

For immediate release

Ellies Holdings Shareholders Fully Behind BEE Transaction

8 September 2021, Johannesburg: After conducting a thorough evaluation of how best it can contribute to society, Ellies Holdings identified possible Black Economic Empowerment (BEE) partners. The prerequisite for the partnership included having a broad and meaningful impact at the grassroots level while remaining aligned with Ellies Holdings' strategic goals.

Subsequently, Ellies Holdings concluded a Broad-Based Black Economic Empowerment (BBBEE) agreement with Imvula Education Empowerment Fund Trust, valued at R18.5 million.

"The transaction will see Imvula take up just over 185 million ordinary shares in Ellies Holdings, at 10 cents per share, resulting in a BEE shareholding in Ellies Holdings of approximately 23 percent," says Dr Taddy Blecher, CEO of Imvula.

Blecher says the transaction is also unique in that unlike other BBBEE deals concluded in the past, the Imvula-Ellies agreement will not result in the dilution of value for existing shareholders.

"Imvula's share purchase was paid in cash and did not attract any discount to the prevailing market price at the time of closing the deal with the added benefit of a 10-year lock-in, further demonstrating our long-term commitment to this relationship," says Blecher.

This means the group's empowerment credentials will rise to a Level 4 BBBEE status, allowing it to participate in several business opportunities, in both the public and private sector.

The transaction was tabled at a recent general meeting, where the initiative received overwhelming support from shareholders. The shareholders' endorsement of this transaction was yet another vote of confidence in Ellies Holdings' turnaround plan.

It also marks the beginning of a new chapter for Ellies Holdings that will usher in a new growth trajectory.

"This transaction demonstrates meaningful empowerment and transformation at Ellies Holdings. The partnership will also bolster the future prospects of Ellies Holdings and strengthen its position in the market," says Ellies CEO Shaun Prithvirajh.

Ellies Holdings is an investment holding company and through its operating subsidiaries in South Africa, Namibia, Botswana and Swaziland (Eswatini) are involved in the trading and distribution of a diverse range of products and services, including satellite products and related accessories, electrical, signal distribution, residential and commercial LED lighting solutions, solar PV and alternative energy, sound and AV equipment distribution, and installation.

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Directors:

Executive Directors: S. Prithvirajh (CEO) C. Booyens (CFO)
Non-Executive Directors: T. Fearnhead (Chair) M. Kuscus
E. Raff F. Olivier S. Lehapa

Company Secretary:

Acorim (Pty) Ltd

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About Ellies Holdings

Ellies Holdings, founded in 1979 is an investment holding company for businesses involved in the manufacture, trading and distribution of a diverse range of products and services, inclusive of satellite television products and related accessories, electrical, alternative energy, solar power, signal distribution, residential and commercial LED lighting solutions, fibre connectivity, sound and audio-visual equipment distribution and installation.

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