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PRESS RELEASE

23 August 2023

OPERATIONS NORMAL AT HOSEA KUTAKO INTERNATIONAL AIRPORT (HKIA)

The HKIA airport operations are back to normal following the transition in ground handling services that took place on Saturday, 19 August 2023 when Paragon Aviation Services commenced providing such services after Menzies Aviation Namibia ceased providing the aforesaid services at HKIA on Friday, 18 August 2023.

During the transition period on Saturday morning, 3 flights (2 Eurowings Discover and 1 Qatar Airways) subjectively and unilaterally elected to divert to Johannesburg on their own volition, which had nothing to do with any conditions at HKIA, including the requisite capacity to provide relevant ground handling services to such flights. Subsequently, Qatar Airways returned to HKIA the following morning, with Eurowings resuming regular operations at HKIA from Monday 21st August. All 13 daily departures from HKIA are continuing as per the regular schedule.

The new ground handling services provider, Paragon, has managed the transition capably, working closely with all airlines and relevant stakeholders. Baggage arrival times on the carousels have also improved, notably with priority baggage receiving the deserved attention. We are grateful to our airline partners who have cooperated with Paragon during this transition, thereby ensuring a seamless move to a new ground handling service provider at HKIA.

Paragon are handling cargo and freight operations since the transition date of Saturday 19th August through their own internationally accredited warehouse and scanning facilities. The already-delivered cargo within Menzies' erstwhile warehouse facilities - which were locked by the authorities at the time of the transition and continues to be retained in the same secure area – is an issue that we are urgently attending to. NAC requested an inventory of the cargo / freight within those facilities in order to ensure a timely release thereof.

NAC also sent requests to an entity that represents freight forwarders as well as Menzies to furnish NAC with the name of one of Menzies' employees who will be handing over all the relevant cargo to Paragon at HKIA, to enable Paragon to make necessary attendances thereto as the authorized ground handler at HKIA. We also indicated that upon receipt of details of the Menzies' employee referred to above, NAC will immediately

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arrange with the Deputy Sheriff, Namibian Police, Namibia Revenue Agency as well as Namibia Protection Services to facilitate the handover of the relevant cargo to Paragon, for Paragon to attend thereto in the manner aforesaid.

NAC's communication to Menzies and the other stakeholder referred to above stipulated that NAC's request in this regard is strictly aimed at facilitating Menzies' handover of the relevant cargo to Paragon for aforesaid purposes, and should not be construed as conferring any rights and/or other entitlements whatsoever on Menzies as Menzies' eviction from HKIA remains effective, as more fully set out in our correspondence to Menzies vis-à-vis the HKIA cargo handover arrangement forming the subject-matter of the said letter.

It is rather unfortunate that both Menzies and the relevant freight forwarders' organization did not respond to NAC's request in this regard, which is meant to remedially address the cargo situation at HKIA referred to above, as the aforesaid solution that we devised in respect of the matter at hand cannot be implemented without Menzies' handover of the relevant cargo to Paragon. We will further follow-up with Menzies and the aforesaid freight forwarders' entity with a view to resolving this matter soonest, and we hope that Menzies will positively respond with the necessary urgency by handing over the said cargo to Paragon for it to be appropriately handled by Paragon in keeping with Paragon's role as the provider of ground handling services at HKIA.

It is regrettable that some stakeholders seem intent on spreading falsehoods about Paragon's industry certifications and capacity to render ground handling services at HKIA. NAC avails itself of this opportunity to pointedly deny the untruthful information referred to above. The aforesaid allegations are devoid of truth as Paragon's relevant certifications by the civil aviation industry's regulator, i.e., the Namibia Civil Aviation Authority (NCAA) are well documented and readily available for objective verification. Albeit NAC cannot fathom the rationale for dissemination of misleading information by the aforesaid stakeholders, we hereby implore airlines and all other stakeholders to first proactively ascertain the actual state of affairs from Paragon, the NCAA as well as NAC to avert a recurrence of misleading the public about Paragon's capacity and certification to render ground handling services at HKIA.

We wish to update stakeholders that pursuant to Paragon's takeover of ground handling services at HKIA on Saturday, 19 August 2023, Menzies instituted urgent legal proceedings in the High Court seeking a court order permitting Menzies to continue providing ground handling services at HKIA after Menzies' eviction from HKIA. After hearing the respective parties' legal submissions in this regard, the High Court postponed the case to Friday, 1 September 2023 for delivery of judgment.

On Tuesday, 23 August 2023, Menzies instituted yet additional legal proceedings in the High Court seeking similar and ancillary relief. No hearing date has been set in respect of Menzies' latest court case. NAC will keep all stakeholders abreast of further developments in respect of the High Court cases referred to above as and when they arise.

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NAC appreciates the co-operation of all stakeholders in airport management and operations as well as cognate industries, especially the role that stakeholders played in ensuring continuity of airport operations at HKIA after transition to a new provider of ground handling services, i.e., Paragon.

Sincerely Yours,

Bisey /Uirab

CHIEF EXECUTIVE OFFICER



