

PSG GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1970/008484/06)

JSE Limited (“**JSE**”) share code: PSG

ISIN code: ZAE000013017

LEI code: 378900CD0BEE79F35A34

(“**PSG Group**” or “**the Company**”)



PSG GROUP RESTRUCTURING: UPDATE ANNOUNCEMENT

1. INTRODUCTION

- 1.1 Shareholders are referred to the various announcements released by PSG Group on SENS and the circular distributed to Shareholders on Friday, 8 July 2022 (“**Circular**”), advising that, subject to the fulfilment (or where applicable, waiver) of the PSG Group Restructuring Conditions, including receipt of the requisite Shareholder approval, PSG Group will, as one indivisible arrangement, implement the PSG Group Restructuring (comprising the PSG Group Unbundling, the PSG Group Scheme and the Delisting) on the terms set out in the Circular.
- 1.2 All capitalised terms used but not defined in this announcement shall bear the meanings ascribed to them in the Circular.

2. STATUS OF PSG GROUP RESTRUCTURING CONDITIONS

- 2.1 With reference to the PSG Group Restructuring Condition in paragraph 3.3.2.7 of the Circular, the Company is pleased to advise that the Remaining Shareholders have waived the requirement for a mandatory offer in terms of section 123(4) of the Companies Act, pursuant to the PSG Group Scheme, and that the TRP has granted an exemption in respect of such requirement. Accordingly, the PSG Group Restructuring Condition in paragraph 3.3.2.7 of the Circular has been fulfilled.
- 2.2 Shareholders are referred to the PSG Group Restructuring Condition in paragraph 3.3.2.3 of the Circular, that no valid demands (relating to Appraisal Rights) (“**Demands**”) are received by PSG Group from any Shareholder in terms of section 164(7) read with section 115(8) of the Companies Act (“**Appraisal Rights Condition**”). As previously advised, two Shareholders delivered notices of objection to PSG Group as contemplated in section 164(3) of the Companies Act.
- 2.3 Following the General Meeting, one of the aforesaid Shareholders (which held PSG Group Shares before the publication of the Firm Intention Announcement) withdrew its objection.
- 2.4 Following the aforesaid withdrawal, only one objecting Shareholder remains (“**Objecting Shareholder**”). As previously mentioned, the Objecting Shareholder only acquired its PSG Group Shares following the publication of the Firm Intention Announcement and the Circular, towards the end of July 2022.

- 2.5 On 16 August 2022, the Company requested an indication from the Objecting Shareholder as to whether it intends to withdraw the objection or, alternatively, to submit a Demand. The Company has not received any such indication from the Objecting Shareholder yet, but the Objecting Shareholder has additional time to provide same, in terms of the timelines prescribed in the Companies Act. Given that the Objecting Shareholder only holds 2,000 PSG Group Shares, the Board has resolved to waive the Appraisal Rights Condition now, without awaiting a formal Demand or withdrawal of the objection, to avoid potential delays with the implementation of the PSG Group Restructuring. Given that the Objecting Shareholder has not yet submitted a Demand or withdrawal and had the Company not waived the relevant condition precedent now, the entire PSG Group Restructuring would have been delayed by approximately two weeks for all Shareholders.
- 2.6 In the absence of such waiver, this single objection in respect of a mere 2,000 PSG Group Shares could otherwise cause the transaction to fail for all PSG Group Shareholders, notwithstanding the Company having obtained Shareholder approval, with approximately 95% of the votes cast having voted in favour thereof. Accordingly, the PSG Group Restructuring Condition in paragraph 3.3.2.3 of the Circular has been waived.
- 2.7 The PSG Group Restructuring remains subject to the fulfilment (or, where applicable, waiver) of various other PSG Group Restructuring Conditions. It is anticipated that the last of the PSG Group Restructuring Conditions will be fulfilled or waived by Thursday, 25 August 2022, being the anticipated finalisation date in respect of the PSG Group Unbundling. The Company will release a further announcement on 25 August 2022 to provide such confirmation or a further update in this regard.

3. RESPONSIBILITY STATEMENT

The Independent Board individually and collectively accepts full responsibility for the accuracy of the information contained in this announcement. In addition, the Independent Board certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein or which would make any statement false or misleading, and that all reasonable enquiries to ascertain such information have been made and the announcement contains all information required by law and the JSE Listings Requirements.

The PSG Group Board (excluding the members of the Independent Board) ("**Board**") individually and collectively accepts full responsibility for the accuracy of the information contained in this announcement. In addition, the Board certifies that, to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein or which would make any statement false or misleading, and that all reasonable enquiries to ascertain such information have been made and the announcement contains all information required by law and the JSE Listings Requirements.

Transaction Advisor and Sponsor – PSG Capital

Independent Joint Sponsor – Tamela Holdings Proprietary Limited

Legal Advisor as to South African law – Cliffe Dekker Hofmeyr Incorporated

Disclaimers

The release, publication or distribution of this announcement in jurisdictions other than South Africa may be restricted by law. The distribution of the Unbundled Shares to Foreign Shareholders in terms of the PSG Group Unbundling or the transfer of PSG Group Shares in terms of the PSG Group Scheme may be affected by the laws of the relevant Foreign Shareholders' jurisdictions. In this regard, Foreign Shareholders are referred to the further details set out below.

Foreign Shareholders: General

No action has been taken by PSG Group to obtain any approval, authorisation or exemption to permit the distribution of the Unbundled Shares or the PSG Group Scheme or the possession or distribution of this announcement (or any other publicity material relating to the Unbundled Shares or the PSG Group Shares in terms of the PSG Group Scheme) in any jurisdictions other than South Africa.

The PSG Group Restructuring is being conducted under the procedural requirements and disclosure standards of South Africa which may be different from those applicable in other jurisdictions. The legal implications of the PSG Group Restructuring on persons resident or located in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction. Such persons should consult their professional advisors and inform themselves about any applicable legal requirements, which they are obligated to observe. It is the responsibility of any such persons participating in the PSG Group Restructuring to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith.

Foreign Shareholders should refer to and take into account the disclaimers set out in this announcement and contained in the Circular in relation to those jurisdictions.

Foreign Shareholders should nevertheless consult their own professional advisors and satisfy themselves as to the applicable legal requirements in their jurisdictions.

Notice to Foreign Shareholders located in the United States of America ("US")

This announcement is not an offer of securities for sale in the US. The Unbundled Shares and the PSG Group Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or with any regulatory authority of any state or other jurisdiction in the US and may not be offered, sold, exercised, transferred or delivered, directly or indirectly, in or into the US at any time except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the US.

The Unbundled Shares and the PSG Group Shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the US. The Company does not intend to take any action to facilitate a market in the Unbundled Shares or the PSG Group Shares in the US. Consequently, it is unlikely that an active trading market in the US will develop for the Unbundled Shares or the PSG Group Shares.

The Unbundled Shares and the PSG Group Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other regulatory authority in the US, nor have any of the foregoing authorities passed comment on, or endorsed the merit of, the PSG Group Restructuring or the accuracy or the adequacy of this announcement or the information contained herein. Any representation to the contrary is a criminal offence in the US.

Notice to Foreign Shareholders located in the European Economic Area ("EEA") and the United Kingdom ("UK")

This announcement is not a prospectus for the purposes of the Prospectus Regulation (EU) 2017/1129 or Regulation (EU) No 2017/1129 as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 as amended, on the basis that the Unbundled Shares and the PSG Group Shares are not being admitted to trading on a regulated market situated or operating within the EEA or the UK, nor is there an offer to the public in respect of the Unbundled Shares or the PSG Group Shares in any member state of the EEA or in the UK. Accordingly, any person making or intending to make any offer for the Unbundled Shares or the PSG Group Shares should only do so in circumstances in which no obligation arises for PSG Group or the issuers of the Unbundled Shares to produce a prospectus for such offer. The Company has not authorised the making of any offer for the Unbundled Shares or the PSG Group Shares through any financial intermediary.