

LONG4LIFE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2016/216015/06)

Share code: L4L

ISIN: ZAE000243119

("Long4Life" or "the Company")

ACQUISITION BY LONG4LIFE OF SORBET HOLDINGS PROPRIETARY LIMITED ("SORBET")

1. INTRODUCTION

Shareholders are referred to the Company's Pre-Listing Statement of 31 March 2017, in which the Company stated its intention to acquire Sorbet. The board of directors of Long4Life ("the Board") is pleased to announce that it has concluded a Share Purchase Agreement to acquire the entire issued share capital of Sorbet for a maximum consideration of R116 million, to be settled through a combination of cash and Long4Life shares ("the Acquisition").

2. OVERVIEW OF SORBET

Sorbet is a beauty therapy hub with 186 franchise stores in South Africa and will shortly open its fifth company-owned store in the United Kingdom. Sorbet offers a range of professional beauty therapy treatments, as well as premium body and skincare products for women and men. The business operates through various store formats including Sorbet Salon (for all-round beauty therapy), Sorbet Dry Bar (express hairstyling), Sorbet Man (men's grooming) and Candi & Co (ethnic hair treatments and hairstyling).

3. RATIONALE FOR THE ACQUISITION

The Acquisition presents an attractive opportunity which is aligned to the Company's strategy of seeking investments with a lifestyle focus. The Board believes that Sorbet, having established a well-recognised brand and a nationwide footprint, represents an excellent platform for Long4Life to expand its interests in the health, beauty and grooming arena, both organically and through acquisitions.

4. CONDITIONS PRECEDENT AND WARRANTIES

The Acquisition is subject to the following conditions precedent, all of which are expected to be fulfilled by 31 August 2017, notwithstanding which the effective date for the Acquisition is 1 April 2017 ("the Effective Date"):

- the finalisation of the shareholding and related shareholders agreements pertaining to Sorbet's international operations;
- the conclusion of service and restraint agreements with key employees;
- the finalisation of Sorbet's Audited Financial Statements for the period ended 31 March 2017;
- confirmation of the release from existing pledge and cession arrangements in regard to certain of the sale shares;
- the entering into of pledge and cession agreements by the Sorbet shareholders in favour of Long4Life; and
- confirmation by Long4Life that it is satisfied that no material adverse change in regard to Sorbet's business has occurred between the Effective Date and the closing date of the Acquisition.

The Share Purchase Agreement contains warranties and indemnities that are standard for a transaction of this nature.

5. FINANCIAL INFORMATION

Based on Sorbet's draft financial statements for the 10-month period ended 31 March 2017 relating to its primary operations, Sorbet's annualised attributable EBITDA approximates R14.2 million. Sorbet's tangible net asset value at the effective date approximates R5.2 million, it being noted that intangible assets and goodwill attributable to the Sorbet brand and trademarks will be fair valued at the Effective Date.

6. CATEGORISATION

The Acquisition is classified as a Category 2 transaction for Long4Life in terms of the Listings Requirements of the JSE.

Johannesburg
14 July 2017

Financial advisor and Sponsor to Long4Life
The Standard Bank of South Africa Limited