

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")



TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% from the previous corresponding period.

Shareholders are accordingly advised that Ellies expects earnings of 7,25 cents per share for the year ended 30 April 2021 compared to a loss of 28,97 cents per share for the year ended 30 April 2020 and headline earnings of 9,19 cents per share for the year ended 30 April 2021 compared to a loss of 18,66 cents per share for the year ended 30 April 2020.

The return to earnings is attributable to:

- a marginal increase in revenue- the previous financial year included a six week period of hard-lockdown attributable to Covid-19;
- an improved gross margin attributable to the disposal of slow moving and obsolete inventory at prices higher than its carrying value;
- operating expense savings associated with the migration of transport, logistics and warehousing in Johannesburg to Value logistics; and
- raising of deferred tax assets in light of the return to profitability.

The audited consolidated financial results for the year ended 30 April 2021 are anticipated to be released on or about 30 July 2021.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors.

29 July 2021

Sponsor

