

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")

DISTRIBUTION OF CIRCULAR AND NOTICE OF GENERAL MEETING

1. Distribution of Circular

Ellies shareholders ("Shareholders") are referred to the announcement released on the Stock Exchange News Service ("SENS") on 6 July 2021, in which they were advised that Ellies has entered into an agreement with Imvula Education Empowerment Fund Trust ("Imvula"), a Broad-Based Black Economic Empowerment partner, in terms of which Ellies will issue and Imvula will subscribe for 185 242 070 new ordinary shares of no par value ("Subscription Shares") to Imvula, subject to the fulfilment of the remaining conditions precedent as set out in the Circular (as defined in the paragraph below) to Shareholders. The Subscription Shares will be issued at an issue price per ordinary share of 10 cents per share for a total cash consideration of R18 524 207,00.

The regulatory approvals required from the JSE Limited for the Circular have been obtained. Shareholders are now advised that the Circular, incorporating the notice of General Meeting and form of proxy ("Circular") has been distributed to Shareholders today, Tuesday, 10 August 2021.

Capitalised words and terms contained in this announcement shall bear the meanings ascribed thereto in the Circular.

Shareholders are advised to obtain a copy of the Circular as follows:

- by accessing an electronic copy of the Circular on the Company's website, available at www.elliesholdings.co.za; or
- by contacting the Company Secretary, at roxanne@acorim.co.za to request an electronic copy of the Circular or to make reasonable alternative arrangements to obtain a copy.

2. Notice of General Meeting

Notice is hereby given that the General Meeting of Shareholders will be held on Wednesday, 8 September 2021, commencing at 11:00 entirely by electronic communication, in order to consider and, if deemed fit, to pass the resolutions necessary to give effect to the proposed transactions as set out in the Circular.

Electronic participation

Given the risks arising from the COVID-19 pandemic, the General Meeting, convened in terms of the Notice of General Meeting, will be held entirely by electronic communication, as permitted by the JSE, the provisions of the Companies Act and the Memorandum of Incorporation on Wednesday, 8 September 2021, commencing at 11:00. A notice convening the General Meeting is attached to and forms part of the Circular.

The Company has retained the services of the Company Secretary to facilitate the General Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by Shareholders. The Company Secretary will also act as scrutineer.

Shareholders who wish to participate in the General Meeting, including proxy holders, will be required to submit the duly completed Electronic Participation Form, which is attached to the Circular, together with the relevant documents to roxanne@acorim.co.za or Computershare Investor Services (Pty) Ltd at proxy@computershare.co.za, as provided for on the form. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once your shareholding, identity and authority (if the shareholder is not an individual) have been verified by Computershare, you will be provided with details on how to join the General Meeting web stream. A live voting function will not be available, and shareholders will be required to send their duly completed voting forms to Computershare via email before the meeting, or at the close of voting at the latest.

Shareholders that choose not to participate in the meeting can still submit their proxy forms as usual.

The Company Secretary will assist Shareholders with the requirements for electronic participation in, and for voting at the General Meeting. The Transfer Secretaries is further obliged to validate (in correspondence with the Company), each such Shareholder's entitlement to participate in and/or vote at the General Meeting, before providing it with the necessary means to access the General Meeting and/or the associated voting platform. For further information in this regard, please see the details contained in the Notice of General Meeting.

While the Company will incur all costs for the hosting of the General Meeting by way of a remote interactive electronic platform, Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the JSE, the Company or the Transfer Secretaries. None of the JSE, the Company, its agents and third-party service providers or the Transfer Secretaries can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in and/or voting at the General Meeting.

For further information, please refer to the details contained in the Notice of General Meeting forming part of the Circular.

3. The salient dates and times, also contained in the Circular, are set out below.

	2021
Record date for determining which Shareholders are entitled to receive this Circular and Notice of General Meeting	Friday, 30 July
Circular and Notice of General Meeting distributed to Shareholders	Tuesday, 10 August
Announcement relating to the issue of the Circular and Notice of General Meeting released on SENS	Tuesday, 10 August
Last day to trade in Ellies Shares in order to be recorded in the Register on the Voting Record Date	Tuesday, 24 August
Voting Record Date	Friday, 27 August
Last day to lodge forms of proxy for the General Meeting with the Transfer Secretaries, by 11:00 (forms of proxy not lodged with the Transfer Secretaries in time may be lodged with the chairperson of the General Meeting or to the Transfer Secretaries at the General Meeting, at any time prior to its commencement, or prior to voting on any resolutions proposed at the General Meeting)	Monday, 6 September
General Meeting held at 11:00 on	Wednesday, 8 September
Results of the General Meeting released on SENS	Wednesday, 8 September

Notes:

1. All times given in this Circular are local times in South Africa.
2. All dates and times are subject to change. Any change will be released on SENS and, if required, published in the Press.
3. Ellies Shareholders should note that as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Ellies Shares after Tuesday, 24 August 2021 will not be eligible to vote at the General Meeting.

Johannesburg
10 August 2021

Corporate Advisor to Ellies: Khanda Capital Proprietary Limited

Transaction Sponsor to Ellies: Deloitte & Touche Sponsor Services Proprietary Limited

Legal Advisor to Ellies: Baker & McKenzie Incorporated

Joint Transaction Advisor to Imvula: CapitalGate Proprietary Limited
Joint Transaction Advisor to Imvula: Agilequity Proprietary Limited