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**PEMBURY LIFESTYLE GROUP LIMITED**  
Incorporated in the Republic of South Africa  
(Registration number 2013/205899/06)  
Share code: PEM ISIN: ZAE000222949  
("PLG" or "the Company" or "the Group")

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**RENEWAL OF CAUTIONARY ANNOUNCEMENT – VERITYHURST SUBSCRIPTION**

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**1. Verityhurst Share Subscription and Disposal of PLG Retirement Villages**

- 1.1. Shareholders are collectively referred to the cautionary announcements released on SENS, the last of which was dated 25 August 2021 (and using the terms defined therein unless otherwise stated) relating to the Verityhurst Share Subscription in terms of which Verityhurst has agreed to subscribe for 180 000 000 PLG ordinary shares for cash at a subscription price of 10.5 cents per share for a total consideration of R18 900 000 ("**Verityhurst Share Subscription**") subject to certain suspensive conditions, including the disposal of the PLG Retirement Village subsidiary ("**Disposal of the PLG Retirement Villages**").
- 1.2. Shareholders are also reminded that, as announced on SENS on 14 August 2020:
  - 1.2.1. given that the Company was suspended on 1 July 2020, the Subscription Price of the Subscription Shares by Verityhurst was subject to discussions with the JSE Limited ("**JSE**") in terms of the Company's general authority; and
  - 1.2.2. in so far as paragraph 9.7 of the Listings Requirements of the JSE is concerned and to which the Disposal of the PLG Retirement Villages is subject, the JSE had, via the Designated Advisor, engaged with the Company in order to reach a determination of the categorisation of such disposal prior to signature of the disposal agreement.
- 1.3. The JSE had requested a formal ruling request ("**Ruling Request**") in this regard.

**2. Outcome of JSE Ruling Request**

- 2.1. The JSE had ruled that the Verityhurst Share Subscription cannot proceed under the General Authority.
- 2.2. The Ruling Request was posited on the belief that the Disposal of the PLG Retirement Villages was inter-conditional on the Verityhurst Share Subscription being implemented, and similarly so, the JSE ruled that it cannot be effected.
- 2.3. It was subsequently clarified that it was only the initial offer to the Board that set certain inter-conditionality. The final signed agreements were not inter-conditional and were entered into with separate parties.
- 2.4. The Company had advised the JSE of the information contained in paragraph 2.3 above, and consequently the JSE is now reconsidering the Disposal of the PLG Retirement Villages part of the original Ruling Request and will revert with their response thereto in due course.
- 2.5. With respect to the Abacus Agreement, details of which are contained in the announcement released on SENS on 27 July 2021, and further to the previous renewal of cautionary announcement released on SENS on 25 August 2021, Abacus has confirmed that they are still willing to receive shares in settlement of the debt owed by PLG, if such shares are allowed to be issued under the rescue provisions of the JSE (as described in paragraph 3 below).
- 2.6. With respect to the acquisition of debt from Moore Stephens Inc. ("**Moore**"), this agreement had also provided for the issue of shares at 10.5 cents under the Subscription Agreement.

2.7. Based on and subject to the approval of the Schedule 11 Application detailed in paragraph 3 below, the Company still envisages issuing shares to Verityhurst in exchange for their acquisition of Moore's debt.

### **3. Section 11 Application**

As detailed in the quarterly progress update announcement released on SENS on 30 September 2021, the Company subsequently requested the JSE to enable the Verityhurst Share Subscription under the rescue provisions contained in schedule 11 of the JSE Listings Requirements. The JSE will only consider this option if it is supported by shareholders and accordingly the Company has both:

- i. submitted a letter of support from its controlling shareholder to the JSE; and
  - ii. responded to further queries from the JSE,
- and awaits their decision.

### **4. Renewal of Cautionary**

Following the information disclosed above, shareholders are advised to continue exercising caution when dealing in the Company's securities until a further announcement is made.

Johannesburg  
18 October 2021

#### **Designated Adviser**

Merchantec Capital