

Ellies Holdings partners with Imvula Education Empowerment Fund Trust in commitment to meaningful long-term transformation

06 July 2021, Johannesburg: JSE-listed electronics group Ellies Holdings has concluded a Broad-Based Black Economic Empowerment (B-BBEE) agreement with Imvula Education Empowerment Fund Trust (“Imvula”), 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. This will result in Imvula having a BEE shareholding in Ellies of approximately 23%, improving the group’s empowerment credentials to a Level 4 B-BBEE status.

Dr Shaun Prithvirajh, Ellies Holdings CEO says, *“The transaction will not only bolster the prospects of Ellies by strengthening our position in the market, but also speaks to our commitment to meaningful empowerment. Driving real transformation in the South African economy is an issue close to our hearts and forms part of the core values of our board and management team. We have invested considerable time in this process and are extremely excited to have finally found a partner that is the right fit for us. More than just a deal, this partnership will significantly assist to uplift and develop previously disadvantaged individuals from communities in which Imvula operates.”*

Ellies identified and selected Imvula based on its ability to meet not only the ownership criteria under the BEE codes, but also Imvula’s ability to enable Ellies to meet and improve its performance in relation to other BEE scorecard elements. This is in addition to other strategic benefits, including Imvula’s access to appropriate potential business networks and opportunities. Ellies will be able to utilise the capital obtained through the deal to improve its operations and financial position, in an effort to increase return for shareholders.

Imvula was established in 2009 by the Maharishi Invincibility Institute, an organisation whose purpose it is to provide talented but historically marginalised black youth access to quality education and employment opportunities, thereby contributing to the economy in a meaningful and sustainable way over the longer term.

Directors:

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

Company Secretary:

Acorim (Pty) Ltd

The beneficiaries of Imvula are 100% black South African's. The youth are selected by the Maharishi Invincibility Institute based on genuine financial needs amongst other considerations.

"Imvula's ultimate purpose is to have a significant impact on the growth and sustainability of the country. Whilst we have successfully completed partnerships with many private companies, this investment in Ellies is our first in a JSE- listed company and a milestone for us as we broaden our investment horizon in line with our commitment to uplifting more South African youth by enabling many to escape the cycle of poverty. We believe that education can pave the way for economic democracy, long-term stability and growth for South Africa and the Maharishi Invincibility Institute has a proven model having successfully transitioned nearly 20 000 individuals into meaningful employment, earning combined annual salaries exceeding R1.45 billion, with conservatively estimated career earnings of R41.85 billion. These individuals support over 150 000 family members. This is significant in improving unemployment and enriching communities," says Dr Taddy Blecher, CEO of Imvula.

Imvula provides access to a basket of services, such as education, training, accredited qualifications and industry designations, work-experience and jobs, financial support, nutritional and psycho-social support. This ensures that the youth are successfully integrated into the job market and are given a head start towards building their own successful businesses or careers in future.

The Maharishi Invincibility Institute has won 34 local and international awards and has been selected as the most innovative youth development programme in the world.

"I look forward to working with Imvula and am confident the successful collaboration with our BEE partner will ensure continued contribution to the growth of our economy. Ellies is committed to creating a business that is diverse, representative and promotes inclusive growth, and we truly believe that this transaction will assist us in achieving these goals," concludes Prithivirajh.

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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.

About Imvula Education Empowerment Fund

The Imvula Education Empowerment Trust is the funding arm of initiatives aimed at providing a holistic set of solutions to historically disadvantaged young South Africans to enable them to become economically active citizens in high-level employment. These initiatives are facilitated by the Maharishi Invincibility Institute NPC (MI), a not for profit company. Imvula provides an ideal B-BBEE solution, allowing partners to attain the highest possible B-BBEE scores, in the most impactful way for the future of South Africa, at an affordable cost, and with fair value paid to the business. Imvula deploys 100% of future revenues to empower deserving unemployed young black South Africans, through access to quality education, specialist skills training, work experience, nutritional and counselling support and finally job placement, thereby assisting them to enter the economy productively.

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