

---

**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")

---

**WITHDRAWAL AND RENEWAL OF CAUTIONARY ANNOUNCEMENTS**

---

**1. Introduction**

- 1.1. Shareholders are referred to the cautionary announcements relating to:
- 1.1.1 the Verityhurst Share Subscription and the Disposal of PLG Retirement Villages ("**Verityhurst Cautionary**"); and
  - 1.1.2 the Former Auditors ("**Former Auditors Cautionary**"), which were last collectively renewed on SENS on 14 January 2022.
- 1.2. Capitalised terms used herein that are not otherwise defined, bear the meanings ascribed to them in the Verityhurst Cautionary and the Former Auditors Cautionary.

**2. Verityhurst Share Subscription and Disposal of PLG Retirement Villages Cautionary**

- 2.1. In terms of the Verityhurst Share Subscription, Verityhurst had 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**").
- 2.2. In terms of the Verityhurst Share Subscription, the JSE had ruled that it cannot proceed under the General Authority. As a consequence of such ruling, the matter pertaining to the issue of shares to Verityhurst has now been concluded. The issue will no longer be proceeding. However, the Company is still required to repay the Initial Loan received from Verityhurst.

**3. Disposal of the PLG Retirement Villages**

- 3.1. In terms of the Disposal of the PLG Retirement Villages, the JSE ruling request was posited on the inter-conditionality of the Verityhurst Share Subscription being implemented and, as such the JSE ruled that it cannot be effected.
- 3.2. It has subsequently been clarified that only the initial offer to the Board had set certain inter-conditionality and the JSE has been advised that the final signed agreements were not inter-conditional and were entered into with separate parties. The JSE is currently reconsidering the Disposal of the PLG Retirement Villages and will revert with their response thereto in due course.

**4. Former Auditors Cautionary**

- 4.1. The re-appointed Chief Executive Officer ("**CEO**") was in negotiations with both Moore and Abacus, with a view of finding a solution to settle the historic debt and have the liquidation applications withdrawn.
- 4.2. PLG has been negotiating with Moore to consider their reappointment, which will be in the best interests of the Company. The CEO has been negotiating with Moore for them to accept the engagement proposal and complete the audits of the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021. At this stage a preliminary agreement has been reached. PLG is in the process of raising funds in order to settle the historical debt owing and fund the completion of the above-mentioned financial years audits.

## **5. Cost Saving Initiatives**

5.1. The re-appointed CEO has brought about extensive cost saving measures to PLG including *inter alia* the following:

5.1.1 the closure of non-performing schools;

5.1.2 changing various service providers;

5.1.3 raising funds for PLG to settle creditors; and

5.1.4 reducing unnecessary staff throughout the Group.

5.2. In addition, the Company is currently preparing 2 PLG properties that are no longer suited for schooling purposes to be put up for sale, subject to shareholders and JSE approval, as applicable. This strategy will raise a substantial amount in cash. The funds raised will be used to pay creditors, relieve PLG of liquidation orders and finalise audits for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021. This being said, three of our top performing schools have shown great growth and with further investment, will see these schools reach their full potential.

## **6. Withdrawal of the Verityhurst Share Subscription Cautionary and Renewal of the Former Auditors Cautionary**

In light of the aforementioned information, shareholders are advised to continue exercising caution when dealing in the Company's securities until a further announcement in regards to the Former Auditors Cautionary is made.

Johannesburg  
25 February 2022

### **Designated Adviser**

Merchantec Capital