



PRESS RELEASE

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Motheo Construction Group Exits Telecoms Business.

Motheo Construction Group (Motheo) in 2016 was approached by Mpumelelo Ndimande and Muzi O’Muhle Gamede with a view to assisting them with their interests in the Telecoms space. Having studied the business case, an agreement was reached and Motheo Telecoms came into being in 2017.

With the backing of Motheo, along with Ndimande and Gamede’s contacts in the industry the business grew rapidly. Too rapidly in the view of Motheo. With the rapid growth of the business came certain “stresses and strains” as to how best to develop the business to be both profitable and sustainable over time.

Regrettably, we could not achieve consensus as how to manage the business, specifically as it related to work procurement, operational controls and funding requirements. As such Motheo agreed to sell its 49% shareholding in the business. The exit agreement was concluded in December 2018.

In terms of the exit agreement Ndimande and Gamede are required to rename the business, and to desist from using the Motheo name, logo or branding in any way, shape or form.

The decision is regrettable as Motheo had seen potential in the business.