



Pembury Lifestyle Group

PEMBURY LIFESTYLE GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2013/205899/06)

("PLG" or "the Company")

ISIN Code: ZAE000222949

JSE Code: PEM

RENEWAL OF CAUTIONARY

Shareholders are referred to the previous cautionary announcements published on SENS, the last being on 7 February 2023. Shareholders are advised that the following progress has been made to date:

Update on the School Rezoning and Registrations

Raslouw

The company received an updated Water Services Scheme Report and water layout drawing from the water department for the engineer of City of Tshwane to comment and revert to the water department. In the report it was noted that student numbers have been restricted to equal the existing water demand/allocation for the two agricultural holdings. Provision has been made on site to store the required fire water and it was clarified by the local fire engineer. The company await further comments from the City of Tshwane engineer.

Carlswald

The company awaits City of Johannesburg to respond after the owner of the PLG Properties was notified of the results that came after the Environmental Department's inspection.

Willowview

The application for Umalusi was submitted in mid-January 2023. The school is working on ensuring that Umalusi is accredited again, great progress has been made and awaiting the visit from Umalusi first week of April 2023.

Springs

The school is currently in the process of applying for an EMIS extension to Grade 12. The Town Planner is currently compiling all the necessary documents in order to commence with the zoning application. Thereafter, the school will prioritise the Umalusi applications.

Verityhurst Proprietary Limited ("Verityhurst") – convertible loan

Shareholders are advised that Verityhurst continues to provide funding for the renovations of schools across the group and is glad to announce that following renovations at Willowview, the boarding at Willowview has been reopened. Renovations at Raslouw are currently underway.

The company has further embarked on renovations of the Northriding property as well as the Modimolle (Sanrock) property, with a schedule to accept registrations during the 3rd term of 2023, as both schools are scheduled to commence operations from the beginning of the year 2024.

The Company continues to draw down funds from the Verityhurst loan of R25 million, which has assisted the company thus far with the renovations and will continue to draw down more from the loan for further renovations, creditor settlements and working capital.

Audits

The audit for 2019 has not yet commenced although an Audit and Risk Committee meeting was held and the Company decided to focus on the audit of the property subsidiary, where the audit fee has been settled in full. As a separate matter, the two new school subsidiaries will need to be prioritised to enable tax clearance certificates to be obtained for the school registrations, namely Raslouw and Carlswald.

The Company has made application for the extension for the various Annual Reports and Annual General Meetings to the Companies Tribunal and the Company has been keeping CIPC informed on a monthly basis.

Legal

The Company continues to engage with various claims and creditors on a case-by-case basis and in a constructive manner, as each matter requires proper investigation. Certain matters will be defended where there is no basis for the claim. Legal counsel is assisting in this regard.

In addition, it has been discovered that certain fraudulent documents appear to have been submitted with the applications for school registrations some years ago for Raslouw and Carlswald. This matter has been reported to various Department of Education officials and the Company has offered assistance in any investigation.

Furthermore, following the SENS announcement issued on 8 November 2022, the allocation of the loan between PLG and third parties has been finalised with around 67% of the loan not being received for the benefit of PLG. This matter has been reported to CIPC and the JSE and a claim will be made to recover the funds.

Other changes

There are a number of other changes to the Board and advisors, which will be announced separately.

Renewal of cautionary announcement

In light of the above information, shareholders are accordingly advised to continue to exercise caution until a further announcement is made.

Johannesburg

28 March 2023

Designated Advisor

AcaciaCap Advisors Proprietary Limited