

Virgin Australia Holdings Limited (Administrators Appointed) – Sale and Implementation Deed

26 June 2020: The Voluntary Administrators of Virgin Australia Holdings Limited (Administrators Appointed) (ASX:VAH), John Greig, Sal Algeri, Richard Hughes and Vaughan Strawbridge (the Administrators), received binding proposals from each of Bain Capital (Bain) and Cyrus Capital Partners LP (Cyrus) on Monday 22 June 2020. They also received several proposals from other interested parties this week, including a proposal from the representatives of an Ad Hoc group of bondholders of the Virgin Australia Group on 24 June 2020.

Having considered those bids, the Administrators are pleased to confirm they have now entered into a Sale and Implementation Deed with Bain Capital which will result in the sale and recapitalisation of the businesses of VAH and its subsidiaries (VAH Group).

The Sale and Implementation Deed is subject to minimal conditions precedent such as regulatory approvals. Approval by the Australian Treasurer pursuant to Australian Foreign Investment Review laws has already been received by Bain Capital.

No return to shareholders is anticipated. At this stage, it is not possible to determine the estimated return to creditors however an update will be provided ahead of the second meeting of creditors.

The Administrators anticipate that their Report to Creditors pursuant to section 75-225(3) of Schedule 2 (Insolvency Practice Schedule) to the Corporations Act will be provided to creditors together with the Notice of the Second Creditors Meeting convened pursuant to section 439A of the Corporations Act, before the end of August 2020. The Report to Creditors will detail the estimated return to creditors and will provide further details with respect to the steps to be taken to complete the sale of the VAH Group.

ENDS

Approved for release by Vaughan Strawbridge, Administrator, Deloitte.

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