

ELLIES HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2007/007084/06)

JSE share code: ELI ISIN: ZAE000103081

("Ellies" or "the Company")



CHANGE STATEMENT, AVAILABILITY OF INTEGRATED ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING

CHANGE STATEMENT AND AVAILABILITY OF INTEGRATED ANNUAL REPORT

Shareholders are advised that the Company's integrated annual report, incorporating the audited annual financial statements for the financial year ended 30 April 2020, has been published and is available on the company's website: <https://elliesholdings.com/Ellies-Integrated-Annual-Report-2020.pdf>, and contains a change from the reviewed condensed consolidated financial results for the year ended 30 April 2020, published on SENS on 1 October 2020 which relates to the non-controlling interests on the take on balances relating to IFRS 16 initial recognition at 1 May 2019 and amounts to R 130 000.

The condensed consolidated financial statements were audited by BDO South Africa Incorporated and an unmodified audit opinion has been issued on the audited summarised consolidated financial statements for the financial year ended 30 April 2020. The audit opinion identifies four key audit matters:-

- Expected Credit Losses (ECL) on Trade and Other receivables and Financial Guarantees.
- Goodwill Impairment testing.
- Existence and Valuation of Inventories.
- Recoverability of Investments in Subsidiaries.

The directors believe that the Ellies group is a going concern, however, COVID-19 creates a material uncertainty around going concern, which creates significant doubt. The effect of a slow economic recovery or a further deterioration in the economic outlook of South Africa post the COVID-19 pandemic and its potential impact were considered as an uncertainty.

If the economy and as a result, the performance of Ellies, deteriorates and management is unable to stem the losses incurred in a major subsidiary, these present a material uncertainty to Ellies remaining as a going concern. These matters indicate that there is a material uncertainty related to events or conditions that may cast significant doubt about the Group's ability to continue as a going concern and therefore, that it may not be able to realise its assets and discharge its liabilities in the normal course of business. Shareholders are referred to the full audit opinion available on the Company's website, at the link above.

NOTICE OF ANNUAL GENERAL MEETING

A notice of annual general meeting, which will be held at 11h00 on Thursday, 3 December 2020 at Acorim Secretarial & Governance Services, 13th Floor, Illovo Point, 68 Melville Road, Illovo, Sandton, has been dispatched to shareholders and is available on the Company's website: <https://elliesholdings.com/shareholders-diary/>.

The last day to trade in order to be eligible to participate in and vote at the annual general meeting is Tuesday, 24 November 2020 and the record date for voting purposes is Friday, 27 November 2020.

30 October 2020

Sponsor

