given unique login details. Shareholders or their duly appointed proxy or proxies (“**General Meeting Participants**”) must either register online using the online registration portal at www.smartagm.co.za; or apply to Computershare, by emailing a request to participate at the General Meeting to proxy@computershare.co.za, to be received by Computershare by no later than 12:00 on Monday, 28 June 2021. Computershare and the chairperson will first validate such requests and confirm the identity of the Shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided. The Company will inform General Meeting Participants who notified Computershare of their intended participation in accordance with paragraph 1 under Electronic Participation, by no later than 17:00 on Tuesday, 29 June 2021 by email of the relevant details through which General Meeting Participants can participate electronically.

Shareholders may participate in the General Meeting using the online platform <https://web.lumiglobal.com> and will be able to vote between the commencement of the meeting (12:00 on Wednesday, 30 June 2021) and the closure of voting as announced by the chairperson during the General Meeting.

More information regarding online participation at the General Meeting (including how to vote and ask questions online during the General Meeting) is available in the Online Shareholders’ Meeting Guide which can be accessed on Adapt IT’s Investor Relations website page as well as on the SmartAGM portal: www.smartagm.co.za. To ensure your browser is compatible, please follow the instructions in the Online Shareholders’ Meeting Guide. It is also recommended that Shareholders who elect to participate in the General Meeting through the online platform log into the online platform at least 15 minutes prior to the scheduled start time of the meeting. Should Shareholders require assistance with accessing the online platform, they can email proxy@computershare.co.za.

VOTING AND PROXIES

The Scheme Voting Record Date, being the date on which Adapt IT Shareholders must be recorded in the Register to be entitled to attend and vote at the General Meeting is Friday, 25 June 2021. The last day to trade in order to be entitled to attend and vote at the General Meeting is Tuesday, 22 June 2021.

On a poll, every Person present and entitled to vote, either as an Adapt IT Shareholder or as a proxy for an Adapt IT Shareholder, shall have one vote for every Adapt IT Share held by such Adapt IT Shareholder. On a show of hands, every Person present at the General Meeting and entitled to exercise voting rights shall be entitled to one vote, irrespective of the number of voting rights that Person would otherwise be entitled to exercise.

An Adapt IT Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a shareholder of Adapt IT. For the convenience of Certificated Adapt IT Shareholders and Own-Name Dematerialised Adapt IT Shareholders a Form of Proxy (yellow) is attached hereto. Completion of a Form of Proxy (yellow) will not preclude such Adapt IT Shareholder from attending and voting (in preference to that Adapt IT Shareholder’s proxy) at the General Meeting of Adapt IT Shareholders.

Duly completed Forms of Proxy and the authority (if any) under which it is signed (i) must, for administrative purposes, reach Computershare at the address given below by not later than 12:00 on Monday, 28 June 2021, or (ii) must thereafter be emailed to Computershare at its below mentioned email address (for the attention of the chairperson of the General Meeting), at any time before the proxy exercises any rights of the Adapt IT Shareholder at such General Meeting.

Adapt IT Shareholders who hold Dematerialised Adapt IT Shares, other than with Own-Name Registration, must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the necessary letters of representation to attend the General Meeting or provide their CSDP or Broker with their voting instructions should they not wish to attend the General Meeting in person, failing which the CSDP or Broker will be obliged to act in terms of the Custody Agreement between such Adapt IT Shareholder and his/her CSDP or Broker.

Adapt IT Shareholders who vote against Special Resolution Number 1 and wish to exercise their rights (if applicable) in terms of section 115(3) of the Companies Act, to require the approval of a court for the Scheme, should refer to **Annexure 5** of the Circular to which this Notice is attached which includes an extract of section 115 of the Companies Act.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

Adapt IT Shareholders are hereby advised of their Appraisal Rights in terms of section 164 of the Companies Act. Please take note of the full provisions of that section which are set out in **Annexure 5** to the Circular, as only the salient features of these Appraisal Rights are set out below:

In terms of section 164 of the Companies Act, at any time before Special Resolution Number 1 as set out in this notice is voted on, an Adapt IT Shareholder may (if section 164 is applicable) give Adapt IT a written notice objecting to Special Resolution Number 1 (as applicable).

Within 10 Business Days after Adapt IT has adopted Special Resolution Number 1, Adapt IT must send a notice that the resolution has been adopted to each Adapt IT Shareholder ("**Qualifying Shareholder**") who:

- gave Adapt IT a valid written notice of objection as contemplated above;
- has not withdrawn that notice; and
- has voted against Special Resolution Number 1.

A Qualifying Shareholder is entitled, within 20 Business Days after receiving Adapt IT's aforementioned notice of the adoption of Special Resolution Number 1 to demand that Adapt IT pay the Qualifying Shareholder the fair value for all of the Qualifying Shareholder's Adapt IT Shares.

The wording of section 164 of the Companies Act is set out in **Annexure 5** to the Circular.

SIGNED AT CAPE TOWN ON 1 JUNE 2021 ON BEHALF OF THE ADAPT IT BOARD

CM CHAMBERS

Chairman of the Adapt IT Board

Company Secretary of Adapt IT

Statucor Proprietary Limited
Wanderers Office Park
52 Corlett Drive
Illovo, Sandton, 2196
(Private Bag X60500, Houghton, 2041)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(Private Bag X9000, Saxonwold, 2132, South Africa)

Registered office of the Company

152 14th Road
Midrand
1682
(Adapt IT Johannesburg Campus,
152 14th Road, Midrand, 1682)



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")

FORM OF PROXY IN RESPECT OF THE GENERAL MEETING OF ADAPT IT SHAREHOLDERS (FOR USE BY CERTIFICATED ADAPT IT SHAREHOLDERS AND OWN-NAME DEMATERIALIZED ADAPT IT SHAREHOLDERS ONLY)

The definitions and interpretations commencing on page 17 of the Circular to which this Form of Proxy is attached ("**the Circular**") shall, unless the context clearly requires otherwise, apply to this Form of Proxy.

For use by Adapt IT Shareholders at the General Meeting convened in terms of the Companies Act to be held entirely by electronic communication at 12:00 on Wednesday, 30 June 2021, or any adjourned or postponed meeting.

Dematerialised Adapt IT Shareholders holding Adapt IT Shares other than with Own-Name Registration, must inform their CSDP or Broker of their intention to attend the General Meeting, and request their CSDP or Broker to issue them with the necessary letter of representation and/or proxy form to attend the General Meeting in person and vote (or abstain from voting), or provide their CSDP or Broker with their instructions should they not wish to attend the General Meeting in person. Letters of representation must be lodged with Computershare by the commencement of the General Meeting (including any adjournment or postponed meeting). Such Adapt IT Shareholders must not use this form of proxy.

I/We (Please PRINT names in full)

of (address)

Telephone number

Cell phone number

e-mail address

being the holder(s) of _____ Adapt IT Shares

do hereby appoint (see notes 1 and 2):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairperson of the General Meeting

as my/our proxy to attend, speak and vote for me/us at the General Meeting (or any postponement or adjournment thereof) for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each postponement or adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the Adapt IT Shares registered in my/our name(s), in accordance with the following instructions and otherwise in accordance with the Companies Act, the MOI and the terms of the attached notes:

	For	Against	Abstain
Special Resolution Number 1: Approval of the Scheme in terms of sections 114 and 115 of the Companies Act by Adapt IT Shareholders			
Special Resolution Number 2: Revocation of Special Resolution Number 1			
Special Resolution Number 3: Approval for the payment of fees to the members of the Independent Board			
Ordinary Resolution Number 1: Delisting of Adapt IT Shares from the Main Board of the JSE following the implementation of the Scheme			
Ordinary Resolution Number 2: Delisting of Adapt IT Shares from the Main Board of the JSE following the implementation of the Standby Offer			
Ordinary Resolution Number 3: Implementation			

* One vote per Adapt IT Share held by Adapt IT Shareholders. Adapt IT Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or "X" should they wish to vote all Adapt IT Shares held by them. If no instruction is provided, the proxy (if not the chairperson of the General Meeting) shall be entitled to vote or abstain from voting as he/she deems fit, provided that if the proxy is the chairperson of the General Meeting, he shall be deemed to be instructed to vote in favour of the resolutions set out above, in respect of all shares held by the Adapt IT Shareholder.

Signed at

on

2021

Signature

Capacity of signatory (where applicable)

Note: Authority of signatory to be attached – see notes 8 and 9.

Assisted by me (where applicable)

Full name

Capacity

Signature

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- A shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder.
- A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder.
- Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.
- If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.
- A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.
- If the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

Notes:

1. Adapt IT Shareholders who hold Dematerialised Adapt IT Shares other than with Own-Name Registration:
 - 1.1 who wish to attend the General Meeting in person may do so by requesting the registered holder, being their CSDP, Broker or nominee, to issue them with a letter of representation; and
 - 1.2 who do not wish to attend the General Meeting in person but wish to vote (or abstain from voting) thereat must provide the registered holder, being the CSDP, Broker or nominee, with their instructions. The instructions must reach the registered holder in sufficient time to allow the registered holder to exercise such vote on their behalf.
2. Each Adapt IT Shareholder is entitled to appoint one (or more) proxies (none of whom need be an Adapt IT Shareholder) to attend, speak and vote in place of that Adapt IT Shareholder at the General Meeting.
3. An Adapt IT Shareholder entitled to attend and vote at the General Meeting may insert the name of a proxy or the names of two alternative proxies of the Adapt IT Shareholder's choice in the space/s provided with or without deleting "the chairperson of the General Meeting" but the Adapt IT Shareholder must initial any such deletion. The person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chairperson of the General Meeting.

4. Completed Forms of Proxy and the authority (if any) under which they are signed must be (i) lodged with, or posted or emailed to Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (Private Bag X9000, Saxonwold, 2132, South Africa) or to proxy@computershare.co.za, to be received by them, for administrative purposes, by no later than 12:00 on Monday, 28 June 2021 or (ii) thereafter emailed to Computershare at the aforementioned email address (for the attention of the chairperson of the General Meeting) to be received by Computershare, at any time before the proxy exercises any rights of the Adapt IT Shareholder at such General Meeting.
5. The completion and lodging of this Form of Proxy will not preclude the relevant Adapt IT Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Adapt IT Shareholder wish to do so.
6. The chairperson of the General Meeting may accept or reject any Form of Proxy not completed and/or received in accordance with these notes or with the MOI.
7. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by Adapt IT.
9. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been registered by Adapt IT or waived by the chairperson of the General Meeting.
10. Where Adapt IT Shares are held jointly, all joint holders are required to sign this Form of Proxy.
11. A minor Adapt IT Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by Adapt IT.
12. This Form of Proxy shall be valid at any resumption of an adjourned or postponed meeting to which it relates although this Form of Proxy shall not be used at the resumption of an adjourned or postponed meeting if it could not have been used at the General Meeting of Adapt IT Shareholders from which it was adjourned or postponed for any reason other than it was not lodged timeously for the meeting from which the adjournment took place.
13. This Form of Proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting of Adapt IT Shareholders in question, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Adapt IT Shares in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by Adapt IT before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. Any proxy appointed pursuant to this Form of Proxy may not delegate her or his authority to act on behalf of the relevant Adapt IT Shareholder.
16. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this Form of Proxy remains valid only until the end of the General Meeting of Adapt IT Shareholders or any adjournment of such General Meeting or any postponed meeting.
17. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")

FORM OF ELECTION (FOR USE BY CERTIFICATED ADAPT IT SHAREHOLDERS IN RESPECT OF THE SCHEME ONLY)

The definitions and interpretations commencing on page 16 of the Circular to which this Form of Election is attached ("the Circular") apply, unless the context clearly indicates otherwise, to this Form of Election.

Important:

1. Adapt IT Shareholders who do not complete and deliver the Form of Election timeously or who do not make a valid Exit Election and/or the Continuation Election respectively in respect of any of their Adapt IT Shares, will (unless the Company, in its absolute discretion elects to treat as valid in whole or in part any such election) be deemed to fall under the Default Position in respect of such Shares and the Offeror will acquire all such Shares by way of expropriation for the Scheme Consideration pursuant to the Scheme becoming Operative. Details of the Scheme are contained in the Circular to which this Form of Election is attached.
2. This form should be read in conjunction with the Circular.
3. Please read the instructions below. Non-compliance with the instructions may result in the rejection of this Form of Election and you may be deemed to fall under the Default Position.
4. Forms of Election will be rejected if they are not received by the Transfer Secretaries at the addresses below on or before 12:00 on the Scheme Consideration Record Date, which date is expected to be Friday, 3 December 2021.

Instructions:

1. This form may only be completed by Certificated Adapt IT Shareholders. The elections made by Dematerialised Shareholders should be provided to such shareholders' CSDP or Broker in the manner and by the cut-off time stipulated by their CSDP or Broker in terms of the Custody Agreement to which they are party.
2. Certificated Adapt IT Shareholders must complete this Form of Election in **BLOCK CAPITALS**.
3. Part A must be completed by all Certificated Adapt IT Shareholders who wish to make the Exit Election or the Continuation Election or both in respect of some or all of their Adapt IT Shares.
4. Part B must be completed by all Certificated Adapt IT Shareholders who wish to make the Exit Election in respect of some or all of their Shares.
5. Part C must be completed by Certificated Adapt IT Shareholders who have made the Continuation Election in respect of some or all of their Adapt IT Shares
6. Part D must be completed by Certificated Adapt IT Shareholders who have made the Exit Election in respect of some or all of their Adapt IT Shares for the Scheme Consideration and whose banking details are not recorded with Computershare or who wish to receive payment of the Scheme Consideration in a bank account other than that recorded with Computershare.
7. Part E must be completed by Certificated Adapt IT Shareholders who have made the Exit Election and who are emigrants from, or non-residents of, the Common Monetary Area.
8. If you are in any doubt as to how to complete this Form of Election, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.
9. A separate Form of Election is required to be completed by each Certificated Adapt IT Shareholder.

Please also read notes overleaf.

To: The Transfer Secretaries**Hand deliveries to:****Computershare Investor Services (Pty) Ltd**

Rosebank Towers
 15 Biermann Avenue
 Rosebank
 Johannesburg, 2196

Postal deliveries to:**Computershare Investor Services (Pty) Ltd**

P.O. Box 61763
 Marshalltown
 2107

PART A: TO BE COMPLETED BY ALL CERTIFICATED SHAREHOLDERS

All Certificated Adapt IT Shareholders must please complete Part A and deliver this Form of Election together with the Documents of Title in respect of the relevant Shares to the Transfer Secretaries at any of the above addresses by no later than 12:00 on the Scheme Consideration Record Date.

Should the Scheme not become Operative, any Documents of Title surrendered to and held by the Transfer Secretaries will be returned to Certificated Adapt IT Shareholders, at their own risk, by registered post, to the address set out below or, if no address is provided below, to the Shareholder's registered address, unless they have also been surrendered for purposes of the Standby Offer, in which case they will be returned to Certificated Adapt IT Shareholders following the lapsing of the Standby Offer, if applicable.

I/We hereby surrender the enclosed Documents of Title in respect of the Certificated Shares held by me:

Surname or Name of corporate body

First names (in full)

Title

Identity number or registration number

Address to which Documents of Title should be sent (if different from the address recorded in the Register) should the Scheme not become Operative.

Country

Contact Information	
Telephone number (home):	Telephone number (office):
Facsimile number:	Cellphone number:
Email:	

- In order to comply with FICA, the Transfer Secretaries will only be able to record any change of address if the relevant FICA documentation as advised by the Transfer Secretaries is received from the Adapt IT Shareholder. Adapt IT Shareholders are required to contact the Transfer Secretaries directly on 086 1100 634 (or +27 11 370 5000) in order for the Transfer Secretaries to advise them of the specific FICA documentation required.

Share certificates and/or other Documents of Title surrendered:

Share certificate number(s) and/or details of other Documents of Title	Number of Shares represented by each Share certificate and/or other Documents of Title

Signed at _____ on _____ 2021

Duly authorised signature

Name and capacity of signatory

Signatory assisted by (if applicable)

PART D – EFT PAYMENT INSTRUCTION

To be completed in BLOCK LETTERS by all Certificated Adapt IT Shareholders whose banking details are not recorded with Computershare or who wish to receive payment of the Scheme Consideration in a bank account other than that recorded with Computershare.

Name of account holder (no third party accounts):		
Bank name:		
Account number:		
Sort Code:		
Signature of Adapt IT Shareholder:		
Assisted by me (if applicable):		
(State full name and capacity):		
Date:		
Telephone: (Home) ()	Telephone: (Work) ()	Cell phone number:

Pursuant to FICA, the Transfer Secretaries will only be able to record the bank details if the relevant FICA documentation as advised by the Transfer Secretaries is received from the Adapt IT Shareholder. Adapt IT Shareholders are required to contact the Transfer Secretaries directly on 086 1100 634 (or +27 11 370 5000) in order for the Transfer Secretaries to advise them of the specific FICA documentation required.

PART E – EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA

1. To be completed only by Certificated Adapt IT Shareholders who have made the Exit Election and are emigrants from the Common Monetary Area.

The Scheme Consideration will be forwarded to the authorised dealer nominated below for its control and credited to the emigrant's blocked account. Accordingly, a non-resident who is an emigrant from South Africa must provide the following information:

Name of authorised dealer in South Africa: _____

Account number: _____

Address: _____

Signature of authorised dealer _____

2. To be completed only by Certificated Adapt IT Shareholders who have made the Exit Election and are non-residents of the Common Monetary Area and who wish to provide a substitute address.

The Scheme Consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address provided below:

Substitute address: _____

3. If Part E is not completed or incorrectly filled, the Scheme Consideration payable to emigrants and non-resident Shareholders will be held in trust by Adapt IT and/or Volaris (or their respective agents, as appointed by each of them for the benefit of the relevant Shareholder for a maximum period of three years from the Scheme Implementation Date, after which period such funds shall be made over to the Guardians fund of the High Court. For the avoidance of doubt, no interest will accrue on any such funds held by Adapt IT and/or Volaris.

Notes:

1. In order to comply with the requirements of FICA, Computershare will be unable to record any changes of address or payment mandates unless the relevant FICA documentation as advised by Computershare is received from the Adapt IT Shareholder. Adapt IT Shareholders are required to contact Computershare directly on 086 1100 634 (or +27 11 370 5000) in order for Computershare to advise them of the specific FICA documentation required.
2. The Scheme Consideration will not be paid to a Scheme Participant that holds Certificated Shares unless and until this Form of Election has been properly completed by such Certificated Shareholder and delivered, together with the Documents of Title in respect of the relevant Shares, to the Transfer Secretaries. In the event that any Shareholder who holds Certificated Shares fails to surrender their Documents of Title and completed Forms of Election to the Transfer Secretaries then, unless otherwise agreed between Volaris and the Shareholders concerned, the relevant Scheme Consideration will be held in trust by Adapt IT and/or Volaris (or their respective agents, as appointed by each of them) for the benefit of the Shareholder concerned for a maximum period of three years, after which period such funds shall be made over to the Guardians fund of the High Court. For the avoidance of doubt, no interest will accrue on any such funds held by Adapt IT and/or Volaris.
3. If a Certificated Shareholder produces evidence to the satisfaction of Volaris that Documents of Title in respect of Shares have been lost or destroyed, Volaris may waive the surrender of such Documents of Title against delivery of a duly executed indemnity in a form and on terms and conditions approved by Volaris, or may in its discretion waive such indemnity.
4. If this Form of Election is not signed by the Certificated Shareholder, the Certificated Shareholder will be deemed to have irrevocably appointed the company secretary of Adapt IT to implement that Shareholder's obligations under the Scheme on his/her behalf.
5. Persons who have acquired Shares after the date of posting of this Circular to which this form is attached, can obtain copies of the Form of Election and this Circular from Computershare Investor Services Proprietary Limited, whose address is Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 South Africa (PO Box 61763, Marshalltown, 2107) or by emailing proxy@computershare.co.za.
6. No receipts will be issued for documents lodged, unless specifically requested. Signatories may be called upon for evidence of their authority or capacity to sign this form.
7. Any alteration to this form must be signed in full and should not be merely initialed.
8. If this form is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this form for noting (unless it has already been noted by Adapt IT or the Transfer Secretaries).
9. Where the Certificated Shareholder is a company or a close corporation, unless it has already been registered with Adapt IT or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by Adapt IT.
10. Note 8 above does not apply in the event of this form bearing the stamp of a broking member of the JSE.
11. Where Shares are held jointly, all joint holders are required to sign.



ADAPT IT HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1998/017276/06)

Share code: ADI

ISIN: ZAE000113163

("Adapt IT" or "the Company")

FORM OF SURRENDER, TRANSFER AND ACCEPTANCE IN RESPECT OF THE STANDBY OFFER (FOR USE BY CERTIFICATED ADAPT IT SHAREHOLDERS ONLY)

The definitions and interpretations commencing on page 16 of the Circular to which this Form of Surrender, Transfer and Acceptance is attached ("the Circular") apply, unless the context clearly indicates otherwise, to this Form of Surrender, Transfer and Acceptance.

Please note that this form should only be completed if the Scheme does not become Operative, and the Standby Offer then becomes Effective.

This form should be read in conjunction with the Circular.

Instructions:

1. A separate Form of Surrender, Transfer and Acceptance is required for each Adapt IT Shareholder. Certificated Adapt IT Shareholders must complete this Form of Surrender, Transfer and Acceptance in **BLOCK CAPITALS**.
2. Part A must be completed by all Certificated Adapt IT Shareholders who return this form and **relates to the surrender of Documents of Title**.
3. Part B must be completed by Certificated Adapt IT Shareholders **who are emigrants from or non-residents of** the Common Monetary Area (see note 2).
4. Part C must be completed by all Certificated Adapt IT Shareholders who return this form as it **relates to the acceptance of the Standby Offer**.
5. Part D must be completed by all Certificated Adapt IT Shareholders whose banking details are not recorded with Computershare or who wish to receive payment of the Standby Offer Consideration in a bank account other than that recorded with Computershare.

Please also read notes overleaf.

To: Computershare

Hand deliveries to:

Computershare Investor Services (Pty) Ltd

Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196

Postal deliveries to:

Computershare Investor Services (Pty) Ltd

P.O. Box 61763
Marshalltown
2107

Dear Sirs

PART A –SURRENDER OF DOCUMENTS OF TITLE

ALL ADAPT IT SHAREHOLDERS WHO RETURN THIS FORM MUST PLEASE COMPLETE PART A.

The surrender of Documents of Title will only apply to Certificated Adapt IT Shareholders. Certificated Adapt IT Shareholders who wish to anticipate the Standby Offer becoming Operative and expedite settlement of the Standby Offer Consideration should complete Part A and return this form to Computershare together with their Document(s) of Title by no later than 12:00 on the Standby Offer Closing Date.

Surname or Name of corporate body

First names (in full)

Title

Address

Postal code

Country

Telephone ()

Cellular telephone number

Email address

Fax number ()

Please note: In order to comply with the requirements FICA Computershare will not be able to record any change of address mandated unless the relevant FICA documentation as advised by Computershare is received from the relevant Adapt IT Shareholder. Adapt IT Shareholders are required to contact Computershare directly on 086 1100 634 (or +27 11 370 5000) in order for Computershare to advise them of the specific FICA documentation required.

I/WE HEREBY SURRENDER THE ENCLOSED SHARE CERTIFICATE/S, CERTIFIED TRANSFER DEED/S AND/OR OTHER DOCUMENTS OF TITLE, DETAILS OF WHICH HAVE BEEN COMPLETED BELOW.

Share certificate/s and/or other Document(s) of Title to be surrendered (as enclosed)

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of Adapt IT Shares covered by each certificate
Total		

Signature of Adapt IT Shareholder	Stamp and address of agent lodging this form
Assisted by me (if applicable)	
State full name and capacity	
Date 2021	
Telephone number (Home) ()	
Telephone number (Work) ()	
Cell phone number ()	

Signatories may be called upon for evidence of their authority or capacity to sign this form.

PART B – EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA

1. **To be completed only by Certificated Adapt IT Shareholders who are emigrants from the Common Monetary Area.**

The Standby Offer Consideration will be forwarded to the authorised dealer nominated below for its control and credited to the emigrant's blocked account. Accordingly, a non-resident who is an emigrant from South Africa must provide the following information:

Name and address of authorised dealer in South Africa or substitute instruction

Account number

2. **To be completed by Certificated Adapt IT Shareholders who are non-residents of the Common Monetary Area and who wish to provide a substitute address.**

The Standby Offer Consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address provided below:

Substitute address

3. If no nomination is made in terms of 1 above, or if details are incomplete or incorrectly filled, the Standby Offer Consideration payable to emigrants and non-resident Shareholders will be held in trust by Adapt IT and/or Volaris (or their respective agents, as appointed by each of them) for the benefit of the relevant Shareholder for a maximum period of three years from the Standby Offer Settlement Date, after which period such funds shall be made over to the Guardians fund of the High Court. For the avoidance of doubt, no interest will accrue on any such funds held by Adapt IT and/or Volaris.

PART C – STANDBY OFFER

Please tick the appropriate box:

1. I/We, by ticking the box below, hereby irrevocably (subject to the provisions of Regulation 105 of the Companies Regulations) accept the Standby Offer, once Effective, in respect of the Standby Offer Shares held by me/us.

Please tick this box if you **ACCEPT** the Standby Offer. By ticking this box, Adapt IT Shareholders acknowledge that once they have accepted the Standby Offer, they will no longer be able to deal in their Adapt IT Shares or have the surrendered Documents of Title returned until such time as the Standby Offer (if made) fails.

ALTERNATIVELY, I/We, by ticking the box below, hereby reject the Standby Offer:

Please tick this box only if you **REJECT** the Standby Offer in respect of ALL your Adapt IT Shares

2. **The following portion of Part C only needs to be completed by those Certificated Adapt IT Shareholders who have accepted the Standby Offer by ticking the applicable box at 1 above.**

Please tick this box if you accept the Standby Offer in respect of **ALL** the Adapt IT Shares held by you.

ALTERNATIVELY, should you only accept the Standby Offer in respect of some of the Adapt IT Shares held by you, kindly state the number of Adapt IT Shares in respect of which the Standby Offer is accepted:
_____ (insert number of Adapt IT Shares)

Please note that, as the Default Position, it is assumed that an Adapt IT Shareholder that has accepted the Standby Offer, has accepted the Standby Offer in respect of **ALL** the Adapt IT Shares held by that Adapt IT Shareholder. Accordingly, should an Adapt IT Shareholder have accepted the Standby Offer by ticking the applicable box at 1 above, but such Adapt IT Shareholder has neither ticked the applicable box in 2 above nor inserted the number of Adapt IT Shares in respect of which the Standby Offer is accepted, **such Adapt IT Shareholder shall be deemed to have accepted the Standby Offer in respect of all the Adapt IT Shares held by that Adapt IT Shareholder.**

PART D

To be completed in BLOCK LETTERS by all Certificated Adapt IT Shareholders, whose banking details are not recorded with Computershare or who wish to receive payment of the Standby Offer Consideration in a bank account other than that recorded with Computershare.

Name of account holder (no third party accounts):		
Bank name:		
Account number:		
Signature of Adapt IT Shareholder:		
Assisted by me (if applicable):		
(State full name and capacity):		
Date:		
Telephone: (Home) ()	Telephone: (Work) ()	Cellphone number:

In terms of FICA, Computershare will only be able to record the bank details if the relevant FICA documentation as advised by Computershare is received from the Adapt IT Shareholder. Adapt IT Shareholders are required to contact Computershare directly on 086 1100 634 (or +27 11 370 5000) in order for Computershare to advise them of the specific FICA documentation required.

Notes:

1. In order to comply with the requirements of FICA, Computershare will be unable to record any changes of address or payment mandates unless the relevant FICA documentation as advised by Computershare is received from the Adapt IT Shareholder. Adapt IT Shareholders are required to contact Computershare directly on 086 1100 634 (or +27 11 370 5000) in order for Computershare to advise them of the specific FICA documentation required.
2. The Standby Offer Consideration will not be paid to Adapt IT Shareholders unless and until Documents of Title in respect of the relevant Adapt IT Shares have been surrendered to Computershare.
3. If a Certificated Adapt IT Shareholder produces evidence to the satisfaction of Volaris that Documents of Title in respect of Adapt IT Shares have been lost or destroyed, Volaris may waive the surrender of such Documents of Title against delivery of a duly executed indemnity (including against any damage, expense, loss or payment that Volaris, or any of its duly authorised representatives, may incur or suffer by reason of, or arising from, the payment of the Standby Offer Consideration to such person) in a form and on terms and conditions approved by Volaris, or may in their discretion waive such indemnity.
4. If this Form of Surrender, Transfer and Acceptance is not signed by the Certificated Adapt IT Shareholder, the Adapt IT Shareholder will be deemed to have irrevocably appointed the company secretary of Adapt IT to implement that Adapt IT Shareholder's obligations under the Standby Offer.
5. Persons who have acquired Adapt IT Shares after the date of posting of the Circular to which this Form of Surrender, Transfer and Acceptance is attached, can obtain copies of the Form of Surrender, Transfer and Acceptance and the Circular from Adapt IT's company secretary, Statucor Proprietary Limited, at Wanderers Office Park, 52 Corlett Drive Illovo, Sandton, 2196 (Private Bag X60500, Houghton, 2041) and from Computershare at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (Private Bag X9000, Saxonwold, 2132).
6. No receipts will be issued for documents lodged, unless specifically requested. Signatories may be called upon for evidence of their authority or capacity to sign this Form of Surrender, Transfer and Acceptance.
7. Any alteration to this Form of Surrender, Transfer and Acceptance must be signed in full and should not be merely initialled.
8. If this Form of Surrender, Transfer and Acceptance is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this Form of Surrender, Transfer and Acceptance for noting (unless it has already been noted by Adapt IT or Computershare).
9. Where the Certificated Adapt IT Shareholder is a company or a close corporation, unless it has already been registered with Adapt IT or Computershare, a certified copy of the directors' or members' resolution authorising the signing of this Form of Surrender, Transfer and Acceptance must be submitted if so requested by Adapt IT.
10. Note 8 above does not apply in the event of this Form of Surrender, Transfer and Acceptance bearing the stamp of a broking member of the JSE.
11. Where Adapt IT Shares are held jointly, all joint holders are required to sign this Form of Surrender, Transfer and Acceptance.

