
VOLUNTARY SUSPENSION OF TRADING OF ELLIES SHARES

Shareholders are referred to the announcement released on SENS on 31 January 2024 advising that the board of directors of Ellies Holdings had resolved that it would be in the best interests of Ellies Holdings to commence with voluntary business rescue proceedings in terms of section 129 of the Companies Act, 71 of 2008 (the "**Companies Act**"), together with the further announcement released on 10 April 2024 advising that the business rescue practitioner (the "**BRP**") had concluded that there was no reasonable prospect of the company, Ellies Holdings Limited, being rescued and that in accordance with section 142(2)(a)(ii) of the Companies Act, application would be made to the court for an order discontinuing business rescue proceedings and the placing of the company into liquidation (the "**court order**").

In light of the above, the company applied to the JSE for the voluntary suspension of trading of Ellies Holdings shares in terms of paragraph 1.10 of the JSE Listings Requirements, and this request has been approved by the JSE.

The company believes that the suspension of Ellies Holdings shares is appropriate as, in addition to the matters discussed above, Ellies Holdings is not in a position to comply on an on-going basis with the JSE Listings Requirements with regard to the following:

- the governance requirements regarding the composition of both the board and any board committees as contained in the JSE Listings Requirements and the King Report on Corporate Governance for South Africa 2016. There is also no reasonable expectation that the company will be in a position to rectify its governance breaches in the foreseeable future given the BRP's intention to apply for the court order;
- the continued appointment of a JSE sponsor, as the company's JSE sponsor has resigned and it is unlikely that a replacement sponsor will be appointed given the company's current status;
- the appointment of an auditor, as although new auditors were appointed in August 2023 for the 30 April 2024 financial year, it is unlikely that they will be able to fulfil this role in the future due to the company's current status;
- JSE reporting requirements with regard to the publication of interim results and annual financial statements for the periods ended 30 April and 31 October respectively, as there is no finance director nor audit committee in place; and
- the ability to release price sensitive information timeously, as it is not reasonable to assume that the information shared during consultations relating to the pending court order will remain confidential, and there will likely be instances where there are two levels of information in the market, which cannot be remedied by the immediate publication of an announcement.

The suspension of the trading of Ellies Holdings shares on the JSE will be effective immediately.

The announcements above relate only to Ellies Holdings Limited, the listed holding company of the Ellies group of companies.

Notice to Affected Persons of Ellies Electronics (Pty) Limited ("Ellies Electronics")

The operating entity Ellies Electronics remains in business rescue and is continuing to trade. In this regard it is continuing to acquire services and goods from suppliers for installation or sale to its customers. The proposed business rescue plan for Ellies Electronics is due to be published on or before 10 May 2024. The business rescue practitioner of Ellies Electronics continues to believe that there is a reasonable prospect that Ellies Electronics can be rescued.

22 April 2024