

AYO TECHNOLOGY SOLUTIONS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1996/014461/06

JSE share code: AYO ISIN: ZAE000252441

("the Company" or ("AYO"))

**STATEMENT BY AYO TECHNOLOGY SOLUTIONS LIMITED IN RESPONSE TO THE CENSURE
IMPOSED BY THE JSE LIMITED AS PUBLISHED ON SENS AT 09H12 ON THURSDAY, 22
DECEMBER 2022**

The JSE Limited ("**JSE**") earlier today published its censure imposed on AYO Technology Solutions Limited ("**AYO**") arising from its investigation into various transactions and/or agreements with related parties of AYO (the "**Censure**") that occurred between 2017 and 2019.

According to the JSE, these transactions did not comply with the peremptory requirements for transactions with related parties stipulated in section 10 of the JSE Listings Requirements. AYO disputes such finding of the JSE.

In addition to the Censure, the JSE has imposed a fine in the amount of R1.5 million on AYO. AYO is challenging the appropriateness of such fine given that the JSE previously fined AYO an amount of R6.5m, in AYO's submission, for the same alleged contraventions of the JSE Listings Requirements.

The purpose of this statement is not to respond in detail to the Censure. That is the subject of a reconsideration application which is currently pending before the Financial Services Tribunal ("**FST**").

However, AYO considers it prudent and necessary to provide the market with additional background that places the publication of the Censure in full context and will explain why AYO is aggrieved about these developments.

On 31 August 2022, the JSE informed AYO of its preliminary decision to impose a public censure and fine on AYO for its alleged failure to comply with the provisions of the JSE Listings Requirements. AYO responded to the JSE disputing the correctness of the JSE's findings, the sanction and the intended publication thereof. In respect of the latter, AYO indicated inter alia to the JSE that it stood to suffer irreparable harm if the censure was published and AYO's reconsideration application were to be successful. In this regard, AYO sought an undertaking from the JSE that, in the event that the JSE, after receipt of an objection from AYO, decides to confirm its decision to publish the proposed sanction, the JSE will not publish the sanction until AYO's application to the FST, for the suspension of the sanction has been determined, failing which AYO would institute urgent interdict proceedings against the JSE. On 31 October 2022, the JSE informed AYO through the parties' respective attorneys that the JSE is willing to provide an undertaking that it will not implement its decision (in the event it is made

final) until such time as AYO's suspension application is determined by the FST. Thereafter, on 9 December 2022, AYO filed its reconsideration and suspension applications with the FST.

In terms of the FST's rules and procedures, a person aggrieved by a decision of a regulator such as the JSE may make application to the FST for the reconsideration of such decision. However, the implementation of such decision is not automatically suspended whilst the reconsideration application is pending. As such, it was necessary for AYO, simultaneously with its reconsideration application, to apply to the FST for the suspension of the JSE's decision to impose the Censure and fine of R1.5m. It is this suspension application that the FST has now not upheld. AYO's application for a full reconsideration of the JSE's decision is still pending before the FST and will likely only be decided in the coming months.

As appears from the Censure, the FST dismissed AYO's application for the suspension of the JSE's decision yesterday, 21 December 2022. AYO's attorneys received notification of the FST's decision not to uphold AYO's suspension application at 17h27 on 21 December 2022. The JSE, without notice to AYO or our attorneys, proceeded to publish the Censure at 09h12 today, thereby effectively depriving AYO of the opportunity fully to consider the FST's decision and to seek legal advice in relation thereto. The JSE did so with full knowledge that AYO's reconsideration application is still pending with the FST. Further, the JSE, knowing that the publication of the Censure is a hotly disputed issue on which AYO would seek legal advice and would in all probability bring urgent proceedings to prevent same, clearly decided to thwart any right that AYO may choose to exercise by proceeding to publish the Censure this morning, only hours after AYO was notified of the FST's decision not to uphold AYO's suspension application. AYO finds the JSE's actions extremely disappointing, given that the JSE's investigation has spanned a period of more than 3 years and is still ongoing. Further, during the period of the investigation, AYO has co-operated fully with the JSE and responded to all its enquiries and requests for information.

Needless to say, the publication of the Censure has caused, and will continue to cause, AYO and its business significant and irreparable harm. AYO considers the JSE's actions to be unfortunate and contrary to the courtesy and co-operation that has existed thus far. AYO will take legal advice and decide on the next appropriate step to take.