



**PEMBURY LIFESTYLE GROUP LIMITED**

Incorporated in the Republic of South Africa  
(Registration number 2013/205899/06)  
Share code: PEM ISIN: ZAE000222949  
("Pembury" or "the Company")

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**PEMBURY LIFESTYLE GROUP LIMITED - QUARTERLY PROGRESS ANNOUNCEMENT**

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In terms of paragraph 1.11(c) of the JSE Listings Requirements of the JSE Limited ("JSE") pertaining to the continuing obligations of suspended companies, shareholders are hereby provided with a quarterly progress report on the current state of affairs of the Company.

The suspension of the listing of Pembury was due to the Company's failure to submit its provisional report for the year ended 31 December 2019 within the three-month period stipulated in the JSE Listings Requirements, together with the two-month period afforded under "FSCA Communication 15 of 2020 (FM) – Supervision" dated 3 April 2020.

**Publication of annual financial statements for the years ended 31 December 2019, 2020 and 2021**

The Company continues to address the finalisation of the audit for the financial years ended 31 December 2019, 2020 and 2021, on a back-to-back basis, which requires, *inter alia*, an additional injection of cash in order to meet the expected audit cost, which is substantial. The Company is currently considering alternative solutions in order to complete these audits following the unexpected doubling of the audit fee proposal earlier last year to just under R4 million. The Company reached out to its former auditor, Moore, to consider their reappointment and to provide quotes on completing each subsidiary annual financial statements separately and then report to the Group's auditors in order to complete the consolidated annual financial statements. To date, a preliminary agreement has been reached and Pembury managed to make part payments to both Moore and Abacus. Pembury 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.

An updated quotation has been received in the past week and will be tabled at the reconstituted Audit and Risk Committee during August 2022.

**Changes to the Board - Resignation**

Shareholders were advised in a SENS announcement dated 31 May 2022, that PLG's Chief Executive Officer, Mr Andrew McLachlan, passed away suddenly.

As announced on SENS on 30 June 2022 and 28 July 2022, respectively, Mr Jason McLachlan and Dr Bernhard Eifenhuis, resigned as Independent Non-Executive Directors with immediate effect. This left the Company with only one Director.

### **Changes to the Board - Appointments**

As announced on SENS on 28 July 2022, the following independent non-executive directors were appointed with immediate effect.

- Mr Siyabonga Gugu Nxiweni ("Gugu");
- Ms Shelley Thomas; and
- Ms Mumsy Mthembu.

All of the above Directors are former Directors of Pembury and had been involved in the turnaround initiatives until the return of Mr Andrew McLachlan on 29 October 2021.

They have all agreed to rejoin the Board and resume the turnaround strategy.

### **Resignation of Designated Advisor and Company Secretary**

As announced on SENS on 11 July 2022, shareholders were advised that both the Designated Advisor, Merchantec Capital and Company Secretary, Acorim Proprietary Limited, resigned with immediate effect.

### **Appointment of Designated Advisor and Company Secretary**

As announced on SENS on 28 July 2022, the Company appointed AcaciaCap Advisors Proprietary Limited with immediate effect to assist the Company with its ongoing regularization and compliance with the JSE Listings Requirements and guiding the Company to achieve its unsuspension in due course.

Light Consulting Proprietary Limited was also similarly appointed with effect from 26 July 2022 to assist the Company with its regularisation and ongoing compliance with the Companies Act and other regulatory requirements.

Both companies have prior experience with Pembury, which should enable a quicker resolution of the Company's compliance.

### **Corporate Governance and JSE Compliance**

The primary focus of the Company is to finalise the audit of the Annual Financial Statements for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021, finalise the Integrated Reports and then to publish the interim results for the six months ended 30 June 2020 and 30 June 2021. Thereafter the Company will apply to the JSE to have the suspension lifted.

### **Johannesburg**

16 August 2022

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#### **Designated Advisor**

AcaciaCap Advisors Proprietary Limited

