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Debt Sponsors, Sponsors and Issuers

## COVID – 19: IMPACT ON LISTED INSTRUMENTS

In light of the COVID-19 pandemic and taking into account the various priorities of issuers and sponsors, the JSE would like to highlight certain matters that may have an impact on issuers pursuant to the JSE Listings Requirements (the “**Equity Requirements**”) and the Debt Listings Requirements (the “**Debt Requirements**”). The JSE recognises that the measures implemented in South Africa and globally to deal with the pandemic may have an impact on the ability of issuers to meet their reporting obligations pursuant to the Equity and Debt Requirements.

### Price Sensitive Information and Impact on Listed Instruments

Issuers are reminded to ensure compliance with the following paragraphs dealing with the general obligations of disclosure of price sensitive information:

- paragraph 3.4(a) of the Equity Requirements for instruments listed pursuant to the provisions of Section 19 of the Equity Requirements; and
- paragraph 7.42(a) of the Debt Requirements for debt securities listed pursuant to the provisions of the Debt Listings Requirements.

The JSE encourages issuers, in consultation with their sponsors or debt sponsors (“**sponsor**”), to update investors and the market by publishing an announcement through SENS and to keep the JSE informed as soon as possible of any events pertinent to COVID-19 that could affect the pricing of an instrument, including but not limited to:

**Executive Directors:** Dr L Fourie (Group CEO), A Takoordeen (CFO)  
**Non-Executive Directors:** N Nyembezi (Chairman), ZBM Bassa, MS Cleary, F Daniels, VN Fakude, Dr M Jordaan, Dr SP Kana, FN Khanyile, BJ Kruger, DM Lawrence, Dr MA Matoane  
**Group Company Secretary:** GA Brookes

- Closure of the exchange on which an underlying asset referenced by a derivative is listed, that may have an effect on the ability to price the derivative instrument;
- Disruptions in underlying reference index calculations;
- Potential credit events;
- Ratings downgrades as a result of economic conditions and the recent sovereign ratings downgrade;
- Negative audit opinions (qualified, adverse, emphasis) could result in default events depending on issuer-specific terms and conditions;
- Early redemption events; and
- Any matters that could affect the price and/or terms and conditions of the instrument.

It should be noted that the above is not an exhaustive list and issuers must be mindful of any indicators that could affect the pricing of an instrument.

#### Amendments to Terms and Conditions of Listed Instruments

The JSE understands that there may be circumstances where issuers may require amendments to existing terms and conditions of listed instruments due to unforeseen events pursuant to paragraph 7.26 of the Debt Requirements.

To the extent that issuers need to approach noteholders to amend terms and conditions of instruments, issuers/sponsors must submit the instruction to the JSE as soon as possible to the WEBSTIR system in order for the JSE to provide assistance in expediting the review process, where possible. The JSE would therefore appreciate that issuers/sponsors provide a notification directly to Nicolas Kleovoulou via email on [nicolask@jse.co.za](mailto:nicolask@jse.co.za) of the submission, as high volumes of submissions to the JSE is expected during the COVID-19 pandemic.

#### Conclusion

The JSE has been recognised as an essential service within the South African economy and it is important that the JSE maintain orderly financial markets and market integrity during this period. Recognising the potential effects of the pandemic in accordance with the Equity and Debt Requirements is critical to maintain a fair and efficient financial market in securities listed and traded on the JSE.

Please contact either Annalie de Bruyn on 011 520 7063 or Nicolas Kleovoulou on 011 520 7582 should you have any questions regarding this letter.

Yours faithfully

A handwritten signature in black ink, appearing to be 'A F Visser', written over a large, light-colored circular scribble.

**A F VISSER**

**DIRECTOR: ISSUER REGULATION**