
MICROmega Holdings Limited
Incorporated in the Republic of South Africa
(Registration number 1998/003821/06)
Share code: MMG ISIN: ZAE000034435
("the Company")

STATEMENT IN RESPECT OF THE CENSURE IMPOSED BY THE JSE

Shareholders are referred to the SENS announcement made by the JSE on 17 March 2017. The Company wishes to advise shareholders of the following information:

The JSE notified the Company of a public censure in respect of a breach of paragraphs 5.69 and 5.72(h) of the JSE Listings Requirements ("the Breach") on 16 March 2017. The Breach relates to the specific repurchases which occurred almost four years ago, and were disclosed in the Statement By the Board in Respect Of Previous General and Specific Repurchases announcement released on SENS on 19 June 2015.

The JSE has been advised that the sanction will be opposed by the Company with an appeal to the FSB;

The Breach had no impact on the Company's shareholders as following the Company discovering the Breach a circular was sent to shareholders to approve the specific repurchases and at the resolution was passed by 100% of shareholder present and voting at the general meeting on 19 January 2016.

Of the total number of shares in question, 3 801 415 (88% of the shares) were in respect of a single corporate finance transaction, whereby the Company received the shares as proceeds for the sale of shares in one of its subsidiaries. The Company was of the opinion that this did not constitute a repurchase in terms of the JSE Listings Requirements. The remaining shares were acquired from a shareholder who had approached the Company indirectly to sell his total shareholding. The related repurchase occurred in a closed period that had erroneously not been identified by the Company as a result of a change in the financial year end of the Company.

The Company previously apologised to its shareholders for the aforementioned infringements in the SENS announcement and attempted to rectify the oversight by the issuing of the circular and allowing shareholders to vote on the repurchases, and views the latest SENS announcement by the JSE as ill-considered and will therefore be appealing the censure by the JSE.

Shareholders will be advised of the outcome of the appeal.

Johannesburg
17 March 2017

Sponsor
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