
**IMPORTANT: YOU MUST READ THE FOLLOWING
DISCLAIMER BEFORE CONTINUING.**

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THE ATTACHED DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE BRAIT INVESTMENT HOLDINGS LIMITED EXCHANGEABLE BONDS (THE “EXCHANGEABLE BONDS”) AND THE BRAIT PLC ORDINARY SHARES TO BE ISSUED UPON EXCHANGE OF THE EXCHANGEABLE BONDS REFERENCED IN THE ATTACHED DOCUMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)).

THE EXCHANGEABLE BONDS ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”). PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE EXCHANGEABLE BONDS MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE EXCHANGEABLE BONDS AND THE BRAIT PLC ORDINARY SHARES TO BE ISSUED UPON EXCHANGE OF THE EXCHANGEABLE BONDS, AND THE DISTRIBUTION OF THIS PROSPECTUS, SEE “SECTION 8: SUBSCRIPTION AND SALE”.

THE EXCHANGEABLE BONDS AND THE BRAIT PLC ORDINARY SHARES TO BE ISSUED UPON EXCHANGE OF THE EXCHANGEABLE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE EXCHANGEABLE BONDS OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the Exchangeable Bonds, investors must be either (1) qualified institutional buyers within the meaning of Rule 144A under the Securities Act (“QIBs”) or (2) persons who are not U.S. persons (as defined in Regulation S under the Securities Act) and who are outside of the United States in offshore transactions in reliance on Regulation S under the Securities Act; provided that investors resident in a (i) Member State of the European Economic Area must be a qualified investor (within the meaning of Regulation 2017/1129 (the “**Prospectus Regulation**”)) and (ii) the United Kingdom (the “**UK**”) must be a qualified investor (within the meaning of Regulation 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”) (the “**UK Prospectus Regulation**”)). The Prospectus is being sent at your request. By accepting this e-mail and/or by accessing the Prospectus, you shall be deemed to have represented to us and the initial purchasers set forth in the attached Prospectus (collectively, the “**Initial Purchasers**”) that: (1) you consent to delivery of such Prospectus by electronic transmission; and (2) either you and any customers you represent are: (a) QIBs; or (b) outside the United States (and if you are resident in a Member State of the European Economic Area or the United Kingdom, you are a qualified investor).

Prospective purchasers that are QIBs are hereby notified that the seller of the Exchangeable Bonds offered under the Prospectus may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person. Under no circumstances shall the Prospectus constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Initial Purchaser of the Exchangeable Bonds offered under the Prospectus or any affiliate of any such Initial Purchaser is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such an Initial Purchaser or affiliate on behalf of the issuer in such jurisdiction.

In addition, in the United Kingdom, the attached document is being distributed only to and is directed only at: (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); (b) high net worth entities falling within Article 49 of the Order; and (c) other persons to whom it may otherwise lawfully be communicated under the Order (all such persons together referred to as “**relevant persons**”). Any investment or investment activity to which the document relates is available only in the United Kingdom to relevant persons and will be engaged in only with such persons.

This document has been delivered to you on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

PRIIPs Regulation/Prohibition of sales to EEA – The Exchangeable Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Exchangeable Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Exchangeable Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs Regulation/Prohibition of sales to UK retail investors – The Exchangeable Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Exchangeable Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Exchangeable Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The Prospectus may have been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Initial Purchasers, any person who controls any joint lead manager, or any of their respective directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you from the Initial Purchasers upon your request.

the name “Brait Inv Hldgs Ltd EB” and abbreviated name “BIHL EB”. The Listing is effective from Tuesday, 14 December 2021. The clearing and settlement of trades on the JSE shall take place in accordance with the electronic clearing and settlement procedures of the JSE and Strate.

The Exchangeable Bonds and the Brait PLC Ordinary Shares for which the Exchangeable Bonds are exchangeable have not been and will not be registered under the US Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S).

The Exchangeable Bonds are being offered and sold outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to “Qualified Institutional Buyers” in reliance on Rule 144A.



Brait Investment Holdings Limited

(formerly "**BRAIT MALTA LIMITED**")

(Incorporated in Mauritius)

(Registration number: 183308 GBC)

JSE stock code: BIHLEB ISIN: MU0707E00002

("BIH", "**Issuer**" or the "**Company**")

PROSPECTUS RE: OFFERING OF UP TO ZAR3,000,000,000 5.00% SENIOR UNSECURED EXCHANGEABLE BONDS DUE 2024 AT A SUBSCRIPTION PRICE OF ZAR1,000 EACH AND EXCHANGEABLE INTO BRAIT PLC ORDINARY SHARES

Financial Advisor, Arranger and Debt Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)



Lead South African Legal Advisor

DLA Piper South Africa



International Legal Advisor

Linklaters LLP

Linklaters

South African Legal Advisor on the Exchangeable Bonds

Webber Wentzel

WEBBER WENTZEL

in alliance with > Linklaters

The definitions and interpretations commencing on page 15 of this document apply, *mutatis mutandis*, through the entire document, including this cover page.

This Prospectus is not an invitation to the general public to subscribe for Exchangeable Bonds, but is issued for the limited purposes of providing statutorily required information in connection with the:

- i) Exchangeable Bonds to be issued by the Company pursuant to the Rights Offer, being a renounceable rights offer by Brait PLC to qualifying Brait PLC Shareholders in respect of Rights to subscribe for the Exchangeable Bonds; and
 - ii) Listing of the Exchangeable Bonds on the main board of the JSE,
- in each case on the terms and subject to the conditions set out herein.

In accordance with Condition 7(b) (*Redemption at the Option of the Issuer Following a Shareholder Event*), if the Shareholders of Brait PLC do not approve the resolution in respect of the allotment and issue of sufficient Brait PLC Ordinary Shares in connection with the exercise of Exchange Rights at an extraordinary general meeting of the shareholders of Brait PLC to be held on 22 December 2021, the Exchangeable Bonds shall be redeemed by the Issuer at their Principal Amount, together with accrued but unpaid interest up to (but excluding) the Shareholder Event Redemption Date.

This Prospectus comprises a combined:

- (i) “registered prospectus”, prepared in accordance with the applicable substance and form requirements for a prospectus set out in the Companies Act and the Companies Regulations; and **[Reg 51(4)]**
- (ii) placing document prepared in accordance with the applicable JSE Debt Listings Requirements.

The JSE has approved this Prospectus and granted BIH a listing of the Exchangeable Bonds on the main board of the JSE Limited in the Diversified Financial Services sector under stock code number “BIHLEB” with the name “Brait Inv Hldgs Ltd EB” and abbreviated name “BIHL EB”. The Listing is effective from Tuesday, 14 December 2021. The clearing and settlement of trades on the JSE shall take place in accordance with the electronic clearing and settlement procedures of the JSE and Strate.

The Exchangeable Bonds and the Brait PLC Ordinary Shares for which the Exchangeable Bonds are exchangeable have not been and will not be registered under the US Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S).

The Exchangeable Bonds are being offered and sold outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to “Qualified Institutional Buyers” in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Exchangeable Bonds may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Exchangeable Bonds and the Brait PLC Ordinary Shares for which the Exchangeable Bonds are exchangeable, and the distribution of this Prospectus, see “Section 8: Subscription and Sale”.

The Exchangeable Bonds and the Brait PLC Ordinary Shares for which the Exchangeable Bonds are exchangeable have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Exchangeable Bonds or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

A total amount of up to ZAR3,000,000,000 (or up to 3,000,000 bonds) 5.00% Senior Unsecured Exchangeable Bonds, exchangeable into Brait PLC Ordinary Shares with a subscription price on the Issue Date (as defined in the Terms and Conditions) of ZAR1,000 each are proposed to be issued by the Company on Monday, 20 December 2021. The Exchangeable Bonds are subject to the Terms and Conditions incorporated into this Prospectus in the section headed “Annexure 5: Terms and Conditions of the Exchangeable Bonds”.

The Exchangeable Bonds will not be rated.

In addition, this Prospectus, accompanied by the documents referred to under “Documents available for inspection” as set out in Section 4, paragraph 8 on page 44 of this Prospectus, was registered with the CIPC on Friday, 12 November 2021.

As at the Listing Date, the stated capital of BIH will comprise 20,899,776,485 BIH Ordinary Shares.

As at the Listing Date, no BIH Ordinary Shares are held in treasury.

This Prospectus only relates to the Exchangeable Bonds and the Listing, and: (i) no invitation or offer to subscribe is being made to any person in relation to the BIH Ordinary Shares; and (ii) no application for listing on the JSE has been made in respect of the BIH Ordinary Shares.

The Exchangeable Bonds are subject to various restrictions as set out in the Terms and Conditions and this Prospectus more generally. Persons who invest in Exchangeable Bonds should ensure that they fully understand the nature of the Exchangeable Bonds and the extent of their exposure to risks in respect thereof, and that they consider the suitability of the Exchangeable Bonds as an investment in light of their own circumstances and financial position. Investing in Exchangeable Bonds, by way of participation in the Rights Offer or otherwise, is subject to a number of risks, including the risk of Exchangeable Bonds losing some or a significant part of their initial value, the risk of an active trading market for the Exchangeable Bonds not developing and the risk of the Exchangeable Bonds being redeemed prior to their maturity. Specialist securities, such as the Exchangeable Bonds involve a high degree of risk, including the risk of losing some or a significant part of an investor's initial investment. Exchangeable Bonds represent contractual obligations of the Company and rank *pari passu* in all respects with each other. Persons investing in the Exchangeable Bonds are reminded that, save as otherwise set out in this Prospectus and the Deed Poll (in respect of the obligations of Brait PLC), the Exchangeable Bonds constitute obligations of the Company only and of no other person and that Bondholders will have no shareholder rights in respect of the underlying Brait PLC Ordinary Shares until the valid exercise by a holder of its Exchange Right (or the exercise by the Issuer of the Share Settlement Option) and subsequent registration of such Bondholder as the holder of such Ordinary Shares. Therefore, they should understand that they are relying on the credit-worthiness of the Company and not its parent or another Brait Group company.

An additional special resolution will be proposed at the extraordinary general meeting of the shareholders of Brait PLC on 22 December 2021 to amend the class rights of the Brait PLC Ordinary Shares from being shares with a EUR 0.22 par value each to being shares of no par value, and the requisite amendments to the Brait PLC constitution to account for such an amendment in class rights. The passing of the par value special resolutions are not a condition to the allotment and issue of the Brait PLC Ordinary Shares in connection with the grant of Exchange Rights, or a condition to the granting of the Exchange Rights.

Subject to the satisfaction of the Shareholder Approval Condition (as defined herein), each Exchangeable Bond which has not previously been redeemed or purchased and cancelled will, at the option of its holder and subject as provided herein, be exchangeable during the Exchange Period (as defined herein) into fully paid Brait PLC Ordinary Shares at the applicable Exchange Price. The number of Brait PLC Ordinary Shares to be issued or transferred and delivered by Brait PLC on such exchange shall be determined by the Calculation Agent and shall be equal to the Reference Shares in respect of such exercise (as set out in the Conditions). The Initial Exchange Price is ZAR4.37 and is subject to adjustment in certain events as described in Condition 6(c) (Adjustment of Exchange Price).

Unless previously redeemed, exchanged or purchased by BIH and cancelled, the Exchangeable Bonds will mature on 3 December 2024. Notwithstanding this, the Issuer may elect to satisfy its obligation to redeem the Exchangeable Bonds on 3 December 2024 by exercising its Share Settlement Option pursuant to Condition 7(i) (Share Settlement Option).

Interest on the Exchangeable Bonds is payable in arrear on each Interest Payment Date (as defined herein), commencing with the first Interest Payment Date falling on 3 June 2022. Interest on the Exchangeable Bonds will be calculated by reference to the Principal Amount thereof, on the basis of a fixed rate and determined in accordance with Condition 5 (Interest).

Payments in respect of the Exchangeable Bonds will be made without withholding or deduction for taxes in Mauritius or any political subdivision thereof having the power to tax, unless such withholding or deduction is required by law, as described in Condition 9 (Taxation). In the event that any such withholding or deduction is required to be made solely as a result of the Issuer failing to obtain a listing of the Exchangeable Bonds on the Stock Exchange of Mauritius prior to the First Interest Payment Date, the Issuer will pay such additional amounts as will result in the receipt by the Bondholders of the amounts as would have been received by them had no such withholding or deduction been required, subject to certain exemptions as further set out in Condition 9 (Taxation).

Particular attention is drawn to the section entitled “*Risk factors associated with BIH, Brait PLC and the Exchangeable Bonds*” on pages 28 to 30 of this Prospectus.

BIH certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Prospectus which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Prospectus contains all information required by law and the JSE Debt Listings Requirements. BIH accepts full responsibility for the accuracy of the information contained in this Prospectus, the annual financial statements, the annual reports, the constitutional documents of BIH, all documents incorporated by reference and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

Neither the JSE nor the CIPC take any responsibility for the contents of this Prospectus or the annual financial statements and the annual reports of BIH and any amendments or supplements to the aforementioned documents. The JSE and the CIPC make no representation as to the accuracy or completeness of this Prospectus, the annual financial statements, the annual reports of BIH and any amendments or supplements to the aforementioned documents and each of the JSE and CIPC expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's and the CIPC's approval of the registration of this Prospectus and the listing of the Exchangeable Bonds on the JSE is not to be taken as an indication of the merits of BIH or the Exchangeable Bonds and that, to the extent permitted by law, the JSE and the CIPC will not be liable for any claim whatsoever.

BIH, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates all information which is material in the context of the issue and the offering of Exchangeable Bonds, that the information contained or incorporated in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Prospectus are honestly held and that there are no other facts, the omission of which would make this Prospectus or any of such information or expression of any such opinions or intentions misleading in any material respect.

Each of BIH's Debt Sponsor, financial advisor, South African legal advisors, International legal advisor and the Independent Reporting Accountant have consented in writing to act in the capacity stated (and to its name being stated) in this document and has not withdrawn its consent prior to the publication of this document.

This Prospectus is only available in English. Copies of this Prospectus will be made available on the Brait PLC website at: <https://brait.investoreports.com/investor-relations/>; the JSE's website at www.jse.co.za and may also be obtained during normal business hours from the registered office of the Company and the offices of the Debt Sponsor at their respective addresses set out in the “Corporate Information and Advisors” section of this Prospectus from the date of issue hereof (i.e. Monday, 29 November 2021) until Friday, 24 December 2021.

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Documents incorporated by reference:

The following information has been incorporated by reference and is available for viewing on the URLs indicated below:

Information incorporated by reference:	Specific location on website:
Historical financial information of Brait PLC for the three financial years ended 31 March 2019, 2020 and 2021	https://brait.investoreports.com/investor-relations/results-and-reports/
Brait PLC's 2021 Unaudited Interim Results Presentation Booklet	https://brait.investoreports.com/investor-relations/results-and-reports/
King IV compliance register	https://brait.investoreports.com/investor-relations/
BIH Conflicts of Interest Policy	https://brait.investoreports.com/investor-relations/
BIH Nomination of Directors Policy	https://brait.investoreports.com/investor-relations/

CORPORATE INFORMATION AND ADVISORS

Registration number of BIH

183308 GBC

Registered office of BIH

Brait Investment Holdings Limited
C/o Maitland (Mauritius) Limited
Suite, 420, 4th Floor
Barkly Wharf, Le Caudan Waterfront
Port Louis
Mauritius
Contact: Debt Officer
+230 213 6909

Place and date of incorporation of BIH

Incorporated in Malta on 13 May 2010.
Domicilium migration to Mauritius completed on
20 October 2021

Debt Officer

Dhanraj Boodhoo
Brait Investment Holdings Limited
C/o Maitland (Mauritius) Limited
Suite, 420, 4th Floor
Barkly Wharf, Le Caudan Waterfront
Port Louis, Mauritius
Contact: +230 213 6909
Email: dboodhoo@brait.com

South African Legal Advisor in respect of the Exchangeable Bonds

Webber Wentzel
90 Rivonia Road
Sandton, 2196
South Africa
K Couzyn
+27 11 530 5000

Independent Reporting Accountant

PricewaterhouseCoopers Inc.
(Registration number 1998/012055/21)
4 Lisbon Lane
Waterfall City, Jukskei View
Midrand, 2090
(Private Bag X36, Sunninghill, 2157)
Contact: Thomas Howatt
+27 11 797 4575

Auditor and Independent Reporting Accountants to BIH

PricewaterhouseCoopers
(Registration number: F07000530)
PwC Centre
Avenue de Telfair
Telfair 80829
Moka, Mauritius
Contact: Olivier Rey
+230 404 5000

Holding company of BIH

Brait PLC
(Registration number: 183309 GBC)
C/o Maitland (Mauritius) Limited
Suite 420, 4th Floor, Barkly Wharf
Le Caudan Waterfront
Port Louis, Mauritius
Contact: Director
+230 213 6909

Financial Advisor, Arranger and Debt Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)
(Registration number: 1929/001225/06)
4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2146
Contact: Head: Equity Capital Markets
+27 11 282 8077

Lead South African Legal Advisor to BIH

DLA Piper Advisory Services Proprietary Limited
(Registration number: 2015/222271/07)
6th Floor, 61 Katherine Street
Sandton, 2196
South Africa
P Bradshaw/S Mdluli
+27 11 302 0800

International Legal Advisor to BIH

Linklaters LLP
(Registration number: OC326345)
One Silk Street
London
EC2Y 8HQ
Contact: J Lane
+44 20 7456 2000

Transfer Agent to BIH

Computershare Investor Services
Proprietary Limited
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)
Contact: Director: Investor Services
+27 11 370 5000

Company Secretary

Maitland (Mauritius) Limited
Brait Investment Holdings Limited
Suite, 420, 4th Floor
Barkly Wharf, Le Caudan Waterfront
Port Louis
SGN 2805
Mauritius
Contact: Corporate Client Services
+230 210 9334

SUMMARY

The definitions and interpretations commencing on page 15 of this document apply, *mutatis mutandis*, to the entire document, including this section.

- 1.1 The Brait Group intends to implement the Proposed Transaction which will consist of:
 - 1.1.1 the Rights Offer, being a renounceable rights offer by Brait PLC to its qualifying shareholders of rights to subscribe for up to 3,000,000 Exchangeable Bonds issued by BIH at an offer price of ZAR1,000 each, in the ratio to be determined in accordance with the Brait PLC Circular;
 - 1.1.2 the issuance of the Exchangeable Bonds by BIH to those eligible Brait PLC Shareholders (or their renouncees) who participate in the Rights Offer; and
 - 1.1.3 the Listing, being the listing of the Exchangeable Bonds on the main board of the JSE.
- 1.2 This Prospectus relates to the issuance of the Exchangeable Bonds and the Listing. Brait PLC has published a circular (defined herein as the Brait PLC Circular) containing the salient details of the Rights Offer. Brait PLC Shareholders (or their renouncees) are encouraged to review this Prospectus alongside the information contained in the Brait PLC Circular.
- 1.3 BIH intends to use the net proceeds of the Proposed Transaction to capitalise its wholly-owned subsidiary, BML, the main operating company in the Brait Group.
- 1.4 Post settlement of the costs, fees and expenses related to the Proposed Transaction, BML will apply the net proceeds of the Proposed Transaction to settle a portion of the BML RCF, in order to partly de-gear the Brait Group's balance sheet.
- 1.5 The implementation of the Proposed Transaction will provide flexibility to enable the execution of the Brait Group's strategy, which is focused on maximising value through the realisation of its existing portfolio of investments over the medium term and returning capital to shareholders.
- 1.6 The Exchangeable Bonds through their issuance by the Company will be structurally senior to the Existing Convertible Bonds.

Summary of the Exchangeable Bonds

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus. Words and expressions defined in the Terms and Conditions shall have the same meanings in this summary.

Issuer:	Brait Investment Holdings Limited (Company Registration No: 183308 GBC), domiciled in Mauritius as a public Global Business Company.
Parent:	Brait PLC (Company Registration No: 183309 GBC), domiciled in Mauritius as a public Global Business Company.
Exchangeable Bonds:	5.00 per cent. senior unsecured exchangeable registered bonds due 3 December 2024 (a total issuance of up to 3,000,000 Exchangeable Bonds with a denomination of ZAR1,000 each). The Exchangeable Bonds are exchangeable into Ordinary Shares of the Parent subject to the satisfaction of the Shareholder Approval Condition.
Ordinary Shares:	Ordinary shares of the Parent (Bloomberg ticker: BAT SJ; Reuters: BAT J.J).
Size of issuance:	Exchangeable Bonds with an aggregate Principal Amount of up to ZAR3,000,000,000 (being within the amount authorised by the Issuer).
Terms and Conditions:	The terms and conditions of the Exchangeable Bonds as set out below in this Prospectus under the section headed “ Annexure 5: Terms and Conditions of the Exchangeable Bonds ”.
Currency:	Rand, the lawful currency of South Africa.
Denomination of the Exchangeable Bonds:	ZAR1,000 each.
Subscription Price of the Exchangeable Bonds:	ZAR1,000 each.
Form of Exchangeable Bonds:	The Exchangeable Bonds which will be listed on the main board of the JSE and settled through the Central Securities Depository, will be issued in uncertificated form, and will be held in the Central Securities Depository. The holder of a Beneficial Interest may exchange in limited circumstances such Beneficial Interest for Exchangeable Bonds in certificated form represented by a Certificate (see the section of this Prospectus headed “ <i>section 4: Additional Material Information [Reg 56] – Settlement, Clearing and Transfers</i> ”).
Status of the Exchangeable Bonds:	The Exchangeable Bonds constitute direct, unconditional, unsubordinated and (subject to the Negative Pledge) unsecured obligations of the Issuer and will rank <i>equally</i> among themselves and at least <i>equally</i> with all other existing and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Issue Price:	100% of the Principal Amount of the Exchangeable Bonds.
Interest Rate:	5.00 per cent per annum calculated by reference to the principal amount of an Exchangeable Bond.
Interest Payment Dates:	3 June and 3 December in each year until the maturity of the Exchangeable Bonds, with the first Interest Payment Date being on 3 June 2022 (the “ First Interest Payment Date ”) or if such day is not a Johannesburg business day, the Johannesburg business day on which interest will be paid, as determined in accordance with the Modified Following Business Day Convention, as set out in Condition 5(a) (<i>Interest Rate</i>).
Interest Period:	Each period in respect of which interest accrues on the Exchangeable Bonds commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) 20 December 2021 (the “ Interest Commencement Date ”) and end on (but exclude) the First Interest Payment Date, in each case subject to the Modified Following Business Day Convention in relation to the Interest Payment Dates.

Exchange Right:	On or after 31 January 2022 (being the date falling 42 days after the Issue Date, the “ First Exchange Date ”), provided that the Shareholder Resolution has been approved at the extraordinary general meeting convened by the Parent, each Exchangeable Bond will (unless previously redeemed, or purchased and cancelled) be exchangeable during the Exchange Period at the option of the Holder into Ordinary Shares at the applicable Exchange Price.
Exchange Period:	Subject as provided in the Terms and Conditions, including without limitation the satisfaction of the Shareholder Approval Condition, the Exchange Right in respect of an Exchangeable Bond may be exercised at the option of a Holder from, and including, the First Exchange Date, to, and including, the date (the “Exchange Deadline”) which is the earlier of (i) 27 November 2024 (being 5 London business days prior to the final maturity date of the Existing Convertible Bonds) or, (ii) 5 London business days prior to any earlier date fixed for an early redemption or date fixed for repurchase of all (but not some only) of the Existing Convertible Bonds (an “Existing Convertible Bond Early Redemption”). Provided that, if the Exchangeable Bonds are to be redeemed pursuant to Condition 7(c) (<i>Redemption at the Option of the Issuer</i>) prior to the Exchange Deadline, Exchange Rights may be exercised at the option of a Holder at any time from and including the First Exchange Date to, and including the earlier of, (i) the date falling 10 Johannesburg business days prior to the date fixed for such redemption and (ii) the Exchange Deadline. Exchange Rights in respect of any Exchangeable Bond may not be exercised where (i) notice is given by the Bondholder Representative that the Exchangeable Bonds are immediately due and payable pursuant to Condition 10 (<i>Events of Default</i>), (ii) in respect of an Exchangeable Bond for which the relevant Bondholder has exercised its right to require the Issuer to redeem that Exchangeable Bond pursuant to Condition 7(d) (<i>Redemption at the Option of Bondholders Upon a Relevant Event</i>), (iii) in respect of an Exchangeable Bond which the relevant Bondholder has tendered for repurchase pursuant to Condition 7(e) (<i>Redemption at the Option of Bondholders Following a Special Dividend</i>) (other than an Exchangeable Bond which is not subsequently accepted for repurchase and is returned to the Bondholder) or, (iv) the Exchange Date would fall during the period commencing on the Last Day to Trade in respect of any payment of interest on the Exchangeable Bonds, and ending on the Interest Payment Date, both days inclusive.
Initial Exchange Price:	ZAR4.37, subject to adjustment in accordance with Condition 6(c) (<i>Adjustment of Exchange Price</i>).
Exchange Price:	The number of Ordinary Shares to be issued or transferred and delivered by Brait PLC on exercise of an Exchange Right shall be determined by the Calculation Agent and shall be equal to the Reference Shares in respect of such exercise. The Exchange Price shall be adjusted upon the occurrence of certain events including, but not limited to, any alteration to the nominal value of the Ordinary Shares as the result of consolidation or subdivision, capitalisation of profits or reserves, any rights, options or securities issues and any Dividend, as described in Condition 6(c) (<i>Adjustment of Exchange Price</i>). Ordinary Shares (including any Additional Ordinary Shares) to be issued and or transferred and delivered on exchange will be issued and or transferred and delivered credited as fully paid and will rank <i>pari passu</i> with all other Ordinary Shares in issue on the relevant Registration Date, and the relevant holder shall be entitled to all rights, distribution or payments on the record date or due date for the establishment of entitlement for which falls on or after the relevant Registration Date save that they will not rank for any rights, distributions or payments where the record date or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.

Special Dividend:

If the Issuer intends to declare, announce, make or pay a Special Dividend prior to the Final Maturity Date, the Issuer shall give a Proposed Special Dividend Notice to the Bondholders and to the Bondholder Representative. The aggregate amount of any such Special Dividend actually paid or made by the Issuer to the Parent may not exceed the Proposed Special Dividend Amount reduced by an amount equal to the aggregate principal amount of Exchangeable Bonds repurchased or to be repurchased pursuant to the repurchase offer and on the corresponding Special Dividend Repurchase Date, as described in Condition 5(e) (*Proposed Special Dividend Notice*).

**Final Maturity Date/
Redemption:**

Unless previously purchased and cancelled, redeemed or exchanged the Issuer shall redeem the Exchangeable Bonds at their Principal Amount (together with accrued and unpaid interest) on 3 December 2024. Notwithstanding this, the Issuer may elect to satisfy its obligation to redeem the Exchangeable Bonds on 3 December 2024, by exercising its Share Settlement Option pursuant to Condition 7(i) (*Share Settlement Option*).

The Exchangeable Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 7(b) (*Redemption at the Option of the Issuer Following a Shareholder Event*) or 7(c) (*Redemption at the Option of the Issuer*) and may only be redeemed at the election of Bondholders prior to the Final Maturity Date in accordance with Condition 7(d) (*Redemption at the Option of Bondholders Upon a Relevant Event*) or 7(e) (*Redemption at the Option of Bondholders Following a Special Dividend*).

If the Shareholder Resolution is not approved at the EGM, the Issuer shall, on giving a Shareholder Event Redemption Notice, redeem all, but not some only, of the Exchangeable Bonds, on the Shareholder Event Redemption Date, at their Principal Amount together with accrued but unpaid interest, to (but excluding) the Shareholder Event Redemption Date, as described in Condition 7(b) (*Redemption at the Option of the Issuer Following a Shareholder Event*).

At any time, all but not some of the Exchangeable Bonds may be redeemed at their Principal Amount plus accrued but unpaid interest, to (but excluding) the relevant Early Redemption Date, before their stated maturity at the option of the Issuer, if Exchange Rights have been exercised and/or redemptions and/or purchases (and corresponding calculations) effected in respect of 85% or more in Principal Amount of the Exchangeable Bonds originally issued (which shall include any Further Exchangeable Bonds), as described in Condition 7(c) (*Redemption at the Option of the Issuer*).

If a Change of Control or a De-listing Event occurs, then Exchangeable Bonds may be redeemed at their Principal Amount together with accrued interest to (but excluding) the Relevant Event Put Date before their stated maturity at the option of the holders of the Exchangeable Bonds, as described in Condition 7(d) (*Redemption at the Option of Bondholders Upon a Relevant Event*).

Subject to the holders' right to exercise Exchange Rights, if the Issuer gives a Proposed Special Dividend Notice to Holders, then the Issuer shall invite holders to tender Exchangeable Bonds for repurchase at a price per Exchangeable Bond equal to its Principal Amount together with accrued and unpaid interest to (but excluding) the Special Dividend Repurchase Date before their stated maturity at the option of the holders of the Exchangeable Bonds, as described in Condition 7(e) (*Redemption at the Option of Bondholders Following a Special Dividend*).

If during the Exchange Period, the Issuer (i) declares or announces its intention to pay a Special Dividend to the Parent (as set out below) or (ii) at its election, delivers an Early Redemption Notice to the Holders to redeem all (and not some) of the Exchangeable Bonds at their Principal Amount, together with all accrued but unpaid interest up until the Early Redemption Date, in each case, a Holder will have the option to exercise its Exchange Rights.

Share Settlement Option:	The Issuer may elect (the “Share Settlement Option”) to satisfy its obligation to redeem the Exchangeable Bonds on the Final Maturity Date by (A) procuring that the Parent issues and/or transfers and delivers the Deliverable Shares, (B) making or procuring payment of the Cash Settlement Amount (if any) and (C) making or procuring payment of accrued but unpaid interest to but excluding the Final Maturity Date, as further described in Condition 7(i) (<i>Share Settlement Option</i>), provided that: (i) the Ordinary Shares are listed and admitted to trading on a Relevant Stock Exchange as at the date the Share Settlement Option Notice is given; (ii) no Event of Default shall have occurred and be continuing as at the date the Share Settlement Option Notice is given; and (iii) an Offer Period shall not be continuing as at the date the Share Settlement Option Notice is given.
Permitted Distributions:	Prior to the redemption or maturity of the Exchangeable Bonds or while any amounts remain outstanding to Holders, the Issuer, Brait Mauritius Limited and its wholly-owned subsidiaries shall be prohibited from making any distributions to the Parent other than Permitted Distributions, as described in Condition 5(d) (<i>Permitted Distributions</i>).
Listing:	An application has been made to list the Exchangeable Bonds on the JSE – main board under stock code number BIHLEB and ISIN number MU0707E00002 with effect from 14 December 2021. The Exchangeable Bonds may be traded by and through members of the JSE from 14 December 2021. The Issuer shall use its best endeavours to make or cause to be made a secondary listing of the Exchangeable Bonds on the Stock Exchange of Mauritius prior to the First Interest Payment Date and to maintain such admission to trading for so long as the Exchangeable Bonds remain outstanding and as required by Mauritian law or in order for the Issuer to pay amounts under the Exchangeable Bonds free of withholding taxes.
Events of Default:	Yes, as set out in Condition 10 (<i>Events of Default</i>).
Credit Rating:	The Exchangeable Bonds will not be rated.
Clearing and Settlement:	The Exchangeable Bonds will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the Central Securities Depository. The Central Securities Depository acts as the approved electronic clearing house, and carries on the role of matching, clearing and facilitation of settlement of all transactions carried out on the JSE. The Exchangeable Bonds will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the Central Securities Depository (see the section of this Prospectus headed “<i>Settlement, Clearing and Transfers</i>”).
Purchase of Bonds:	The Issuer may purchase the Exchangeable Bonds in the open market or otherwise subject to the JSE Debt Listings Requirements.
Method of Transfer:	The method of transfer is by registration for transfer of Exchangeable Bonds to occur through the Register and by electronic book entry in the securities accounts of Participants or the Central Securities Depository, as the case may be, for transfers of Beneficial Interests in the Exchangeable Bonds, in all cases subject to the restrictions described in this Prospectus. The Exchangeable Bonds will be fully paid up on the Issue Date and will be freely transferable.
Register:	The Register will be maintained by the Transfer Agent.
Taxation:	A summary of the applicable tax legislation in respect of the Exchangeable Bonds, is set out in the section of this Prospectus headed “<i>Tax Implications</i>”. The summary does not constitute tax advice. Potential investors in the Exchangeable Bonds should, before making an investment in the Exchangeable Bonds, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Exchangeable Bonds.

Securities Transfer Tax:	No securities transfer tax or any similar tax is payable by the Issuer on the issue, transfer or redemption of the Exchangeable Bonds (see the section of this Prospectus headed “ <i>Tax Implications</i> ”). Any future securities transfer tax and/or taxes that may be introduced will be for the account of Bondholders. If exchange occurs, securities transfer tax would be payable in relation to the transfer of the Ordinary Shares.
Withholding Tax:	In the event that the Issuer fails to list the Exchangeable Bonds on the Stock Exchange of Mauritius by the First Interest Payment Date and any withholding tax or such other deduction is required by applicable law, then the Issuer will, subject to certain exceptions as provided in Condition 9 (<i>Taxation</i>), pay such additional amounts as shall be necessary in order that the net amounts received by the Bondholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Exchangeable Bonds, as the case may be, in the absence of such withholding or deduction.
Selling Restrictions:	The distribution of this Prospectus and any offering or sale of or subscription for the Exchangeable Bonds may be restricted by law in certain jurisdictions, and is restricted by law in the Prohibited Jurisdictions and the Restricted Territories (as defined in this Prospectus) (see the section of this Prospectus headed “ <i>section 8: Subscription and Sale</i> ”). Persons who come into possession of this Prospectus must inform themselves about and observe all applicable selling restrictions.
Governing Law:	The Exchangeable Bonds will be governed by and construed in accordance with the laws of South Africa in force from time to time.

IMPORTANT INFORMATION

The definitions and interpretations commencing on page 15 of this document apply, *mutatis mutandis*, to the entire document, including this section.

DISCLAIMER

Notwithstanding that this document constitutes a Prospectus, it is not an offer to the general public and only to the extent relevant to and referred to in the Brait PLC Circular forms part of an invitation only to qualifying Brait PLC Shareholders to participate in the Rights Offer to subscribe for Exchangeable Bonds. Consequently, this Prospectus is addressed only to qualifying Brait PLC Shareholders, and does not constitute an offer or an invitation or solicitation of an offer to subscribe for securities of the Company to anyone else or in any jurisdiction in which such an offer or invitation would be unlawful.

The release, publication or distribution of this Prospectus in jurisdictions other than Mauritius, Luxembourg and South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than Mauritius, Luxembourg and South Africa should inform themselves about, and observe, any applicable requirements or restrictions.

No action has been taken or will be taken to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the issuance of the Exchangeable Bonds or to the Rights Offer) in any jurisdiction where action for that purpose may be required or doing so is restricted or prohibited by law. Accordingly, no person receiving a copy of this Prospectus in any territory other than Mauritius, Luxembourg and South Africa may accept any invitation or offer to them nor should they in any event exercise or attempt to exercise any Rights pursuant to the Rights Offer unless, in the relevant territory, any such invitation, offer or acceptance could lawfully be made to or by them, without contravention of any registration or other legal requirements.

Information included in this Prospectus relating to Brait PLC has been derived from publicly available sources and information made available to BIH. Consequently, the integrity of the information quoted herein, is dependent on the accuracy and completeness of publicly available information and the information made available to BIH, and such information has not been independently reviewed or verified by the Directors. Subject to the foregoing, and to the maximum extent permitted by law, BIH and the Directors and officers disclaim all liability for information concerning Brait PLC included in this Prospectus.

AVAILABLE INFORMATION

BIH has agreed that, for so long as any Exchangeable Bonds or Brait PLC Ordinary Shares to be issued upon exchange of the Exchangeable Bonds are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, BIH will, during any period in which it is neither subject to section 13 or 15(d) of the US Securities Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner or to the Bondholder Representative for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner, prospective purchaser or the Bondholder Representative, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

ENFORCEABILITY OF JUDGMENTS

BIH is a corporation organised under the laws of Mauritius. None of the directors and executive officers of BIH are residents of the United States, and all or a substantial portion of the assets of BIH and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon BIH or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

FORWARD-LOOKING STATEMENTS

Some statements in this Prospectus are forward-looking and involve risks and uncertainties. These generally include, but are not limited to, terminology such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate” and “believe”. These include statements regarding, amongst others, the future financial position, prospects, growth in markets, projected costs, estimates of capital expenditures and plans and objectives of management for the future operation of BIH and/or Brait PLC. The actual performance could differ materially from these forward-looking statements.

Because many factors, including the risk factors referred to in this Prospectus, could cause the actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Prospectus, do not place undue reliance on these forward-looking statements. Further, any forward-looking statement speaks only as at the date on which it is made, and neither BIH nor Brait PLC undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events or to advise any person of such changes, except where required to do so by law. New factors may emerge in the future, and it is not possible for BIH and/or Brait PLC to predict and list such factors. In addition, BIH and/or Brait PLC cannot assess the effect of each factor on their respective businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements.

PROSPECTUS COMPLIES WITH THE COMPANIES ACT

This Prospectus complies with section 100 of the Companies Act and Parts B and C of Chapter 4 of the Companies Regulations. The written consents of the experts and advisors set out in the “*Corporate Information and Advisors*” section of this Prospectus have been attached to the copy of this Prospectus filed with the CIPC. Each of the aforementioned experts and advisors have consented to the use of any statement made by them in this Prospectus and/or the use of their names in this Prospectus, as the case may be, and have not withdrawn such consents as at the date of this Prospectus. The number of each applicable regulation of the Companies Regulations is given in square brackets after appropriate headings or sub-headings, and marked “**Reg**”.

PROSPECTUS COMPLIES WITH THE APPLICABLE REQUIREMENTS OF THE JSE DEBT LISTINGS REQUIREMENTS

This Prospectus complies with the applicable disclosure requirements for a placing document prepared in accordance with the JSE Debt Listings Requirements.

PROSPECTUS COMPLIES WITH THE APPLICABLE REQUIREMENTS OF THE COMMERCIAL PAPER REGULATIONS

PricewaterhouseCoopers Inc., the statutory auditors of BIH, have confirmed that nothing has come to their attention to cause them to believe that this issue of the Exchangeable Bonds does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

OBTAINING COPIES OF THIS PROSPECTUS

Copies of this Prospectus may be obtained during normal business hours from 09:00 on Monday, 29 November 2021 until 16:00 on Friday, 24 December 2021 from the Registered Office of BIH and the registered offices of BIH's Debt Sponsor (see the “Corporate Information and Advisors” section of this Prospectus for these details).

Copies will be limited to one per person.

Due to logistical constraints, the Company cannot guarantee that physical copies of this Prospectus will be available at all times at the above locations. You can also download copies of this Prospectus from Brait PLC's website at: <https://brait.investoreports.com/investor-relations/> or from the JSE's website on www.jse.co.za.

DATE OF INFORMATION PROVIDED

Unless the context clearly indicates otherwise, all information provided in this Prospectus is provided as at the Latest Practicable Date.

IMPORTANT DATES AND TIMES

2021

Terms announcement	Tuesday, 23 Nov
Offer Opening Date at 09:00 on	Monday, 6 Dec
Listing Date	Tuesday, 14 Dec
Offer Closing Date at 12:00 on	Friday, 17 Dec
Results of the Rights Offer published by Brait PLC on SENS and the LuxSE on	Monday, 20 Dec
Results of the Rights Offer published by Brait PLC in the South African press on	Monday, 20 Dec
In respect of qualifying Brait PLC Shareholders (or their renounees) who have successfully exercised their Rights under the Rights Offer:	
Exchangeable Bonds credited to broker, Participant accounts no later than	Monday, 20 Dec
Exchangeable Bonds credited to broker, Participant accounts in respect of successful excess applications	Wednesday, 22 Dec

Notes:

- 1. All times shown in this Prospectus are South African times, unless otherwise stated.*
- 2. The above dates and times are subject to amendment. Any material amendment will be published on SENS.*

DEFINITIONS AND INTERPRETATIONS

In this Prospectus (and its annexures), unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other genders and references to a natural person include references to a juristic person and *vice versa*.

“Applicable Procedures”	means the JSE Debt Listings Requirements and the rules and operating procedures for the time being of the Central Securities Depository, Settlement Agents and the JSE, as the case may be;
“Authorised Dealer”	means person authorised by the Financial Surveillance Department of the South African Reserve Bank to deal in foreign exchange;
“Authorised User”	has the meaning ascribed to the term in the Financial Markets Act;
“Beneficial Interest”	means in relation to an Exchangeable Bond, an interest as beneficial owner of an Exchangeable Bond held in uncertificated form, in accordance with the Financial Markets Act;
“Board” or “Directors”	means the board of directors of the Company as at the Latest Practicable Date, whose names appear in section 1, paragraph 2.1.2 on page 20 of this Prospectus;
“BIH” or “the Issuer” or “the Company”	means Brait Investment Holdings Limited, a public company and wholly-owned subsidiary of Brait PLC incorporated in accordance with the laws of Mauritius under registration number: 183308 GBC. Previously Brait Malta Limited, registration number C49644, a private limited liability company incorporated in accordance with the laws of Malta;
“BIH Constitution”	means the constitution of BIH or such similar constitutional documents currently in force;
“BIH Ordinary Shares”	means the fully paid ordinary ‘A’ shares of USD0.1 each in the share capital of BIH having the rights and limitations set out in the BIH Constitution;
“BIH Exchangeable Bond” or “Exchangeable Bond”	means the up to ZAR3,000,000,000 5.00 per cent. Brait Investment Holdings Limited Exchangeable Bonds due 2024 to be issued by Brait Investment Holdings Limited at a subscription price of ZAR 1,000 each and having the preferences, rights and limitations set out in the Terms and Conditions;
“BML”	means Brait Mauritius Limited, a wholly-owned subsidiary of BIH, registered in accordance with the laws of Mauritius under registration number: C60342 C1/GBL;
“BML RCF”	has the meaning ascribed to the term in section 1, paragraph 7.2.1 on page 32 of this Prospectus;
“Bondholder”	means the person in whose name an Exchangeable Bond is registered in the Register;
“Bondholder Representative”	means Ms Vanessa Ramdonee, whose registered office as at the date of this Prospectus is at 6 th Floor, Labama House, No. 35, Sir William Newton Street, Port Louis, Mauritius;
“Bondholder Representative Deed”	means the agency deed in respect of the Exchangeable Bonds entered into on or about 13 December 2021, between the Issuer and the Bondholder Representative;
“Brait Group”	means Brait PLC and its subsidiaries;
“Brait PLC”	means Brait PLC, a public company registered in accordance with the laws of Mauritius under registration number: 183309 GBC;
“Brait PLC Circular”	means the circular posted to Brait PLC Shareholders, accompanied by the Prospectus, in connection with the Rights Offer;

“Brait PLC Ordinary Shares”	means the fully paid ordinary shares of Brait PLC having at the date of this Prospectus a par value of EUR 0.22 each and which are primary listed on the LuxSE and secondary listed on the JSE under share code BAT and ISIN LU0011857645;
“Brait PLC Shareholders”	means holders of Brait PLC Ordinary Shares;
“Broker”	means any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“Calculation Agency Agreement”	means the calculation agency agreement in respect of the Exchangeable Bonds entered into on or about 13 December 2021, between the Issuer and the Calculation Agent;
“Calculation Agent”	means Conv-Ex Advisors Limited;
“Certificate”	means a single individual certificate for an Exchangeable Bond or Exchangeable Bonds, registered in the name of the relevant Bondholder;
“CIPC”	means the Companies and Intellectual Property Commission, established pursuant to section 185 of the Companies Act, or its successor body;
“Commercial Paper Regulations”	means Commercial Paper Regulations, published in terms of the South African Banks Act, 1990, under Government Notice number 2172 in Government Gazette number 16167, dated 14 December 1994, as amended from time to time;
“Common Monetary Area”	means, collectively, South Africa, the Republic of Namibia and the Kingdoms of Eswatini and Lesotho;
“Companies Act”	means the South African Companies Act, No. 71 of 2008, as amended from time to time;
“Companies Regulations”	means the South African Companies Regulations, 2011, as promulgated in terms of section 223 of the Companies Act, as amended from time to time;
“Company Secretary”	means Maitland (Mauritius) Limited, a company incorporated in accordance with the laws of Mauritius, under registration number: C24306;
“Condition”	means a numbered term or condition of the Exchangeable Bonds forming part of the Terms and Conditions (and reference to a particular numbered Condition shall be construed as a reference to the corresponding condition in the Terms and Conditions);
“CSDP” or “Participant”	means a central securities depository participant, being a “participant” as defined in section 1 of the Financial Markets Act;
“Debt Officer”	means Dhanraj Boodhoo or any other person appointed as the debt officer of BIH in accordance with paragraph 7.3(g) of the JSE Debt Listings Requirements from time to time;
“Debt Sponsor”	means RMB, in its capacity as debt sponsor to BIH, or any other entity appointed in this capacity;
“Deed Poll”	means the deed poll in respect of the Exchangeable Bonds entered into on or about 13 December 2021, by Brait PLC and the Issuer;
“Dematerialise”	means the process whereby securities are recorded by electronic records of ownership in the Strate system in the sub-register of the Company maintained by a CSDP or Broker, “Uncertificated” , “Dematerialised” and “Dematerialisation” shall have a corresponding meaning;
“Director”	means a member of the Board;
“EPE” or the “Investment Advisor”	means Ethos Private Equity Proprietary Limited, registration number 2004/003984/07, a company incorporated under the laws of South Africa and with its registered address at 35 Fricker Road, Illovo, Johannesburg, 2196;
“Exchange Agency Agreement”	means the exchange agency agreement relating to the Exchangeable Bonds entered into on 13 December 2021, between BIH and the Exchange Agent;
“Exchange Agent”	means RMB in its capacity as Exchange Agent;

“Exchange Controls”	means the restrictions applicable to residents and non-residents under the Exchange Control Regulations on, <i>inter alia</i> , the remittance of funds from the Common Monetary Area to a country outside of the Common Monetary Area;
“Exchange Control Regulations”	means the South African Exchange Control Regulations, 1961, promulgated in terms of section 9 of the South African Currency and Exchanges Act, No. 9 of 1933, as amended from time to time;
“Exchange Date”	has the meaning provided in Condition 6(h) of the Terms and Conditions;
“Exchange Period”	means from (and including) the First Exchange Date to (and including) the date (the “Exchange Deadline”) which is earlier of: (i) 27 November 2024 (being 5 London business days prior to the final maturity date of the Existing Convertible Bonds); or (ii) 5 London business days prior to the date fixed for an early redemption of all (but not some only) of the Existing Convertible Bonds (an “Existing Convertible Bond Redemption”);
“Exchange Price”	means the exchange price in effect on the relevant Exchange Date;
“Exchange Right”	means the right of a Bondholder (during the Exchange Period and subject to the satisfaction of the Shareholder Approval Condition and the other Conditions set out herein) to exchange an Exchangeable Bond into new or existing Brait PLC Ordinary Shares as determined by Brait PLC in each case in accordance with the Terms and Conditions;
“Existing Convertible Bonds”	means the 6.50 per cent convertible bonds due 2024 issued by Brait S.E. (now Brait PLC (or the Parent)) on 4 December 2019, with the ISIN XS2088760157;
“Existing Share”	has the meaning ascribed thereto in the Brait PLC Circular;
“Final Maturity Date”	means 3 December 2024, subject to adjustment in accordance with the Modified Following Business Day Conversion;
“Financial Markets Act”	means the South African Financial Markets Act, No. 19 of 2012, as amended or supplemented from time to time;
“First Exchange Date”	means 31 January 2022, being the date falling 42 days after the Issue Date;
“Independent Reporting Accountant” or “Auditor”	means PricewaterhouseCoopers Inc. as detailed in the “Corporate Information and Advisors” section of this Prospectus;
“Initial Exchange Price”	means ZAR4.37;
“Interest Commencement Date”	means in relation to each Exchangeable Bond, the Issue Date;
“Interest Payment Date”	means 3 June and 3 December in each year until the maturity of the Exchangeable Bonds, with the first Interest Payment Date being on 3 June 2022 (the “First Interest Payment Date”) or, if such day is not a Johannesburg business day, the Johannesburg business day on which interest will be paid, as determined in accordance with the Modified Following Business Day Convention, as set out in Condition 5(a);
“Interest Period”	means each period in respect of which interest accrues on the Exchangeable Bonds commencing on (and including) and Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the First Interest Payment Date (in each case subject to the Modified Following Business Day Convention in relation to the Interest Payment Dates);
“Interest Rate”	means the rate of 5.00 per cent per annum calculated by reference to the principal amount of an Exchangeable Bond;
“Issue Date”	means Monday, 20 December 2021;
“JSE”	means, as the context requires, either: (i) the JSE Limited, a public company incorporated in accordance with the laws of South Africa under registration number: 2005/022939/06 and licensed as an exchange under the Financial Markets Act; or (ii) the securities exchange operated by the aforementioned company or any securities exchange which operates as a successor exchange to the JSE in terms of section 19 of the Financial Markets Act;

“JSE Debt Listings Requirements”	means the debt listings requirements of the JSE, as amended or supplemented from time to time;
“JSE Member”	means a member of the JSE;
“Latest Practicable Date”	means the latest practicable date prior to the finalisation of this Prospectus, being Thursday, 18 November 2021;
“Listing”	means the admission to listing of the Exchangeable Bonds on the main board of the JSE;
“Listing Date”	means the proposed date of the Listing, which is expected to be on Tuesday, 14 December 2021;
“Mauritian Companies Act”	The Companies Act No. 15 of 2001 of Mauritius, as amended or supplemented from time to time;
“Offer Closing Date”	means the closing date of the Rights Offer, being 16:00 on Friday, 17 December 2021;
“Offer Opening Date”	means the opening date of the Rights Offer, being 09:00 on Monday, 6 December 2021;
“Paying Agent”	means RMB or such other person with whom BIH has entered into the Paying and Transfer Agency Agreement or any additional agent appointed to perform any particular function assigned to it;
“Paying and Transfer Agency Agreement”	means the paying and transfer agency agreement in respect of the Exchangeable Bonds entered into, or to be entered into, on 13 December 2021, between the Issuer, the Paying Agent and the Transfer Agent;
“Prohibited Jurisdictions”	means Australia, Canada and Japan, and any one of them a “Prohibited Jurisdiction” ;
“Proposed Transaction”	means: (i) the proposed issuance by BIH of up to 3,000,000 Exchangeable Bonds of ZAR1,000 per Exchangeable Bond to qualifying Brait PLC Shareholders (or their renouncees) who exercise their rights under the Brait PLC Rights Offer to subscribe for Exchangeable Bonds; and (ii) the Listing, in each case as more fully described in this Prospectus;
“Prospectus”	means this entire document and all the annexures to it prepared by BIH incorporating listing particulars and qualifying as a prospectus according to the terms of section 100 of the Companies Act, approved by the JSE and registered by the CIPC, in order for the Exchangeable Bonds to be offered to qualifying Brait PLC Shareholders pursuant to the Rights Offer and listed and admitted to trading on the main board of the JSE;
“Principal Amount”	means ZAR1,000 per Exchangeable Bond;
“Registered Office of BIH”	means the registered office of BIH, being: suite 420, 4 th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius;
“Regulation S”	means Regulation S under the US Securities Act;
“Restricted Territories”	means the United States, any member state of the European Union, and United Kingdom as well as to US persons (as defined in Regulation S) outside the United States (within the meaning of Regulation S), and any one of them a “Restricted Territory” ;
“Rights”	means a renounceable right, which will entitle a qualifying Brait PLC Shareholder to subscribe for an Exchangeable Bond pursuant to the Rights Offer, which right will be listed on the JSE;
“Rights Offer”	means the proposed renounceable rights offer by Brait PLC to qualifying Brait PLC Shareholders (on the terms and subject to the conditions set out in the Brait PLC Circular) of rights to subscribe for up to 3,000,000 Exchangeable Bonds at an offer price of ZAR 1,000 each in the ratio of rights per Ordinary Share as set out in the Brait PLC Circular;
“RMB”	Rand Merchant Bank, a division of FirstRand Bank Limited, a public company incorporated in accordance with the laws of South Africa under registration number: 1929/001225/06;

“Rule 144A”	means Rule 144A under the US Securities Act;
“SENS”	means the Stock Exchange News Service of the JSE;
“Settlement Agents”	means those Participants which are approved as settlement agents to perform electronic settlement of funds and scrip on behalf of market participants in accordance with Applicable Procedures, as applicable;
“Shareholder Approval Condition”	means the approval of the Shareholder Resolution at the extraordinary general meeting of Brait PLC Shareholders dated 22 December 2021;
“Shareholder Resolution”	means the resolution of the shareholders of Brait PLC in respect of the provision of the necessary authority and power to the Brait PLC’s board of directors to issue and allot sufficient Brait PLC Ordinary Shares (or grant options or rights to subscribe for or exchange into such number of Brait PLC Ordinary Shares) in connection with the Rights Issue and the grant of exchange rights and their exercise by holders of the Exchangeable Bonds at the extraordinary general meeting of Brait PLC Shareholders dated 22 December 2021.
“South Africa”	means the Republic of South Africa;
“Strate” or “Central Securities Depository”	means Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act, or any additional or alternate depository approved by BIH;
“Terms and Conditions”	means the terms and conditions of the Exchangeable Bonds, a copy of which will be available on the Brait PLC website at https://brait.investoreports.com/investor-relations/ and the JSE’s website on www.jse.co.za and as set out in Annexure 5 of this Prospectus;
“Titan”	means Titan Fincap Solutions Proprietary Limited, registration number 1999/020292/07, a limited liability private company duly incorporated in the Republic of South Africa, and its associates;
“Transfer Agent”	means Computershare Investor Services Proprietary Limited, a private company incorporated in accordance with the laws of South Africa under registration number: 2004/003647/07;
“Underwriters”	means RMB, Titan and EPE in their respective capacities as underwriters in respect of the Rights Offer;
“US Exchange Act”	means the US Securities Exchange Act of 1934; and
“US Securities Act”	means the US Securities Act of 1933.

SECTION 1: INFORMATION ABOUT BIH [REG 56]

This section provides an overview of the main business of BIH, its future prospects and performance.

1. NAME, ADDRESS AND INCORPORATION [REG 57]

- 1.1 BIH was incorporated as a private limited liability company on 13 May 2010 in Malta. On 30 October 2020, Brait PLC (as the sole shareholder of BIH) approved the proposed transfer of BIH's registered office from Malta to Mauritius, where the Brait Group's main investment subsidiary, BML, is domiciled (the "**BIH Redomiciliation**"). The BIH Redomiciliation was concluded on 20 October 2021 and the Company's domicile was migrated to Mauritius. BIH's name changed to Brait Investment Holdings Limited on 29 October 2021. **[Reg 57(1)(a) and (c); Reg 57.2]**
- 1.2 On 29 October 2021, in order to facilitate the issuance of the Exchangeable Bonds in accordance with the Proposed Transaction, BIH was converted from a private company to a public company.
- 1.3 Following issuance of the Exchangeable Bonds, BIH will be classified an investment entity according to IFRS and will publish its financial information on a group basis.
- 1.4 BIH is a wholly-owned subsidiary of Brait PLC and is one of Brait PLC's two main operating subsidiaries. Details of Brait PLC's registered office are set out in the "Corporate Information and Advisors" section of this Prospectus. Following the Listing Date, it is expected that Brait PLC will continue to hold 100% of the BIH Ordinary Shares and that the Exchangeable Bonds will be held by qualifying Brait PLC Shareholders (or their respective renouncees) who exercise their rights to subscribe for Exchangeable Bonds under the Rights Offer. **[Reg 57(3)(a)]**
- 1.5 The Directors confirm that BIH is in compliance with the provisions of the Mauritian Companies Act and that BIH is operating in conformity with the BIH Constitution.
- 1.6 The address of the Registered Office of BIH and the address of the Transfer Agent is set out in the "*Corporate Information and Advisors*" section on page 5 of this Prospectus. **[Reg 57(1)(b)]**

2. BIH DIRECTORS, OTHER OFFICE HOLDERS, OR MATERIAL THIRD PARTIES [REG 58]

2.1 Directors of BIH

- 2.1.1 The board of Directors of BIH is currently made up of two executive Directors.
- 2.1.2 The full names, business addresses, qualifications, positions and functions in the Company and experience of the Directors are set out below:

Name:	Brett Ivor Childs
Position:	Executive Director
Qualifications:	• BCom (Hons) • CA(SA)
Appointed:	12 January 2006
Age:	60 years
Nationality:	British
Business address:	Suite 520, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius

- Other directorships held:
- African Capitalworks Holdings Limited
 - African Capitalworks Management Limited
 - African Sun Limited
 - Andansonie PE Opportunities Limited
 - Brait Capital International Ltd
 - Brait CM 1 Ltd
 - Brait III Investments Ltd
 - Brait IV Limited
 - Brait Mauritius Limited
 - Brait South Africa Holdings (Pty) Ltd
 - Edufields Limited
 - Hansen Investment Corporation
 - MDT Management Company Limited
 - Northfields International High School (Mauritius) Limited
 - Northfields International Nursery and Junior School Limited
 - Northfields International Nursery and Primary School Limited
 - Northfin One Limited
 - RMB (Mauritius) Limited
 - SAPEF GP Ltd
 - Stompers Limited
 - United Investments Limited
 - Yorke Investments Ltd

Background and Experience Mr Childs joined Brait in 2004 as executive chairman of its Mauritian operation. Post completion of training with Deloitte & Touche in 1987, Mr Childs co-founded a small reinsurance consultancy business providing investigative and audit services to the London reinsurance industry. Mr Childs was one of the first to be approved by Lloyds of London to act in the capacity of Finance Director to agencies managing the first corporate capital syndicates admitted to Lloyds of London.

Mr Childs has been a CEO of a JSE listed investment company and has focused on investment opportunities for a number of decades ranging from retail, hospitality and commercial to manufacturing and financial services. Mr Childs has listed companies on a number of bourses including London, Johannesburg and Finnish Stock Exchanges. Mr Childs sits or has sat, in a non-executive capacity, on the board of a number of privately and publicly owned companies and funds including entities regulated by the Bank of Mauritius and Financial Services Commission ("FSC").

Mr Childs also is the co-founder of Northfields group of schools operating in Mauritius where he has lived since 2001.

Name: **Dhanraj Boodhoo**

Position: Executive Director

Qualifications:

- FCCA UK
- BSc (Monetary Economics) Hons

Appointed: 12 January 2006

Age: 51 years

Nationality: Mauritian

Business address: Suite 520, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius

- Other directorships held:
- Brait Mauritius Limited
 - Brait Capital International Limited
 - Brait III Investments Limited
 - Brait IV Limited
 - Brait CM1 Limited
 - SAPEF GP Limited
 - Brait South Africa Holdings Limited
 - Novare Africa Fund PCC
 - Novare Fund Manager Mauritius
 - Phatisa Food Fund 2 Mauritius
 - African Agricultural Fund
 - Pan African Housing Fund

Background and Experience Mr Boodhoo is an executive director of Brait in Mauritius since 2001. Mr Boodhoo has a wide range of experience in global fund management, international investment structuring, audit, taxation, accounting, treasury management and economic research gained in UK and Mauritius. Mr Boodhoo is a Fellow Chartered and Certified Accountant (FCCA) qualified in UK and holds a BSc Hons (Monetary Economics) from the London School of Economics. Mr Boodhoo is a British Council and London Chamber of Commerce scholarship and award recipient for his academic performance. He currently sits on the boards of various global business companies in Mauritius.

2.2 BIH advisors and Company Secretary

2.2.1 The Company Secretary of BIH is Maitland (Mauritius) Limited, whose address is set out in the “Corporate Information and Advisors” section on page 5 of this Prospectus. Maitland (Mauritius) Limited has extensive experience providing company secretarial services to a number of listed and unlisted companies. The members of the Maitland (Mauritius) Limited team who provide company secretarial services to the Brait Group have significant company secretarial experience and hold various legal and/or company law qualifications. The Board has considered and satisfied itself as to the competence, qualifications and experience of the Company Secretary. **[(Reg 58(2)(b)(iii))]**

2.2.2 The names and business addresses of BIH’s legal advisors, bankers, the Debt Sponsor, and the Independent Reporting Accountant are set out in the “Corporate Information and Advisors” section on page 5 of this Prospectus. **[Reg 58(2)(b)(i) and (ii)]**

2.3 The Company Secretary and BIH’s advisors do not have any interest in BIH as at the Latest Practicable Date.

2.4 Debt Officer and Financial Director

2.4.1 Mr Boodhoo has been appointed as the Debt Officer of BIH in accordance with section 7.3(g) of the JSE Debt Listings Requirements.

2.4.2 As part of his duties as an executive Director of the Company, Mr Boodhoo, performs the functions of an executive financial director in respect of the Company as required by the JSE Debt Listings Requirements. The Board and the audit committee of the Brait Group, which provides oversight over the Brait Group (including BIH), is satisfied that Mr Boodhoo has the appropriate expertise and experience to carry out these functions.

2.5 Audit committee

2.5.1 The audit and risk committee of the Brait PLC provides oversight over the Brait Group (including BIH). In accordance with section 131(1) of the Mauritian Companies Act, the Board has delegated the powers to perform the functions of the audit committee to the Brait PLC audit and risk committee. Details of the Brait PLC audit committee are set out on page 56 of the Brait PLC annual report for the financial year-end 31 March 2021 (copies of which are available on Brait PLC’s website at: <https://brait.investoreports.com/investor-relations/results-and-reports/>). The Brait PLC audit committee, when performing its functions in respect of BIH, undertakes to comply with the JSE Debt Listings Requirements.

2.6 Directors' appointment and service contracts [Reg 58(3(a))]

- 2.6.1 The Directors are appointed in accordance with the BIH Constitution. No employment agreements or letters of appointments have been entered into between the Company and any Director.
- 2.6.2 A summary of the provisions of the BIH Constitution relating to the qualification and remuneration of Directors, any power (and any restriction thereto) enabling the Directors to vote on remuneration to themselves or any member of the Board, and the retirement of Directors is set out in **Annexure 2** to this Prospectus.

2.7 Remuneration of Directors [Reg 58(3)(b)]

- 2.7.1 The table below sets out the fees that were paid to the Directors by BML in the financial year ended 31 March 2021. No remuneration was paid by the Company to the Directors during this period:

Director	Fees (incl. VAT)
Brett Ivor Childs	USD153,592
Dhanraj Boodhoo	USD194,356

- 2.7.2 No fees have been paid to any third party *in lieu* of Directors' fees.
- 2.7.3 The remuneration payable to Directors will not be varied as a consequence of the Listing.
- 2.7.4 Save as set out in this Prospectus, no basic salary, bonus or performance related payment, or other allowance and material benefits has been paid to any Director in the 18-month period prior to the Latest Practicable Date.
- 2.7.5 Save as set out above, as at the Latest Practicable Date, none of the Directors have received remuneration for any management, consulting, technical or other fees directly or indirectly, including payments to management companies, a part of which is paid to a Director. No Director has received any other material benefits, contributions under any pension scheme, and commission, gain or profit share, any share options, any shares in terms of a share purchase or option agreement from the Company or its associates.

2.8 Director declarations

- 2.8.1 The Directors and debt officer of BIH confirm that they have no adverse findings, infringements or declarations to make in terms of paragraph 4.10(b)(ii) – (xii) of the JSE Debt Listings Requirements.
- 2.8.2 In particular, in relation to each of the above Directors and the debt officer, BIH confirms that none of them have:
- 2.8.2.1 ever been convicted of an offence resulting from dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement;
- 2.8.2.2 ever committed any offences involving dishonesty;
- 2.8.2.3 ever been adjudged bankrupt, insolvent or sequestered or had any individual voluntary compromise arrangements in any jurisdiction;
- 2.8.2.4 at any time been a party to a scheme or arrangement or made any other form of compromise with their creditors;
- 2.8.2.5 ever been involved, as a director with an executive function, in any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or any class of creditors of any company at the time of, or within the 12 months preceding, any such event(s);
- 2.8.2.6 ever been found guilty in disciplinary proceedings by an employer or regulatory body due to dishonest activities;
- 2.8.2.7 ever been involved in any compulsory liquidations, administrations or partnership voluntary compromise arrangements of any partnership where they are or were partners at the time of, or within the 12 months preceding, any such event(s);

- 2.8.2.8 ever had any receiverships of any of their assets or of a partnership where they are or were partners at the time of, or within the 12 months preceding, any such event(s);
- 2.8.2.9 ever received public criticisms from statutory or regulatory authorities, including professional bodies, and none has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- 2.8.2.10 ever been barred from entry into a profession or occupation;
- 2.8.2.11 ever been convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Companies Act, and no company of which he or she was a director, alternate director or officer at the time of the offence has been convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act;
- 2.8.2.12 ever been removed from an office of trust on the grounds of misconduct and involving dishonesty; and
- 2.8.2.13 ever had a court order declaring them delinquent or placing them under probation in terms of section 162 of the Companies Act and/or section 47 of the Close Corporations Act, 1984 (Act No. 69 of 1984) (, or disqualifying them from acting as a director in terms of section 219 of the Companies Act, 1973 (Act no. 61 of the 1973) or, in each case, the equivalent thereto under the Mauritian Companies Act).

2.9 **Borrowing powers of BIH exercisable by the Directors [Reg 58(3)(c)]**

- 2.9.1 The BIH Constitution provide that the Board may exercise all powers of the Company to:
 - 2.9.1.1 borrow money;
 - 2.9.1.2 indemnify and guarantee;
 - 2.9.1.3 mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;
 - 2.9.1.4 create and issue debentures and other securities; and
 - 2.9.1.5 give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 2.9.2 As at the Latest Practicable Date, the borrowing powers of BIH have not been exceeded in the previous three years before the date of issue of this Prospectus.
- 2.9.3 Save as otherwise set out in this Prospectus, there have been no material loans which BIH has: (i) made to; or (ii) received from, any third party.

2.10 **Approach to corporate governance [Reg 54(1)(b)(i) and (ii)]**

- 2.10.1 The Directors embrace principles of good corporate governance and recognise that they are ultimately accountable and responsible for the performance and affairs of BIH. The Directors are committed to business integrity, transparency and professionalism in all their activities and to ensuring that they act ethically and responsibly to enhance the value of the Company's business for the benefit of all stakeholders.
- 2.10.2 As a member of the Brait Group, BIH is subject to the ultimate oversight of the board of Brait PLC, the holding company of the Group. The Brait PLC board has full power to perform all such acts as are necessary or useful to further the objects of the Brait Group. In connection with the above, please refer to pages 48 to 61 of the Brait PLC annual report for the financial year-end 31 March 2021 (copies of which are available on Brait PLC's website at: <https://brait.investoreports.com/investor-relations/results-and-reports/>), for further details of the Brait PLC board and the Brait Group's approach to corporate governance.
- 2.10.3 A copy of the Company's King Code register, setting out how the Company applies the King Code, is available on the Brait Group website on <https://brait.investoreports.com/about-us/corporate-governance/>. In addition, given the Company's Mauritian domicile and primary listing of its parent company, Brait PLC, on the EURO MTF market of the Luxembourg Stock Exchange, the Company and Brait PLC also comply with the National Code of Corporate Governance for Mauritius and strive to comply with the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange. The National Code of Corporate Governance for Mauritius consists of 8 principles, which read as follows: **[Reg 54(1)]**

2.10.3.1 *Principle 1: Governance Structure*

All organisations should be headed by an effective board. Responsibilities and accountabilities within the organisation should be clearly identified.

2.10.3.2 *Principle 2: The Structure of the Board and Its Committees*

The board should contain independently minded directors. The board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate board committees may be formed to assist the board in the effective performance of its duties.

2.10.3.3 *Principle 3: Director Appointment Procedures*

There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors. The search for board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the board, including gender). The board should ensure that a formal, rigorous and transparent procedure is in place for planning the succession of key officeholders such as directors, BML executives and contracted advisors.

2.10.3.4 *Principle 4: Director Duties, Remuneration and Performance*

Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Each director must be able to allocate sufficient time to discharge his or her duties effectively. Conflicts of interest should be disclosed and managed. The board is responsible for the governance of the organisation's information, information technology and information security. The board, committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards. The board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders. The board should be transparent, fair and consistent in determining the remuneration policy for directors and BML executives.

2.10.3.5 *Principle 5: Risk Governance and Internal Control*

The board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The board should ensure the maintenance of a sound internal control system.

2.10.3.6 *Principle 6: Reporting with Integrity*

The board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report and on its website.

2.10.3.7 *Principle 7: Audit*

The Company should have an effective and independent audit function that has the respect, confidence and co-operation of both the board and the management. The board should establish formal and transparent arrangements to maintain an appropriate relationship with the organisation's auditors.

2.10.3.8 *Principle 8: Relations with Shareholders and Other Key Stakeholders*

The board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.

2.10.4 **Policies:** The Company's Nomination Policy and Conflicts of Interest Policy are available on Brait PLC's website at <https://brait.investoreports.com/investor-relations/>.

3. HISTORY, STATE OF AFFAIRS AND PROSPECTS OF BIH [REG 59]

3.1 History and general business description

3.1.1 BIH was incorporated as a private limited liability company on 13 May 2010 in Malta. Following its redomiciliation, the Company obtained Mauritian registration number 183308 GBC and was subsequently converted into a public limited company, effective on 29 October 2021. The Company's name changed from Brait Malta Limited to Brait Investment Holdings Limited on 29 October 2021.

3.1.2 BIH is a wholly-owned subsidiary of Brait PLC and holds 100% of the issued shares in BML. BML, in turn, acts as the main investment company for the Brait Group and is the legal and beneficial owner of the Brait Group's investments in its various portfolio companies, including:

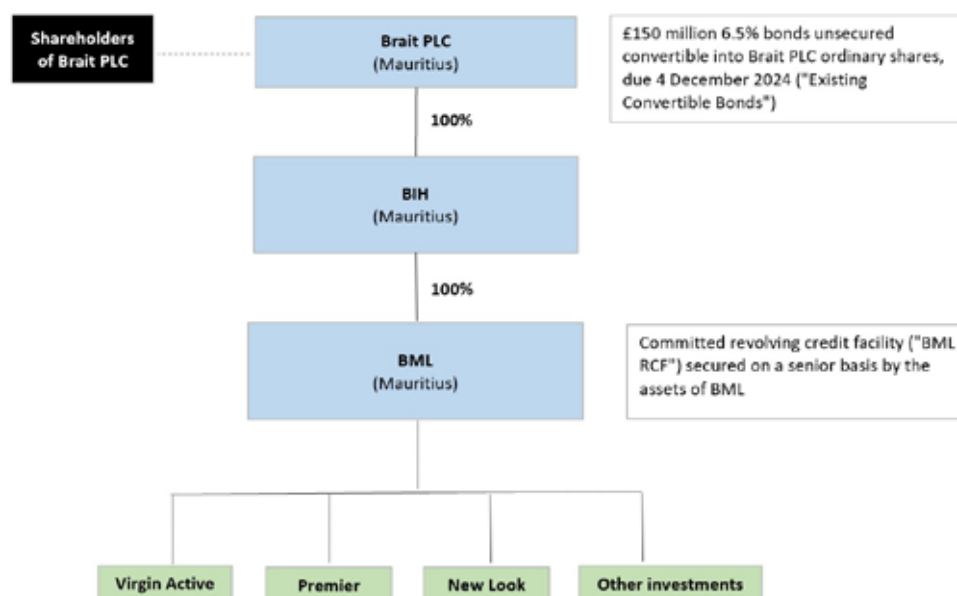
3.1.2.1 one of the leading international health club operators, Virgin Active, in which it has a 79.35% shareholding (undiluted);

3.1.2.2 leading South African fast moving consumer goods manufacturer, Premier, in which it has a 98.5% shareholding (undiluted); and

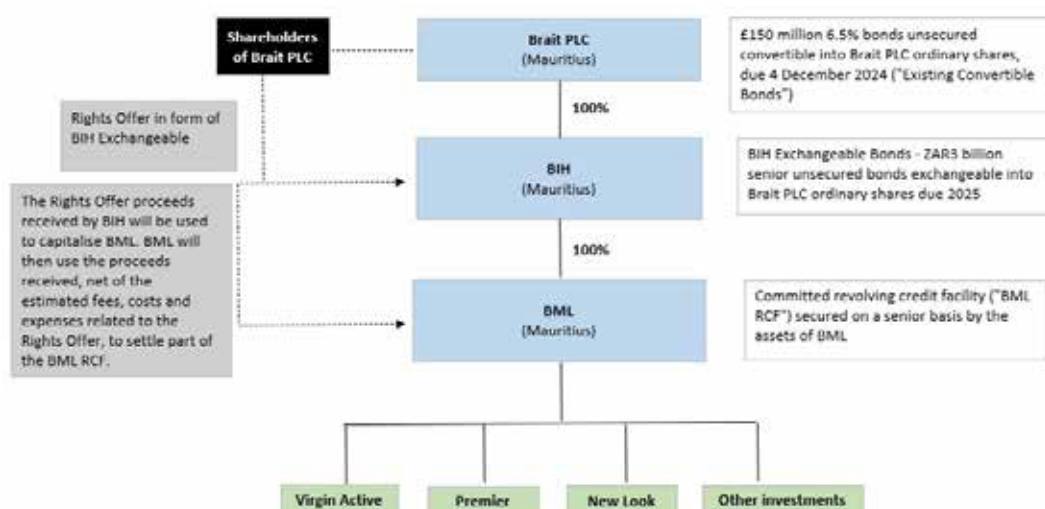
3.1.2.3 UK-based multichannel fashion brand, New Look, in which it has a 18.3% shareholding (undiluted).

3.1.3 Further information in relation to Virgin Active, Premier and New Look is available on **Annexure 4**.

3.1.4 A simplified organisational structure of the Brait Group as at the date of this Prospectus is set out below:



3.1.5 The figure below is a simplified organisational structure of the Brait Group following implementation of the Proposed Transaction:



3.1.6 The history and development of the Brait Group is set out in further detail in paragraph 1.2 of section 5 of this Prospectus. Further information on the Brait Group, including in relation to the Brait Group's portfolio of investments, can be found in the Brait PLC annual report for the financial year-end 31 March 2021, copies of which are available on Brait PLC's website at: <https://brait.investoreports.com/investor-relations/results-and-reports/>.

3.2 Government protection and investment encouragement law

There is no government protection or investment encouragement law affecting BIH.

3.3 Material changes

3.3.1 There have been no material changes in the financial and trading position of BIH and its subsidiaries, or the state of affairs of BIH between the date of its latest annual financial statements and the date of this Prospectus. The Board has made this negative statement after due and careful inquiry and there has been no involvement by the auditors of the Company in making the foregoing negative statement.

3.3.2 Save as otherwise set out in this Prospectus, there have been no material changes in the business of BIH the previous three years before the date of issue of this Prospectus.

3.4 Subsidiary companies, principal immovable property and capital commitments

3.4.1 As at the Latest Practicable Date, other than as set out in this Prospectus, BIH has no:

3.4.1.1 immovable property (owned or leased); or

3.4.1.2 material capital commitments, lease payments or contingent liabilities.

3.4.2 **Annexure 3** set outs a full list of BIH's subsidiaries.

3.5 Prospects

3.5.1 BIH's performance is dependent upon many market factors, including, *inter alia*, (i) the performance of the Brait Group's portfolio companies (including the timing, size and frequency, if any, of dividends derived received from such portfolio companies); and (iii) any movements in the financing rates with respect to any further debts incurred by the Brait Group and/or its portfolio companies, if applicable.

3.5.2 Furthermore, the prospects of BIH are dependent on the factors set out in paragraph 3.6 below.

3.6 Risk factors associated with BIH and the Exchangeable Bonds

<i>The value and the return on investment of an Exchangeable Bond is dependent, amongst others, on the following key factors:</i>
• The market price of the Brait Group's underlying investments in its portfolio companies, which may decline. • The dividends received by BIH on its underlying investments in its portfolio companies. • The total expenses and taxes incurred by BIH in its day to day running and operation. • The market price from time to time of the Brait PLC Ordinary Shares may decline. • Whilst the Exchangeable Bonds will not be rated by a credit rating agency, the market expectations as to the credit strength of BIH may decline.
<i>Bondholders have no shareholder rights before exchange</i>
An investor in an Exchangeable Bond will not be a holder of the underlying Brait PLC Ordinary Shares as a result of such investment. No Bondholder will have any voting rights, any right to receive dividends or other distributions or any other rights with respect to the underlying Brait PLC Ordinary Shares until such time, if any, as a Bondholder exchanges its Exchangeable Bond for Brait PLC Ordinary Shares (or the Issuer exercises its Share Settlement Option) and becomes registered as the holder thereof.
<i>There may not be an active trading market for the Exchangeable Bonds</i>
The Exchangeable Bonds issued pursuant to this Prospectus will be new securities which may not be widely distributed and for which there is currently no active trading market, nor is there any guarantee that an active trading market for the Exchangeable Bonds will develop and continue after the Listing. If the Exchangeable Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of BIH. In addition, the JSE may prove to offer less liquidity than other internationally-recognised stock exchanges.
<i>The Exchangeable Bonds may be redeemed prior to maturity</i>
Where the Terms and Conditions specify that the Exchangeable Bonds are redeemable at BIH's option prior to their final maturity date in certain circumstances (including in the event that the shareholders of Brait PLC do not approve the issue and allotment of the Ordinary Shares in connection with the exchange of the Exchangeable Bonds), BIH may redeem the Exchangeable Bonds. This may be at a time when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Exchangeable Bonds.
<i>There is a limited period during which the Bondholders may exchange their Exchangeable Bonds</i>
Subject as provided in the Terms and Conditions, Exchange Rights under the Terms and Conditions may only be exercised in certain circumstances and periods (and subject to any applicable fiscal or other laws or regulations and as further provided in the Terms and Conditions), namely from and including 42 days after the Issue Date until the earlier of (i) 27 November 2024 (being 5 London business days prior to the final maturity date of the Existing Convertible Bonds); or (ii) 5 London business days prior to any earlier date fixed for an early redemption of all (but not some only) of the Existing Convertible Bonds. If the Exchange Rights are not exercised by Bondholders during the Exchange Period, the Exchangeable Bonds will, subject to the Issuer's Share Settlement Option in Condition 7(i) (<i>Share Settlement Option</i>), be redeemed at their principal amount on the Final Maturity Date unless the Exchangeable Bonds are previously purchased and cancelled or redeemed in accordance with the Terms and Conditions.

Bondholders have limited anti-dilution protection

The Exchange Price at which the Exchangeable Bonds may be exchanged into the Brait PLC Ordinary Shares will be adjusted in the event that there is a consolidation, reclassification or subdivision of the Brait PLC Ordinary Shares, capitalisation of profits or reserves, payment or making of dividends, rights issue or grant of other subscription rights or other adjustment, including a spin-off event, which affects the Brait PLC Ordinary Shares, but only in the situations and only to the extent provided under the Terms and Conditions. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Brait PLC Ordinary Shares. Events in respect of which no adjustment is made may adversely affect the value of the Brait PLC Ordinary Shares and, therefore, adversely affect the value of the Exchangeable Bonds.

Brait PLC may be classified as a passive foreign investment company for US federal income tax purposes, which could subject US Investors to significant adverse tax consequences

Brait PLC may be classified as a passive foreign investment company ("PFIC") for a particular taxable year if, after the application of certain "look-through" rules, either (i) 75% or more of its gross income is "passive income" as that term is defined in the relevant US Internal Revenue Code provisions or (ii) 50% or more of the value (determined on the basis of a quarterly average) of its assets are considered "passive assets" (generally, assets that generate "passive income" or are held for the production of "passive income"). The determination of PFIC status is an annual determination, cannot be made until the close of a taxable year, involves extensive factual investigation, including ascertaining the fair market value of all assets on a quarterly basis and the character of each item of income earned, and is subject to uncertainty in several respects. Neither the Company nor Brait PLC has made, nor does it expect to make, any determination as to Brait PLC's potential classification as a PFIC during any taxable year. If Brait PLC were to be treated as a PFIC, material adverse tax consequences could result for US Investors, including with respect to any gain realised on the sale, exchange or disposition of the Brait PLC Ordinary Shares and on the receipt of certain "excess distributions" received with respect to the Brait PLC Ordinary Shares, and certain additional reporting requirements may apply. Additionally, under proposed US Treasury regulations, if Brait PLC were a PFIC, a US Investor may be taxed on a sale or other disposition of an Exchangeable Bond (other than an exchange of an Exchangeable Bond for Brait PLC Ordinary Shares) in the same manner that such US Holder would be taxed upon a sale or other disposition of the Brait PLC Ordinary Shares. US Investors should consult their own tax advisers regarding the potential application of the PFIC rules to their ownership of the Exchangeable Bonds and the Brait PLC Ordinary Shares.

As uncertificated Exchangeable Bonds are held in the Central Securities Depository, investors will have to rely on their procedures for transfer, payment and communication with BIH

Exchangeable Bonds issued under this Prospectus which are listed on the main board of the JSE or such other or additional financial exchange and/or held in the Central Securities Depository may, subject to applicable laws and the Applicable Procedures, be issued in Dematerialised form. Exchangeable Bonds held in the Central Securities Depository will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the Central Securities Depository. Except in the limited circumstances described in the Terms and Conditions and the Paying and Transfer Agency Agreement, investors will not be entitled to receive Certificates. The Central Securities Depository will maintain records of the Beneficial Interests in Exchangeable Bonds issued in uncertificated form, which are held in the Central Securities Depository. Investors will be able to trade their Beneficial Interests only through the Central Securities Depository and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Exchangeable Bonds will be made to the Central Securities Depository or the Participants and BIH will discharge its payment obligations under the Exchangeable Bonds by making payments to the Central Securities Depository or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Exchangeable Bonds, must rely on the procedures of the Central Securities Depository to receive payments under the relevant Exchangeable Bonds. Each investor shown in the records of the Central Securities Depository or the Participants, as the case may be, shall look solely to the Central Securities Depository or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Exchangeable Bonds. BIH has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Exchangeable Bonds will not have a direct right to vote in respect of the relevant Exchangeable Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the Central Securities Depository to appoint appropriate proxies.

Modification and waiver
The Terms and Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.
Change of law
No assurance can be given as to the impact of any possible judicial decision or change to South African law or administrative practice in South Africa or other applicable law after the date of issue of the Exchangeable Bonds.
Legal investment considerations may restrict certain investments
The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Exchangeable Bonds are legal investments for it, (2) Exchangeable Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Exchangeable Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Exchangeable Bonds under any applicable risk-based capital or similar rules.
The Exchangeable Bonds may not be suitable for all investors
Each potential investor in any Exchangeable Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: • have sufficient knowledge and experience to make a meaningful evaluation of the Exchangeable Bonds, the merits and risks of investing in the Exchangeable Bonds and the information contained or incorporated by reference in this Prospectus; • have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Exchangeable Bonds and the impact such an investment will have on its overall investment portfolio; • have sufficient financial resources and liquidity to bear all of the risks of an investment in the Exchangeable Bonds, including where the currency for principal or interest payments is different from the potential investor's currency; • understand thoroughly the terms of the Exchangeable Bonds and be familiar with the behaviour of any relevant indices and financial markets; and • be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks. The Exchangeable Bonds are complex financial instruments. A potential investor should not invest in Exchangeable Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Exchangeable Bonds will perform under changing conditions, the resulting effects on the value of the Exchangeable Bonds and the impact this investment will have on the potential investor's overall investment portfolio.
Risk factors associated with Brait PLC
Given that the Exchangeable Bonds are exchangeable into Brait PLC Ordinary Shares, potential investors in Exchangeable Bonds are referred to the risk factors identified by Brait PLC and set out from page 66 in Brait PLC's integrated annual report for the financial year ended 31 March 2021 (a copy of which is available on Brait PLC's website at: https://brait.investoreports.com/investor-relations/results-and-reports/).

4. STATED CAPITAL OF BIH [REG 54 (1)(A) AND 60]

4.1 Stated capital

As at the Latest Practicable Date, the stated capital of the Company is as follows:

BIH Ordinary Shares	20,899,776,485
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4.2 Rights attaching to BIH Ordinary Shares

Each BIH Ordinary Share entitles the holder to:

- 4.2.1 the right to one vote on a poll at a meeting of the Company on any resolution;
- 4.2.2 the right to an equal share in dividends authorised by the Board; and
- 4.2.3 the right to an equal share in the distribution of any assets of the Company remaining after payment of its debts and liabilities on winding.

4.3 Terms and Conditions of the Exchangeable Bonds

The Exchangeable Bonds have the preferences, rights and terms set out in **Annexure 5** to the Prospectus.

4.4 Changes to share capital

Save for the BIH Redomiciliation and conversion of BIH from a private company to a public company as described in paragraphs 1.1 and 1.2 of section 1, there have been no changes to the share capital of the Company in the previous three years before the date of issue of this Prospectus.

4.5 Authority to issue the Exchangeable Bonds

A list of all of the board resolutions passed by the directors of BIH authorising the implementation of the Proposed Transaction are described in **Annexure 6** to this Prospectus. No BIH shareholder resolutions were required to authorise the Proposed Transaction.

4.6 Listings

None of the securities of BIH are, or have previously been, listed on any stock exchange.

4.7 Public offers in the last three years

There have been no offers for subscription or sale of any securities of BIH to the public prior to the date of issue of this Prospectus.

5. OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF BIH SECURITIES [REG 54 (1)(A) AND 61]

There are no outstanding options or preferential rights by any third party to subscribe for any securities in BIH.

6. COMMISSIONS PAID OR PAYABLE IN RESPECT OF UNDERWRITING [REG 62]

- 6.1 Brait PLC, BIH and the Underwriters have entered into an underwriting agreement in respect of the Rights Offer pursuant to which the Underwriters have agreed to underwrite the Rights Offer up to an amount of R941,400,000. In addition, certain shareholders of Brait PLC have provided irrevocable commitments to follow some or all of their Rights under the Rights Offer in exchange for a commitment fee to be paid by Brait PLC to such shareholders. For further details of the underwriting agreement between Brait PLC and Underwriters and the aforementioned irrevocable commitments, please refer to the Brait PLC Circular.
- 6.2 There have been no commissions paid or payable by the Company in respect of underwriting within the previous two years before the date of issue of this Prospectus.
- 6.3 No other commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue of shares by the Company.

7. MATERIAL CONTRACTS [REG 63]

7.1 Directors and managerial remuneration, royalties and secretarial and technical fees payable

- 7.1.1 The remuneration payable to Directors is detailed in this section 1, paragraph 2.7 on page 23 of this Prospectus.
- 7.1.2 the Company has not entered into any agreements relating to the payment of any royalties and has not entered into any agreements, written or oral, relating to secretarial and/or technical fees.

7.2 Material contracts

BML RCF

- 7.2.1 On 31 March 2020, BML refinanced its previous credit facility with a 3-year tenor, ZAR6,310,000,000 revolving credit facility with RMB and The Standard Bank of South Africa Limited (“**RCF Lenders**”) (the “**BML RCF**”). Agreed limit reductions apply to the limit of the facility as the Brait Group de-gears.
- 7.2.2 As at the date of this Prospectus the salient terms of the BML RCF were as follows:
- 7.2.2.1 Facility limit of ZAR4,371,000,000 (of which ZAR954 million was undrawn as at 31 March 2021);
 - 7.2.2.2 Maturity: 28 February 2023;
 - 7.2.2.3 Interest at JIBAR plus 4.6 per cent repayable quarterly (with a right to rollup the quarterly payments);
 - 7.2.2.4 The interest rate margin of 4.6 per cent reduces as the Brait Group de-gears:
 - a) *0.6 per cent reduction while the facility utilisation is less than or equal to ZAR5,250,000,000;*
 - b) *a further 0.4 per cent reduction while the facility utilisation is less than or equal to ZAR3,500,000,000; and*
 - c) *a further 0.4 per cent reduction while the facility utilisation is less than or equal to ZAR2,000,000,000,*applicable from the date on which utilisation reduces below the relevant level; and
- 7.2.3 The BML RCF is secured on a senior basis by the assets of BML.
- 7.2.4 In June 2021 BML signed a term sheet with the RCF Lenders to increase the limit of its BML RCF from the current amount of approximately ZAR4.4 billion to ZAR5 billion. With effect from 1 July 2022, the limit on the BML RCF would revert to a maximum of ZAR4 billion for the remaining tenure to 28 February 2023, with an initial interest margin on the increased facility of three month JIBAR plus 5%, with additional pricing ratchets to apply depending on the level drawn. BML is in process of agreeing terms with the RCF Lenders to extend the tenure of the BML RCF to 30 June 2024 with a facility limit post the Rights Offer of ZAR3 billion and an initial interest margin of three month JIBAR plus 4%. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of BML.

7.3 EPE Advisory Agreement

- 7.3.1 On 1 March 2020, BML entered into an investment advisory and administration agreement with EPE in terms of which EPE is mandated to perform certain advisory services to the Brait Group. The investment advisory and administrative service agreement between BML and EPE incorporates the following key principles:
- 7.3.1.1 an initial three-year tenor, with an annual renewal thereafter;
 - 7.3.1.2 EPE will provide accounting, administration, corporate finance, investment advisory, investor relations and general corporate secretarial services to BML; and
 - 7.3.1.3 The total of ZAR114 million paid to EPE for FY21 comprises (i) ZAR91 million advisory fee (ZAR100 million contracted amount for the year, offset by voluntary reductions by EPE); and (ii) a short term incentive award of ZAR23 million, based on annual, pre-determined key performance indicators set for EPE in terms of executing on Brait’s stated strategy. The annual increase in advisory fees is linked to inflation. In addition, the Brait PLC Board and EPE have undertaken to assess on an annual basis the appropriateness of the annual cost in the context of the resources required to implement the strategic business plans for that year.
 - 7.3.1.4 At the Extraordinary General Meeting held in Malta on 30 October 2020, Brait PLC shareholders approved the Long-Term Incentive Plan (“**LTIP**”) for EPE, designed as a five-year structure to align the interests of EPE with those of Brait PLC shareholders in delivering on its strategy of realising value from the portfolio over the medium term, whilst minimising dilution to Brait PLC shareholders. The LTIP will result in EPE receiving non-voting participation rights to realised proceeds only once cumulative distributions to Brait PLC shareholders have exceeded the hurdle price of ZAR8.27 per share. The participation rights are based on a sliding scale from 5.0% to 0.5% depending on the quantum of cumulative proceeds distributed to Brait PLC shareholders. The value accruing to EPE would

be equal to the surplus between such distributions and the hurdle price and would be settled in cash.

7.4 In line with the Brait PLC Board's strategy adopted in February 2020, focused on maximising value through the realisation of existing assets, the following realisations have been concluded:

7.4.1 DGB Disposal

7.4.1.1 In June 2020 BML entered into an agreement with Capitalworks Investment Partners (Pty) Ltd in terms of which it disposed of its 91.3% shareholding in DGB (a leading South African producer and exporter of local wine and importer of international spirit brands).

7.4.1.2 The total consideration payable was equal to DGB's March 2020 carrying value of ZAR470 million. ZAR420 million of proceeds have been received, with the remaining ZAR50 million deferred proceeds due by 31 March 2022.

7.4.1.3 The sale agreement contained clauses typical for a transaction of this nature.

7.4.2 Iceland Foods Sale

7.4.2.1 In June 2020, BML entered into an agreement in terms of which it disposed of its 63.1% shareholding interest in Iceland Foods to a newly established company, ("NewCo"), returning the business to ownership by its founder and management team.

7.4.2.2 The sale consideration to be paid by NewCo to BML was GBP115 million, a significant premium to its March 2020 carrying value, payable in cash in three instalments, with the first tranche of GBP60 million received on 8 June 2020.

7.4.2.3 Brait reached agreement with the buyer to receive payment of GBP48.5 million as full and final settlement of the remaining two deferred instalment payments. The deferred payments of GBP48.5 million were received in September 2020.

7.4.2.4 The sale agreement contained clauses typical for a transaction of this nature.

8. INTEREST OF DIRECTORS AND PROMOTERS [REG 64]

8.1 No consideration has been paid, or agreed to be paid, within the previous three years before the date of issue of this Prospectus to any Directors or to any of their associates to induce such Director or associated party to become a Director, or to qualify as a Director, or for services rendered by him or her or by a company, partnership, syndicate or other association in connection with the promotion or formation of BIH.

8.2 The Directors have no direct or indirect material interest in:

8.2.1 the promotion of the Company or any of its subsidiaries;

8.2.2 any property proposed to be acquired by the Company; and

8.2.3 any property acquired or proposed to be acquired by the Company during the three-year period immediately before the date of this Prospectus.

9. LOANS [REG 65]

Save as otherwise set out in this Prospectus, as at the Latest Practicable Date and at the issue date of this Prospectus, BIH and its subsidiaries had no material loans outstanding.

10. SHARES ISSUED OR TO BE ISSUED OTHER THAN FOR CASH [REG 66]

Save for the Exchangeable Bonds proposed to be issued in accordance with the terms of this Prospectus, no securities have been issued by BIH or any of its subsidiaries to any person other than for cash, nor has there been any agreement for such issuance within the three years immediately before the date of issue of this Prospectus.

11. PROPERTY ACQUIRED OR TO BE ACQUIRED [REG 67]

BIH and its subsidiaries have not in the three years preceding the issue date of this Prospectus, and do not propose to, acquire any material immovable property, any other material fixed asset or option to acquire such properties, and have not entered into any agreement to acquire any immovable property or material fixed assets.

12. AMOUNTS PAID OR PAYABLE TO PROMOTERS [REG 68]

No amount has been paid or is proposed to be paid and no benefit has been or will be given by BIH, to any promoter, or to any partnership, syndicate or other association of which the promoter is or was a member, in relation to the Proposed Transaction.

13. PRELIMINARY EXPENSES AND ISSUE EXPENSES [REG 69]

The costs, fees and expenses of the Proposed Transaction, including the cost applicable to this Prospectus and its preparation, shall be borne by BML. The total costs, fees and expenses are estimated to amount to approximately R60,000,000 (including VAT where applicable). This comprises of underwriting and commitment fees of up to R30,000,000 payable to the Underwriters and to Shareholders who provide irrevocable commitments to follow their Rights. A detailed breakdown of the remaining costs, fees and expenses is set out in the table below:

	(ZAR'000)
Financial Advisor, Arranger and Debt Sponsor – RMB	15.2
International Legal Advisor to BIH – Linklaters	10.9
South African Legal Advisor to BIH – DLA Piper	3.2
South African Legal Advisor in respect of the Exchangeable Bonds – Webber Wentzel	0.5
Other expenses*	0.1

Notes:

* Other expenses include: Issuer Agent and Calculation Agent fees

SECTION 2: INFORMATION ABOUT THE PROPOSED TRANSACTION [REG 56]

1. INTRODUCTION AND BACKGROUND TO THE PROPOSED TRANSACTION

- 1.1 In response to the impact of the Covid-19 pandemic and elevated gearing levels within the Brait Group, which have placed significant downward pressure on the Brait PLC share price, Brait PLC announced on, Tuesday, 23 November 2021 on SENS and on the website of the LuxSE, that the Brait PLC Board had approved a capital raise in the form of the Rights Offer to raise gross proceeds of at least ZAR3 billion. [Reg 70]
- 1.2 The Rights Offer will consist of a renounceable rights offer by Brait PLC to its qualifying shareholders of rights to subscribe for up to 3,000,000 Exchangeable Bonds of ZAR1,000, in the ratio to be determined in accordance with the Brait PLC Circular. On, and subject to, the terms of the Rights Offer, each Right will entitle the holder to subscribe for its *pro rata* portion of the Exchangeable Bonds in accordance with the terms of the Rights Offer and subject to the provisions of this Prospectus. The Rights: (i) will be listed on the JSE; (ii) will be renounceable; and (iii) will be capable of being traded on the JSE during the Rights Trading Period. The Exchangeable Bonds to be subscribed for by qualifying Brait PLC Shareholders (or their renounees) under the Rights Offer will be listed on the JSE.
- 1.3 This Prospectus relates to the issuance of the Exchangeable Bonds and the Listing.
- 1.4 A summary of the key outcomes of the Proposed Transaction is as follows:
 - 1.4.1 Qualifying Brait PLC Shareholders will be entitled to participate in the Rights Offer pursuant to which they (or their renounees) will be offered Rights to subscribe for their *pro rata* portion of the Exchangeable Bonds to be issued by BIH.
 - 1.4.2 BIH intends to use the net proceeds of the Rights Offer to capitalise its wholly-owned subsidiary, BML, the main operating company in the Brait Group.
 - 1.4.3 Post settlement of the costs, fees and expenses related to the Proposed Transaction, BML will apply the net proceeds to settle a portion of the BML RCF, in order to partially de-gear the Brait Group's balance sheet.
 - 1.4.4 The implementation of the Proposed Transaction will provide flexibility to enable the execution of the Brait Group's strategy, which is focused on maximising value through the realisation of its existing portfolio of investments over the medium term and returning capital to shareholders.
 - 1.4.5 The Exchangeable Bonds will through their issuance by BIH be structurally senior to the Existing Convertible Bonds.

2. TIME AND DATE OF THE OPENING AND CLOSING OF RIGHTS OFFER [REG 71]

- 2.1 Qualifying Brait PLC Shareholders (or their renounees) who wish to exercise their Rights under the Rights Offer to subscribe for Exchangeable Bonds are referred to the Brait PLC Circular, a copy of which was posted at the same time as the posting of this Prospectus. The Brait PLC Circular sets out the salient dates applicable to the Rights Offer including:
 - 2.1.1 the Offer Opening Date: 9:00 (South African time) Monday, 6 December 2021;
 - 2.1.2 the Offer Closing Date: 12:00 (South African time) Friday, 17 December 2021;
 - 2.1.3 the date on which qualifying Brait PLC Shareholders (or their renounees) who have successfully exercised their Rights under the Rights Offer will:
 - 2.1.3.1 have their Exchangeable Bonds credited to Broker, Participant accounts: Monday, 20 December 2021; and
 - 2.1.3.2 in respect of successful excess applications, have their Exchangeable Bonds credited to Broker, Participant accounts: Wednesday, 22 December 2021.
- 2.2 The Listing will be effective from 9:00 (South African time) on Tuesday, 14 December 2021. The clearing and settlement of trades on the JSE shall take place in accordance with the electronic clearing and settlement procedures of the JSE and Strate.

3. PARTICULARS OF THE PROPOSED TRANSACTION [REG 72]

3.1 General

Class of BIH Securities forming the subject matter of the Rights Offer	3,000,000 Senior Unsecured Exchangeable Bonds Due 2024 and Exchangeable into Brait PLC Ordinary Shares
Denomination of Exchangeable Bonds	ZAR1,000 each
Security	Unsecured

4. MINIMUM SUBSCRIPTION [REG 73]

Qualifying Brait PLC Shareholders (or their renounees) who exercise their rights under the Brait PLC Rights Offer shall be entitled to subscribe for Exchangeable Bonds in accordance with the terms and subject to the conditions set out in the Brait PLC Circular. BIH has not determined a minimum subscription in respect of the Proposed Transaction. If the Brait PLC Rights Offer is not implemented, BIH will not issue any Exchangeable Bonds and the Listing will not be implemented.

5. TAX IMPLICATIONS

QUALIFYING BRAIT PLC SHAREHOLDERS (OR THEIR RENOUNCEES) WHO INTEND EXERCISING THEIR RIGHTS UNDER THE BRAIT PLC RIGHTS OFFER TO SUBSCRIBE FOR EXCHANGEABLE BONDS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF: (i) SUBSCRIBING FOR EXCHANGEABLE BONDS, INCLUDING THE APPLICABILITY AND EFFECT OF OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW (ii) EXCHANGING THEIR EXCHANGEABLE BONDS FOR BRAIT PLC ORDINARY SHARES IN ACCORDANCE WITH THE TERMS OF THE EXCHANGEABLE BONDS; AND/OR (iii) DISPOSING OF THEIR EXCHANGEABLE BONDS OR BRAIT PLC ORDINARY SHARES TO A THIRD PARTY.

5.1 INTRODUCTION

The following statements on taxation are based on advice received by the Board regarding the law and practice in force in Mauritius and South Africa at the date of this Prospectus. The Company is currently tax resident in Mauritius and is therefore subject to Mauritian tax.

The following summary is only intended as a brief and general guide to the main aspects of income tax rules in the relevant country. It is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon them. Investors are urged to seek professional tax advice in respect of the Exchangeable Bonds, including the acquisition, holding and disposal as well as any income or gains derived therefrom or made on their disposal.

The statements set out below are intended only as a general and non-exhaustive guide to current South African and Mauritius tax law and practice and apply only to certain categories of persons. The summary does not purport to be a complete analysis or listing of all the potential tax consequences. This summary is based upon current South African and Mauritius law and South African and Mauritius revenue service published practice, as at the date of this document, each of which may be subject to change, possibly with retroactive effect. The summaries are based on an interpretation of the relevant tax legislation as known to the Board at the date of this Prospectus. Bondholders are reminded that tax laws and their interpretation may change from time to time.

5.2 MAURITIUS – TAXATION OF THE COMPANY AND BONDHOLDERS

5.2.1 Taxation of the Company

Mauritius has a residence-based tax system in terms of which residents are subject to tax on their worldwide income, whereas non-residents are subject to tax only on their Mauritius-sourced income. The Company, being registered in Mauritius, will be a tax resident of Mauritius. It holds a Global Business Licence (GBL) issued by the Mauritius Financial Services Commission. Its principal activity is investment holding.

With regard to a GBL company, different types of income streams are taxed in different ways. The effective tax rates can range from 0% to the maximum rate of 15%.

5.2.2 Exempt income for tax purposes

Gains or profits derived from the sale of units, securities or debt obligations will be treated as exempt income for tax purposes.

In line with item 3 of section 26 of the Income Tax Act 1995, expenses directly attributable to the production of exempt income shall be disallowed in full.

Expenses incurred in the production of both taxable and exempt income, shall be disallowed for tax purposes based on the proportion of exempt income to total income where such proportion exceeds 10%.

In cases where the aforementioned proportion is below the 10% threshold, an adjustment to disallow expenses attributable to exempt income is not required.

There is no capital gains tax legislation in Mauritius. Any capital gains arising as a result of a disposal will not give rise to any adverse tax implication in Mauritius.

5.2.3 Partial exemption regime

A GBL company may also benefit from a partial exemption regime (“PER”) whereby 80% of certain specified income streams are tax exempt resulting in a maximum effective tax rate of 3%. The PER is only available if, amongst other things, a company carries on its Core Income Generating Activities (CIGA) in Mauritius, is not claiming foreign tax credits on its foreign source income and meets the required substance as prescribed in respect of these income streams.

The PER is available in respect of the following foreign sourced income streams, including but not limited to:

- a) foreign dividend derived by a company;
- b) interest derived by a company;
- c) income attributable to Foreign PE; and
- d) income from CIS/CEF/CIS manager/CIS administrator/adviser/asset manager approved by FSC.

It is not expected that the Company will derive any income that will be subject to the normal tax rate of 15%. The Company will therefore be taxed at a maximum effective tax rate of 3% on all types of income streams subject to satisfying prescribed substance requirements.

5.2.4 Taxation of Bondholders

No stamp or transfer tax is levied on shares, bonds and other securities on the basis that the company does not hold directly or indirectly any immovable property.

There is no withholding tax on interest paid by the Company to a non-resident, not carrying on any business in Mauritius in so far that the payment is made by a corporation holding a GBL out of its foreign source income. In all other cases withholding tax of 15% is levied on interest paid to non-residents.

There is no withholding tax on interest paid on bonds quoted on a domestic stock exchange held by a non-resident company.

5.3 SOUTH AFRICA – TAXATION OF THE COMPANY AND BONDHOLDERS

5.3.1 South African taxation

This summary of certain material South African income tax consequences deals with holders of Exchangeable Bonds that are SA Holders and Non-SA Holders. As used herein the term “SA Holder” means a “Bondholder” who is: (i) a natural person ordinarily resident in South Africa; (ii) a natural person not ordinarily resident in South Africa but whose physical presence in South Africa exceeds certain thresholds or (iii) a person, other than a natural person, which is incorporated, established or formed in South Africa or which has its place of effective management in South Africa. The term does not include a natural or non-natural person that is deemed to be exclusively the resident of another country for purposes of the application of any agreement entered into between South Africa and that other country for the avoidance of double taxation. The term “Non-SA Holders” therefore means a “Bondholder” other than a “SA Holder”. In general, a “Bondholder” means the person in whose name a Bond is registered in the Register.

The following paragraphs contain a general summary of South African tax implications. The tax analysis is therefore not comprehensive or determinative and should not be regarded as tax advice given by the Company or any of its advisors in relation to the Exchangeable Bonds.

5.3.2 Income Tax

Generally, a company is a South African tax resident company if it is either incorporated in South Africa or has its place of effective management in South Africa. South African tax resident companies are taxed on their world-wide income. Companies that are not South African tax residents are subject to South African income tax on any income earned from a South African source.

The Company is not a South African tax resident company.

5.3.3 Interest

Interest is broadly defined as any interest or similar finance charges, discount or premium payable or receivable in terms of or in respect of a financial arrangement or amount payable by a borrower to a lender in terms of a lending arrangement.

In general, interest paid by the Company to SA Holders will be subject to South African income tax as South African tax residents are subject to South African income tax on their worldwide income. Interest paid by the Company to Non-SA Holders will not be subject to withholding tax in South Africa to the extent the interest is from a South African source. There is a specific exemption from withholding tax on interest paid to Non-SA Holders in respect of Exchangeable Bonds listed on a recognised exchange.

5.3.4 Tax Implications where the Exchangeable Bonds are held as trading stock

To the extent that the Exchangeable Bonds are held for trading purposes, any gains or losses arising from the disposal of such Exchangeable Bonds will likely be considered revenue in nature and should be subject to South African normal income tax for SA Holders.

Companies are subject to normal income tax at a corporate income tax rate of 28 per cent, whilst individuals are taxed on a sliding scale. The statutory tax rates for individuals range between 0 per cent and 45 per cent.

5.3.5 Tax Implications where the Exchangeable Bonds are held for investment purposes

5.3.5.1 South African resident Bondholders – individuals

A disposal of Exchangeable Bonds by an individual Bondholder who is resident in South Africa for tax purposes and who holds the Exchangeable Bonds as capital assets may give rise to a gain (or loss) for the purposes of capital gains tax (“CGT”). The capital gain (or loss) on disposal of the Exchangeable Bonds is equal to the difference between the disposal proceeds and the base cost. A Bondholder's base cost in the Exchangeable Bonds will generally be the consideration paid for those Exchangeable Bonds. A gain on a disposal of the Exchangeable Bonds, together with other capital gains, less allowable capital losses in a year of assessment, is subject to tax at the individual's marginal tax rate (maximum 45 per cent) to the extent that it exceeds the annual exclusion (ZAR40,000 for the years of assessment ended 28 February 2022). Only 40 per cent of the net capital gain is included in taxable income, resulting in a maximum effective tax rate on capital gains of 18 per cent.

5.3.5.2 South African resident Bondholders – corporates

A disposal of Bonds by a South African resident corporate Bondholder, which holds the Exchangeable Bonds as capital assets, may give rise to a capital gain (or loss) for the purposes of taxation of capital gains. The capital gain (or loss) on disposal of the Exchangeable Bonds is equal to the difference between the disposal proceeds and the base cost. A Bondholder's base cost in the Exchangeable Bonds will generally be the consideration paid for the Exchangeable Bonds. A capital gain on a disposal of Exchangeable Bonds by a corporate Bondholder, together with other capital gains, less allowable losses in a year of assessment, is subject to tax at the normal tax rate for companies (currently 28 per cent). Only 80 per cent of the net capital gain is included in taxable income, resulting in a maximum effective tax rate on capital gains of 22.4 per cent.

5.3.6 Tax implications where Exchangeable Bonds are exchanged into ordinary Brait PLC Shares

A gain (or loss) may be required to be determined at the time of the exchange of an Exchangeable Bond. The gain (or loss) will be determined with reference to the market value of the Brait PLC shares Ordinary Shares delivered to a holder on exchange of the Exchangeable Bonds.

The base cost of the Brait PLC Ordinary Shares acquired will be the market value of the shares at the time of acquisition.

5.3.7 Estate duty

Where a person who is ordinarily resident in South Africa holds Exchangeable Bonds at the date of his death, the market value of such Exchangeable Bonds will be included in the estate. Estate duty is levied at a rate of 20 per cent on the first ZAR30 million of the dutiable amount of the deceased estate with any balance above that amount being liable to duty at 25%.

SECTION 3: STATEMENTS AND REPORTS RELATING TO THE PROPOSED TRANSACTION [REG 56]

1. **STATEMENT AS TO ADEQUACY OF CAPITAL [REG 74]**

The Directors are of the opinion that the issued share capital (including, for purposes of Reg 74, the aggregate subscription price for the Exchangeable Bonds raised in the Rights Offer) and working capital of BIH will be adequate for the purpose of the business of BIH, for at least 12 months after the date of this Prospectus.

2. **REPORT BY BIH DIRECTORS AS TO MATERIAL CHANGES [REG 75]**

The Directors report that, other than as disclosed in this Prospectus, there has been no material change in the assets or liabilities or the financial and trading position of BIH and its subsidiaries since the date of the Company's last financial year ended 31 March 2021 until the issue date of this Prospectus.

3. **STATEMENT AS TO LISTING ON JSE [REG 76]**

BIH applied to the JSE and the JSE has granted BIH a listing for the Exchangeable Bonds on the main board of the JSE under stock code number "BIHLEB". It is anticipated that the Listing will be effective as from the commencement of trade on Tuesday, 14 December 2021.

4. **REPORT BY AUDITOR WHERE THE COMPANY WILL ACQUIRE A BUSINESS UNDERTAKING [REG 77]**

The Proposed Transaction will not result in BIH acquiring any business undertaking. Accordingly, no report of an auditor contemplated in Regulation 77 of the Companies Regulations is contained in this Prospectus.

5. **REPORT BY AUDITOR WHERE THE COMPANY WILL ACQUIRE A SUBSIDIARY [REG 78]**

The Proposed Transaction will not result in BIH acquiring any subsidiary. Accordingly, no report of an auditor contemplated in Regulation 78 of the Companies Regulations is contained in this Prospectus.

6. **FINANCIAL INFORMATION**

6.1 **Historical financial information**

The audited historical financial information of BIH is set out in **Annexure 9** to this Prospectus, and the audit report on the BIH historical financial information is set out in **Annexure 11** to this Prospectus.

Annexure 10 contains audited historical financial information of BML which is a wholly-owned subsidiary of BIH and is the main investment holding entity of the Brait Group through which all of the Brait Group's portfolio investments are held.

6.2 **Pro forma financial information**

The *pro forma* financial effects of the Proposed Transaction on BIH are set out in **Annexure 7** to this Prospectus, and the Independent Reporting Accountant's report on the *pro forma* financial information of BIH is set out in **Annexure 8** to this Prospectus.

6.3 **Report by auditor of BIH [Reg 79]**

In terms of Regulation 79 of the Companies Regulations, the auditor is required to prepare a report on the profits and losses, dividends and assets and liabilities of the Company. In this regard, **Annexure 13** of this Prospectus sets out the auditor's report in respect of the financial information required.

SECTION 4: ADDITIONAL MATERIAL INFORMATION [REG 56]

1. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which BIH is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on BIH's financial position.

2. ADVISOR'S INTERESTS

None of BIH's Debt Sponsor, financial advisors, legal advisors nor the Independent Reporting Accountant have an interest in the issued share capital of BIH as at the Latest Practicable Date.

3. DIRECTORS' AND BIH'S RESPONSIBILITY STATEMENT

3.1 The Directors, whose names are given in section 1, paragraph 2.1.2 on page 20 of this Prospectus, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted the omission of which would make any statement false or misleading in any material way and that they have made all reasonable enquiries to ascertain such facts and that this Prospectus contains all information required by law, the prospectus requirements under the Companies Act and Companies Regulations and the disclosure requirements under the JSE Debt Listings Requirements.

3.2 BIH accepts full responsibility for the accuracy of the information given herein and certifies that, to the best of its knowledge and belief, no facts have been omitted the omission of which would make any statement false or misleading in any material way and all reasonable enquiries have been made to ascertain such facts and that this Prospectus contains all information required by law, the prospectus requirements under the Companies Act and Companies Regulations and the disclosure requirements under the JSE Debt Listings Requirements.

4. BONDHOLDER REPRESENTATIVE

4.1 Ms Vanessa Ramdonee shall be appointed pursuant to the Bondholder Representative Deed, to act as Bondholder Representative for the benefit of the Bondholders.

4.2 Pursuant to the Bondholder Representative Deed, the Bondholder Representative is entitled to exercise the rights conferred on the Bondholder Representative and is obliged to perform the duties imposed on the Bondholder Representative in terms of the Terms and Conditions of the Exchangeable Bonds, including the rights and duties in terms of Condition 10 (*Events of Default*) and Condition 14(a) (*Meetings of the Bondholders*).

4.3 The Bondholder Representative Deed sets out provisions relating to the replacement of the Bondholder Representative, including following a resolution to this effect by the Bondholders, by a majority consisting of not less than 66.67% of the value of the debt securities exercising votes cast at a poll by Bondholders, present in person or by proxy at a meeting convened in terms of the Terms and Conditions of the Exchangeable Bonds.

5. AS DESCRIBED IN THE SECTION OF THIS PROSPECTUS HEADED "DOCUMENTS AVAILABLE FOR INSPECTION", A COPY OF THE BONDHOLDER REPRESENTATIVE DEED WILL BE AVAILABLE FOR INSPECTION BY BONDHOLDERS AT THE REGISTERED OFFICES OF THE ISSUER FROM THE DATE OF SIGNATURE THEREOF, BEING ON OR AROUND 13 DECEMBER 2021.

6. SETTLEMENT, CLEARING AND TRANSFERS

6.1 Bonds held in the Central Securities Depository

Clearing systems:

6.1.1 The Exchangeable Bonds, listed on the main board of the JSE and held in uncertificated form, will be issued, cleared and settled in accordance with the Applicable Procedures for the time being of the JSE and the Central Securities Depository through the electronic settlement system of the Central Securities Depository. Such Exchangeable Bonds will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the Central Securities Depository.

- 6.1.2 The Central Securities Depository has, as the operator of an electronic clearing system, been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. The Exchangeable Bonds will adhere to the recognised and standardised electronic clearing and settlement procedures operated by the JSE and in accordance with any other Applicable Procedures and the Terms and Conditions, as the case may be. Such Exchangeable Bonds will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the Central Securities Depository. The Exchangeable Bonds may be accepted for clearance through any additional clearing system as may be agreed between the Company and Debt Sponsor.

Participants:

- 6.1.3 The Central Securities Depository maintains accounts for Participants. As at the Latest Practicable Date, the Participants which are approved by the Central Securities Depository, in terms of the Applicable Procedures, as settlement agents to perform electronic settlement of funds and scrip are the South African Reserve Bank, ABSA Bank Limited, Citibank N.A., South Africa Branch, FirstRand Bank Limited, Nedbank Limited, Standard Chartered Bank, Johannesburg Branch, and The Standard Bank of South Africa Limited.

6.2 Exchangeable Bonds issued in uncertificated form

- 6.2.1 Participants will be responsible for the settlement of scrip and payment transfers through the Central Securities Depository, the JSE and the South African Reserve Bank.
- 6.2.2 On their issue, the Exchangeable Bonds will be issued in uncertificated form and will not be represented by any certificate or written instrument.
- 6.2.3 All transactions in uncertificated securities as contemplated in the Financial Markets Act will be cleared and settled in accordance with the Applicable Procedures. All the provisions relating to Beneficial Interests in the Exchangeable Bonds held in the Central Securities Depository will apply to Exchangeable Bonds issued in uncertificated form.

6.3 Beneficial Interests

- 6.3.1 The Central Securities Depository will hold the Exchangeable Bonds issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures. While the Exchangeable Bonds are held in the Central Securities Depository, the Bondholder will be named in the Register as the holder of the Exchangeable Bonds in accordance with the Applicable Procedures. All amounts to be paid in respect of Exchangeable Bonds held in the Central Securities Depository will be paid to the relevant Participants on behalf of the relevant Bondholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Exchangeable Bonds held in the Central Securities Depository will be exercised by the relevant Bondholder.
- 6.3.2 In relation to each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in an Exchangeable Bonds, a certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the principal amount of such Exchangeable Bonds standing to the account of such person shall be prima facie proof of such Beneficial Interest. However, the Bondholder as the registered holder of such Exchangeable Bonds named in the Register will be treated by BIH, the Paying Agent, Exchange Agent, the Transfer Agent and the Central Securities Depository as the holder of that aggregate principal amount of such Exchangeable Bonds for all purposes.
- 6.3.3 Payments of all amounts in respect of the Exchangeable Bonds listed on the main board of the JSE and/or held in uncertificated form will be made to the Central Securities Depository, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the Persons reflected in the records of the Central Securities Depository as the holders of Beneficial Interests in Exchangeable Bonds shall look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such Person's share of each payment so made by (or on behalf of) BIH to, or for the order of, the Central Securities Depository.
- 6.3.4 Payments of all amounts in respect of the Exchangeable Bonds listed on the main board of the JSE and/or held in uncertificated form will be recorded by the Central Securities Depository, distinguishing between interest and principal, and such record of payments by the Central Securities Depository, shall be prima facie proof of such payments.

Transfers and exchanges:

- 6.3.5 Subject to the Applicable Laws and the Applicable Procedures, title to Beneficial Interest held by Bondholders through the Central Securities Depository will be fully paid up and freely transferable and will pass on transfer thereof by electronic book entry in the securities accounts maintained by the Central Securities Depository or relevant Participants for such Bondholders.
- 6.3.6 BIH shall regard the Register as the conclusive record of title to the Exchangeable Bonds.
- 6.3.7 Beneficial Interests may be exchanged for Exchangeable Bonds represented by Certificates in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Bonds*).

Records of payments, trust and voting:

- 6.3.8 Neither the Issuer nor the Paying Agent nor the Exchange Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Exchange Agent nor the Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Exchangeable Bond may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

JSE Guarantee Fund:

- 6.3.9 Claims against the JSE Guarantee Fund may only be made in respect of the trading of the Exchangeable Bonds listed on the main board of the JSE and in accordance with the rules of the JSE Guarantee Fund.

Exchangeable Bonds listed on any financial exchange other than (or in addition to) the main board of the JSE:

- 6.3.10 Each Exchangeable Bond that is listed on any financial exchange other than (or in addition to) the main board of the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that financial exchange.

7. EXCHANGE CONTROL

7.1 South African Reserve Bank approval of the Rights Offer

- 7.1.1 Brait PLC has requested and obtained approval for the Proposed Transaction from the South African Reserve Bank. This approval was granted subject to customary conditions by the South African Reserve Bank and the additional condition that “Brait should move its effective place of management to South Africa, which should include incorporation and a possible primary listing on a registered South African exchange within a period of 12 to 18 months from the date of this approval” (“**Redomiciliation Condition**”).
- 7.1.2 Brait notes that the fulfilment of the Redomiciliation Condition will require: (i) Brait PLC Shareholder approval in terms of the Mauritian Companies Act and the South African Companies Act; and (ii) the requisite approval of certain Mauritian regulatory authorities. Brait PLC will use its reasonable endeavours to obtain such approvals and, subject to obtaining such shareholder and regulatory approvals, is committed to meeting the Redomiciliation Condition.
- 7.1.3 Until the Redomiciliation Condition is met, Brait will be required to pay the 5% coupon on the Exchangeable Bonds from funds raised or income generated outside of South Africa.
- 7.1.4 The Exchangeable Bonds will be classified as foreign instruments for Exchange Control purposes and as such, will be marked off against the foreign investment allowances of South African resident institutional investors who hold the Exchangeable Bonds.

7.2 General Exchange Control Summary

TO THE EXTENT THAT ANY PERSON WHO IS A SOUTH AFRICAN NON-RESIDENT SUBSCRIBES FOR, OR OTHERWISE ACQUIRES, EXCHANGEABLE BONDS, SUCH PERSONS ARE REFERRED TO THE FOLLOWING SUMMARY:

- 7.2.1 South African law provides for Exchange Controls which, amongst other things, regulate the flow of capital from the “**Common Monetary Area**” which comprises South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini. The Currency and Exchanges Act No. 9 of 1933 empowers the President of South Africa to make regulations in relation to any matter directly or indirectly relating to currency, banking or exchanges. The South African Minister of Finance is responsible for all matters regarding exchange control policy, and certain of these powers and functions have been delegated to the Financial Surveillance Department of the South African Reserve Bank. The Financial Surveillance Department has wide discretion in how it administers Exchange Controls. Such discretion is subject to the policy guidelines laid down by the Minister of Finance, the Director General of the South African Department of Finance and the South African Reserve Bank.
- 7.2.2 Certain South African banks have been appointed to act as “**Authorised Dealers**”. Authorised Dealers may buy and sell foreign exchange subject to conditions and within limits prescribed by the Financial Surveillance Department of the South African Reserve Bank.
- 7.2.3 The Authorised Dealers are also required to assist the Financial Surveillance Department in administering the regulations, rulings and circulars of the Financial Surveillance Department regarding the implementation of Exchange Controls. All applications to the Financial Surveillance Department are required to be made through an Authorised Dealer. The Exchange Control rulings, issued by the Financial Surveillance Department, set out the conditions, permissions and limits applicable to transactions in foreign exchange which Authorised Dealers may undertake, as well as details of related administrative responsibilities. The Currency and Exchanges Manual for Authorised Dealers, which is administered by the Financial Surveillance Department is applied and regulates transactions involving South African exchange control residents, including companies. Each member of the Common Monetary Area applies Exchange Controls in a similar manner and residents may only transact through an Authorised Dealer in the country in which they are resident.
- 7.2.4 The broad ambit of South African exchange control regulation is to prohibit the export of capital from South Africa by South African residents. It is the stated objective of the authorities to achieve equality of treatment between residents and non-residents for exchange control purposes as it relates to inflows and outflows of capital. While the South African government has relaxed Exchange Controls in recent years (as announced from time to time in budget speeches and medium-term budget policy statements issued by the South African Minister of Finance), the Company expects current Exchange Controls to remain in place for the foreseeable future.
- 7.2.5 Any BIH Shareholder resident outside the Common Monetary Area who wishes to subscribe for Exchangeable Bonds should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable them to subscribe for, acquire or dispose of their Exchangeable Bonds.
- 7.2.6 **Private Individuals who cease to be residents for tax purposes**

Funds held in non-resident capital transfer accounts may be used for the subscription for or purchase of the Exchangeable Bonds. Any amounts payable by BIH in respect of the Exchangeable Bonds subscribed for or purchased with funds from a non-resident capital transfer account may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-resident South African bank account or a South African non-resident Rand account.

Any Certificates issued to the benefit of Bondholders who have ceased to be residents for tax purposes will be endorsed “non-resident”. Such restrictively endorsed Certificates will be deposited with the Authorised Dealer administering their non-resident capital transfer accounts.

In the event that a Beneficial Interest in Exchangeable Bonds is held by an individual who has ceased to be resident for tax purposes through the Central Securities Depository, and its relevant Participant, the securities account maintained for such Individual who has ceased tax residency by the relevant Participant will be designated as such in their Non resident capital transfer account.

Any payments of principal due to a Bondholder who has ceased tax residency will be deposited into the Non-resident capital transfer account Bondholder’s, administered by their Authorised Dealer. Interest payments are freely transferable and may be credited to the Non-resident transferable account. Capital amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

7.2.7 Non-residents of the Common Monetary Area

Any Certificates issued to Bondholders who are not resident in the Common Monetary Area will be endorsed “non-resident”. In the event that a Beneficial Interest in Exchangeable Bonds is held by a non-resident of the Common Monetary Area through the Central Securities Depository, the securities account maintained for such Bondholder by the relevant Participant will be designated as a “non-resident” account.

It will be incumbent on any such non-resident Bondholder to instruct the non-resident’s nominated or Authorised Dealer as to how any funds due to such non-resident in respect of Exchangeable Bonds are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Exchangeable Bonds are acquired with foreign currency introduced into South Africa or Rand from a non-resident Rand account held with an Authorised Dealer and provided that the relevant Certificate has been endorsed “non-resident” or the relevant securities account has been designated as a “non-resident” account, as the case may be.

Brait PLC, on behalf of the Brait Group (including BIH) has obtained Exchange Control approval for the Proposed Transaction, including the issuance and listing of the Exchangeable Bonds on the JSE.

8. DOCUMENTS AVAILABLE FOR INSPECTION [REG 53]

8.1 The following documents, or copies thereof, will be available for inspection, at no charge, at: (i) the Registered Offices of BIH from the date of issue hereof until the Exchangeable Bonds have been exchanged or otherwise redeemed, during normal business hours; and (ii) on the Brait Group website at <https://brait.investoreports.com/investor-relations/>:

- 8.1.1 the BIH Constitution;
- 8.1.2 the Brait PLC constitution;
- 8.1.3 a signed copy of this Prospectus;
- 8.1.4 (from the Issue Date) a copy of the Bondholder Representative Deed;
- 8.1.5 the written consents of experts and advisors referred to under the heading “*Important Information*” in this Prospectus;
- 8.1.6 the report on the historical financial information of BIH for the financial year ended 31 March 2021 as set out in **Annexure 9**;
- 8.1.7 the report on the historical financial information of BML for the financial years ended 31 March 2019, 2020, and 2021 as set out in **Annexure 10**;
- 8.1.8 the audit report on the historical financial information of BIH as set out in **Annexure 11**;
- 8.1.9 the *pro forma* financial information of BIH as set out in **Annexure 7**;
- 8.1.10 the Independent Reporting Accountant’s report on the *pro forma* financial information of BIH as set out in **Annexure 8**;
- 8.1.11 the Independent Reporting Accountant’s report in terms of regulation 79 of the Companies Regulations as set out in **Annexure 13**; and
- 8.1.12 the conflict of interest and the nomination of directors policies applicable to BIH.

9. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference and will be available for inspection, at no charge, at: (i) the Registered Offices of BIH during normal business hours website for as long as the Prospectus remains registered with the JSE:

Information incorporated by reference:	Specific location on website:
Historical financial information of Brait PLC for the three financial years ended 31 March 2019, 2020 and 2021	https://brait.investoreports.com/investor-relations/results-and-reports/
Brait PLC’s 2021 Unaudited Interim Results Presentation Booklet	https://brait.investoreports.com/investor-relations/results-and-reports/
BIH’s King IV compliance register	https://brait.investoreports.com/investor-relations/
BIH Conflicts of Interest Policy	https://brait.investoreports.com/investor-relations/
BIH Nomination of Directors Policy	https://brait.investoreports.com/investor-relations/

All documents incorporated by reference as per this section are also available on the following website for as long as the Prospectus remains registered with the JSE: (<https://brait.investoreports.com/investor-relations/>). In addition, this Prospectus and any amendments and/or supplements thereto will be filed with the JSE, which will publish such documents on its website at <http://www.jse.co.za>.

SECTION 5: ADDITIONAL INFORMATION CONCERNING BRAIT PLC

1. ABOUT BRAIT PLC

The information reflected in this section 5, paragraph 1 of this Prospectus has been sourced from the Brait integrated annual report for the financial year ended 31 March 2021, copies of which are available on Brait's website at: <https://brait.investoreports.com/investor-relations/results-and-reports/>. Such information has not been independently reviewed, audited, verified or updated by BIH and/or any of its or their directors, employees, professional advisors, external auditors or the like, and no such persons take any responsibility for the accuracy or completeness of its contents, or the matters reflected therein.

1.1 Business

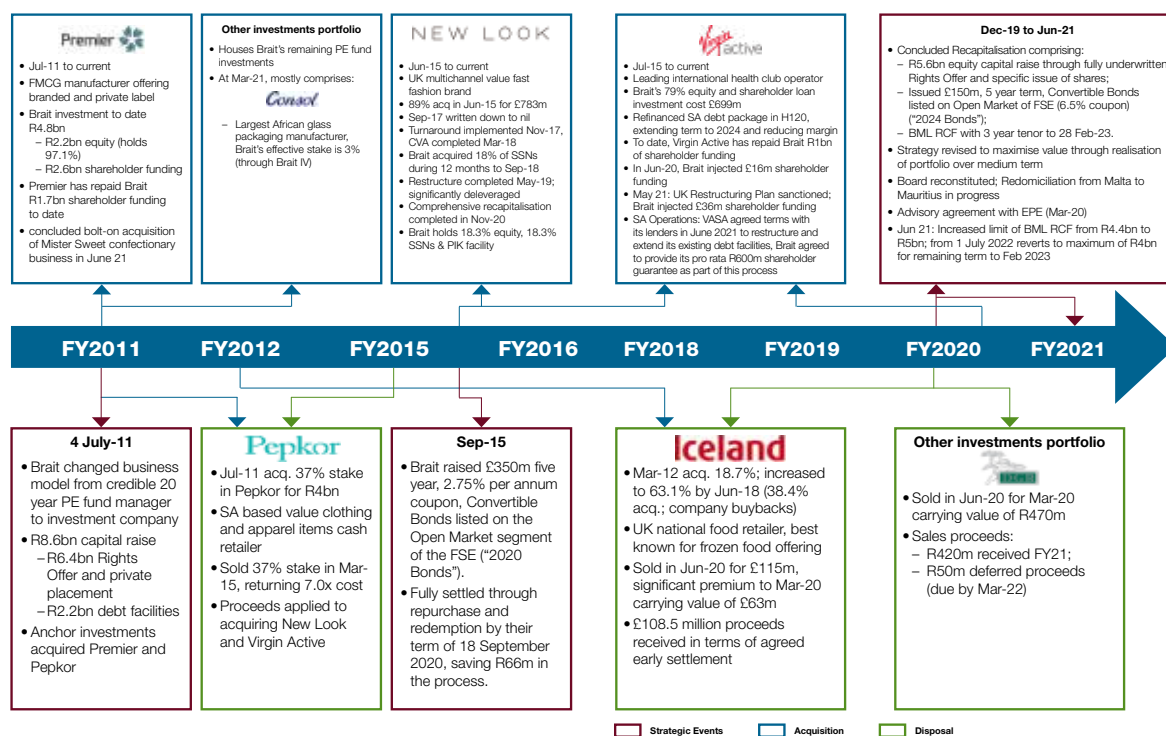
1.1.1 Brait PLC is an investment holding company focused on realising growth and value creation from its existing portfolio of sizeable, unlisted businesses operating in the broad consumer sector. Brait PLC's shares are primarily listed on the Luxembourg Stock Exchange, with a secondary listing on the JSE. The Existing Convertible Bonds issued by Brait PLC are listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange. It is expected that they will be listed on the Stock Exchange of Mauritius during the first half of 2022.

1.1.2 Brait PLC's main operating subsidiaries are BIH and BML. The Brait Group's main portfolio companies include:

- One of the leading international health club operators, Virgin Active, in which it has a 79.35% shareholding (undiluted);
- leading South African fast moving consumer goods manufacturer, Premier, in which it has a 98.5% shareholding (undiluted); and
- UK-based multichannel fashion brand, New Look, in which it has a 18.3% shareholding (undiluted).

1.1.3 For further details, including summarised financial information and trading results for each of the above portfolio companies can be obtained in Brait PLC's latest results presentation which is available on the Brait Group website at <https://brait.investoreports.com/investor-relations/results-and-reports/>.

1.2 History and development of the Brait Group



2. **SHARE CAPITAL OF BRAIT PLC AND REDOMICILIATION**

- 2.1 As at the Latest Practicable Date, the authorised ordinary share capital of the Brait PLC is 5,000,000,000 Shares.
- 2.2 As at the Latest Practicable Date, the issued share capital of Brait PLC is 1,319,992,804 Shares.
- 2.3 Brait PLC was previously registered in Malta as a European Company, with registration number SE1, having its registered office at 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta.
- 2.4 At an extraordinary general meeting of the Brait PLC Shareholders held on 30 October 2020, shareholders of Brait PLC approved the proposed transfer of its registered office from Malta to Mauritius, where the company's main investment subsidiary, BML, is domiciled (the "**Redomiciliation**"). The Redomiciliation necessitated the conversion of Brait PLC to a Public Limited Company under the laws of Malta, which was completed on 20 January 2021, resulting in the change of registered name to Brait PLC and registration number to 183309 GBC. The Redomiciliation was concluded on 13 September 2021 and Brait PLC's domiciliation was migrated to Mauritius.
- 2.5 **Annexure 14** to this Prospectus sets out the aggregate volumes and values traded in Brait PLC Ordinary Shares, and the highest and lowest prices traded, for each month over the 12 months prior to the date of issue of this Prospectus and for each day over the 30 days preceding the Latest Practicable Date.
- 2.6 For further information in respect of Brait PLC, please refer to (i) Brait PLC's 2021 Unaudited Interim Results Presentation Booklet; and (ii) Brait PLC's Annual Report for the financial year ended 31 March 2021 (copies of which are available on Brait PLC's website at: <https://brait.investoreports.com/investor-relations/results-and-reports/>).

SECTION 6: INAPPLICABLE OR IMMATERIAL MATTERS [REG 56]

The following paragraphs of the Companies Regulations dealing with the requirements for a Prospectus are not applicable to this Prospectus:

Regulation Number	Regulation Heading
52(1)	Signing, date and issue, of prospectus
54(2)	General statement of required information
54(3)	General statement of required information
55	Specific matters to be addressed for a limited offer
64(2)(c)	Interest of directors and promoters
72(2)	Securities issued in preceding 3 years
72(3)	Securities issued for a premium
77	Report by auditor where business undertaking to be acquired
78	Report by auditor where company will acquire a subsidiary
80	Requirements for prospects of mining company

SECTION 7: DISCLOSURE IN TERMS OF THE COMMERCIAL PAPER REGULATIONS

1. **DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS, PUBLISHED IN TERMS OF THE BANKS ACT, 1990, UNDER GOVERNMENT NOTICE NUMBER 2172 IN GOVERNMENT GAZETTE NUMBER 16167, DATED 14 DECEMBER 1994, AS AT THE LATEST PRACTICABLE DATE:**
 - 1.1 Paragraph 3(5)(a): The “ultimate borrower” (as defined in the Commercial Paper Regulations) is BIH.
 - 1.2 Paragraph 3(5)(b): BIH is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Exchangeable Bonds.
 - 1.3 Paragraph 3(5)(c): The auditor of BIH is PricewaterhouseCoopers Inc.
 - 1.4 Paragraph 3(5)(d): As at the Latest Practicable Date:
 - 1.4.1 the Issuer has ZAR NIL of Commercial Paper (as defined in the Commercial Paper Regulations) in issue (exclusive of this issue of the Exchangeable Bonds); and
 - 1.4.2 it is anticipated that the Issuer will issue ZAR NIL additional Commercial Paper during the remainder of its current financial year.
 - 1.5 Paragraph 3(5)(e): All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Exchangeable Bonds is contained in this Prospectus, including information incorporated by reference.
 - 1.6 Paragraph 3(5)(f): There has been no material adverse change in BIH’s financial position since the date of its last audited annual financial statements in respect of its financial year ended in 31 March 2021, except as may be disclosed in this Prospectus and any other publicly available information.
 - 1.7 Paragraph 3(5)(g): The Exchangeable Bonds shall be listed on issue. An application to list the Exchangeable Bonds on the main board of the JSE has been approved by the JSE.
 - 1.8 Paragraph 3(5)(h): The proceeds from the Exchangeable Bonds will be used by BIH to capitalise its wholly-owned subsidiary, BML, to enable BML to settle a portion of the outstanding balance under the BML RCF and degear the balance sheet of BML.
 - 1.9 Paragraph 3(5)(i): The Exchangeable Bonds are unsecured.
 - 1.10 Paragraph 3(5)(j): PricewaterhouseCoopers Inc., the statutory auditors of BIH, have confirmed that nothing has come to their attention to cause them to believe that this issue of the Exchangeable Bonds does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

SECTION 8: SUBSCRIPTION AND SALE

1. UNITED STATES OF AMERICA

The Exchangeable Bonds and the Brait PLC Ordinary Shares to be issued upon exchange of the Exchangeable Bonds have not been and will not be registered under the US Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the US Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Underwriter has agreed that, except as permitted by the Underwriting Agreement, it will not offer or sell the Exchangeable Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, US persons, and it will have sent to each dealer to which it sells Exchangeable Bonds (other than a sale pursuant to Rule 144A) during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Exchangeable Bonds within the United States or to, or for the account or benefit of, US persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Exchangeable Bonds are being offered and sold outside of the United States to non-US persons in reliance on Regulation S. The Underwriting Agreement provides that the Underwriters may arrange for the offer and resale of Exchangeable Bonds within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of the Exchangeable Bonds, an offer or sale of Exchangeable Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Transfer Restrictions – Rule 144A Exchangeable Bonds

Each purchaser of Exchangeable Bonds within the United States pursuant to Rule 144A, by accepting delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged that:

- i) It is (a) a qualified institutional buyer within the meaning of Rule 144A (a “**QIB**”), (b) acquiring such Exchangeable Bonds for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Exchangeable Bonds has been advised, that the sale of such Exchangeable Bonds to it is being made in reliance on Rule 144A.
- ii) It understands that such Exchangeable Bonds and the Brait PLC Ordinary Shares to be issued upon exchange of the Exchangeable Bonds have not been and will not be registered under the Securities Act and that the Exchangeable Bonds may not be offered, sold, pledged or otherwise transferred except in an offshore transaction to non-US persons (as defined in Regulation S) in accordance with Rule 903 or Rule 904 of Regulation S and any applicable securities laws of any State of the United States.
- iii) It understands that such Exchangeable Bonds, will bear a legend to the following effect:

THIS EXCHANGEABLE BOND AND THE BRAIT PLC ORDINARY SHARES TO BE ISSUED UPON EXCHANGE OF THE EXCHANGEABLE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE EXCHANGEABLE BONDS MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION TO NON-US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.
- iv) It understands that to exercise its right to exchange the Exchangeable Bonds for Brait PLC Ordinary Shares, it must make the representations, warranties and undertakings, including with respect to certain restrictions on transfer which may apply to the Ordinary Shares received upon exchange, contained in the Exchange Notice described under “**Annexure 5: Terms and Conditions of the Exchangeable Bonds – Exchange**”.

- v) BIH, the Transfer Agent, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements. If it is acquiring any Exchangeable Bonds for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.
- vi) It understands that the Exchangeable Bonds offered in reliance on Rule 144A will be issued in uncertificated form and held in the Central Securities Depository. Before any Beneficial Interest in the Exchangeable Bonds so held may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of a Beneficial Interest in the Exchangeable Bonds, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Paying and Transfer Agency Agreement) as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Exchangeable Bonds may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

Transfer Restrictions – Regulation S Exchangeable Bonds

Each purchaser of Exchangeable Bonds outside the United States pursuant to Regulation S and each subsequent purchaser of such Exchangeable Bonds in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Prospectus and the Exchangeable Bonds, will be deemed to have represented, agreed and acknowledged that:

- i) It is, or at the time Exchangeable Bonds are purchased will be, the beneficial owner of such Exchangeable Bonds and (a) it is not a US person and it is located outside the United States (as such terms are defined in Regulation S) and (b) it is not an affiliate of BIH or a person acting on behalf of such an affiliate.
- ii) It understands that such Exchangeable Bonds and the Brait PLC Ordinary Shares to be issued upon exchange of the Exchangeable Bonds have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Exchangeable Bonds except (in an offshore transaction to non-US persons (as defined in Regulation S) in accordance with Rule 903 or Rule 904 of Regulation S and any applicable securities laws of any State of the United States.
- iii) It understands that to exercise its right to exchange the Exchangeable Bonds, it must make the representations, warranties and undertakings, including with respect to certain restrictions on transfer which may apply to the Brait PLC Ordinary Shares received upon exchange, contained in the Exchange Notice described under “**Annexure 5: Terms and Conditions of the Exchangeable Bonds – Exchange**”.
- iv) BIH, Computershare Investor Services the Transfer Agent, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- v) It understands that the Exchangeable Bonds offered in reliance on Regulation S will be issued in uncertificated form and held in the Central Securities Depository. Prior to the expiration of the distribution compliance period, before any Beneficial Interest in the Exchangeable Bonds so held may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of a Beneficial Interest in the Exchangeable Bonds, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Paying and Transfer Agency Agreement) as to compliance with applicable securities laws.

It is expected that delivery of the Exchangeable Bonds will be made against payment therefor on or about the (i) date, which will be the fifth business day following the date of pricing of the Exchangeable Bonds. Pursuant to Rule 15c6-1 under the US Securities Exchange Act of 1934 (the “**Exchange Act**”), trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Exchangeable Bonds on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the Exchangeable Bonds initially will settle five business days following the pricing date (T+5), to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Exchangeable Bonds who wish to trade Exchangeable Bonds on the date of pricing or the next succeeding business day should consult their own advisor.

2. UNITED KINGDOM

2.1 Each Underwriter has represented and agreed that:

- 2.1.1 it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) received by it in connection with the issue or sale of the Exchangeable Bonds in circumstances in which section 21(1) of the FSMA does not apply to BIH; and
- 2.1.2 it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom (the “**UK**”).

3. PROHIBITION OF SALES TO UK RETAIL INVESTORS

3.1 Each Underwriter has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Exchangeable Bonds to any retail investor in the UK. For the purposes of this provision:

- 3.1.1 the expression “retail investor” means a person who is one (or more) of the following:
 - 3.1.1.1 a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or
 - 3.1.1.2 a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
 - 3.1.1.3 not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- 3.1.2 the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Exchangeable Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Exchangeable Bonds.

4. PROHIBITION OF SALES TO EEA RETAIL INVESTORS

- 4.1.1 Each Underwriter has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Exchangeable to any retail investor in the European Economic Area (the “**EEA**”). For the purposes of this provision:
- 4.1.2 the expression “retail investor” means a person who is one (or more) of the following:
 - 4.1.2.1 a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - 4.1.2.2 a customer within the meaning of Insurance Distribution Directive (Directive (EU) 2016/97 (as amended)), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - 4.1.2.3 not a qualified investor as defined in Regulation (EU) 2017/1129; and
- 4.1.3 the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Exchangeable Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Exchangeable Bonds.

5. AUSTRALIA, CANADA AND JAPAN

Due to restrictions under the securities laws of Australia, Canada and Japan, this document will not be sent to Shareholders in Prohibited Jurisdictions and the Exchangeable Bonds and the Brait PLC Ordinary Shares to be issued upon exchange of the Exchangeable Bonds may not be offered or sold within the Prohibited Jurisdictions, or for the account or benefit of persons in the Prohibited Jurisdictions.

6. **GENERAL**

Each of the Underwriters has agreed that it will (to the best of its knowledge and belief) comply with all of the subscription and sale restrictions set out in this Prospectus and the Brait PLC Circular.

Neither BIH, Brait PLC nor the Underwriters represents that Exchangeable Bonds may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder or assumes any responsibility for facilitating such subscription or sale.

By order of the Board **[Reg 52 (1), (3), (4) and (5)]**

29 November 2021



Dhanraj Boodhoo

Brait Investment Holdings Limited
Suite 420, 4th Floor,
Barkly Wharf, Le Caudan Waterfront,
Port Louis
Mauritius



Brett Childs

Brait Investment Holdings Limited
Suite 420, 4th Floor,
Barkly Wharf, Le Caudan Waterfront,
Port Louis
Mauritius

ANNEXURE 1: DIRECTORSHIPS OF BIH DIRECTORS

The definitions and interpretations commencing on page 15 of the Prospectus apply, *mutatis mutandis*, to this Annexure, unless the context provides otherwise.

The companies and partnerships of which the Directors have been directors or partners at any time during the previous five years preceding the Latest Practicable Date are set out below:

Brett Ivor Childs

Current	Designation
African Capitalworks Holdings Limited	Director
African Capitalworks Management Limited	Director
African Sun Limited	Director
Andansonian PE Opportunities Limited	Director and Shareholder
Brait Capital International Ltd	Director
Brait CM 1 Ltd	Director
Brait III Investments Ltd	Director
Brait IV Limited	Director
Brait Mauritius Limited	Director
Brait South Africa Holdings (Pty) Ltd	Director
Edufields Limited	Director
Hansen Investment Corporation	Director and Shareholder
MDT Management Company Limited	Director and Shareholder
Northfields International High School (Mauritius) Limited	Director and Shareholder
Northfields International nursery and Junior School Limited	Director and Shareholder
Northfields International nursery and Primary School Limited	Director and Shareholder
Northfin One Limited	Director and Shareholder
RMB (Mauritius) Limited	Director
SAPEF GP Ltd	Director
Stompers Limited	Director and Shareholder
United Investments Limited	Director
Yorke Investments Ltd	Director and Shareholder

Brett Ivor Childs (continued)

Previous	Designation
Bien Holdings	Director
Brain works Group	Director
Brainworks Capital Management (Pvt) Limited	Director
Brainworks Limited	Director and Shareholder
Brait Fund Investments (Pty) Limited	Director
Brait Manager Mauritius Limited	Director
Dawn Properties Limited	Director
FML (Pvt) Limited	Director
Fleet Holdings Limited	Director
Getsure Limited	Director
Indelible Inc	Director
Kosto Holdings Ltd	Director
Maitland (Mauritius) Corporate Services Limited	Director
Maitland (Mauritius) Limited	Director
Maitland (Mauritius) Management Services Limited	Director
Maitland (Mauritius) Nominees Ltd	Director
Maitland Fiduciary Ltd	Director
Maitland International Holdings Plc	Director and Shareholder
Maitland Malta Limited	Director
Maitland Nominees Limited	Director
Maitland Secretarial Limited	Director
Maitland Trustees (Pty) Ltd	Director
Midocean Nominees Limited	Director
Midocean Management and Trust Services (BVI) Limited	Director
MM Authorised Representative Limited	Director
Momats Limited	Director
NAPF II Staff Investment Scheme Limited	Director
Novare Africa Fund PCC	Director
Novare Group	Director
Novare Investments Limited	Director
Novare Staff Investment Beneficiaries	Director
Novare Staff Investment Limited	Director
Ocean Management Holdings Limited	Director
Southern View Finance (Mauritius) Properties Ltd	Director
Southern View Finance Mauritius Ltd	Director
Theseus Limited	Director

Dhanraj Boodhoo

Current	Designation
Brait Mauritius Limited	Director
Brait Capital International Limited	Director
Brait III Investments Limited	Director
Brait IV Limited	Director
Brait CM1 Limited	Director
SAPEF GP Limited	Director
Brait South Africa Holdings Limited	Director
Novare Africa Fund PCC Mauritius and subsidiaries	Independent Director
Novare Fund Manager Mauritius	Independent Director
Phatisa Food Fund 2 Mauritius	Independent Director
African Agricultural Fund Mauritius	Independent Director
Pan African Housing Fund Mauritius	Independent Director
Previous	Designation
Brait Fund Investments (Pty) Limited	Director
Brait Manager Mauritius Limited	Director
Fleet Holdings Limited	Director

ANNEXURE 2: EXTRACTS FROM THE BIH CONSTITUTION

Capitalised terms used in this Annexure, but not defined in this Prospectus shall bear the meanings ascribed to such terms in the BIH Constitution.

5. OBJECTS OF THE COMPANY

5.1 The objects for which the Company is established are:

- 5.1.1 to engage in qualified Global Business as permitted under the FSA, the Companies Act and any other laws for the time being in force in Mauritius.
- 5.1.2 to carry out all or any of the objects in any part of the world, and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, attorneys or otherwise, and either alone or in conjunction with others; and to procure the Company to be registered or recognised in any country or place outside Mauritius; and
- 5.1.3 to carry out any business activities related to this Article 5 which is not prohibited under the laws of Mauritius and the laws of the countries where the Company is transacting business and to do all such things as are incidental or conducive to the attainment of the above objects.

6. REGISTERED OFFICE

- 6.1 The registered office of the Company is care of Maitland (Mauritius) Limited, suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius or in such other place as the Board may determine.
- 6.2 The Company, in addition to the registered office, may establish and maintain a principal place of business and such other offices and places of business and agencies in Mauritius or elsewhere as the Directors may determine.

PART 2. SHARE CAPITAL

7. STATED CAPITAL

7.1 General

- 7.1.1 The Stated Capital of the Company shall comprise of ordinary shares, and/or other Classes of Shares, as the Directors may determine.
- 7.1.2 Each Class of Shares created shall have its own distinct name, designation or denomination which shall be clearly set out in any agreement governing the subscription for such Shares or any other document acceptable to the Board.

7.2 Share Register

- 7.2.1 The Board shall cause to be kept a share register containing, with respect to each Class of Shares:
 - a) the names, in alphabetical order, and the last known address of each person who is, or has within the last 7 (seven) years been, a Shareholder;
 - b) where the Shares are held by a nominee, the names in alphabetical order and the last known addresses of the beneficial owners (as this term is defined in the Companies Act) or the ultimate beneficial owners (as this term is defined in the Companies Act) giving to the Shareholder instructions to exercise a right in relation to a Share either directly or through the agency of one or more persons;
 - c) the number of Shares of that class held by each Shareholder within the last 7 (seven) years;
 - d) the date of any issue of Shares to, repurchase or redemption of Shares from, or the transfer of Shares by or to, each Shareholder within the last 7 (seven) years, and in relation to the transfer, the names of the transferor and transferee; and
 - e) any other information prescribed by section 93 of the Act.

- 7.2.2 The share register may be divided into two or more registers kept in different places. The principal register shall be kept in Mauritius, “principal register” shall mean in relation to the Company:
- a) when the share register is not divided, the share register; and
 - b) when the share register is divided into two or more registers, the register described as the principal register in the last notice sent to the Registrar.
- 7.2.3 The share register may be in any form approved by the Directors, including magnetic, electronic, or other data storage form, so long as legible evidence of its contents may be produced.
- 7.2.4 A copy of the share register, commencing from the date of the registration of the Company, shall be kept at the registered office of the Company.

7.3 **Trusts not to be entered on share register**

No notice of any expressed, implied or constructive trust shall be entered in the share register or be receivable by the Registrar.

7.4 **Rights and Powers attached to the Shares**

- 7.4.1 Subject to Article 7.4.2, a Share in the Company shall confer on the holder -
- a) the right to one vote on a poll at a meeting of the Company on any resolution;
 - b) the right to an equal share in dividends authorised by the Board;
 - c) the right to an equal share in the distribution of the Surplus Assets of the Company.
- 7.4.2 Subject to section 59 of the Companies Act, the rights specified in Article 7.4.1 may be restricted, limited, altered, or added to by this Constitution or in accordance with the terms on which the Share is issued.

7.5 **Variation of rights**

- 7.6 Where the share capital of the Company is divided into different Classes of Shares, the Company shall not take any action which varies the rights attached to a Class of Shares unless that variation is approved by a Special Resolution, or by consent in writing of the holders of 75 (seventy-five) percent of the Shares of that Class (the **Interest Group**).

7.7 **Quorum of Interest Group**

- 7.7.1 No business may be transacted at a meeting of an Interest Group if a quorum is not present. If a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting is adjourned to the same day in the following week, at the same time and place, or to such other date, time, and place as the directors may appoint, and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the members of the Interest Group present or their proxies are a quorum.
- 7.7.2 A quorum for a meeting of an Interest Group is present if members of that Interest Group or their proxies are present or have cast postal votes who between them total 25 (twenty-five) percent.

8. **ALLOTMENT AND ISSUE OF SHARES**

8.1 **Issue of Shares on registration**

The Company must immediately after registration of the Company, issue to the persons named in the application for registration as Shareholders the number of Shares specified in the application as being the number of Shares to be issued to those persons.

8.2 **Issue of further Shares**

Subject to the provisions of this Constitution, and the Companies Act the Board may issue Shares or fractions thereof (in accordance with sections 52 to 54 of the Companies Act) at any time, to any person, and in any number it thinks fit without the approval of any other person (including Shareholders).

8.3 Pre-emptive rights to new issues

8.3.1 If the Company wants to issue any Shares after the date of this Constitution, the Company shall first offer such Shares to all Shareholders by written notice setting out:

- a. the number of Shares it wants to issue (the **Additional Shares**); and
- b. the issue price per Share (the **Issue Price**).

8.3.2 The Shareholders have the right (but not the obligation) to purchase the Additional Shares so offered at the Issue Price per Additional Share, in their Respective Proportions. Each Shareholder shall have 20 Business Days from the date such notice is given in which to notify the Company in writing that it wants to purchase all or any of the Additional Shares so offered at the Issue Price per Additional Share (Issue Period) which notice will specify either:

- a) that the Shareholder is electing to take up and pay for all of the Additional Shares offered to it; or
- b) the number of the Additional Shares that the Shareholder wants to purchase.

upon receipt of such notice by the Company a binding contract for the sale and purchase of the Shares referred to in such notice will be deemed to be formed between such Shareholder and the Company.

8.3.3 After the expiration of the Issue Period or on the receipt of a written notice from a Shareholder (the **Non-Subscribing Shareholder**) that he declines to accept all or some of the Additional Shares offered, the Board must offer those Additional Shares not accepted to the other Shareholders in their Respective Proportions in the same manner as set out in clauses 8.3.1 and 8.3.2, except that the Issue Period will be 10 Business Days.

8.3.4 After the expiration of the 10 Business Days, the Additional Shares not so taken up by the Shareholders may be issued to such persons who are not Shareholders of the Company at such issue price per Additional Share provided in the notice, provided that all such Additional Shares must be issued within 20 Business Days from the date such notice is given.

8.4 Same conditions apply to new Shares of a Class

New Shares of a Class are subject to the same provisions regarding the payment of calls, liens, transfer, transmission, forfeiture, and otherwise as the Shares of that Class in the original share capital.

8.5 Time of issue of Shares

A Share is issued when the name of the holder is entered on the share register.

8.6 Consideration for issue of Shares

Before the Board issues any Shares it must decide the consideration for which the Shares shall be issued and the terms on which they shall be issued.

8.7 Share not paid for in Cash

8.7.1 Shares shall be deemed not to have been paid for in cash except to the extent that the Company has received cash in payment of the Shares at the time of or subsequently to the agreement to issue the Shares.

8.7.2 Before Shares that have already been issued are credited as fully or partly paid up other than for cash, the Board shall determine the reasonable present cash value of the consideration and shall ensure that the present cash value of the consideration is -

- a. fair and reasonable to the Company and to all existing shareholders; and
- b. not less than the amount to be credited in respect of the Shares.
- c. A certificate shall be signed by one of the directors or his agent authorised in writing describing the consideration in sufficient detail to identify it and state –
 - i) the present cash value of the consideration and the basis for assessing it;
 - ii) that the present cash value of the consideration is fair and reasonable to the Company and to all existing shareholders; and
 - iii) that the present cash value of the consideration is not less than the amount to be credited in respect of the Shares.

- 8.7.3 The Board shall deliver a copy of a certificate issued under Article 8.7.2(c) to the Registrar for registration within 14 (fourteen) days of its signature.
- 8.7.4 Nothing in this Article 8.6 shall apply to the issue of Shares in the Company on –
- a) the conversion of any convertible securities; or
 - b) the exercise of any option to acquire Shares in the Company.

9. **TRANSFER OF SHARES**

9.1 **Form of transfer**

Subject to such of the restrictions of this Constitution, as may be applicable, any Shareholder may transfer all or any of his or her Shares by instrument in writing in the form prescribed by law.

9.2 **Execution and registration**

- 9.2.1 Shares shall be effectively transferred upon entry of the name of the transferee on the share register.
- 9.2.2 To transfer Shares, the instrument of transfer of the shares to which it relates must be delivered to:
- a) The Company; or
 - b) Any agent of the Company who maintains the share register under the law.

9.3 **Rights to refuse transfer**

- 9.3.1 The Board may refuse or delay the registration of any transfer of any Share to any person whether an existing shareholder or not, where:
- a) the holder of the Shares has failed to pay money owing to the Company in respect of those Shares, whether by way of consideration for the issue of the Shares or in respect of sums payable by the holder of the Shares in accordance with this Constitution; or
 - b) the Board has notice of any agreement by the Shareholder to transfer only to some specified person or persons or subject to some specified condition or conditions; or
 - c) the transferee is mentally disordered or a minor; or
 - d) the Board believes effecting the transfer would be a breach of the law; or
 - e) the instrument of transfer is in respect of more than one Class of Share; or
 - f) the pre-emptive provisions contained in Article 10 have not been complied with;
 - g) the Board considers that it would not be in the best interests of the Company to register the transfer of the Shares; or
 - h) the instrument of transfer is not valid or is not accompanied by such other evidence as the Board reasonably requires to show the right of the transferor to make the transfer.

10. **RESTRICTION UPON TRANSFER OF SHARES**

- 10.1 No Shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as permitted or required by this Constitution, or with the prior written consent of the Board.
- 10.2 Except where the provisions of Article 11 apply, a Shareholder (the **Selling Shareholder**) wishing to transfer any Shares must give a notice in writing (the **Transfer Notice**) to the Company giving details of the proposed transfer, including:
- 10.2.1 the number of Shares he wishes to transfer (the **Sale Shares**);
 - 10.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
 - 10.2.3 the price per Sale Share (in cash) at which he wishes to sell the Sale Shares (the **Transfer Price**).
- 10.3 A Transfer Notice constitutes the Company the agent of the Selling Shareholder for the sale of the Sale Shares in accordance with the provisions of this Article, and once given, a Transfer Notice may not be withdrawn.

- 10.4 The Board shall offer the Sale Shares for sale to the other Shareholders (the **Offerees**) inviting them to apply to the Company in writing within the period from the date of the offer to the date 14 (fourteen) Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 10.5 If:
- 10.5.1 at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Offeree who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Offerees shall be determined by the Board). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
 - 10.5.2 not all Sale Shares are allocated following allocations in accordance with Article 10.5.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 10.5.1. The procedure set out in this Article 10.5.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
 - 10.5.3 at the end of the Offer Period, the Company has not received applications in respect of all the Sale Shares, the Board shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares may, with the prior written consent of the Board, be transferred to the buyer identified in the Transfer Notice (if any) in accordance with Article 10.12.
- 10.6 The Board shall, when no further offers or allocations are required to be made under Article 10.5, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Selling Shareholder and to each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be 14 (fourteen) Business Days after the date of the Allocation Notice).
- 10.7 On the date specified for completion in the Allocation Notice the Selling Shareholder shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, and such other documents as the Applicants may reasonably require to show good title to the Sale Shares, or to enable each of them to be registered as the holder of the Sale Shares.
- 10.8 If, following a sale of Shares in accordance with this Article, a Shareholder shall hold no further Shares (excluding any Shares held by his personal representatives, successors and permitted assigns) the Shareholder shall deliver, or procure that there are delivered, to the Company his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares.
- 10.9 Any transfer of Shares by way of a sale under this Article shall be deemed to include a warranty that the Selling Shareholder sells the Shares with full title guarantee.
- 10.10 If the Shareholder fails to comply with Article 10.7:
- 10.10.1 the chairman of the Board (or, failing him, any other director of the Company or some other person nominated by a resolution of the Board) may, as attorney on behalf of the Selling Shareholder:
 - a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - c) enter the Applicants in the share register as the holders of the Sale Shares purchased by them.
- 10.11 Each Shareholder shall use his reasonable endeavours to procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration of each transfer of Sale Shares under this Article 10 and each of them consents to such transfers and registrations.

10.12 Where an Allocation Notice does not relate to all the Sale Shares, then the Selling Shareholder may, at any time during the 14 (fourteen) Business Days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the buyer identified in the Transfer Notice (if any) at a price per Share at least equal to the Transfer Price. The Selling Shareholder shall not be permitted to transfer any such Sale Shares to a third-party buyer if that buyer was not identified in the Transfer Notice (save with the prior written consent of the Board).

11. PERMITTED TRANSFERS

11.1 Any Share may be transferred free of the restrictions in Article 10 by any Shareholder to any of the following:

11.1.1 a Member of the Same Group;

11.1.2 child, grandchild, wife or husband of the Shareholder;

11.1.3 a trustee of any trust that in the opinion of the Board is principally for the benefit of the Shareholder or one or more of the above persons;

11.1.4 another trustee of an abovementioned trust in the event of a change in trustees; or

11.1.5 The Company under Article 13.1.1.

12. VARIATION OF SHARE CAPITAL

The Company may by Special Resolution, increase or decrease its share capital by such sum to be divided or multiplied into Shares of such amounts as the resolution shall prescribe.

13. TREASURY SHARES

13.1 Company may hold its own Shares

13.1.1 The Company may, subject to approval by the Board, purchase or otherwise acquire its Shares in accordance with, and subject to, sections 68 to 74, 106, and 108 to 110 of the Companies Act, and may hold the acquired Shares as treasury shares in accordance with section 72 of the Companies Act.

13.1.2 The Company may purchase its Shares from some Shareholders and not from others.

13.2 Rights and obligations of treasury shares suspended

13.2.1 The rights and obligations attaching to a treasury share shall not be exercised by or against the Company while it holds the treasury share.

13.2.2 Without limiting Article 13.2, while the Company holds the treasury share the Company shall not:

a) exercise any voting rights attaching to the treasury share; or

b) make or receive any distribution authorised or payable in respect of the treasury share.

13.3 Reissue of shares that the Company holds in itself

The Company may transfer a treasury share, and Article 8 shall apply to a transfer of a treasury share as if the transfer were the issue of a Share under Article 8.

14. DISTRIBUTIONS AND DIVIDENDS

14.1 Distributions

The Board may authorise distributions by the Company at a time, and of an amount, to any Shareholder it thinks fit, provided that (i) the Company shall, upon the distribution being made, satisfy the Solvency Test and (ii) the distributions have been approved by an Ordinary Resolution.

14.2 Declaration of Dividends

14.2.1 The Board may if it is satisfied on reasonable grounds that the Company shall, immediately after the dividend, satisfy the Solvency Test) authorise a dividend by the Company at a time, and of an amount, and to any Shareholder it thinks fit.

14.2.2 The Board shall not authorise a dividend:

- a) in respect of some but not all the Shares in a Class;
- b) of a greater amount in respect of some Shares in a Class than other Shares in that Class except where -
 - i) the amount of the dividend is reduced in proportion to any liability attached to the Shares;
 - ii) a Shareholder has agreed in writing to receive no dividend, or a lesser dividend than would otherwise be payable;
- c) unless it is approved by Ordinary Resolution of the Shareholders;

unless it is paid out of retained earnings, after having made good any accumulated losses at the beginning of the accounting period.

14.2.3 The Directors who vote in favour of a dividend must sign a certificate stating that, in their opinion, the Company shall, immediately after the dividend, satisfy the Solvency Test and the grounds for that opinion.

14.2.4 If, after a dividend is authorised and before it is made, the Board ceases to be satisfied on reasonable grounds that the Company shall, immediately after the dividend is made, satisfy the Solvency Test, any dividend made by the Company is deemed not to have been authorised.

14.3 Calculation and Currency of Dividends

14.3.1 Except as provided otherwise by the rights attached to Shares, all dividends:

- a) shall be declared and paid accordingly to the amounts paid up (otherwise than in advance of calls) on the Shares on which the dividend is paid;
- b) shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly; and
- c) may be declared or paid in any currency. The Board may decide the rate of exchange for any currency conversions that may be required and how any costs involved are to be met.

14.4 Amounts due on Shares can be deducted from dividends

The Board may deduct from any dividend or other money payable to any person on or in respect of a Share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the Shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the Shares.

14.5 Shares in lieu of dividends

14.5.1 The Board may, by Board Resolution, and subject to such terms and conditions as the Board may determine, offer to any holders of Shares the right to elect to receive Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the Board Resolution if:

- a) The right to receive Shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all Shareholders on the same terms; and
- b) If all Shareholders elected to receive the Shares in lieu of the proposed dividend, relative voting or distribution rights, or both, would be maintained; and
- c) The Shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it; and
- d) The Shares issued to each Shareholder are issued on the same terms and subject to the same rights as the Shares issued to all Shareholders who agreed to receive the Shares; and
- e) The provisions of Article 8.6 are followed by the Board.

14.6 No interest on dividends

Unless otherwise provided by the rights attached to the Share, no dividend or other monies payable by the Company or in respect of a Share shall bear interest as against the Company.

14.7 Method of payment

The Company may pay any dividend, interest, or other sum payable in respect of a Share in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order or by any other method, including by electronic means, as the Board may consider appropriate.

14.8 Uncashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a Share sent by the Company to the person entitled to them are returned to the Company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquires have failed to establish any new address to be used for the purpose, the Company does not have to send any dividends or other monies payable in respect of that Share due to that person until he notifies the Company of an address to be used for the purpose.

14.9 Unclaimed dividends

All dividends, interest or other sums payable and unclaimed for 12 (twelve) months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The Company shall not be a trustee in respect of such unclaimed dividends and shall not be liable to pay interest on it. All dividends that remain unclaimed for 12 (twelve) months after they were first declared or became due for payment shall (if the Board so resolves) be forfeited and shall cease to remain owing by the Company.

15. RESERVE ACCOUNTS

- 15.1 The Directors may set aside any amount out of the profits of the Company and credit any reserve account with that amount.
- 15.2 The reserve account shall, at the discretion of the Directors, be used for any lawful purpose in the business of the Company or be invested in such investments as the Directors may think fit. The Directors may also carry forward to the accounts of the succeeding year or years any balance of profits to reserve.

PART 3. SHAREHOLDERS

16. SHAREHOLDER POWERS

16.1 Powers reserved to Shareholders

16.1.1 Powers reserved to the Shareholders by the Companies Act may be exercised only:

- a. At a meeting of Shareholders pursuant to Article 17.1 or Article 17.6;
- b. By a unanimous resolution; or
- c. By a resolution in lieu of a meeting pursuant to section 117 of the Companies Act.

16.2 Ordinary resolutions

Unless otherwise specified in the Companies Act or this Constitution, a power reserved to Shareholders may be exercised by an Ordinary Resolution.

16.3 Special resolutions

16.3.1 When Shareholders exercise a power to:

- a) adopt a constitution, or alter or revoke the constitution;
- b) reduce the stated capital of the Company under section 62 of the Companies Act;
- c) approve a major transaction;
- d) approve an amalgamation of the Company under section 246 of the Companies Act;
- e) put the Company into liquidation;
- f) the power must be exercised by Special Resolution

16.4 A Special Resolution under Article 16.3.1(a) to 16.3.1(d) can be rescinded only by a Special Resolution.

16.5 A Special Resolution under Article 16.3.1(e) cannot be rescinded.

- 16.6 Any power which the Companies Act or this Constitution requires to be exercised by an Ordinary Resolution or a Special Resolution may be exercised by way of unanimous resolution.

17. MEETINGS OF SHAREHOLDERS

- 17.1 **Annual Meeting:** Subject to Article 17.2, the Board shall call an annual meeting of Shareholders to be held -
- 17.1.1 not more than once in each year;
 - 17.1.2 not later than 6 (six) months after the Balance Sheet Date of the Company; and
 - 17.1.3 not later than 15 (fifteen) months after the previous annual meeting.
- 17.2 The Company may not hold its first annual meeting in the calendar year of its incorporation but shall hold that meeting within 18 (eighteen) months of its incorporation.
- 17.3 The Company shall hold the meeting on the date on which it is called to be held.
- 17.4 The business to be transacted at an annual meeting shall, unless already dealt with by the Company, include -
- 17.4.1 the consideration and adoption of the financial statements;
 - 17.4.2 the receiving of any auditor's report;
 - 17.4.3 the consideration of the annual report (if any);
 - 17.4.4 the appointment of any auditor pursuant to section 200 of the Companies Act.
- 17.5 Where the financial statements are not approved at the annual meeting, they shall be presented at a further special meeting called by the Board.
- 17.6 **Special Meeting:** a special meeting of Shareholders may be called at any time by:
- 17.6.1 The Board; or
 - 17.6.2 on the written request of Shareholders holding shares carrying together not less than 5 (five) percent of the voting rights entitled to be exercised on the issue.
- 17.7 **Proceedings at Meetings:**
- Meetings of Shareholders shall be conducted in accordance with the Fifth Schedule to the Companies Act.
- 17.8 **Written Resolutions**
- 17.8.1 Subject to Article 17.8.1(a) and 17.8.1(b), a resolution in writing, signed by Shareholders, shall be valid as if it has been passed at a meeting of those Shareholders, where the resolution is signed by Shareholders who –
 - a. are entitled to vote on that resolution at a meeting of Shareholders; and
 - b. hold not less than 75 (seventy-five) percent of the votes entitled to be cast on that resolution.

PART 4. MANAGEMENT

18. DIRECTORS

18.1 Appointment of Directors

- 18.1.1 The Shareholders may vote on a resolution to appoint multiple Directors, notwithstanding the provisions of section 137 of the Companies Act.
- 18.1.2 Unless otherwise determined by Special Resolution, the number of the Directors shall not be less than 2 (two) and not more than 25 (twenty-five).
- 18.1.3 The Company shall have at least 2 (two) Directors who shall be ordinarily resident in Mauritius.
- 18.1.4 The person(s) named as Director(s) in the application for registration or in an amalgamation proposal shall hold office as a Director from the date of registration or the date the amalgamation proposal is effective until that person ceases to hold office as a Director under this Constitution.

- 18.1.5 All subsequent Directors of the Company shall be appointed by Board Resolution.
- 18.1.6 A Director need not be a Shareholder of the Company but shall be entitled to receive notice of and attend all Meetings of Shareholders of the Company.

18.2 Alternate Directors

- 18.2.1 Any Director may appoint any person other than an existing Director to be an alternate or substituted Director.
- 18.2.2 The appointee, while he or she holds office as an alternate or substituted Director:
- (a) is entitled to notice of meetings of the Directors and to attend and vote at the meetings as a Director in the absence of their appointing Director; and
 - (b) does not require any shareholding qualification; and
 - (c) in the absence of their appointing Director, perform all the functions and exercise all the powers, of the Director; and
 - (d) is not entitled to be remunerated by the Company otherwise than out of the remuneration of the Director appointing him or her.
- 18.2.3 Any appointment so made may be cancelled at any time by the appointor and any appointment or cancellation under this Article must be effected by notice in writing to be delivered to the Company. Any such appointment shall be deemed to be cancelled on the appointing Director ceasing to be a Director.
- 18.2.4 Any Director or alternate Director may attend and vote by proxy at any meeting of the Directors, provided that the proxy is a Director or alternate Director and has been appointed in writing under the hand of the appointor.
- 18.2.5 Every such appointment must be for a particular meeting or meetings, but with the consent of the Board.

18.3 Removal of Directors

- 18.3.1 A Director shall vacate his office in any of the following events namely:
- (a) If he resigns his office by notice in writing signed by him and left at the registered office;
 - (b) If he becomes insolvent or makes any arrangements or composition with his creditors generally;
 - (c) If he ceases to be a Director, or becomes prohibited from being a Director due to, an order made under the provisions of any law or enactment; or
 - (d) By a Special Resolution in a meeting of Shareholders called for the purpose that includes the removal of the Director.

18.4 Remuneration

- 18.4.1 The Directors shall be entitled to such remuneration as may be voted to them by the Company by Special Resolution of Shareholders. Such remuneration shall be deemed to accrue from day to day and shall be allocated amongst the Directors as they see fit or, failing agreement, equally. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or a meeting of Shareholders or in connection with the business of the Company.
- 18.4.2 The Directors by a Board Resolution may in addition to such remuneration as is referred to in Article 18.1.1, grant special remuneration to any Director who may perform any special or extra services to or at the request of the Company.

19. SELF-INTEREST TRANSACTIONS

- 19.1 The Directors must comply with sections 147 to 157 of the Companies Act.
- 19.2 Subject to Article 19.3, a Director of the Company shall be interested in a transaction to which the Company is a party where the Director -
- 19.2.1 is a party to, or shall or may derive a material financial benefit from the transaction;
 - 19.2.2 has a material financial interest in or with another party to the transaction;
 - 19.2.3 is a Director, officer, or trustee of another party to, or person who shall or may derive a material financial benefit from, the transaction, not being a party or person that is:

- (a) the Company's holding company being a holding company of which the Company is a wholly-owned subsidiary;
 - (b) a wholly-owned subsidiary of the Company; or
 - (c) a wholly-owned subsidiary of a holding company of which the Company is also a wholly-owned subsidiary;
 - 19.2.4 is the parent, child or spouse of another party to, or person who shall or may derive a material financial benefit from, the transaction; or
 - 19.2.5 is otherwise directly or indirectly materially interested in the transaction.
- 19.3 A Director of the Company shall not be deemed to be interested in a transaction to which the Company is a party if the transaction comprises only the giving by the Company of security to a third party and at the request of that third party which has no connection with the Director and in respect of a debt or obligation of the Company for which the Director or another person has personally assumed responsibility in whole or in part under a guarantee, indemnity, or by the deposit of a security.
- 19.4 Disclosure of interest**
- 19.4.1 A Director of the Company shall, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, cause to be entered in the interests register where it has one, and disclose to the Board -
 - (a) where the monetary value of the Director's interest can be quantified, the nature and monetary value of that interest; or
 - (b) where the monetary value of the Director's interest cannot be quantified, the nature and extent of that interest.
 - 19.4.2 A Director of the Company shall not be required to comply with Article 19.4.1 where -
 - (a) the transaction or proposed transaction is between the Director and the Company; and
 - (b) the transaction or proposed transaction is or is to be entered in the ordinary course of the Company's business and on usual terms and conditions.
 - 19.4.3 For the purposes of Article 19.4.1, a general notice entered in the interests register or disclosed to the Board to the effect that a Director is a Shareholder, Director, officer or trustee of another named company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered with that company or person, is a sufficient disclosure of interest in relation to that transaction.
 - 19.4.4 A failure by a Director to comply with Article 19.4.1 shall not affect the validity of a transaction entered by the Company or the Director.
- 19.5 Avoidance of transactions**
- 19.5.1 A transaction entered by the Company in which a Director of the Company is interested may be avoided by the Company at any time before the expiration of 6 (six) months after the transaction is disclosed to all the Shareholders whether by means of the Company's annual report or otherwise.
 - 19.5.2 A transaction shall not be avoided where the Company receives fair value under it.
- 19.6 Effect on third parties**
- The avoidance of a transaction under Article 19.5 shall not affect the title or interest of a person in or to property which that person has acquired where the property was acquired:
- 19.6.1 from a person other than the Company; and
 - 19.6.2 for valuable consideration.
- 19.7 Application of Avoidance of Transactions in certain cases**
- 19.7.1 Articles 19.5 and 19.6 shall not apply in relation to:
 - (a) remuneration or any other benefit given to a Director in accordance with this Constitution; or
 - (b) an indemnity given or insurance provided in accordance with this Constitution.

19.8 Interested Director may not vote

- 19.8.1 A Director of the Company who is interested in a transaction entered, or to be entered into, by the Company, may:
- (a) not vote on any matter relating to the transaction, and if he does vote, his vote shall not be counted;
 - (b) attend a meeting of Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purpose of a quorum;
 - (c) sign a document relating to the transaction on behalf of the Company; and
 - (d) do any other thing in his capacity as a Director in relation to the transaction, as if the Director were not interested in the transaction.

20. POWERS OF THE BOARD

20.1 General

- 20.1.1 The business and affairs of a Company shall be managed by, or under the direction or supervision of, the Board.
- 20.1.2 The Board shall have all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company.
- 20.1.3 No alteration of this Constitution and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Terms contained elsewhere in this Constitution as to any specific power of the Board shall not be deemed to limit the general powers given by this Article 20.1.

20.2 Powers of Executive Directors

- 20.2.1 Subject to section 131 and the Seventh Schedule of the Companies Act, the Board or any committee authorised by the Board may:
- (a) delegate or entrust to and confer on any Director holding executive office (including a Chief Executive or Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and
 - (b) revoke, withdraw, alter or vary all or any of such powers.

20.3 Delegation to Committees

- 20.3.1 Subject to section 131 and the Seventh Schedule of the Companies Act, the Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons provided that:
- (a) a majority of the members of a committee shall be Directors; and
 - (b) no resolution of a committee shall be effective unless a majority of those present when it is passed are Directors or alternate Directors.
- 20.3.2 Subject to section 131 and the Seventh Schedule of the Companies Act, the Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may revoke, withdraw, alter or vary any such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in this Constitution to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

20.4 Power of attorney

- 20.4.1 The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and conditions as it thinks fit.
- 20.4.2 The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may revoke, withdraw, alter or vary any of such powers.

21. MEETINGS OF DIRECTORS

21.1 Quorum

- 21.1.1 The quorum at any meeting of the Directors (including adjourned meetings) shall be a majority of the Directors, of whom two (2) shall at least be resident in Mauritius.
- 21.1.2 No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and when that business is voted on.

21.2 Notice

- 21.2.1 A notice of a meeting of the Board shall be sent to every Director at least 7 (seven) days before the proposed meeting, and the notice shall include the date, time, and place of the meeting and the matters to be discussed.
- 21.2.2 An irregularity in the notice of a meeting is waived where all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or where all Directors entitled to receive notice of the meeting agree to the waiver.

21.3 **Proceedings:** Except as provided in Article 21.1 and Article 21.2 the Directors meetings shall be held in accordance with the Eighth Schedule to the Companies Act.

21.4 **Written resolutions:** A resolution in writing signed by all the Directors shall be as valid and effective for all purposes as a resolution passed by the Directors at a meeting duly convened, held and constituted. The resolution shall be deemed to have been passed at the time at which the resolution is signed by the last Director to sign.

22. INDEMNITY AND INSURANCE

22.1 Power to Indemnify for Costs:

- 22.1.1 The Company may indemnify a Director, any manager, or employee of the Company or a related company for any costs incurred by him or her in any proceeding:
 - (a) Capacity as Director, manager or employee: that relates to liability for any act or omission in his or her capacity as a Director, the manager, or employee; and
 - (b) Acquittal or Discontinued Proceedings: in which judgment is given in his or her favour, or in which he or she is acquitted, or which is discontinued.

22.2 Indemnities in Relation to Liability:

- 22.2.1 The Company may indemnify a Director, any manager, or employee of the Company or a related company in respect of:
 - (a) Capacity as Director, manager or employee: liability to any person other than the Company or a related company for any act or omission in his or her capacity as a Director, any manager, or employee; or
 - (b) Defending or Settling Claim: costs incurred by that Director, any manager, or employee in defending or settling any claim or proceeding relating to any such liability; not being criminal liability or liability in respect of a breach, in a case of a Director, of the duty specified in section 143(1)(c) of the Companies Act or, in the case of any manager or an employee, of any fiduciary duty owed to the Company or related company.

22.3 Power to Insure Against Liability or Costs:

- 22.3.1 The Company may, with the prior approval of the Board and to the extent permitted by law, effect insurance for a Director, any manager, or employee of the Company or a related company in respect of:
 - (a) Capacity as Director, manager or employee: liability, not being criminal liability, for any act or omission in his or her capacity as a Director, any manager or employee; or
 - (b) Defending or Settling Claim: costs incurred by that Director, any manager or employee in defending or settling any claim or proceeding relating to any such liability; or
 - (c) Defending Criminal Proceedings: costs incurred by that Director, any manager or employee in defending any criminal proceedings in which he or she is acquitted.

22.4 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

23. **BORROWING POWERS**

23.1 Subject to this Constitution and the Companies Act, the Board may exercise all the powers of the Company to:

23.1.1 borrow money;

23.1.2 indemnify and guarantee;

23.1.3 mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;

23.1.4 create and issue debentures and other securities; and

23.1.5 give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

ANNEXURE 3: LIST OF BIH SUBSIDIARIES

BIH – Subsidiaries	Country of incorporation	Percentage shares held at the latest practicable date
Brait Mauritius Limited	Mauritius	100%

ANNEXURE 4: BRAIT GROUP PORTFOLIO COMPANY INFORMATION

OVERVIEW AND SALIENT INFORMATION ON VIRGIN ACTIVE

Virgin Active's first club opened in 1999 in the UK. Since then the group has grown to become a leading international health club operator, with clubs across four continents in eight countries (South Africa, UK, Italy, Australia, Namibia, Botswana, Thailand and Singapore).

Virgin Active's purpose is to make exercise irresistible by delivering feel good exercise experiences at a time and place convenient for its members. The company's ambition is to become the world's most loved exercise brand, with inspiring people, designing and delivering outstanding exercise experiences in clubs, outdoors and digitally. Virgin Active's unique classes and clubs are built around the four essential dimensions of exercise – strength, stamina, stability and soul – and everyone is welcome.

The company benefits from strong brand awareness in each of its markets, attracting members and employees who value an association with an aspirational global lifestyle brand.

Since 2020, Coronavirus lockdowns/restrictions have materially impacted trading. Management responded with appropriate measures to preserve liquidity and reduce operating expenses, including measures to defer and/or reduce rental expenses, progressing online strategies, as well as accessing the various government support measures. During this and subsequent lockdown-induced closure periods, Virgin Active implemented a "free membership freeze", whereby memberships were retained without members having to make payment during the freeze period, resulting in no revenue generation for affected territories. The Virgin Active UK/Italy and Asia Pacific business was recapitalised by its shareholders in June 2020.

Whilst trading improved significantly post the easing of the first wave of lockdown restrictions, the second Coronavirus wave that surfaced at the end of October 2020 in Europe and the UK resulted in these governments re-imposing national lockdown restrictions. By the end of April 2021, Virgin Active's clubs had been closed or partially closed for 10 of the previous 14 months, reopening on 12 April 2021; with Virgin Active's Italian clubs closed or partially closed for ten of the previous 14 months, reopening on 24 May 2021. While Chiang Mai has reopened, Thailand's other clubs have remained closed since April 2021 but are expected to reopen in October 2021. Singapore closed its gyms from May 2021 to June 2021 but after a period of trading, closed again in July 2021 before reopening in August 2021.

The Virgin Active UK business undertook a holistic restructuring plan that was sanctioned by the English Court in May 2021. Whilst this restructuring plan principally concerns Virgin Active UK, there will be an indirect benefit to the Italian and Asia Pacific businesses. The Virgin Active South Africa business, which is separately financed, agreed terms with its lenders during June 2021 to restructure and extend the term of its existing debt facilities and is in the process of concluding the requisite legal agreements.

These measures will provide the requisite operational and financial flexibility to enable both New Look and Virgin Active to emerge from the Coronavirus pandemic and create sustainable value for all stakeholders.

OVERVIEW AND SALIENT INFORMATION ON PREMIER

Premier is a leading South African fast moving consumer goods (FMCG) manufacturer offering branded and private label solutions. Its strong heritage brands include Snowflake (wheat flour), Iwisa No 1, SuperSun and Nyala (maize meal), Blue Ribbon (bread), Lil-lets (feminine hygiene), Manhattan and Super C (sugar confectionery) and the Companhia Industrial da Matola S.A. food portfolio (Top Score, Polana, Florbela and Favorita) in Mozambique.

Premier serves all channels to the market and operates through a wide footprint across South Africa, Eswatini, Lesotho and Mozambique with a Lil-lets sales office in the UK. Premier's customers include South African chain retailers and wholesalers, industrial users as well as traders in the informal sector. By fully integrating the recently announced acquisition of the sugar-based confectionery business Mister Sweet, Premier has shown competency in assessing and integrating acquisitions.

Under Brait's ownership, Premier has invested c.ZAR4.5 billion in capital expenditure to create a world-class manufacturing and distribution footprint across Southern Africa.

Premier operates 29 manufacturing sites and 20 distribution depots nation-wide, employing over 12,000 people, including contracted service providers. Its fleet of around 930 bakery trucks make c.34,000 bread deliveries a day. Premier's installed baking capacity can produce 721 million loaves of bread per annum across South Africa, eSwatini and Lesotho, with significant exposure to the informal market/lower income consumers accounting for in excess of 60% of Premier's MillBake sales.

OVERVIEW AND SALIENT INFORMATION ON NEW LOOK

New Look is a UK-based multichannel fashion brand, operating in the value segment of the clothing, footwear and accessories market. New Look's focus is delivering value for money and "newness" with broad appeal ranges that cater for a broad spectrum of ages, from early teens to 45 and over and is the number 1 UK womenswear retailer for ages 18 to 44 (Based on Kantar Worldpanel published data 52 weeks ended 7 March 2021; Womenswear by value). New Look also has an online men's range.

At New Look it's all about interpreting trends and making them accessible to customers. Sourcing suppliers from all around the world means the business can buy in to new trends quickly. Available ranges offer a broad width of appeal so that all customers can buy into the latest trends in a way that suits them.

Whilst trading improved significantly post the easing of the first wave of Coronavirus lockdown restrictions (March 2020 to July 2020), the second Coronavirus wave that surfaced at the end of October 2020 in Europe and the UK resulted in these governments re-imposing national lockdown restrictions. By the end of April 2021, New Look's stores in the UK had been closed or partially closed for 10 of the previous 14 months, reopening on 12 April 2021. During these Coronavirus lock-down periods, management focused on cost optimisation, maximising liquidity and progressing New Look's online strategy. New Look completed a comprehensive recapitalisation transaction during November 2020 to provide operational and financial flexibility to enable it to emerge from the impact of the Coronavirus pandemic and create sustainable value for all stakeholders.

New Look has 493 stores in the UK and Republic of Ireland bringing the brand to life and creating a fun, accessible shopping experience for customers.

ANNEXURE 5: TERMS AND CONDITIONS OF THE EXCHANGEABLE BONDS

TERMS AND CONDITIONS OF THE EXCHANGEABLE BONDS

The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Exchangeable Bonds which will apply upon issue of the Exchangeable Bonds.

The issue of up to ZAR3,000,000,000 5.00 per cent. Exchangeable Bonds due 2024 (the “**Exchangeable Bonds**”, which expression shall, unless otherwise indicated, include any Further Exchangeable Bonds (as defined below)) was (save in respect of any Further Exchangeable Bonds) authorised by resolutions of the board of directors of Brait Investment Holdings Limited (the “**Issuer**”) passed on or around 15 November 2021.

The Issuer has entered into an agency deed dated on or about 13 December 2021 (the “**Bondholder Representative Deed**”) between the Issuer and Vanessa Ramdonee whose registered address for the time being is at 6th Floor, Labama House No. 35, Sir William Newton Street Port Louis, Mauritius (the “**Bondholder Representative**”, which expression shall include all persons for the time being appointed as the bondholder representative or bondholder representatives under the Bondholder Representative Deed) as bondholder representative for the holders (as defined below) of the Exchangeable Bonds. The Bondholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Bondholder Representative Deed. The Issuer has also entered into a paying and transfer agency agreement dated on or about 13 December 2021 (the “**Paying and Transfer Agency Agreement**”) relating to the Exchangeable Bonds between the Issuer, Rand Merchant Bank, a division of FirstRand Bank Limited (the “**Paying Agent**”, which expression shall include any successor as paying agent under the Paying and Transfer Agency Agreement) and Computershare Investor Services (Proprietary) Limited in its capacity as transfer agent in respect of the Exchangeable Bonds (the “**Transfer Agent**”, which expression shall include any successor as transfer agent under the Paying and Transfer Agency Agreement). The Issuer has, in addition, entered into an exchange agency agreement dated on or about 13 December 2021 (the “**Exchange Agency Agreement**”) relating to the Exchangeable Bonds between the Issuer and Rand Merchant Bank, a division of FirstRand Bank Limited (the “**Exchange Agent**”, which expression shall include any successor as exchange agent under the Exchange Agency Agreement) and a calculation agency agreement dated on or about 13 December 2021 (the “**Calculation Agency Agreement**”) with Conv-Ex Advisors Limited (the “**Calculation Agent**”, which expression shall include any successor as calculation agent under the Calculation Agency Agreement) whereby the Calculation Agent has been appointed to make certain calculations in relation to the Exchangeable Bonds.

Subject to the satisfaction of the Shareholder Approval Condition (as defined below) and to the further provisions of the Bondholder Representative Deed, these terms and conditions (the “**Conditions**”) and the Deed Poll (as defined below), the Exchangeable Bonds are exchangeable during the Exchange Period into fully paid ordinary shares of Brait p.l.c. (the “**Parent**”) at the applicable Exchange Price and having at the Issue Date a par value of €0.22 each (the “**Ordinary Shares**” and each an “**Ordinary Share**”). The Parent has entered into a deed poll in respect of the Exchangeable Bonds that was executed and delivered on or about 13 December 2021 (the “**Deed Poll**”). The entry into, delivery of and performance by the Parent of its obligations under the Deed Poll (including without limitation upon a holder’s exercise of its Exchange Rights) was authorised by resolutions of the board of directors of the Parent passed on 16 November 2021, with the EGM to consider, *inter alia*, the Shareholder Resolution (each as defined below) to be held on 22 December 2021.

1. **FORM, DENOMINATION, TITLE AND STATUS**

(a) *Form and Denomination*

The Exchangeable Bonds are in registered form, in principal amounts of ZAR1,000 each. On the Issue Date, the Exchangeable Bonds are not represented by a Certificate and are held in uncertificated form in the Central Securities Depository according to the terms of section 33 of the Financial Markets Act. The Central Securities Depository will hold the Exchangeable Bonds subject to the Financial Markets Act and the Applicable Procedures.

(b) *Title*

Title to the Exchangeable Bonds will pass by transfer and registration as described in Condition 4. The holder (as defined below) of any Exchangeable Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss or anything written on it (other than a duly executed transfer thereof)) and no person will be liable for so treating the holder.

Beneficial Interests in Exchangeable Bonds held in uncertificated form may, according to existing law and practice, be transferred through the Central Securities Depository by way of book entry in the securities accounts of Participants.

Any reference in these Conditions to the relevant Participant shall, in respect of Beneficial Interests, be a reference to the Participant appointed to act as such by a holder of such Beneficial Interest.

(c) *Status of the Exchangeable Bonds*

The Exchangeable Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 2) unsecured obligations of the Issuer ranking equally among themselves and at least equally with all other existing and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

2. COVENANTS

Negative Pledge

So long as any Exchangeable Bond remains outstanding, the Issuer will not, and will ensure that none of its Material Subsidiaries will, create or have outstanding any Security Interest (other than a Permitted Security), upon the whole or any part of its present or future undertaking, assets, property or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness, unless at the same time or prior to the creation of such Security Interest, the Issuer's obligations under the Exchangeable Bonds are secured equally and rateably by such Security Interest as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or have the benefit of such other security interest or guarantee or indemnity or other arrangement (whether or not including the giving of security) as shall be approved by an Extraordinary Resolution of the Bondholders.

For the purposes of this Condition 2:

"Permitted Security" means:

- (i) any Security Interest in respect of any Relevant Indebtedness (**"Existing Relevant Indebtedness"**), or in respect of any guarantee of or indemnity in respect of any Existing Relevant Indebtedness, given by any Material Subsidiary where the relevant company becomes a Subsidiary after the Issue Date and where such Security Interest exists at the time such company becomes a Subsidiary (provided that (1) such Security Interest was not created in contemplation of that company becoming a Subsidiary and (2) the principal amount secured at the time of that company becoming a Subsidiary is not subsequently increased); and
- (ii) any Security Interest given by any Material Subsidiary in respect of any Relevant Indebtedness, or in respect of any guarantee of or indemnity in respect of any Relevant Indebtedness, where such Relevant Indebtedness (**"New Relevant Indebtedness"**) is incurred to refinance Existing Relevant Indebtedness in circumstances where there is an outstanding Security Interest (**"Existing Security Interest"**) given by that Material Subsidiary in respect of such Existing Relevant Indebtedness or, as the case may be, in respect of any guarantee of or indemnity in respect of such Existing Relevant Indebtedness, provided that (1) the principal amount of the New Relevant Indebtedness is not greater than the principal amount of the Existing Relevant Indebtedness and (2) the Security Interest does not extend to any undertaking, assets, property or revenues, present or future, of that Material Subsidiary which were not subject to the Existing Security Interest.

"Security Interest" means any privilege, hypothec, mortgage, lien, pledge or other charge, encumbrance or any other security interest which grants rights of preference to a creditor over any or all of the assets of the Issuer or a Material Subsidiary.

3. DEFINITIONS

In these Conditions, unless otherwise provided:

"Additional Deliverable Shares" has the meaning provided in Condition 7(i).

"Additional Ordinary Shares" has the meaning provided in Condition 6(d).

"Applicable Date" means (i) in the case of a Retroactive Adjustment pursuant to Conditions 6(a)(i), 6(a)(ii), 6(c)(iii), 6(c)(iv), 6(c)(v) or 6(c)(ix), the relevant Ex-Date, (ii) in the case of any other Retroactive Adjustment, the RA Reference Date (as defined below) in respect of such Retroactive Adjustment, (iii) in the case of a Special Dividend, the Ex-Date in respect thereof or (iv) in the case of any Dividend or other entitlement the subject of an Equivalent Amount, the Ex-Date in respect thereof.

"Applicable Procedures" means the JSE Debt Listings Requirements and the rules and operating procedures for the time being of the Central Securities Depository, Settlement Agents and the JSE, as the case may be.

“Beneficial Interest” means in relation to an Exchangeable Bond, an interest as the beneficial owner of an Exchangeable Bond held in uncertificated form, in accordance with the Financial Markets Act.

“Bondholder” and **“holder”** mean the person in whose name an Exchangeable Bond is registered in the Register.

“Bondholder Representative” has the meaning provided in the recitals hereto.

“Bondholder Representative Deed” has the meaning provided in the recitals hereto.

“Brait Mauritius Limited” means a company incorporated and registered in accordance with the laws of Mauritius under registration number C60342 C1/GBL.

“Brait PLC Circular” means the shareholder circular posted to Shareholders on the date of the Prospectus in connection with the Rights Offer.

“business day” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

“Calculation Agent” has the meaning provided in the recitals hereto.

“Cash Settlement Amount” has the meaning provided in Condition 7(i).

“Central Securities Depository” means Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability incorporated in accordance with the company laws of South Africa and registered as a central securities depository operating in terms of the Financial Markets Act, or any additional or alternate depository approved by the Issuer.

“Certificate” means a single individual certificate for an Exchangeable Bond or Exchangeable Bonds, registered in the name of the relevant Bondholder.

a **“Change of Control”** shall occur if (a) (other than pursuant to an Exempt Newco Scheme and other than any Excluded Persons) any person and/or persons acting together (i) own(s), acquire(s) or control(s) (or has or have the right to own, acquire or control) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Parent; or (ii) own(s), acquire(s) or control(s) (or has or have the right to own, acquire or control) more than 50 per cent. of the issued Ordinary Shares; or (iii) obtain(s) the power to appoint and/or remove all or a majority of the members of the board of directors of the Parent; or (b) the Issuer is no longer wholly-owned or controlled by the Parent.

“Closing Price” means, in respect of an Ordinary Share or any Security, Spin-Off Security, option, warrant or other right or asset on any dealing day in respect thereof, the closing price on the Relevant Stock Exchange on such dealing day of an Ordinary Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (setting Last Price, or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Issue Date is BAT SJ Equity HP), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day, provided that:

- (i) if on any such dealing day (for the purpose of this definition, the **“Original Date”**) such price is not available or cannot otherwise be determined as provided above, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, in respect of such dealing day shall be the Closing Price, determined by the Calculation Agent as provided above, on the immediately preceding dealing day on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Closing Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (i); and
- (ii) if the Closing Price cannot be determined as aforesaid, the Closing Price of an Ordinary Share, Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate.

“Companies Act” means the Companies Act No. 15 of 2001 of Mauritius, as amended or supplemented from time to time.

“Current Market Price” means, in respect of an Ordinary Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date, as determined by the Calculation Agent, provided that:

- (i) for the purposes of determining the Current Market Price pursuant to Condition 6(c)(iv) or (vi) in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said five dealing-day period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:
 - (a) if the Ordinary Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of the amount and/or terms of such Dividend or entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
 - (b) if the Ordinary Shares to be so issued do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (ii) for the purpose of determining the Current Market Price of any Ordinary Shares which may be comprised in a Scrip Dividend, if on any of the said five dealing days the Volume Weighted Average Price of the Ordinary Shares shall have been based on a price cum all or part of such Scrip Dividend, the Volume Weighted Average Price of an Ordinary Share on such dealing day or dealing days shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the value (as determined in accordance with paragraph (1) of the definition of “**Dividend**”) of such Scrip Dividend or part thereof; and
- (iii) for any other purpose, if any day during the said five-dealing-day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement.

“**Daily Market Value**” has the meaning provided in Condition 7(i).

“**dealing day**” means a day on which the Relevant Stock Exchange is open for business and on which Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to (or does) close prior to its regular weekday closing time), provided that, unless otherwise specified, a “dealing day” shall be a dealing day in respect of the Ordinary Shares.

“**Deed Poll**” has the meaning provided in the recitals hereto.

“**Definitive Exchange Date**” has the meaning provided in Condition 13(a).

“**Definitive Exchange Notice**” has the meaning provided in Condition 13(a).

a “**De-Listing Event**” shall occur if:

- (i) at any time the Ordinary Shares are neither listed on the JSE nor admitted to trading on the LuxSE, or if both the JSE and the Luxembourg Stock Exchange announce that the Ordinary Shares will cease to be admitted to listing or trading (as applicable) on the respective stock exchange, unless the Ordinary Shares are immediately admitted to trading and/or listing on another internationally recognised, regularly operating and regulated stock exchange; or
- (ii) trading of the Ordinary Shares on each stock exchange on which they are, for the time being, listed and/or admitted to trading is suspended for a period of 10 consecutive business days or more (provided that trading of the Ordinary Shares shall not be considered to be suspended on any business day on which a general suspension of trading on the relevant stock exchange has occurred or where such suspension is in connection with a scheme of arrangement or merger, amalgamation or consolidation relating to the Parent).

“**Deliverable Shares**” has the meaning provided in Condition 7(i).

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (1) where a Scrip Dividend is announced, then the Scrip Dividend in question shall be treated as a cash Dividend of an amount equal to the aggregate value of any property comprised in such Scrip Dividend, where the “value” of any such property shall be determined as follows:
 - (x) in the case of Ordinary Shares comprised in such Scrip Dividend, the Current Market Price of such Ordinary Shares as at the Scrip Dividend Valuation Date;
 - (y) in the case of cash comprised in such Scrip Dividend, the Fair Market Value of such cash as at the Scrip Dividend Valuation Date; and
 - (z) in the case of any other property or assets comprised in such Scrip Dividend, the Fair Market Value of such other property or assets as at the Scrip Dividend Valuation Date.
- (2) where:
 - (i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the issue or delivery of Ordinary Shares and/or other property or assets; or
 - (ii) an issue of Ordinary Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) is announced which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the payment of cash, then:
 - (1) any cash and any property or assets (other than Ordinary Shares) so elected by Shareholders shall be deemed to constitute a cash Dividend in respect of the Ordinary Shares in issue (excluding for this purpose any Ordinary Shares elected by Shareholders and the subject of paragraph (2) below) (any such deemed cash Dividend, an “Elective Scrip Dividend”) in an amount equal to the aggregate value of any such cash and any such property or assets comprised in such Elective Scrip Dividend, where the “value” of any such cash or property or assets shall be determined as:
 - (A) in the case of any property or assets (other than cash or Ordinary Shares) so elected by Shareholders, the Fair Market Value (as at the Ex-Date of such Elective Scrip Dividend) of such property or assets so elected by Shareholders; and
 - (B) in the case of any cash amount so elected by Shareholders, the Fair Market Value (as at the Ex-Date of such Elective Scrip Dividend) of the amount of such cash so elected by Shareholders; and,
 - (2) the aggregate number of Ordinary Shares (if any) so elected by Shareholders shall be deemed to constitute an issue of Ordinary Shares (and shall not constitute a Dividend) and shall be subject to the provisions of Condition 6(c)(ii) and with an Effective Date for such purposes being deemed to be the date on which the number of Ordinary Shares to be issued is first publicly announced by the Parent (or, if an adjustment to the Exchange Price pursuant to Condition 6(c)(iii) also falls to be made in respect of the Elective Scrip Dividend by virtue of paragraph (i) above, the date (if different) on which such adjustment becomes effective); any issue of Ordinary Shares falling within Condition 6(c)(i) or 6(c)(ii) shall be disregarded;
- (3) a purchase or redemption or buy back of share capital of the Parent by or on behalf of the Parent or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Parent or any of its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (converted, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the Current Market Price of an Ordinary Share:
 - (i) on the Specified Share Day; or

- (ii) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, the date of first public announcement of the terms of such tender offer (and regardless of whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Parent or, as the case may be, any of its Subsidiaries (converted where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price determined as aforesaid and (ii) the number of Ordinary Shares so purchased, redeemed or bought back;

- (4) if the Parent or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (3) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;
- (5) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Parent for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than (or in addition to) the Parent, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Parent, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly; and
- (6) where a Dividend in cash is declared which provides for payment by the Parent in the Relevant Currency (or, in the case of a Scrip Dividend or an Elective Scrip Dividend, an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise), it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend or an Elective Scrip Dividend, an amount in cash) in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend or an Elective Scrip Dividend an amount in cash) in the currency in which it is payable by the Parent,

and any such determination shall be made in good faith by the Calculation Agent or, where specifically provided, as Independent Adviser and, in either case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Early Redemption Date” has the meaning provided in Condition 7(c).

“Early Redemption Notice” has the meaning provided in Condition 7(c).

“EEA Regulated Market” means a market as defined by Article 4.1 (21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

“EGM” means the extraordinary general meeting of the Shareholders to be held on 22 December 2021.

“equity share capital” means, in relation to any entity, its issued share capital excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specific amount in a distribution.

“Event of Default” has the meaning provided in Condition 10.

“Exchange Agency Agreement” has the meaning provided in the recitals hereto.

“Exchange Agent” has the meaning provided in the recitals hereto.

“Exchange Date” has the meaning provided in Condition 6(h).

“Exchange Deadline” has the meaning provided in Condition 6(a).

“Exchange Notice” has the meaning provided in Condition 6(a).

“Exchange Period” has the meaning provided in Condition 6(a).

“Exchange Price” has the meaning provided in Condition 6(b).

“Exchange Right” has the meaning provided in Condition 6(a).

“Exchange Securities” means ordinary shares, units or equivalent of Newco or depositary receipts or certificates representing ordinary shares, units or equivalent of Newco.

“Excluded Person” means the Titan Group of Companies (as defined below) (representing Christo Wiese’s interests in the Parent), Christo Wiese, the immediate family members of Christo Wiese and/or any person or persons controlled by or controlling the Titan Group of Companies, Christo Wiese or the immediate family members of Christo Wiese.

For this purpose, any Excluded Persons (on the one hand) shall be treated as not acting together with any Investment Team Member (as defined below) and/or any person or persons controlled by any Investment Team Member (on the other hand).

“Ex-Date” means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement, unless otherwise defined herein, the first dealing day on which the Ordinary Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Ordinary Shares (or, as the case may be, any depositary or other receipts or certificates representing Ordinary Shares) pursuant to paragraph (4) (or, as the case may be, paragraph (5)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made), and provided that the Ex-Date in respect of a Scrip Dividend or an Elective Scrip Dividend shall be deemed to be the Ex-Date in respect of the relevant Dividend or capitalisation as referred to in the definition of “Scrip Dividend” or, as the case may be, “Elective Scrip Dividend”.

“Exempt Newco Scheme” means a Newco Scheme where, immediately after completion of the relevant Scheme of Arrangement, the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are (1) admitted to trading on the Relevant Stock Exchange or (2) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as Newco may determine.

“Exercised Bond Redemption Amount” means an amount per Exchangeable Bond equal to its principal amount or, if higher, the aggregate nominal value of the Reference Shares relative to such Exchangeable Bond translated into ZAR at the Prevailing Rate on the date on which such Exchangeable Bond was purchased by the Parent.

“Existing Convertible Bonds” means the 6.50 per cent. convertible bonds due 2024 issued by Brait S.E. (now Brait PLC (or, as herein, the Parent)) on 4 December 2019, with the ISIN XS2088760157.

“Existing Convertible Bond Early Redemption” has the meaning provided in Condition 6(a).

“Extraordinary Resolution” means a resolution passed at a properly constituted meeting of Bondholders by a majority consisting of not less than 66.67 per cent. of the value of the Exchangeable Bonds exercising votes cast at a poll by Bondholders, present in person or by proxy in accordance with Condition 14(a)(ix).

“Fair Market Value” means, on any date (the **“FMV Date”**):

- (i) in the case of a Dividend which is or is treated as being in cash, the amount of such cash Dividend, as determined in good faith by the Calculation Agent;
- (ii) in the case of any other cash amount, the amount of such cash, as determined in good faith by the Calculation Agent;
- (iii) in the case of Securities (including Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined in good faith by the Calculation Agent or an Independent Adviser), the arithmetic mean of:
 - (a) in the case of Ordinary Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose proviso (ii) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Ordinary Shares or such other Securities or Spin-Off Securities; and
 - (b) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both (a) and (b) during the period of five dealing days on the Relevant Stock Exchange for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the **“Adjusted FMV Date”**) which falls on the first such dealing day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (iv) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined in good faith by the Calculation Agent; and

(iv) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (iii) above to be determined pursuant to this (iv), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined in good faith by the Calculation Agent.

In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Final Maturity Date” means 3 December 2024, subject to adjustment in accordance with the Modified Following Business Day Convention.

“Financial Markets Act” means the South African Financial Markets Act, No. 19 of 2012, as amended or supplemented from time to time.

“First Exchange Date” has the meaning provided in Condition 6(a).

“Further Exchangeable Bonds” means any further Exchangeable Bonds issued pursuant to Condition 16 and consolidated and forming a single series with the then outstanding Exchangeable Bonds.

“Group” means the Parent and its Subsidiaries (other than an Investee Company) taken as a whole.

“Independent Adviser” means an independent adviser with appropriate expertise, which may be the Calculation Agent, appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) approved in writing by the Bondholder Representative or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Bondholder Representative in its sole discretion) and the Bondholder Representative is indemnified and/or secured and/or prefunded to its satisfaction against the liabilities, costs, fees and expenses of such adviser and otherwise in connection with such appointment, as may be appointed by the Bondholder Representative (without liability for so doing) following notification thereof to the Issuer, which appointment shall be deemed to be an appointment of the Issuer.

“Insolvency Act” means the Insolvency Act No. 3 of 2009 of Mauritius, as amended or supplemented from time to time.

“Interest Commencement Date” means in relation to each Exchangeable Bond, the Issue Date.

“Interest Payment Date” means 3 June and 3 December in each year, with the first Interest Payment Date (the **“First Interest Payment Date”**) being on 3 June 2022, or in each case if such day is not a Johannesburg business day, the Johannesburg business day on which interest will be paid, as determined in accordance with the Modified Following Business Day Convention.

“Interest Period” means each period in respect of which interest accrues on the Exchangeable Bonds commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the First Interest Payment Date (in each case subject to the Modified Following Business Day Convention in relation to the Interest Payment Dates).

“Interest Rate” means the rate of 5.00 per cent. per annum calculated by reference to the principal amount of an Exchangeable Bond.

“Investee Company” means:

- (a) each of Virgin Active International Investments Limited, New Look Holdings Retail Ltd, Premier Group (Pty) Limited; and Consol Holdings Proprietary Limited;
- (b) any other company, corporation, body corporate or other entity or body (whether incorporated or unincorporated) including partnerships and collective investment schemes or persons wherever established, incorporated or resident and in or in respect of which an Investment has been acquired or made by any member of the Group and which is accounted for by the Parent in its consolidated financial statements at fair value as an investment through profit and loss in accordance with IFRS 9; and
- (c) any Subsidiary of any such Investee Company under (a) or (b) above from time to time.

“Investment” means an investment or investments acquired or made by any member of the Group (either directly or indirectly) including, but not limited to, shares, debentures, convertible loan stock, options, warrants or other securities in and loans (whether secured, unsecured, unsubordinated or subordinated) made to or any participation, interest or commitment in any Investee Company.

“Investment Team Member” means a person who is or was involved in the investing activities of the Parent and/or its Subsidiaries from time to time, as a member of the investment team of Ethos Private Equity Proprietary Limited (including, for the avoidance of doubt, Brait Mauritius Limited pursuant to its investment, advisory and administrative service agreement with the foregoing).

“Issue Date” means 20 December 2021.

“Issuer” has the meaning provided in the recitals hereto.

“JSE” means the JSE Limited, a public company incorporated in accordance with the laws of South Africa (registration number 2005/022939/06) and licensed as an exchange under the Financial Markets Act or the securities exchange operated by the aforementioned company, or any securities exchange which operates as a successor exchange to the JSE in terms of section 19 of the Financial Markets Act.

“JSE Debt Listings Requirements” means the debt listing requirements of the JSE, as amended or supplemented from time to time.

“Knock-out Event” has the meaning provided in Condition 7(i).

“Last Day to Trade” means 5.00 p.m. Johannesburg time on the day that is 3 Johannesburg business days before the Record Date, or such later day prior to the Record Date as determined in accordance with the rules and procedures of the JSE or of such other stock exchange on which the Exchangeable Bonds may be listed.

“Listing Prospectus” has the meaning provided in Condition 11(b)(ix).

“LuxSE” means the Luxembourg Stock Exchange.

“Market Price” means the Volume Weighted Average Price of an Ordinary Share on the relevant Reference Date, converted, if not in rand, into rand at the Prevailing Rate on the Reference Date, provided that if any Dividend or other entitlement in respect of the Ordinary Shares is announced, whether on or prior to or after the relevant Exchange Date in circumstances where the record date or other due date for the establishment of entitlement in respect of such Dividend or other entitlement shall be on or after the Registration Date and if, on the relevant Reference Date, the Volume Weighted Average Price of an Ordinary Share is based on a price ex-such Dividend or ex-such other entitlement, then such Volume Weighted Average Price shall be increased by an amount equal to the Fair Market Value (converted, if not in rand, into rand at the Prevailing Rate on the relevant Reference Date) of such Dividend or other entitlement per Ordinary Share as at the date of the first public announcement of the amount and/or terms of such Dividend or other entitlement (or if that is not a dealing day, the immediately preceding dealing day), as determined in good faith by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit and provided that, for the avoidance of doubt, there shall be no double-counting in respect of any Dividend or entitlement.

“Material Subsidiary” shall mean any Subsidiary of the Issuer (other than an Investee Company):

- (i) whose (a) gross income or (b) total gross assets represent 5 per cent. or more of the consolidated gross income of the Issuer and its Subsidiaries or, as the case may be, consolidated total gross assets of the Issuer and its Subsidiaries, in each case as calculated by reference to the Relevant Accounts of such Subsidiary and the Relevant Accounts of the Issuer provided that (i) in the case of a Subsidiary acquired or an entity which becomes a Subsidiary after the end of the financial period to which the Relevant Accounts of the Issuer relate, the reference to the Relevant Accounts of the Issuer for the purposes of the calculation of the above shall, until the Relevant Accounts of the Issuer are published for the financial period in which the acquisition is made or, as the case may be, in which such entity becomes a Subsidiary, be deemed to be a reference to the Relevant Accounts of the Issuer adjusted in such manner as the Issuer shall in good faith consider appropriate to consolidate the Relevant Accounts of such Subsidiary and the Relevant Accounts of the Issuer; (ii) if, in the case of any Subsidiary, no financial statements are prepared, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be determined on the basis of pro forma financial statements of such Subsidiary prepared by (or on behalf of) the Issuer or such Subsidiary in good faith; (iii) if the Relevant Accounts of any Subsidiary (not being a Subsidiary referred to in (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its Relevant Accounts with the Relevant Accounts of the Issuer and (iv) if the latest Relevant Accounts of any Subsidiary of the Issuer are not prepared on the basis of the same accounting principles, policies and practices of the latest Relevant Accounts of the Issuer, then the determination of whether or not such Subsidiary is

a Material Subsidiary shall be based on pro forma financial statements of such Subsidiary for the relevant period prepared on the same accounting principles, policies and practices as adopted in the latest Relevant Accounts of the Issuer, or an appropriate restatement or adjustment to the Relevant Accounts of such Subsidiary, in either case prepared by (or on behalf of) the Issuer or such Subsidiary in good faith; or

- (ii) to which is transferred all or substantially all of the business, undertaking and assets of a Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Material Subsidiary, and the transferee Subsidiary shall immediately become a Material Subsidiary under the provisions of this sub-paragraph (ii) (but without prejudice to any subsequent determination pursuant to sub-paragraph (i) above that the transferor has again become, and/or the transferee has subsequently ceased to be, a Material Subsidiary).

A certificate signed by two directors of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Bondholder Representative and the Bondholders.

“Modified Following Business Day Convention” means, if any Interest Payment Date (or other date which is specified as being subject to adjustment in accordance with the Modified Following Business Day Convention), would fall on a day that is not a Johannesburg business day, then such Interest Payment Date (or other date) shall be postponed to the next day which is a Johannesburg business day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Johannesburg business day.

“Newco Scheme” means a Scheme of Arrangement:

- (a) which effects the interposition of a limited liability company (**“Newco”**) between the Shareholders of the Parent immediately prior to the Scheme of Arrangement (the **“Existing Shareholders”**) and the Parent; or
- (b) pursuant to which Newco acquires all the outstanding Ordinary Shares and shares of one or more other entities in exchange for the issue of Exchange Securities to the Existing Shareholders and the issue of Exchange Securities (and, if applicable, such other consideration) to some or all of the holders of such shares of such other entity or entities (**“Existing Holders”**) immediately prior to the Scheme of Arrangement,

provided that:

- (i) in the case of sub-paragraphs (a) and (b) immediately after the implementation of such Scheme of Arrangement (except for a nominal holding by initial subscribers) all of the shareholders of NewCo are Existing Shareholders and (in the case of sub-paragraph (b) above) Existing Holders;
- (ii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder (or shareholders) of the Parent;
- (iii) all Subsidiaries of the Parent immediately prior to the Scheme of Arrangement (other than (aa) Newco, if Newco is then a Subsidiary of the Parent; or (bb) any other Subsidiary of the Parent or Subsidiaries of the Parent being disposed of or demerged (or similar) in whole or in part for value on an arms' length basis in connection with the Newco Scheme) are Subsidiaries of the Parent (or of Newco) immediately after completion of the Scheme of Arrangement and at such time the Parent (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those Subsidiaries as was held by the Parent immediately prior to the Scheme of Arrangement; and
- (iv) no person or persons acting in concert shall, as a result of the Newco Scheme, (i) own, acquire or control (or have the right to own, acquire or control) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of Newco; or (ii) own, acquire or control (or have the right to own, acquire or control) more than 50 per cent. of the issued ordinary shares of Newco; or (iii) obtain the power to appoint and/or remove all or a majority of the members of the board of directors of Newco.

“Newco Scheme Modification” has the meaning provided in Condition 14(a).

“Notice Cut-Off Date” has the meaning provided in Condition 7(i).

“Observation Period” has the meaning provided in Condition 7(i).

“Offer Period” has the meaning provided in Condition 7(c).

“Ordinary Resolution” means a resolution passed at a properly constituted meeting of Bondholders by a majority consisting of more than 50 per cent. of the value of the Exchangeable Bonds exercising votes cast at a poll by Bondholders, present in person or by proxy in accordance with Condition 14(a)(ix).

“Ordinary Shares” has the meaning provided in the recitals hereto.

“Ordinary Share Market Value” has the meaning provided in Condition 7(i).

“outstanding” means, in relation to the Exchangeable Bonds, all the Exchangeable Bonds issued other than (i) those which have been redeemed in accordance with these Conditions, (ii) those in respect of which Exchange Rights have been exercised and the Issuer’s and the Parent’s obligations in relation thereto have been duly performed, (iii) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Exchangeable Bonds to the date for such redemption and any interest payable under Condition 5 after such date and, if the Issuer has exercised its Share Settlement Option, any Cash Settlement Amount) have been duly paid to the relevant Bondholder or on its behalf or to the Transfer Agent and remain available for payment in accordance with these Conditions and, if the Issuer has exercised its Share Settlement Option, any obligations to issue and/or transfer and deliver Ordinary Shares by the Parent have been duly performed (iv) those which have become void or those in respect of which claims have become prescribed under Condition 12, (v) Exchangeable Bonds, the Certificates, if any, in respect of which have been mutilated or defaced Exchangeable Bonds and which Certificates, if any, have been surrendered in exchange for replacement Exchangeable Bonds pursuant to Condition 13, (vi) (for the purpose only of determining how many Exchangeable Bonds are outstanding and without prejudice to their status for any other purpose) those Exchangeable Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Exchangeable Bonds have been issued pursuant to Condition 13, (vii) those which have been purchased and cancelled as provided in Condition 7(f); provided that for the purposes of (a) ascertaining the right to attend and vote at any meeting of the Bondholders, (b) the determination of how many Exchangeable Bonds are outstanding for the purposes of Conditions 10, 14 and 17 and (c) the exercise of any discretion, power or authority which the Bondholder Representative is required, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders, those Exchangeable Bonds (if any) which are beneficially held by, or are held on behalf of, the Issuer, the Parent or any of their respective Subsidiaries and not yet cancelled shall (unless no longer so held) be deemed not to remain outstanding.

“Participant” means a Central Securities Depository participant, being a participant as defined in section 1 of the Financial Markets Act.

“Paying Agent” has the meaning provided in the recitals hereto.

“Paying and Transfer Agency Agreement” has the meaning provided in the recitals hereto.

“Permitted Distributions” has the meaning provided in Condition 5(d).

a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“Prevailing Rate” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (Johannesburg time) on that date (for the purpose of this definition, the **“Original Date”**) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (Johannesburg time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such rate cannot be so determined (all as determined in good faith by the Calculation Agent), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“Proposed Special Dividend” has the meaning set forth in Condition 5(e).

“Proposed Special Dividend Amount” has the meaning set forth in Condition 5(e).

“Proposed Special Dividend Notice” has the meaning set forth in Condition 5(e).

“Proposed Special Dividend Rand Amount” has the meaning set forth in Condition 5(e).

“Prospectus” means the combined document (including these Conditions) prepared by the Issuer incorporating listing particulars and qualifying as a prospectus according to the terms of section 100 of the South African Companies Act, approved by the JSE and registered by the CIPC, in order for the Exchangeable Bonds to be offered to qualifying shareholders pursuant to the Rights Offer and listed and admitted to trading on the main board of the JSE.

“Prospectus Regulation” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union of 14 June 2017.

“R” or **“rand”** or **“ZAR”** means the lawful currency of South Africa, being South African rand, or any successor currency.

“Recognised Stock Exchange” means the JSE, the LuxSE, an EEA Regulated Market or a stock exchange located in a member State of the Organisation for Economic Co-operation and Development.

“Record Date” has the meaning provided in Condition 8(c).

“Redemption Shares” has the meaning provided in Condition 7(i).

“Reference Date” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or if that is not a dealing day, the next following dealing day.

“Reference Shares” means, in respect of the exercise of Exchange Rights by a Bondholder, the number of Ordinary Shares (rounded down, if necessary, to the nearest whole number) determined in good faith by the Calculation Agent by dividing the principal amount of the Exchangeable Bonds which are the subject of the relevant exercise of Exchange Rights by the Exchange Price in effect on the relevant Exchange Date, except that where the Exchange Date falls on or after the date an adjustment to the Exchange Price takes effect pursuant to Conditions 6(c)(i), 6(c)(ii), 6(c)(iii), 6(c)(iv), 6(c)(v) or 6(c)(ix) in circumstances where the Registration Date falls on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then (provided the Parent is able to confer the benefit of the relevant consolidation, reclassification, redesignation or subdivision, Dividend, issue or grant (as the case may be) on the relevant Bondholder in respect of the relevant Ordinary Shares to be issued or transferred and delivered to such Bondholder in respect of the relevant exercise of Exchange Rights) the Exchange Price in respect of such exercise shall be such Exchange Price as would have been applicable to such exercise had no such adjustment been made.

“Registration Date” means the date on which the Ordinary Shares (or any Additional Ordinary Shares) to be issued or transferred and delivered to Bondholders pursuant to any exercise of Exchange Rights or the Share Settlement Option are entered in the securities register of the Parent and credited to the relevant Bondholder as provided in these Conditions.

“Register” means the register of Bondholders maintained by the Transfer Agent, including the Issuer’s uncertificated securities register administered and maintained by a Participant or the Central Securities Depository, in accordance with the South African Companies Act, the Financial Markets Act and the rules of the Central Securities Depository.

“Regulation S” has the meaning provided in Condition 6(a).

“Relevant Accounts” means, at any time:

- (1) in the case of the Parent, its then latest published audited consolidated financial statements or (if these are more recent) its then latest published unaudited semi-annual consolidated financial statements; and
- (2) in the case of a Subsidiary of the Parent, its then latest annual non-consolidated financial statements (audited, if available) or (if these are more recent) its then latest unaudited semi-annual non-consolidated financial statements.

“Relevant Currency” means, at any time, the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“Relevant Date” means, in respect of any Exchangeable Bond, whichever is the later of:

- (1) the date on which payment in respect of it first becomes due, except that in relation to moneys payable to the Central Securities Depository or the relevant Participant in accordance with these Conditions, the claim in respect of any payment under the Exchangeable Bonds will prescribe three years after the date on which (i) the full amount of such moneys have been received by the relevant Participant, (ii) such moneys are available for payment to the holders of Beneficial Interests, and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures; and
- (2) if any amount of the money payable is improperly withheld or refused, the earlier of (a) the date on which payment in full of the amount outstanding is made and (b) the day seven days after the Paying Agent or the Bondholder Representative has notified Bondholders of receipt of all sums due in respect of all the Exchangeable Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

“Relevant Event” means:

- (1) a Change of Control; or
- (2) a De-Listing Event.

“Relevant Event Notice” has the meaning provided in Condition 6(m).

“Relevant Event Period” means the period commencing on the occurrence of a Relevant Event and ending 60 days following the date on which a Relevant Event Notice is given to Bondholders as required by Condition 6(m).

“Relevant Event Put Date” has the meaning provided in Condition 7(d).

“Relevant Event Put Exercise Notice” has the meaning provided in Condition 7(d).

“Relevant Indebtedness” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities in each case which for the time being are, or are capable of being and are ordinarily, quoted, listed or dealt in or traded on any regulated or unregulated stock exchange or over-the-counter or other securities market or platform.

“Relevant Person” has the meaning provided in Condition 7(i).

“Relevant Stock Exchange” means:

- (a) in respect of the Ordinary Shares, the JSE or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the JSE, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or dealt in; and
- (b) in respect of any Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where **“principal stock exchange or securities market”** shall mean the stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at the relevant time, then **“principal stock exchange or securities market”** shall mean that stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are then traded as determined by the Calculation Agent (if the Calculation Agent determines that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets.

a **“requisition notice”** has meaning provided in Condition 14.

a **“Retroactive Adjustment”** shall occur if (i) the Registration Date in relation to the exercise of Exchange Rights (or, as the case may be, the Share Settlement Option) shall be after the date (the **“RA Reference Date”**) which is the record date in respect of any consolidation, reclassification, redesignation or sub-division as is mentioned in Condition 6(c)(i), or which is the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6(c)(ii), 6(c)(iii), 6(c)(iv), 6(c)(v) or 6(c)(ix), or which is the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6(c)(vi) and 6(c)(vii) or of the terms of any such modification as is mentioned in Condition 6(c)(viii); and (ii) the Exchange Date (or, as the case may be, the Valuation Date) falls before the relevant adjustment to the Exchange Price becomes effective under Condition 6(c).

“Rights Offer” means the renounceable rights offer by the Parent to qualifying shareholders (on the terms and subject to the conditions set out in the Brait PLC Circular) of rights to subscribe for up to 3,000,000 Exchangeable Bonds in the ratio of rights per Ordinary Share set out in the Brait PLC Circular.

“Rules and Regulations of the LuxSE” means the rules and regulations of the LuxSE as amended or supplemented from time to time.

“Scheduled Dealing Day” has meaning provided in Condition 7(i).

“Scheme of Arrangement” means a scheme of arrangement, share for share exchange or analogous procedure.

“Securities” means any securities as defined in section 1 of the South African Companies Act including, without limitation, Ordinary Shares and any other shares in the capital of the Parent and options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares or any other shares in the capital of the Parent.

“SENS” means the Stock Exchange News Service of the JSE.

“Scrip Dividend” means:

- (a) a Dividend which is to be satisfied, in whole or in part, by the issue or delivery of Ordinary Shares and/or other property or assets; or
- (b) an issue of Ordinary Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) which is to be satisfied, in whole or in part, by the payment of cash,

and, for the avoidance of doubt, in each case other than an Elective Scrip Dividend.

“Scrip Dividend Valuation Date” means the first date on which the Ordinary Shares are traded ex-dividend or ex-the relevant Ordinary Shares or other property or assets on the Relevant Stock Exchange, or, if later, as at the date on which the number of Ordinary Shares, amount of cash or amount of such other property or assets, as the case may be, to be issued and delivered is announced.

“Securities Act” has the meaning provided in Condition 6(a).

“Settlement Agents” means those Participants which are approved as settlement agents to perform electronic settlement of funds and scrip on behalf of market participants in accordance with Applicable Procedures.

“Share Settlement Notice” has the meaning provided in Condition 7(i).

“Share Settlement Option” has the meaning provided in Condition 7(i).

“Share Settlement Option Notice” has the meaning provided in Condition 7(i).

“Share Settlement Option Notice Annulment” has meaning provided in Condition 7(i).

“Shareholder Approval Condition” means the approval of the Shareholder Resolution at the EGM.

“Shareholder Event” has the meaning provided in Condition 7(b).

“Shareholder Event Redemption Date” has the meaning provided in Condition 7(b).

“Shareholder Event Redemption Notice” has the meaning provided in Condition 7(b).

“Shareholders” means the holders of Ordinary Shares of the Parent.

“Shareholder Resolution” means the resolution of the Shareholders in respect of the provision of the necessary authority and power to the Parent’s board of directors to issue and allot sufficient Ordinary Shares (or grant rights or options to subscribe for or exchange into such number of Ordinary Shares) in connection with the Rights Offer.

“Shareholder Resolution Announcement” means an announcement of the results of the Shareholder Resolution published by the Parent following the EGM.

“South African Companies Act” means the Companies Act, 2008 of South Africa, as amended or supplemented from time to time.

“Special Dividend” has the meaning provided in Condition 5(e).

“Special Dividend Repurchase Date” has the meaning provided in Condition 7(e).

“specified office” in relation to each of the Issuer, the Parent, the Bondholder Representative, the Paying Agent, the Transfer Agent or the Exchange Agent, the registered office of such entity or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Bondholders in accordance with these Conditions.

“Specified Taxes” has the meaning provided in Condition 6(h).

“Spin-Off” means:

- (i) a distribution of Spin-Off Securities by the Parent to Shareholders as a class; or
- (ii) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted) by any entity (other than the Parent) to Shareholders as a class or, in the case of or in connection with a Scheme of Arrangement, Existing Shareholders, as a class (but excluding the issue and allotment of ordinary shares (or depository or other receipts or certificates representing such ordinary shares) by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Parent or any of its Subsidiaries.

“Spin-Off Securities” means equity share capital of an entity other than the Parent or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Parent.

“Successor in Business” has the meaning provided in Condition 6(n).

“Subsidiary” means, in respect of any entity, any undertaking which is for the time being a subsidiary undertaking of that entity within the meaning of section 3 of the Companies Act.

“Titan Group of Companies” means Titan Group Investments Proprietary Limited (Registration No. 1979/000777/07) and each of its subsidiaries (as defined under the South African Companies Act) from time to time.

“Tender Invitation” has the meaning provided in Condition 7(e).

“Tender Notice” has the meaning provided in Condition 7(e).

“Transfer Agent” has the meaning provided in the recitals hereto.

“**Valuation Date**” has the meaning provided in Condition 7(i).

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, on any dealing day, the volume weighted average price on such dealing day on the Relevant Stock Exchange of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (setting Weighted Average Line or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, or, as the case may be, Spin-Off Security (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Issue Date is BAT SJ Equity HP) if any or, in any such case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day provided that:

- (i) if on any such dealing day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Volume Weighted Average Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (i); and
- (ii) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate.

“**€**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

“**£**” means the lawful currency for the time being of the United Kingdom.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price, Market Price, Closing Price or Volume Weighted Average Price, such adjustments (if any) shall be made in good faith and as the Calculation Agent or an Independent Adviser considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purpose of Condition 6 (a), (c), (d), (g) and (h) and Condition 11, (i) references to the “**issue**” of Ordinary Shares or Ordinary Shares being “**issued**” shall, if not otherwise expressly specified in these Conditions, include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Parent or any of its Subsidiaries, and (ii) Ordinary Shares held by or on behalf of the Parent or any of its Subsidiaries (and which, in the case of Condition 6(c)(iv) and (c)(vi), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**” or entitled to receive the relevant Dividend, right or other entitlement.

4. **REGISTRATION AND TRANSFER OF EXCHANGEABLE BONDS**

(a) Registration

The Issuer will cause a Register to be kept at the specified office of the Transfer Agent on which will be entered the names, addresses and bank account details of the holders of the Exchangeable Bonds and the particulars of the Exchangeable Bonds held by them (and any changes thereto that are notified to the Transfer Agent in accordance with Condition 17) and of all transfers, redemptions and exchanges of Exchangeable Bonds. A copy of the Register will also be kept at the specified office of the Issuer. The Register will show the serial numbers of any Certificates issued. The Register will be open for inspection to any Bondholder or any person of proven identity authorised in writing by any Bondholder at the

respective specified offices of the Transfer Agent and the Issuer during their respective normal business hours. The Issuer and the Transfer Agent will not be bound to enter any trust into the Register or to take any notice of, or to accede to, the execution of any trust (express, implied or constructive) to which any Exchangeable Bond may be subject. Subject to the provisions of Condition 4(e) below, to be recorded in the Register on the Record Date, the transfer of an Exchangeable Bond must take place on, or before, the Last Day to Trade.

(b) Transfer of Exchangeable Bonds held in uncertificated form

In accordance with the provisions hereof, on the Issue Date, the Exchangeable Bonds will be freely transferable and fully paid up. Beneficial Interests in the Exchangeable Bonds may be transferred, subject to Condition 4(d), in accordance with the Applicable Procedures through the Central Securities Depository.

The Central Securities Depository maintains accounts only for its Participants. Beneficial Interests which are held by Participants (which are also Settlement Agents) may be held directly through the Central Securities Depository. Participants are, in turn, required to maintain securities accounts for their clients. Beneficial Interests which are not held by Participants may be held by clients of Participants indirectly through such Participants.

Transfers of Beneficial Interests to and from clients of Participants occur, in accordance with existing law and practice, by way of electronic book entry in the securities accounts maintained by the Participants for their clients. Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the Central Securities Depository for the Participants. Beneficial Interests may be transferred only in accordance with these Conditions, the Paying and Transfer Agency Agreement and the Applicable Procedures.

(c) Transfer of Exchangeable Bonds represented by a Certificate

Exchangeable Bonds represented by a Certificate may, subject to Conditions 4(d) and 4(e), be transferred by lodging the relevant Exchangeable Bond (with the form of application for transfer in respect thereof duly executed by the transferor and transferee) at the specified office of the Transfer Agent.

If a transfer of Exchangeable Bonds represented by a Certificate is entered on the Register, the form of application for transfer in respect thereof and cancelled Certificate in respect of such Exchangeable Bonds, if any, will be retained by the Transfer Agent.

No transfer of an Exchangeable Bond represented by a Certificate will be valid unless and until entered on the Register. An Exchangeable Bond may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Transfer Agent will within 7 business days, in the place of the specified office of the Transfer Agent, of any duly made application for the transfer of an Exchangeable Bond represented by a Certificate register the relevant transfer in the Register and deliver a new Certificate in respect of such Exchangeable Bonds to the transferee (and, in the case of a transfer of part only of an Exchangeable Bond, deliver an Exchangeable Bond for the untransferred balance to the transferor) at the specified office of the Transfer Agent or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor) otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Certificate in respect of such Exchangeable Bonds by uninsured mail to such address as the transferee or, as the case may be, the transferor may request. If a transfer of an Exchangeable Bond is entered on the Register, the form of application for transfer in respect thereof and cancelled Certificate, if any, will be retained by the Transfer Agent.

(d) Formalities Free of Charge

A transfer of Exchangeable Bonds represented by a Certificate, if any, will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Transfer Agent being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Transfer Agent (and as initially set out in the Paying and Transfer Agency Agreement).

(e) Closed Periods

In order to be recorded in the Register as at the Record Date in respect of any payment of principal or interest on the Exchangeable Bonds, the trade in respect of any Exchangeable Bond must have taken place on or prior to the Last Day to Trade. Neither the Issuer nor the Transfer Agent will be required to register the transfer of any Exchangeable Bond where (i) an Exchange Notice or Share Settlement Notice has been delivered by a Bondholder pursuant to Condition 6(h) or Condition 7(i) respectively; or (ii) in respect of which a Bondholder has exercised its right to require redemption pursuant to Condition 7(d); or (iii) in respect of which a Bondholder has tendered for repurchase pursuant to Condition 7(e), other than an Exchangeable Bond which is not subsequently accepted for repurchase and is returned to such Bondholder.

5. **INTEREST**

(a) Interest Rate

Each Exchangeable Bond will bear interest on its principal amount, at a rate per annum equal to the Interest Rate, from (and including) the Interest Commencement Date.

The interest due in respect of each Interest Period will be payable in arrear on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. Interest in respect of any Interest Period shall accrue to, and be paid on, the relevant Interest Payment Date.

Interest in respect of any period (including without limitation an Interest Period) shall be calculated on the basis of a 365 day year and the actual number of days elapsed in such period.

For the avoidance of doubt, the amount of interest payable per each ZAR1,000 in principal amount of the Exchangeable Bonds in respect of any period (including without limitation an Interest Period) shall be equal to the product (rounded to the nearest whole multiple of ZAR0.01, with ZAR0.005 being rounded upwards) of (i) ZAR1,000, (ii) the Interest Rate and (iii) a fraction, the numerator of which is the actual number of days elapsed in such period and the denominator of which is 365.

(b) Accrual of Interest

Each Exchangeable Bond will cease to bear interest (i) where the Exchange Right shall have been exercised by a Bondholder, from, and including, the Interest Payment Date immediately preceding the relevant Exchange Date or, if none, the Issue Date (subject in any such case as provided in Condition 6(j)) or (ii) where such Exchangeable Bond is redeemed or repaid pursuant to Condition 7 or Condition 10, from (but excluding) the due date for redemption or repayment thereof unless (a) upon due presentation thereof, payment of the principal in respect of such Exchangeable Bond is improperly withheld or refused or (b) following any election by the Issuer to exercise the Share Settlement Option, the Parent fails duly to perform its obligations to issue and/or transfer and deliver the Redemption Shares and/or the Issuer fails to make payment of the Cash Settlement Amount (if any), each in accordance with Condition 7(i), in which event interest will continue to accrue at the rate specified in Condition 5(a) (both before and after judgment) to the earlier of (i) the day on which all sums due in respect of such Exchangeable Bond up to that day are received by or on behalf of the relevant holder and (ii) the day seven days after the Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Exchangeable Bonds up to that seventh day (except to the extent that there is any subsequent default in payment to the relevant Bondholder), or, in the case of (b) above, until such issue and/or transfer and delivery of Redemption Shares and payment of the Cash Settlement Amount (if any) is duly made in accordance with Condition 7(i).

(c) Publication of Interest Rate

The Issuer will, at least thirteen Johannesburg business days before each Interest Payment Date, cause the aggregate interest amount payable for the relevant Interest Period to be notified to the Bondholders in accordance with Condition 17.

(d) Permitted Distributions

Prior to the Final Maturity Date (or for long as any Exchangeable Bond remains outstanding), the Issuer will not, and will ensure that none of Brait Mauritius Limited or any of Brait Mauritius Limited's wholly-owned Subsidiaries shall, (in each case, save with the approval of an Extraordinary Resolution) declare, make, announce or pay any dividend or make any other payment or distribution, return of capital, loan or similar or any form of lending to, or for the benefit of, the Parent nor purchase or procure the purchase of any debt Securities or similar instruments issued by the Parent, or give or procure to be given any financial assistance, guarantees, indemnities, puts or credit support in favour of the Parent or the Parent's issued debt Securities (including without limitation, the Existing Convertible Bonds or any further convertible debt securities that may be issued (or guaranteed) by the Parent), save for Permitted Distributions.

In this Condition 5(d), "**Permitted Distributions**" are limited to distributions to, or for the benefit of, the Parent that the Parent will apply directly towards, or for, the settlement of:

- (a) the payment of interest in accordance with the terms and conditions of its Existing Convertible Bonds up to a total of £9,750,000 per annum (or the equivalent amount translated into rand at the Prevailing Rate);
- (b) amounts in respect of administrative, operating and/or related costs for the Parent's day-to-day operations only;
- (c) amounts in respect of Special Dividends made in accordance with Condition 5(e); and
- (d) an amount not exceeding £5,000,000 per annum for other corporate purposes of the Parent.

In addition to the restrictions set out in the preceding paragraphs of this Condition 5(d), for so long as any Exchangeable Bond remains outstanding, the Issuer may not effect a dividend *in specie* of any Investment or interest in any Investment.

(e) Proposed Special Dividend Notice

If the Issuer intends to declare, announce, make or pay a Special Dividend (the “**Proposed Special Dividend**”) prior to the Final Maturity Date, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 17 and to the Bondholder Representative (a “**Proposed Special Dividend Notice**”).

The aggregate amount of such Proposed Special Dividend (the “**Proposed Special Dividend Amount**”) shall be specified in the Proposed Special Dividend Notice. If the Proposed Special Dividend is not expressed in rand by the Issuer in the Proposed Special Dividend Notice, the Proposed Special Dividend Amount shall be translated into rand at the Prevailing Rate on the third Johannesburg business day prior to the Special Dividend Repurchase Date (the rand amount resulting from such translation, or such lower rand amount as is certified by the Issuer to the Calculation Agent (a “**Currency Translation Certification**”) as being the actual rand amount received by the Issuer upon conversion of the Proposed Special Dividend Amount into rand, being the “**Proposed Special Dividend Rand Amount**”, the determination thereof being made, for the avoidance of doubt, subsequent to the date on which the Proposed Special Dividend Notice is given).

The aggregate amount of any Special Dividend actually paid or made by the Issuer to the Parent may not exceed the Proposed Special Dividend Amount reduced by an amount equal to the aggregate principal amount of Exchangeable Bonds required to be repurchased (if any) pursuant to Condition 7(e) on the Special Dividend Repurchase Date (translated into the currency in which the Proposed Special Dividend Amount is expressed in the Proposed Special Dividend Notice at the Prevailing Rate on the third Johannesburg business day prior to the Special Dividend Repurchase Date (or, if different, such other exchange rate as is implied by the amount certified by the Issuer in the Currency Translation Certification, if any, as being the Proposed Special Dividend Rand Amount)).

“**Special Dividend**” means any cash dividend or distribution (or portion thereof) declared, announced, paid or made by the Issuer to the Parent directly or indirectly out of the proceeds of any sale or disposal by the Issuer or any of its Subsidiaries (other than an Investee Company) of any Investment. The Issuer shall notify the amount of any such Special Dividend to the Calculation Agent who shall rely upon the amount of the Special Dividend so notified to it by the Issuer.

6. EXCHANGE OF EXCHANGEABLE BONDS

(a) Exchange Right and Exchange Period

Subject to and as provided in these Conditions, each Exchangeable Bond shall entitle the holder to require the Issuer, during the Exchange Period referred to below and subject to the satisfaction of the Shareholder Approval Condition, to exchange such Exchangeable Bond for new or existing Ordinary Shares as determined by the Parent, credited as fully paid and equal to the Reference Shares in respect of such exercise at the Exchange Price (an “**Exchange Right**”).

Subject to and as provided in these Conditions, including without limitation the satisfaction of the Shareholder Approval Condition, the Exchange Right in respect of an Exchangeable Bond may be exercised, at the option of the holder thereof, subject to any applicable fiscal or other laws or regulations and as hereinafter provided, from (and including) the First Exchange Date to (and including) the date (the “**Exchange Deadline**”) which is the earlier of: (i) 27 November 2024 (being 5 London business days prior to the final maturity date of the Existing Convertible Bonds); or (ii) 5 London business days prior to any earlier date fixed for (or date fixed for repurchase) an early redemption of all (but not some only) of the Existing Convertible Bonds (an “**Existing Convertible Bond Early Redemption**”), provided that, if such Exchangeable Bond is to be redeemed pursuant to Condition 7(c), the Exchange Right in respect of an Exchangeable Bond may be exercised, at the option of the holder thereof, subject to applicable fiscal or other laws or regulations and as hereinafter provided at any time from and including, the First Exchange Date to and including, the earlier of, (i) the date falling 10 Johannesburg business days before the date fixed for redemption thereof pursuant to Condition 7(c) and (ii) the Exchange Deadline, unless, in each case, there shall be a default in making payment in respect of such Exchangeable Bond on such date fixed for redemption, as applicable, in which event the Exchange Right shall extend up to (and including) the London business day immediately preceding (x) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to the Bondholders in accordance with Condition 17 and to the Bondholder Representative, the Paying Agent, the Exchange Agent and the Transfer Agent or (y) if earlier, the Exchange Deadline.

The Issuer shall forthwith upon becoming aware of a date being fixed for an Existing Convertible Bond Early Redemption, give notice thereof (specifying the date of such redemption, along with the Exchange Deadline) to Bondholders in accordance with Condition 17 and to the Bondholder Representative, the Paying Agent, the Exchange Agent and the Transfer Agent. The “**First Exchange Date**” means the date falling 42 days after the Issue Date.

Exchange Rights may not be exercised (i) following the giving of notice by the Bondholder Representative that the Exchangeable Bonds are immediately due and payable pursuant to Condition 10, (ii) in respect of an Exchangeable Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Exchangeable Bond pursuant to Condition 7(d) or (iii) in respect of an Exchangeable Bond which the relevant Bondholder has tendered for repurchase pursuant to Condition 7(e) (other than an Exchangeable Bond which is not subsequently accepted for repurchase and is returned to such Bondholder).

Save in the circumstances described in Condition 6(j) in respect of any notice given by the Issuer pursuant to Condition 7(b) or 7(c), Exchange Rights may not be exercised by a Bondholder in circumstances where the relevant Exchange Date would fall during the period commencing on the Last Day to Trade in respect of any payment of interest on the Exchangeable Bonds and ending on the relevant Interest Payment Date (both days inclusive).

The period during which Exchange Rights may (subject as provided herein) be exercised by a Bondholder is referred to as the “**Exchange Period**”.

Following the satisfaction of the Shareholder Approval Condition, the Issuer shall, not later than 5 Johannesburg business days following the date of the publication of the Shareholder Resolution Announcement, give notice to the Bondholders in accordance with Condition 17 and to the Paying Agent, the Exchange Agent, the Transfer Agent and the Bondholder Representative, stating that Exchange Rights shall be exercisable from (and including) the First Exchange Date (such notice, the “**First Exchange Date Notice**”).

Where the Shareholder Approval Condition is not satisfied, the Issuer shall redeem the Exchangeable Bonds in accordance with Condition 7(b).

Upon exercise of an Exchange Right, a holder of an Exchangeable Bond or, if it is a broker-dealer acting on behalf of a customer, such customer, shall be required to represent and agree in the notice of exercise of its Exchange Right (an “**Exchange Notice**”) that, at the time of signing and delivery of the Exchange Notice, it, or the person who has the Beneficial Interest in such Exchangeable Bond, (a) will, on exchange, become the beneficial owner of the Ordinary Shares to be delivered upon the exchange by the Parent; (b) is a non-U.S. person (as defined in Regulation S under the Securities Act (the “**U.S. Securities Act**”)); (c) is acquiring the Ordinary Shares to be delivered upon the exchange of such Exchangeable Bonds in an offshore transaction (as defined in Regulation S under the U.S. Securities Act (“**Regulation S**”)) in accordance with Rule 903 or Rule 904 of Regulation S; (d) understands that such Exchangeable Bond and the Ordinary Shares to be delivered upon the exchange of such Exchangeable Bond have not been and will not be registered under the U.S. Securities Act; and (e) agrees that if it, or such person, should offer, sell, pledge or otherwise transfer such Ordinary Shares to be delivered upon the exchange of the Exchangeable Bond, it, or such person, will do so only in compliance with the U.S. Securities Act and other applicable laws. No Ordinary Shares to be delivered upon the exchange of such Exchangeable Bonds will be delivered to a holder or a person who has the Beneficial Interest therein unless such holder or person satisfies the foregoing conditions. If such holder or person is unable or otherwise fails to satisfy the foregoing conditions, such holder or person may transfer its Exchangeable Bond or its Beneficial Interest therein subject to compliance with the transfer restrictions set forth herein.

(b) Delivery of Ordinary Shares

The Parent has agreed in the Deed Poll that upon exercise of Exchange Rights by a Bondholder, and subject to the receipt of a duly completed and signed Exchange Notice containing the certifications set out above, it will purchase the relevant Exchangeable Bond from the relevant Bondholder and, in consideration for such purchase, procure the transfer and delivery to the relevant Bondholder of such number of Ordinary Shares as is equal to the Reference Shares.

Subject as provided above and in Condition 6(d), the number of Ordinary Shares that the Parent shall cause to be transferred and delivered on exercise of Exchange Rights shall be determined by the Calculation Agent and shall be equal to the Reference Shares in respect of such exercise.

The initial Exchange Price is ZAR4.37. The Exchange Price is subject to adjustment in the circumstances described in Condition 6(c). The expression “**Exchange Price**” shall be construed accordingly.

The Parent will procure that Ordinary Shares to be issued and/or transferred and delivered on exercise of Exchange Rights and receipt of a duly completed and signed Exchange Notice will be issued or transferred and delivered to the relevant Bondholder or its nominee as specified in the relevant Exchange Notice (without any further action being required to be taken by, and, subject to the provisions of Condition 6(h), without any cost or expense to, the relevant Bondholder or the Bondholder Representative).

Exchange Rights are not exercisable in respect of any specific Ordinary Shares and no Ordinary Shares have been or will be charged, placed in custody or otherwise set aside to secure or satisfy the Parent's obligations in respect of the Exchange Rights.

Exchange Rights may only be exercised in respect of the whole of the principal amount of an Exchangeable Bond.

Fractions of Ordinary Shares will not be issued or transferred and delivered and no cash payment or other adjustment will be made in lieu thereof. If an Exchange Right in respect of more than one Exchangeable Bond is exercised at any one time such that Ordinary Shares to be issued and delivered in respect of such exercise are to be registered in the same name, the number of Ordinary Shares to be delivered by the Parent in respect thereof shall be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Exchangeable Bonds being so exchanged and rounded down to the nearest whole number of Ordinary Shares.

(c) Adjustment of Exchange Price

Upon the occurrence of any of the events described below, the Exchange Price shall be adjusted by the Calculation Agent (unless otherwise specified) on behalf of the Issuer, as follows:

(i) Consolidation, reclassification, redesignation, alteration or subdivision

If and whenever there shall be a consolidation, reclassification, redesignation, alteration or subdivision affecting the number of Ordinary Shares in issue, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(i), the date on which the consolidation, reclassification, redesignation, alteration or subdivision, as the case may be, takes effect.

(ii) Capitalisation of profits or reserves

If and whenever the Parent shall issue any Ordinary Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Ordinary Shares constituting a Scrip Dividend), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such issue; and
- B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(ii), the date of issue of such Ordinary Shares (or, in the case of an issue of Ordinary Shares pursuant to paragraph (2)(ii) of the definition of “Dividend”, such other date as is applicable pursuant thereto).

(iii) Dividends

- (A) If and whenever the Parent shall declare, announce, make or pay any Dividend to Shareholders, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of such Dividend; and

- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Parent or any Subsidiary of the Parent, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(iii), the later of (i) the *Ex-Date* in respect of such Dividend and (ii) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraphs (1) and (2) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the *Ex-Date* in respect of the relevant Dividend.

(iv) Rights Issue

If and whenever the Parent shall issue Ordinary Shares to Shareholders as a class by way of rights, or the Parent or any of the Parent's Subsidiaries or (at the direction or request or pursuant to any arrangements with the Parent or any of the Parent's Subsidiaries) any other company, person or entity shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the *Ex-Date* in respect of the relevant issue or grant, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue on such *Ex-Date*;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on such *Ex-Date* such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (c)(iv), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such *Ex-Date* and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such *Ex-Date*.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(iv), the later of (i) the *Ex-Date* in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(iv).

(v) Issue of Securities to Shareholders

If and whenever the Parent or any Subsidiary of the Parent or (at the direction or request or pursuant to any arrangements with the Parent or any Subsidiary of the Parent) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares and other than an issue of Securities constituting a Scrip Dividend or an Elective Scrip Dividend) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or any Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares and other than a grant of options, warrants or other rights as aforesaid constituting a Scrip Dividend or an Elective Scrip Dividend), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant issue or grant; and
- B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(v), the later of (i) the *Ex-Date* in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(v).

(vi) Issue of Ordinary Shares at below Current Market Price

If and whenever the Parent shall issue (otherwise than as mentioned in paragraph (c)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on exchange of the Exchangeable Bonds (which term shall for this purpose include any Further Exchangeable Bonds) or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire Ordinary Shares and other than constituting a Scrip Dividend) or if and whenever the Parent or any of the Parent's Subsidiaries or (at the direction or request or pursuant to any arrangements with the Parent or any of the Parent's Subsidiaries) any other company, person or entity shall issue or grant (otherwise than as mentioned in paragraph (c)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than the Exchangeable Bonds, which term shall for this purpose include any Further Exchangeable Bonds), in each case at a consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms of such issue or grant, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of the first public announcement of the terms of such issue of such Ordinary Shares or the issue or grant of options, warrants or other rights as provided above;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such additional Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and

- C is the number of Ordinary Shares to be issued pursuant to such issue of such additional Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this paragraph (c)(vi), the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (c)(vi), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (c)(vi), the later of (i) the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(vi).

(vii) Other issues

If and whenever the Parent or any Subsidiary of the Parent or (at the direction or request of or pursuant to any arrangements with the Parent or any Subsidiary of the Parent) any other company, person or entity (otherwise than as mentioned in paragraphs (c)(iv), (c)(v) or (c)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than the Exchangeable Bonds, which term shall for this purpose exclude any Further Exchangeable Bonds and other than an issue of Securities constituting a Scrip Dividend or an Elective Scrip Dividend) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares, and the consideration per Ordinary Share (based, where appropriate, on such a number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition or reclassification or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, purchase of, or rights to otherwise acquire Ordinary Shares which have been issued, purchased or acquired by the Parent or any of the Parent’s Subsidiaries (or at the direction or request or pursuant to any arrangements with the Parent or any of the Parent’s Subsidiaries) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation,

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this paragraph, the “**Specified Date**”) such

number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this paragraph (c)(vii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (c)(vii), the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(vii).

(viii) Modification of rights

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Exchangeable Bonds, which term shall for this purpose include any Further Exchangeable Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms for such modification, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms for such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Parent or any Subsidiary of the Parent (or at the direction or request or pursuant to any arrangements with the Parent or any Subsidiary of the Parent) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate (but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this paragraph (c)(viii) or paragraph (c)(vii) above),

provided that if on the date of first public announcement of the terms of such modification (as used in this paragraph (c)(viii), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this paragraph (c)(viii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(viii), the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(viii).

(ix) Certain arrangements

If and whenever the Parent or any Subsidiary of the Parent or (at the direction or request of or pursuant to any arrangements with the Parent or any Subsidiary of the Parent) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Exchange Price falls to be adjusted under paragraphs (c)(ii), (c)(iii), (c)(iv), (c)(v), (c)(vi) or (c)(vii) above (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant dealing day)), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant offer; and
- B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (c)(ix), the later of (i) the *Ex-Date* in respect of the relevant offer and (ii) the first date upon which the adjusted Exchange Price is capable of being determined in accordance with this paragraph (c)(ix).

(x) Other adjustments

If, following consultation with the Calculation Agent, the Issuer determines that an adjustment should be made to the Exchange Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in this paragraph (c) (even if the relevant circumstance is specifically excluded from the operation of paragraphs (c)(i) to (ix) above), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser, to determine, in consultation with the Calculation Agent (if different), as soon as practicable what adjustment (if any) to the Exchange Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this paragraph (c)(x) if such Independent Adviser is so requested to make such determination as soon as practicable after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Exchange Price.

(xi) Modifications

Notwithstanding the foregoing provisions:

- (a) where the events or circumstances giving rise to any adjustment pursuant to this Condition 6(c) have already resulted or will result in an adjustment to the Exchange Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Exchange Price or where more than one event which gives rise to an adjustment to the Exchange Price occurs within such a short period of time that (or if for any other reason), following consultation with the Calculation Agent, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification (if any) shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
- (b) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Adviser, in consultation with the Calculation Agent (if different) to be in its opinion appropriate (i) to ensure that an adjustment to the Exchange Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once;

- (c) other than pursuant to Condition 6(c)(i), no adjustment shall be made that would result in an increase to the Exchange Price.

(xii) Calculation of consideration

For the purpose of any calculation of the consideration receivable or price pursuant to paragraphs (c)(iv), (c)(vi), (c)(vii) and (c)(viii), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (b) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Parent to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant *Ex-Date* referred to in paragraph (c)(iv) or as at the relevant date of first public announcement referred to in paragraph (c)(vi), (c)(vii) or (c)(viii), as the case may be, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate, all as determined in good faith by the Calculation Agent;
- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be converted by the Calculation Agent into the Relevant Currency at the Prevailing Rate on the relevant *Ex-Date* (for the purposes of paragraph (c)(iv)) or the relevant date of first public announcement (for the purposes of paragraph (c)(vi), (vii) or (viii), as the case may be);
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith;
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Parent or another entity;
- (f) if as part of the same transaction, Ordinary Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Ordinary Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Ordinary Shares so issued; and
- (g) references in these Conditions to “**cash**” shall be construed as cash consideration within the meaning of section 583(3) of the United Kingdom Companies Act 2006.

(d) Retroactive Adjustments

If a Retroactive Adjustment occurs in relation to any exercise of Exchange Rights, the Issuer shall procure that there shall be issued or transferred and delivered to the relevant Bondholder by the Parent (and the Parent has agreed in the Deed Poll to issue or transfer and deliver), in accordance with the instructions contained in the relevant Exchange Notice, such additional number of Ordinary Shares (if any) (the “**Additional Ordinary Shares**”) as, together with the Ordinary Shares issued or transferred and delivered on the relevant exercise of Exchange Rights, is equal to the number of Ordinary Shares which would have been required to be issued or transferred and delivered on such exercise if the relevant adjustment to the Exchange Price had been made and become effective immediately prior to the relevant Exchange Date, all as determined in good faith by the Calculation Agent or an Independent Adviser, provided that if in the case of paragraph (c)(ii), (c)(iii), (c)(iv), (c)(v) or (c)(ix) the relevant Bondholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect of the Ordinary Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Ordinary Shares in relation thereto.

(e) Decision and Determination of the Calculation Agent or an Independent Adviser

Adjustments to the Exchange Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or to the extent so specified in the Conditions and upon request from the Issuer by an Independent Adviser.

Adjustments to the Exchange Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Parent, the Bondholder Representative, the Bondholders, the Calculation Agent (in the case of a determination by an Independent Adviser), the Exchange Agent, the Transfer Agent and the Paying Agent.

The Calculation Agent may, subject to the provisions of the Calculation Agency Agreement, consult, at the expense of the Issuer, on any matter (including but not limited to, any legal matter), with any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Bondholder Representative, the Bondholders, the Paying Agent, the Transfer Agent or the Exchange Agent in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion.

The Calculation Agent shall act solely upon request from and exclusively as agent of the Issuer and in accordance with these Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Exchangeable Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust with, and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent or Independent Adviser (as the case may be) as against, the Bondholder Representative, the Bondholders, the Exchange Agent, the Transfer Agent or the Paying Agent.

If, following consultation between the Issuer and the Calculation Agent, any doubt shall arise as to whether an adjustment falls to be made to the Exchange Price or as to the appropriate adjustment to the Exchange Price, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Parent, the Bondholder Representative, the Bondholders and the Calculation Agent (if different), save in the case of manifest error.

(f) Share or Option Schemes, Dividend Reinvestment Plans

No adjustment will be made to the Exchange Price where Ordinary Shares or other Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted (i) to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive or non-executive office or the personal service company of any such person), consultants or former consultants, or their spouses or relatives, in each case, of the Parent or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to any share or option or incentive scheme or other similar incentive plan (including, but not limited to, any restricted share plan) or (ii) pursuant to any dividend reinvestment plan or similar plan or scheme.

(g) Rounding Down and Notice of Adjustment to the Exchange Price

On any adjustment, the resultant Exchange Price, if not an integral multiple of ZAR0.01, shall be rounded down to the nearest whole multiple of ZAR0.01. No adjustment shall be made to the Exchange Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Exchange Price then in effect. Any adjustment not required to be made and/or any amount by which the Exchange Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Exchange Price shall be given by the Issuer to Bondholders in accordance with Condition 17 and to the Bondholder Representative promptly after the determination thereof.

The Exchange Price shall not in any event be reduced to below the nominal or par value of the Ordinary Shares (if at the time of any exchange of an Exchangeable Bond, the Ordinary Shares have a nominal or par value) or be reduced so that on exchange of the Exchangeable Bonds, Ordinary Shares would fall to be issued in circumstances not permitted by applicable laws or regulations. The Issuer undertakes that it shall use all reasonable endeavours to ensure that no action is taken that would otherwise result in an adjustment to the Exchange Price to below such nominal or par value (if any) or any minimum level permitted by applicable laws or regulations or that would otherwise result in Ordinary Shares being required to be issued or transferred and delivered in circumstances not permitted by applicable laws or regulations.

(h) Procedure for exercise of Exchange Rights

Exchange Rights may be exercised by a Bondholder by delivering the Certificate, if any, in respect of the relevant Exchangeable Bond to the specified office of the Exchange Agent, during its usual business hours, accompanied by a duly completed and signed Exchange Notice in the form (for the time being current) obtainable from the Exchange Agent. An Exchange Notice may be delivered no earlier than the First Exchange Date. Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Exchange Agent to whom the relevant Exchange Notice is delivered is located.

If such delivery is made after 4.00 p.m. in the place of the specified office of the Exchange Agent or on a day which is not a business day in the place of the specified office of the Exchange Agent, such delivery shall be deemed for these Conditions to have been made on the next following such business day. An Exchange Notice can be deemed received by the Exchange Agent if sent by electronic means.

Any determination as to whether any Exchange Notice has been duly completed and properly delivered shall be made by the Exchange Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Parent, the Bondholder Representative, the Paying Agent, the Exchange Agent, the Transfer Agent, the Calculation Agent and the relevant Bondholder.

An Exchange Notice, once delivered, shall be irrevocable.

The “**Exchange Date**”, in respect of an Exchangeable Bond shall be the Johannesburg business day immediately following the date of the delivery (or deemed delivery) of the relevant Exchangeable Bond and the Exchange Notice as provided in this Condition 6(h), and such Exchange Date shall be the date on which Exchange Rights, shall be deemed to be exercised in respect of such Exchangeable Bond for the purpose of these Conditions.

A Bondholder exercising an Exchange Right must pay directly to the relevant authorities any capital, stamp, documentary, issue, registration, transfer or other similar taxes or duties arising on exchange (other than any capital, stamp, documentary, issue, registration, transfer or other similar taxes or duties payable or imposed in Mauritius or in any other jurisdiction in which the Issuer or the Parent may be domiciled or resident or to whose taxing jurisdiction the Issuer or the Parent is subject or in which the register of Shareholders is maintained in respect of the allotment and issue or transfer and delivery of any Ordinary Shares on such exchange (including any Additional Ordinary Shares), which shall be paid by the Issuer (“**Specified Taxes**”) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of an Exchangeable Bond, any Ordinary Shares (including any Additional Ordinary Shares) or any interest therein in connection with, or subsequent to, such exchange. For the avoidance of doubt, none of the Bondholder Representative, the Paying Agent, the Transfer Agent, the Exchange Agent or the Calculation Agent shall be responsible for monitoring or determining whether such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable by the Issuer or a Bondholder or the amount thereof and it shall not be responsible or liable to any person for any failure by the Issuer to pay such Specified Taxes.

Ordinary Shares to be transferred and delivered on exercise of Exchange Rights and receipt of a duly completed and signed Exchange Notice will be transferred and delivered in uncertificated form through the securities trading system operated by the Central Securities Depository, or any successor licensed clearance and settlement facility (applicable to the Ordinary Shares), unless, at the relevant time of transfer and delivery, the Ordinary Shares are not a participating security in the relevant clearing system. The Issuer will procure the delivery of such Ordinary Shares by the Parent (in satisfaction of the Parent's obligations under the Deed Poll) who, in turn, will instruct its transfer agent to deliver such Ordinary Shares to the Central Securities Depository account notified by the relevant Bondholder in the relevant Exchange Notice as soon as possible and in any event within 6 Johannesburg business days, as the case may be, after the relevant Exchange Date (or, in the case of Additional Ordinary Shares, not later than 6 Johannesburg business days, as the case may be, following the Reference Date).

If the Ordinary Shares are not a participating security at the relevant time in the relevant clearing system specified by the relevant Bondholder in the relevant Exchange Notice, the Ordinary Shares to be delivered on exercise of Exchange Rights will be delivered in such a manner as may be in accordance with market practice, and as notified by the Issuer to Bondholders.

To the extent required, the Parent will publish a Listing Prospectus in accordance with the Rules and Regulations of the LuxSE in respect of the listing of Ordinary Shares on the LuxSE, issued pursuant to the exercise of Exchange Rights.

Neither the Issuer nor the Parent shall be responsible or liable to any person for any delay in the delivery of any Ordinary Shares following the exercise of Exchange Rights arising as result of the failure of a Bondholder to supply all information and details as required by the relevant Exchange Notice.

Notwithstanding any other provision of these Conditions, a Bondholder exercising an Exchange Right following a Change of Control Exchange Right Amendment (as described in Condition 11(b)(ii)(7)) will be deemed, for the purposes of these Conditions, to have received the Ordinary Shares to be delivered to it by the Parent on exchange of its Exchangeable Bonds in the manner provided in these Conditions, and to have exchanged such Ordinary Shares for the consideration that it would have received therefor if it had exercised its Exchange Right in respect of such Exchangeable Bonds at the time of the occurrence of the relevant Change of Control.

- (i) *Ranking and entitlement in respect of Ordinary Shares issued and transferred and delivered upon the exercise of Exchange Rights and equivalent amount upon exercise of Exchange Rights*
 - (i) Ordinary Shares (including any Additional Ordinary Shares) issued and or transferred and delivered by the Parent upon the exercise of Exchange Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Registration Date, and the relevant holder shall be entitled to all rights, distribution or payments on the record date or other due date for the establishment of entitlement for which falls on or after the relevant Registration Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments where the record date or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.
 - (ii) If (x) a Dividend or other entitlement in respect of the Ordinary Shares is announced, whether prior to, on or after the Exchange Date in respect of such Exchangeable Bonds and (y) the record date or other due date for establishment or entitlement in respect of such Dividend or other entitlement falls before the relevant Registration Date (other than and to the extent that it results in any adjustment (retroactive or otherwise) to the number of Ordinary Shares to which the relevant exchanging Bondholder is entitled pursuant to these Conditions, the Parent will (unless it is able to confer on or procure the delivery to the relevant Bondholder an entitlement to receive such Dividend or other entitlement) pay to the relevant exchanging Bondholder *in lieu* of such Dividend or distribution or entitlement an amount in rand (rounded to the nearest whole multiple of ZAR0.01, with ZAR0.005 being rounded upwards) (the “**Equivalent Amount**”) equal to the Fair Market Value of any such Dividend or other entitlement (or relevant portion thereof) (on the *Ex-Date* in respect thereof, and translated if necessary into rand at the Prevailing Rate on such *Ex-Date*) to which such Bondholder would have been entitled had he, on that record date or other due date for establishment of entitlement, been a shareholder of record in respect of such number of Ordinary Shares as is equal to the number of Reference Shares in respect of the relevant exercise of Exchange Rights and will make the relevant payment of the Equivalent Amount to the relevant Bondholder at the same time that it makes payment of the relevant Dividend or other entitlement to Shareholders generally and in accordance with instructions given by the relevant Bondholder in the relevant Exchange Notice.

(j) Interest on exercise of Exchange Rights

Save as provided below, no payment or adjustment shall be made on exercise of Exchange Rights for any interest which otherwise would have accrued on the relevant Exchangeable Bonds since the last Interest Payment Date preceding the Exchange Date relating to such Exchangeable Bonds (or, if such Exchange Date falls before the First Interest Payment Date, since the Issue Date).

If any notice requiring the redemption of the Exchangeable Bonds is given pursuant to Condition 7(c) on or after the fifteenth dealing day prior to a record date or other due date for establishment of entitlement which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Issue Date) in respect of any Dividend or distribution payable in respect of the Ordinary Shares where such notice specifies a date for redemption falling on or prior to the date which is 21 dealing days after the Record Date in respect of the Interest Payment Date next following such record date or other due date for establishment of entitlement, interest shall accrue at the rate provided in Condition 5(a) on the principal amount of Exchangeable Bonds in respect of which Exchange Rights shall have been exercised and in respect of which the relevant Registration Date falls after such record date or other due date for establishment of entitlement and the relevant Exchange Date falls on or prior to the Record Date in respect of the Interest Payment Date next following such record date in respect of such Dividend or distribution from and including the preceding Interest Payment Date (or, if such Exchange Date falls before the First Interest Payment Date, from the Issue Date) to but excluding such Exchange Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Exchange Date by transfer to a rand account with a bank in Johannesburg in accordance with the instructions contained in the relevant Exchange Notice.

(k) Purchase or Redemption of Ordinary Shares

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or buy back any shares of the Parent (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders.

(l) No Duty to Monitor

None of the Bondholder Representative, the Calculation Agent, the Paying Agent, the Exchange Agent or the Transfer Agent shall be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Exchange Price and will not be responsible or liable to any person for any loss arising from any failure by it to do so, nor shall the Bondholder Representative or the Calculation Agent be responsible or liable to any person (other than in the case of the Calculation Agent, to the Issuer strictly in accordance with the relevant provisions of the Calculation Agency Agreement) for any determination of whether or not an adjustment to the Exchange Price is required or should be made nor as to the determination or calculation of any such adjustment.

(m) Relevant Event

Within 14 days following the occurrence of a Relevant Event, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 17 and to the Bondholder Representative, the Paying Agent, the Exchange Agent and the Transfer Agent (a “**Relevant Event Notice**”). The Relevant Event Notice shall contain a statement informing Bondholders of their entitlement (if applicable) to exercise their Exchange Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Exchangeable Bonds pursuant to Condition 7(d).

The Relevant Event Notice shall also specify:

- (i) all information material to Bondholders concerning the Relevant Event;
- (ii) the Closing Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Relevant Event Notice;
- (iii) the Relevant Event Period;
- (iv) the Relevant Event Put Date in circumstances where Bondholders elect to exercise their right to require redemption of the Exchangeable Bonds; and
- (v) such other information relating to the Relevant Event as the Bondholder Representative may require.

None of the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent shall: (a) be required to take any steps to monitor or ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur; or (b) be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(n) Consolidation, Amalgamation and Merger

In the case of any consolidation, amalgamation or merger of the Parent with any other corporation (other than constituting a Change of Control or a consolidation, amalgamation or merger in which the Parent is the continuing corporation) (a “**Successor in Business**” and a “**Succession in Business**”), the Issuer and/or the Parent will forthwith give notice thereof to Bondholders and to the Bondholder Representative of such event and the Issuer and the Parent will take such steps as shall be required, subject to applicable law and as provided in the Bondholder Representative Deed (including the execution of a deed supplemental to or amending the Bondholder Representative Deed):

- (i) to ensure that each Exchangeable Bond then outstanding will (during the period in which Exchange Rights may be exercised) be exchangeable into equity share capital (or similar) of the Successor in Business on such basis and with an Exchange Price (subject to adjustment as provided in these Conditions) as determined in good faith by an Independent Adviser (each a “Right Transfer”); and
- (ii) to ensure that the Bondholder Representative Deed (as so amended or supplemented if applicable) and the Conditions provide at least the same or equivalent powers, protections, rights and benefits to the Bondholder Representative and the Bondholders following the implementation of such Succession in Business as they provided to the Bondholder Representative and the Bondholders prior to the implementation of the Succession in Business, *mutatis mutandis*.

The satisfaction of the requirements set out in subparagraphs (i) and (ii) of this Condition 6(n) by the Issuer and the Parent (as applicable) is herein referred to as a “**Permitted Cessation of Business**”. Notwithstanding any other provision of these Conditions, a Permitted Cessation of Business shall not result in a breach of undertaking, constitute an Event of Default or otherwise result in any breach of any provision of these Conditions, the Exchange Agency Agreement, the Bondholder Representative Deed or the Deed Poll. Following the occurrence of a Permitted Cessation of Business, references in these Conditions, the Bondholder Representative Deed, the Deed Poll, the Paying and Transfer Agency Agreement and the Exchange Agency Agreement to “the Parent” or “Brait PLC” will be construed as references to the relevant Successor in Business.

At the request of the Issuer and/or the Parent, but subject to the compliance of the Issuer and the Parent with the provisions of subparagraph (ii) of this Condition 6(n), the Bondholder Representative shall (at the expense of the Issuer or the Parent), without the requirement for any consent or approval of the Bondholders, be obliged to concur with the Issuer and the Parent in effecting any Right Transfer (including, *inter alia*, the execution of a deed supplemental to or amending the Bondholder Representative Deed), provided that the Bondholder Representative shall not be obliged so to concur if in the opinion of the Bondholder Representative doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bondholder Representative in these Conditions or the Bondholder Representative Deed (including, for the avoidance of doubt, any supplemental bondholder representative deed) in any way.

If, following consultation with the Calculation Agent, any doubt shall arise as to how determinations, calculations or adjustments as specifically required to be performed by the Calculation Agent in these Conditions should be performed following any such consolidation, amalgamation or merger, a written opinion of an Independent Adviser in respect thereof shall be conclusive and binding on the Successor in Business, the Issuer, the Parent, the Bondholder Representative, the Bondholders, the Calculation Agent and all other parties, save in the case of manifest error.

The above provisions of this Condition 6(n) will apply, *mutatis mutandis*, to any subsequent consolidations, amalgamations or mergers.

7. REDEMPTION AND PURCHASE

(a) *Final Redemption*

Unless previously purchased and cancelled, redeemed or exchanged as herein provided (including in accordance with Condition 7(i) below), the Exchangeable Bonds will be redeemed at their principal amount on the Final Maturity Date. The Exchangeable Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 7(b) or 7(c) and may only be redeemed at the election of Bondholders prior to the Final Maturity Date in accordance with Condition 7(d) or 7(e).

(b) *Redemption at the Option of the Issuer Following a Shareholder Event*

If the Shareholder Resolution is not approved by Shareholders at the EGM and, therefore, the Shareholder Approval Condition is not satisfied (a “**Shareholder Event**”), the Issuer shall give notice of such fact not more than 5 Johannesburg business days after the date of the EGM to the Bondholders in accordance with Condition 17 and to the Bondholder Representative, the Paying Agent, the Exchange Agent and the Transfer Agent (a “**Shareholder Event Redemption Notice**”), such notice to be delivered not later than 5 days after the date of the Shareholder Resolution Announcement, and the Issuer shall redeem all, but not some only, of the Exchangeable Bonds for the time being outstanding on the date falling 10 Johannesburg business days after the date of the Shareholder Resolution Announcement (the “**Shareholder Event Redemption Date**”) at their principal amount, together with accrued but unpaid interest up to (but excluding) the Shareholder Event Redemption Date.

A Shareholder Event Redemption Notice shall be irrevocable.

(c) *Redemption at the Option of the Issuer*

Subject as provided below, on giving not less than 30 nor more than 45 days’ notice (an “**Early Redemption Notice**”) to the Bondholders in accordance with Condition 17 and to the Bondholder Representative, the Paying Agent, the Exchange Agent and the Transfer Agent, the Issuer may elect to redeem all but not some only of the Exchangeable Bonds (which have not been previously purchased and cancelled, redeemed or exchanged as herein provided) on the date (the “**Early Redemption Date**”) specified in the Early Redemption Notice (such Early Redemption Date being at least 30 Johannesburg business days after the delivery of the Early Redemption Notice) at their principal amount, together with accrued but unpaid interest up to (but excluding) the Early Redemption Date at any time if, prior to the date the relevant Early Redemption Notice is given, Exchange Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. (or more) in principal amount of the Exchangeable Bonds originally issued (which shall for this purpose include any Further Exchangeable Bonds).

The Issuer shall not give an Early Redemption Notice at any time during a Relevant Event Period or an Offer Period or which specifies the Early Redemption Date falling in a Relevant Event Period or an Offer Period or the period of 21 days following the end of a Relevant Event Period or Offer Period (whether or not the Early Redemption Notice was given prior to or during such Relevant Event Period or Offer Period), and any such notice shall be invalid and of no effect (whether or not given prior to the Relevant Event Period or Offer Period) and the relevant redemption shall not be made.

Any Early Redemption Notice shall be irrevocable and, subject to a holder exercising its Exchange Right as set out below, the Issuer shall redeem all Exchangeable Bonds the subject of the Early Redemption Notice delivered as aforesaid on the Early Redemption Date. Any such notice shall specify (i) the Early Redemption Date, which shall also be a Johannesburg business day; (ii) the aggregate principal amount of the Exchangeable Bonds outstanding, in each case as at the latest practicable date prior to the publication of the Early Redemption Notice; and (iii) the last day on which Exchange Rights may be exercised by Bondholders (if applicable).

In this Condition 7(c):

“**Offer Period**” means (i) any period commencing on the date of the first public announcement of an offer or tender (howsoever described) by any person or persons in respect of all or a majority of the issued and outstanding Ordinary Shares and ending on the date that offer or tender ceases to be open for acceptance or, if earlier, on which that offer or tender lapses or terminates or is withdrawn; or (ii) any period commencing on the date of the first public announcement of a Scheme of Arrangement relating to the acquisition of all or a majority of the issued and outstanding Ordinary Shares and ending on the date such Scheme of Arrangement is or becomes effective or, if earlier, the date such Scheme of Arrangement is cancelled or terminated.

Where a Proposed Special Dividend Notice or an Early Redemption Notice is given to Bondholders during the Exchange Period, a Bondholder shall have the option to exercise its Exchange Right rather than, in the case of an Early Redemption Notice, have its Exchangeable Bonds redeemed at the option of the Issuer (as set out in the preceding paragraphs of this Condition 7(c)) or, in the case of a Proposed Special Dividend Notice, offer its Exchangeable Bonds for tender in accordance with Condition 7(e) below. In such

circumstance, a Bondholder may exercise its Exchange Right in accordance with Condition 6(h) and by delivery of the relevant Certificate, if any, in respect of such Exchangeable Bond, to the specified office of the Exchange Agent, together with a duly completed and signed Exchange Notice in the form for the time being currently obtainable from the specified office of the Exchange Agent, at any time from the date on which the Early Redemption Notice or Proposed Special Dividend Notice (as applicable) is given up to (and including) the date falling 10 Johannesburg business day prior to the Early Redemption Date or the Special Dividend Repurchase Date, as the case may be (provided that such date is on, or before, the Exchange Deadline).

Where a Proposed Special Dividend Notice or Early Redemption Notice is given after the Exchange Deadline, a Bondholder shall not be entitled to exercise its Exchange Right.

(d) Redemption at the Option of Bondholders Upon a Relevant Event

Following the occurrence of a Relevant Event, the holder of each Exchangeable Bond (which has not been previously purchased and cancelled, redeemed or exchanged as herein provided) will have the right to require the Issuer to redeem that Exchangeable Bond on the Relevant Event Put Date corresponding to such Relevant Event at its principal amount, together with accrued and unpaid interest up to (but excluding) the Relevant Event Put Date. To exercise such right, the holder of the relevant Exchangeable Bond must deliver the relevant Certificate, if any, in respect of such Exchangeable Bond to the specified office of the Transfer Agent, together with a duly completed and signed Exchange Notice in the form for the time being currently obtainable from the specified office of the Transfer Agent (a **"Relevant Event Put Exercise Notice"**), at any time during the Relevant Event Period. The **"Relevant Event Put Date"** shall be the 10th Johannesburg business day after the expiry of the Relevant Event Period.

Payment in respect of any such Exchangeable Bond shall be made by transfer to a rand account with a bank in Johannesburg in accordance with the instructions contained in the Relevant Event Put Exercise Notice.

A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Exchangeable Bonds the subject of Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.

(e) Redemption at the Option of Bondholders Following a Special Dividend

Subject to a holder's right to exercise its Exchange Right during the Exchange Period pursuant to Condition 7(c), if the Issuer gives a Proposed Special Dividend Notice to Bondholders pursuant to Condition 5(e), then the Issuer shall in such Proposed Special Dividend Notice invite Bondholders (a **"Tender Invitation"**) to tender for repurchase an aggregate principal amount of Exchangeable Bonds (which has not been previously purchased and cancelled, redeemed or exchanged as herein provided) up to a maximum amount equal to the Proposed Special Dividend Rand Amount (or, if lower, the aggregate principal amount of Exchangeable Bonds outstanding on the Special Dividend Repurchase Date), such repurchase to be settled by the Issuer on the Special Dividend Repurchase Date at a price per Exchangeable Bond equal to its principal amount, together with accrued and unpaid interest up to (but excluding) the Special Dividend Repurchase Date.

To tender an Exchangeable Bond for repurchase pursuant to a Tender Invitation, the holder of the relevant Exchangeable Bond must deliver such Exchangeable Bond to the specified office of the Transfer Agent, together with a duly completed and signed notice of tender in the form for the time being currently obtainable from the specified office of the Transfer Agent (a **"Tender Notice"**), by no later than the date falling 5 Johannesburg business days prior to the Special Dividend Repurchase Date. A Tender Notice, once delivered, shall be irrevocable.

In the event that the total aggregate principal amount of Exchangeable Bonds which Bondholders tender for repurchase exceeds the Proposed Special Dividend Rand Amount, the Issuer shall accept for repurchase as aforesaid such proportion of the total number of Exchangeable Bonds which are the subject of each tender instruction as is equal to the proportion calculated by dividing the Proposed Special Dividend Rand Amount (translated into rand as aforesaid) by the aggregate principal amount of Exchangeable Bonds tendered for repurchase, rounded down, in the case of each tender instruction, to the nearest number of Exchangeable Bonds in the principal amount of ZAR1,000. In the event that the total aggregate principal amount of Exchangeable Bonds which Bondholders tender for repurchase is less than or equal to the Proposed Special Dividend Rand Amount, the Issuer shall accept for repurchase all such tendered Exchangeable Bonds. The repurchase of all such Exchangeable Bonds accepted for repurchase shall be settled by the Issuer on the Special Dividend Repurchase Date as aforesaid.

“Special Dividend Repurchase Date” means the date falling 20 Johannesburg business days following the date of the Proposed Special Dividend Notice.

All Exchangeable Bonds delivered to the Transfer Agent, together with a duly completed and signed Tender Notice, but not accepted for repurchase pursuant to this Condition 7(e) as a result of the total aggregate amount of Exchangeable Bonds which are tendered for repurchase exceeding the Proposed Special Dividend Rand Amount, shall be returned to the relevant Bondholder by uninsured mail in accordance with the instructions contained in the Tender Notice.

Payment in respect of any such Exchangeable Bond shall be made by transfer to a rand account with a bank in Johannesburg in accordance with the instructions contained in the Tender Notice.

(f) Purchase

Subject to the requirements (if any) of any stock exchange on which the Exchangeable Bonds may be admitted to listing and trading from time to time and subject to compliance with applicable laws and regulations, the Issuer, the Parent or any Subsidiary of the Parent may at any time purchase any Exchangeable Bonds in the open market or otherwise at any price. Such Exchangeable Bonds may be held, resold or reissued or, at the option of the Issuer, surrendered to the Transfer Agent for cancellation.

(g) Cancellation

All Exchangeable Bonds which are redeemed or in respect of which Exchange Rights are exercised will be cancelled and may not be reissued or resold. Exchangeable Bonds purchased by the Issuer or any Subsidiary may be surrendered to the Transfer Agent for cancellation and, if so surrendered, shall be cancelled. Exchangeable Bonds which are purchased by the Parent upon exercise of Exchange Rights in accordance with Condition 6(b) cannot be re-issued or resold and shall be held by the Parent until the Final Maturity Date (or any earlier date for redemption of the Exchangeable Bonds which have not previously been exchanged) and thereafter will be redeemed by the Issuer at the Exercised Bond Redemption Amount, provided that the Parent may, by giving not less than 3 Johannesburg business days’ notice to the Issuer, require the Issuer or any Subsidiary of the Issuer to repurchase any such Exchangeable Bonds in respect of which the Exchange Right has been exercised at their Exercised Bond Redemption Amount on such earlier date as is specified to the Issuer in such notice.

All Exchangeable Bonds so cancelled and the Exchangeable Bonds purchased and cancelled pursuant to Condition 7(f) cannot be re-issued or resold. The Issuer shall notify the Central Securities Depository and the Relevant Stock Exchange, of any cancellation.

In the case of the Exchangeable Bonds held in uncertificated form in the Central Securities Depository, redemptions will be handled in accordance with the Applicable Procedures.

(h) Multiple Notices

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail, save that a notice given pursuant to Condition 7(d) or 7(e) shall prevail over a notice given pursuant to Condition 7(b) or 7(c) in circumstances where the Relevant Event Put Date or the Special Dividend Repurchase Date falls prior to the Early Redemption Date.

(i) Share Settlement Option

Notwithstanding any provisions of this Condition 7, the Issuer may elect to satisfy its obligation to redeem the Exchangeable Bonds on the Final Maturity Date pursuant to Condition 7(a) by exercising its option (the **“Share Settlement Option”**) with respect to all, but not some only, of the Exchangeable Bonds to be redeemed on the Final Maturity Date, provided that:

- (i) the Ordinary Shares are listed and admitted to trading on a Relevant Stock Exchange as at the date the Share Settlement Option Notice is given;
- (ii) no Event of Default shall have occurred and be continuing as at the date the Share Settlement Option Notice is given; and
- (iii) an Offer Period shall not be continuing as at the date the Share Settlement Option Notice is given.

A **“Knock-out Event”** shall occur if one or more of the conditions described in paragraphs (i) to (iii) above is no longer met.

To exercise its Share Settlement Option, the Issuer shall give a notice to such effect (the **“Share Settlement Option Notice”**) to Bondholders in accordance with Condition 17 and to the Transfer Agent, the Exchange Agent and to the Bondholder Representative. The Share Settlement Option Notice shall be given not more than 90 nor less than 45 days prior to the Final Maturity Date.

A Share Settlement Option Notice shall specify the Valuation Date, the Observation Period, the Notice Cut-off Date and the Relevant Percentage which shall apply in respect of each Exchangeable Bond to be redeemed on the Final Maturity Date.

The Issuer may not exercise the Share Settlement Option in respect of a redemption of Exchangeable Bonds if a Knock-out Event (as defined above) shall have occurred on or prior to the date the relevant Share Settlement Option Notice is given (and, if given, any such exercise of the Share Settlement Option shall be null and void). Where the Issuer shall have exercised the Share Settlement Option, the Issuer shall, in lieu of redeeming the relevant Exchangeable Bonds in cash on the Final Maturity Date, effect redemption in respect of each Exchangeable Bond by:

- (i) procuring that the Parent issues and/or transfers and delivers to the relevant Bondholder on or prior to the Final Maturity Date, the Deliverable Shares;
- (ii) making or procuring payment to the relevant Bondholder on the Final Maturity Date of the Cash Settlement Amount (if any); and
- (iii) making or procuring payment to the relevant Bondholder on the Final Maturity Date in cash of any accrued and unpaid interest in respect of such Exchangeable Bonds up to the Final Maturity Date (if any).

The Parent has agreed in the Deed Poll that upon the exercise by the Issuer of the Share Settlement Option it will purchase all outstanding Exchangeable Bonds on the Share Settlement Date and in consideration therefor procure the issue and/or transfer and delivery to each relevant Bondholder of the Deliverable Shares in accordance with this Condition 7(i).

“Cash Settlement Amount” means, in respect of an Exchangeable Bond, an amount (rounded to the nearest whole multiple of ZAR0.01, with ZAR0.005 being rounded upwards) equal to the amount (if any) by which the principal amount of such Exchangeable Bond exceeds 100 per cent. of the product of (a) the Ordinary Share Market Value and (b) the number of Deliverable Shares to be issued or transferred and delivered by the Parent to such Bondholder in respect of such Exchangeable Bond, as determined in good faith by the Calculation Agent.

“Deliverable Shares” means, in respect of an Exchangeable Bond, such number of Ordinary Shares (which shall not exceed the number of Redemption Shares) as is equal to the product (rounded down if necessary to the nearest whole multiple of an Ordinary Share) of (i) the Redemption Shares and (ii) the Relevant Percentage.

“Ordinary Share Market Value” means the arithmetic average of the Daily Market Value on each dealing day comprised in the Observation Period.

“Observation Period” means the period of 25 Scheduled Dealing Days ending on (and including) the Valuation Date.

“Scheduled Dealing Day” means a day which (on the date on which Share Settlement Option Notice is given) is scheduled to be a dealing day.

“Daily Market Value” means, in respect of any dealing day, the Volume Weighted Average Price (translated, if not in rand, into rand at the Prevailing Rate on such dealing day) of an Ordinary Share on such dealing day, provided that:

- (a) if on such dealing day the Ordinary Shares are quoted or traded on the Relevant Stock Exchange cum- any Dividend or cum- any other entitlement in any such case (A) which results in an adjustment to the Exchange Price pursuant to Condition 6(c) and such adjustment is in effect as at the Valuation Date or (B) which a Bondholder is not otherwise entitled to pursuant to this Condition 7(i) (including pursuant to any Additional Deliverable Shares in respect thereof pursuant to Condition 7(i)(xi) below) in respect of the Deliverable Shares, then the Daily Market Value in respect of such dealing day shall be the Volume Weighted Average Price of an Ordinary Share on such dealing day (translated, if not in rand, into rand at the Prevailing Rate on such dealing day) reduced by an amount equal to the Fair Market Value (on such dealing day) (translated, if not in rand, into rand at the Prevailing Rate on such dealing day) of any such Dividend or other entitlement; and
- (b) if on such dealing day the Ordinary Shares are quoted or traded on the Relevant Stock Exchange ex- any Dividend or ex- any other entitlement, in any such case which a Bondholder is otherwise entitled to pursuant to this Condition 7(i) (including pursuant to any Additional Deliverable Shares in respect thereof, but excluding an adjustment to the Exchange Price in respect thereof which is in effect as at the Valuation Date) in respect of the Deliverable Shares, then the Daily Market Value in respect of such dealing day shall be the Volume Weighted Average Price of an Ordinary Share on such dealing day (translated, if not in rand, into rand at the Prevailing Rate on such dealing day) increased by an amount equal to the Fair Market Value (on such dealing day) (translated, if not in rand, into rand at the Prevailing Rate on such dealing day) of any such Dividend or ex- any other entitlement.

“Redemption Shares” means, in respect of any Exchangeable Bond, such number of Ordinary Shares (unrounded) determined in good faith by the Calculation Agent by dividing the principal amount of such Exchangeable Bond by the Exchange Price in effect on the Valuation Date, except that where the Valuation Date falls on or after the date an adjustment to the Exchange Price takes effect pursuant to Conditions 6(c)(i), 6(c)(ii), 6(c)(iii), 6(c)(iv), 6(c)(v), 6(c)(vi), 6(c)(vii), 6(c)(viii) or 6(c)(ix) in circumstances where the relevant Registration Date falls on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then (provided the Parent is able to confer the benefit of relevant consolidation, reclassification, redesignation or subdivision, Dividend, issue or grant (as the case may be) on the relevant Bondholder in respect of the Deliverable Shares) the Exchange Price for the purpose of this definition shall be such Exchange Price as would have been applicable on the Valuation Date had no such adjustment been made.

“Relevant Percentage” means a percentage between 1 per cent. (exclusive) and 100 per cent. (inclusive) chosen by the Issuer in its sole discretion and specified by the Issuer in the relevant Share Settlement Option Notice.

“Valuation Date” means the date falling 5 Scheduled Dealing Days prior to the Final Maturity Date.

Fractions of Ordinary Shares will not be issued or transferred or delivered pursuant to this Condition 7(i) and no cash payment will be made in lieu thereof. However, if one or more Share Settlement Notices and relevant Exchangeable Bonds are delivered not later than the Notice Cut-off Date such that the Ordinary Shares to be issued or transferred and delivered by the Parent on redemption of Exchangeable Bonds are to be registered in the same name, the number of Ordinary Shares to be issued or transferred and delivered by the Parent in respect thereof and the Cash Settlement Amount (if any) shall be calculated on the basis of the aggregate principal amount of such Exchangeable Bonds, as determined in good faith by the Calculation Agent.

Where Ordinary Shares are to be issued to the Relevant Person pursuant to paragraph (iii) or (xi) below, the number of Ordinary Shares so to be issued and transferred and delivered by the Parent and the Cash Settlement Amount (if any) shall be calculated on the basis of the aggregate principal amount of Exchangeable Bonds in respect of which such issue or transfer and delivery is to be made.

If either (a) the Issuer does not give a relevant Share Settlement Option Notice in the manner and by the time set out in this Condition 7(i) or (b) the Issuer does so give a Share Settlement Option Notice but an event or circumstance constituting a Knock-out Event occurs thereafter but on, or prior to, the issue or transfer and delivery of the Deliverable Shares by the Parent (such circumstances being referred to as a **“Share Settlement Option Notice Annulment”**), the Exchangeable Bonds shall be redeemed for cash in accordance with Condition 7(a) and payment in respect thereof shall be made in accordance with Condition 8.

If the Issuer elects to exercise the Share Settlement Option, the following provisions shall apply:

- (i) In order to obtain delivery of the relevant Deliverable Shares, the relevant Bondholder must deliver a duly completed notice substantially in the form set out in the Exchange Agency Agreement (the **“Share Settlement Notice”**) a copy of which may be obtained from the specified office of the Exchange Agent, together with the Certificate, if any, in respect of the relevant Exchangeable Bonds to the specified office of the Exchange Agent by not later than 5.00 p.m. (local time) on the 10th day (or if such day is not a business day in the place of the specified office of the Exchange Agent, the immediately preceding such business day) prior to the Final Maturity Date (the **“Notice Cut-off Date”**). If such delivery is made after 5.00 p.m. (local time) at the specified office of the Exchange Agent or on a day which is not a business day in such place, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.
- (ii) Subject as provided herein, (1) the relevant Deliverable Shares will be issued or transferred and delivered by the Parent on or prior to the relevant Share Settlement Date in accordance with the instructions given in the relevant Share Settlement Notice and (2) the Cash Settlement Amount (if any) and any accrued and unpaid interest will be paid on the Final Maturity Date, in accordance with Condition 8, provided the Share Settlement Notice and the Certificate, if any, in respect of the relevant Exchangeable Bonds are delivered not later than the Notice Cut-off Date. The Exchange Agent and the Transfer Agent’s obligations as applicable pursuant to this paragraph (ii) are satisfied upon the payment of the Cash Settlement Amount (if any) in accordance with the instructions set out in the relevant Share Settlement Notice and the payment of such accrued and unpaid interest in accordance with Condition 8.
- (iii) If the Share Settlement Notice and the Certificate, if any, in respect of the relevant Exchangeable Bonds are not delivered to the Exchange Agent on or before the Notice Cut-off Date, then (1) on the Final Maturity Date, the Cash Settlement Amount (if any) and accrued and unpaid interest will be paid to Bondholders in accordance with Condition 8 and, (2) the relevant Deliverable Shares will be issued or transferred and delivered by the Parent on or prior to the Final Maturity Date to an independent financial institution (the **“Relevant Person”**) selected and appointed by the Issuer at its expense and

notified to the Bondholder Representative and the Exchange Agent. The Issuer shall procure that all of such Deliverable Shares shall be sold by or on behalf of the Relevant Person as soon as practicable based on advice from an Independent Adviser selected and appointed by the Issuer at its expense and (subject to any necessary consents being obtained and to the deduction by or on behalf of the Relevant Person of any amount which it determines to be payable in respect of its liability to taxation and the payment of any capital, stamp, issue, registration and/or transfer taxes and duties (if any) and any fees or costs reasonably incurred by the Issuer or the Parent (including in respect of the appointment of the Independent Adviser) and the Relevant Person and/or by or on behalf of the Relevant Person in connection with the issue, allotment and sale thereof) shall be distributed rateably by or on behalf of the Relevant Person to the holders of the relevant Exchangeable Bonds in accordance with Condition 8 or in such other manner as shall be notified to Bondholders.

- (iv) The amount of such net proceeds of sale, the Cash Settlement Amount (if any) and any interest paid up to the Final Maturity Date as aforesaid payable to a holder pursuant to paragraph (iii) above shall (without prejudice to paragraph (x) below) be treated for all purposes as the full amount due from the Issuer in respect of the relevant Exchangeable Bonds.
- (v) None of the Bondholder Representative, the Exchange Agent or the Transfer Agent shall have any liability to any person in respect of the selection and appointment of the Relevant Person, pursuant to paragraph (iii) above, any sale of Deliverable Shares or Additional Deliverable Shares, whether for the timing of any such sale or the price at or manner in which any such Deliverable Shares or Additional Deliverable Shares are sold or the inability to sell any such Deliverable Shares or Additional Deliverable Shares or for the timing of any distribution or otherwise whatsoever.
- (vi) Without prejudice to any Share Settlement Option Notice Annulment, a Share Settlement Option Notice and any Share Settlement Notice shall be irrevocable. Failure properly to complete and deliver a Share Settlement Notice and deliver the Certificate, if any, in respect of the relevant Exchangeable Bonds may result in such notice being treated as null and void and in such circumstances the Issuer and the Parent shall be entitled to effect settlement in accordance with paragraph (iii) above. Any determination as to whether any Share Settlement Notice has been properly completed and delivered as provided in these Conditions shall be made by the Issuer in its sole and absolute discretion and shall be conclusive and binding on the relevant Bondholders.
- (vii) Ordinary Shares (including any Additional Deliverable Shares) issued or transferred and delivered by the Parent pursuant to this Condition 7(i) will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Registration Date and the relevant holder shall be entitled to all rights, distribution or payments on the record date or other due date for the establishment of entitlement for which falls on or after the relevant Registration Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Ordinary Shares or, as the case may be, Additional Deliverable Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments where the record date or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.
- (viii) A Bondholder or the Relevant Person must pay (in the case of the Relevant Person by means of deduction from the net proceeds of sale referred to in paragraph (iii) above or from amounts otherwise available to the Relevant Person for the purpose) any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on the issue or transfer and delivery of the relevant Deliverable Shares or Additional Deliverable Shares by the Parent, other than any Specified Taxes payable in respect of the issue or transfer and delivery of the Deliverable Shares or Additional Deliverable Shares to a Bondholder or, as the case may be, to the Relevant Person pursuant to this Condition 7(i), which shall be paid by the Issuer or the Parent, as applicable. Such Bondholder or the Relevant Person (as the case may be) must pay (in the case of the Relevant Person, by way of deduction from the net proceeds of sale as aforesaid or from amounts otherwise available to the Relevant Person for the purpose) all, if any, taxes arising by reference to any disposal or deemed disposal of an Exchangeable Bond or interest therein by it or the Relevant Person in connection with such redemption.
- (ix) Delivery of Deliverable Shares (including Additional Deliverable Shares) will be in uncertificated form and through the securities trading system operated by the Central Securities Depository, or any successor licensed clearance and settlement facility (applicable to the Ordinary Shares) as directed by the relevant Bondholder in the relevant Share Settlement Notice or, as the case may be, as specified by the Relevant Person, on or prior to the Final Maturity Date (or, in the case of Additional Deliverable Shares, not later than 7 Johannesburg business days following the Reference Date), unless, at the relevant time of transfer and delivery, the Deliverable Shares (including Additional Deliverable Shares) are not a participating security in the relevant clearing system, in which case the Deliverable Shares (including Additional Deliverable Shares) will be issued or delivered by the Parent in certificated form (as set out in paragraph (x) below). The Issuer will procure the delivery of such Deliverable Shares (including Additional Deliverable Shares) by the Parent to the Central Securities Depository account notified by the relevant Bondholder in the relevant Share Settlement Notice.

- (x) Where the Deliverable Shares (including Additional Deliverable Shares) are to be issued or transferred and delivered in certificated form, a certificate in respect thereof will be dispatched by mail free of charge to the relevant Bondholder (or as it may direct in the relevant Share Settlement Notice) or, where Deliverable Shares (including Additional Deliverable Shares) are to be issued or transferred and delivered to the Relevant Person pursuant to paragraph (iii) above, as directed by the Relevant Person (in each case uninsured and at the risk of the relevant recipient) within 28 days following the Valuation Date or, as the case may be, the Reference Date.
- (xi) If a Retroactive Adjustment occurs in relation to the exercise of the Share Settlement Option, then the Issuer shall procure that there shall be issued or transferred and delivered to the relevant Bondholder by the Parent (and the Parent has agreed in the Deed Poll to issue or transfer and deliver) (or, where paragraph (iii) above shall apply, the Relevant Person) in accordance with the instructions contained in the relevant Share Settlement Notice or, as the case may be, to or to the order of the Relevant Person, such additional number of Ordinary Shares (if any) (the “**Additional Deliverable Shares**”) as, together with the Deliverable Shares issued or to be transferred and delivered on redemption of the relevant Exchangeable Bond, is equal to the number of Deliverable Shares which would have been required to be issued or delivered on redemption of such Exchangeable Bond if the relevant adjustment to the Exchange Price had been made and become effective immediately prior to the relevant Valuation Date, all as determined by in good faith the Calculation Agent or an Independent Adviser, provided that if in the case of Condition 6(c)(ii), 6(c)(iii), 6(c)(iv), 6(c)(v) or 6(c)(ix) the relevant Bondholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect of the Ordinary Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Deliverable Shares in relation thereto.

8. PAYMENTS

(a) *Principal Amount and Interest*

- (i) Payment of the principal amount and interest in respect of the Exchangeable Bonds represented by Certificates, if any, will be made to the persons shown as the registered holder of the Certificate in the Register at the close of business on the Record Date.
- (ii) Payment of the principal amount and interest in respect of the Exchangeable Bonds held in uncertificated form in the Central Securities Depository will be made to the holders of Beneficial Interests in accordance with the Applicable Procedures. Each of the persons reflected in the records of the Central Securities Depository or the relevant Participants, as the case may be, as the holders of Beneficial Interests shall look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the registered holder of the Exchangeable Bond held in uncertificated form. The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to such Beneficial Interests. Payment of the principal amount and interest in respect of the Exchangeable Bonds held in the Central Securities Depository in uncertificated form shall be recorded by the Central Securities Depository, in accordance with the Applicable Procedures, distinguishing between principal and interest, and such record of payments to the registered holder of the Exchangeable Bonds shall be prima facie proof of such payments.
- (iii) The Issuer shall pay the principal and interest payable in respect of each Exchangeable Bond represented by a Certificate, if any, in immediately available and freely transferable funds, in rand by electronic funds transfer, to the bank account of the Bondholder as set forth in the Register at 5.00 p.m. (South African time) on the Record Date preceding the relevant Interest Payment Date or redemption date, as the case may be, or, in the case of joint Bondholders, the account of that one of them who is first named in the Register in respect of that Exchangeable Bond. If several persons are entered into the Register as joint Bondholders, then without affecting the previous provisions of this condition, payment to any one of them of any moneys payable on or in respect of the Exchangeable Bond shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Issuer may have of the right, title, interest or claim of any other person to or in any Exchangeable Bond or interest therein.
- (iv) Only Bondholders, or, in the case of joint Bondholders, the one of them who is first named in the Register in respect of that Exchangeable Bond, reflected in the Register at 5.00 p.m. (South African time) on the relevant Record Date will be entitled to payments of principal and/or interest in respect of Exchangeable Bonds represented by a Certificate.

(b) Other amounts

Payments of all amounts other than as provided in Condition 8(a) will be made as provided in these Conditions.

(c) Record Date

“Record Date” means the date on which the Register must be in final form, being the Friday immediately prior to each Interest Payment Date or redemption date, as the case may be, or if such Friday is not a Johannesburg business day, the last Johannesburg business day of the week preceding the Interest Payment Date or redemption date, as the case may be.

(d) Payment Date

Notwithstanding anything to the contrary contained in these Conditions, if the date for payment of any amount payable in respect of any Bond is not a Johannesburg business day, then such date for payment shall be adjusted in accordance with the Modified Following Business Day Convention.

(e) Payments subject to fiscal laws

All payments in respect of the Exchangeable Bonds are subject in all cases (i) to any applicable fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the **“Code”**), or otherwise imposed pursuant to sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (**“FATCA”**) or (without prejudice to Condition 9) any law implementing an intergovernmental approach to FATCA.

(f) Delay in payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due as a result of the due date not being a Johannesburg business day.

(g) Paying Agents, Exchange Agents, Transfer Agents, etc.

The Issuer reserves the right under each of the Paying and Transfer Agency Agreement and the Exchange Agency Agreement at any time to vary or terminate the appointment of the Paying Agent, the Exchange Agent or Transfer Agent and appoint additional or another Paying Agent or another Exchange Agent or Transfer Agent, provided that the Issuer will maintain a Paying Agent, an Exchange Agent and a Transfer Agent. Notice of any change in the Paying and Exchange Agents or the Transfer Agent or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 17 and to the Bondholder Representative.

The Issuer reserves the right under the Calculation Agency Agreement at any time to vary or terminate the appointment of the Calculation Agent and appoint another Calculation Agent, provided that they will maintain a Calculation Agent which shall be a financial institution of international repute or a financial adviser with appropriate expertise.

(h) No charges

None of the Transfer Agent, the Exchange Agent or the Paying Agent shall make or impose on a Bondholder any charge or commission in relation to any payment, exchange, transfer or conversion in respect of the Exchangeable Bonds.

(i) Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

9. **TAXATION**

All payments made by or on behalf of the Issuer in respect of the Exchangeable Bonds will be made free and clear of, and without deduction or withholding for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Mauritius or any political subdivision therein or any authority thereof or therein having power to tax, unless such deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law. In the event that any such withholding or deduction is required to be made solely as a result of the Issuer failing to obtain a listing of the Exchangeable Bonds on the Stock Exchange of Mauritius prior to the First Interest Payment Date, the Issuer will pay such additional amounts as will result in the receipt by the Bondholders of the amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amount shall be payable in respect of any Exchangeable Bond to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Exchangeable Bond by reason of his having some connection with Mauritius other than the mere holding of the Exchangeable Bond.

References in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Exchangeable Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Bondholder Representative Deed, the Deed Poll and the Paying and Transfer Agency Agreement.

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Exchangeable Bonds for, or on account of, any withholding or deduction required pursuant to FATCA (including pursuant to any agreement described in section 1471(b) of the Code) or any intergovernmental agreement between the United States and another jurisdiction facilitating the implementation of FATCA (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement).

10. EVENTS OF DEFAULT

If any of the following events occurs and is continuing (each an “**Event of Default**”) the Bondholder Representative, if so directed by an Extraordinary Resolution of the Bondholders shall, subject to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Exchangeable Bonds are, and they shall immediately become, due and payable at their principal amount, together with accrued and unpaid interest (if any) to the date of payment:

- (a) **Non-Payment:** the Issuer fails to pay when due the principal of or interest on any of the Exchangeable Bonds or any other sum due from it under the Exchangeable Bonds, or the Parent and/or the Issuer fails to procure the issuance, transfer and delivery of the Ordinary Shares as provided in these Conditions and the Deed Poll following any exercise of Exchange Rights or the Share Settlement Option and such failure continues for a period of 14 days in the case of any payment of interest and for seven days in any other case; or
- (b) **Breach of Other Obligations:** (i) the Issuer does not perform or comply with any one or more of its other obligations under the Exchangeable Bonds or the Bondholder Representative Deed or (ii) the Issuer fails to perform or observe any obligation under Condition 11 or (iii) the Parent does not perform or comply with any one or more of its obligations under the Deed Poll which would, but for the provisions of applicable law, be a breach thereof and, in any such case of (i), (ii) or (iii) above, except where such default is incapable of remedy, such default continues for 30 days (or such longer period as the Bondholder Representative may permit in its sole discretion) after notice thereof shall have been given to the Issuer by the Bondholder Representative requiring the same to be remedied; or
- (c) **Cross-Acceleration:** (i) any other present or future indebtedness of the Issuer or any Material Subsidiary for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of default (however described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or (iii) any security given by the Issuer or any Material Subsidiary for or in respect of any such indebtedness becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person in relation to all or any material part of the assets of the Issuer or any Material Subsidiary) and is not discharged or stayed within 90 days; or (iv) the Issuer or any Material Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any such indebtedness, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c)(i)-(iv) have occurred equals or exceeds ZAR500,000,000 (or its equivalent in any other currency); or (v) under the terms of the Existing Convertible Bonds, the Existing Convertible Bonds have been accelerated and declared due and payable prior to their stated maturity date as a result of an Event of Default (as defined in condition 10 of the Existing Convertible Bonds); or
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer or any Material Subsidiary and is not discharged or stayed within 30 days; or
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any Material Subsidiary over all or any material part of the assets of the Issuer or any Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person in relation to all or any material part of the assets of the Issuer or any Material Subsidiary) and is not discharged or stayed within 90 days; or

- (f) **Insolvency:** (i) the Issuer or any Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they become due, (ii) the Issuer or any Material Subsidiary stops, suspends or threatens to stop or suspend payment of all or a material part of (or a particular type of) its debts, or (iii) the Issuer or any Material Subsidiary proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or a particular type of its debts, or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any Material Subsidiary; or
- (g) **Winding-up:** an administrator, liquidator or similar official is appointed, an order is made or an effective resolution passed for the winding-up, liquidation or dissolution or administration of the Issuer or any Material Subsidiary, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations (determined on a consolidated basis), except for the purpose of and followed by a solvent reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved in writing by an Extraordinary Resolution of the Bondholders; or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or
- (h) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Exchangeable Bonds or the Bondholder Representative Deed, as the case may be; or
- (i) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of paragraphs (d), (e), (f) or (g),

provided that in the case of any event as is specified in (1) paragraphs (b), (d), (e), or (f) or (2) (in relation to any Material Subsidiary only) paragraphs (g) or (f)(i) or (3) paragraph (h) (insofar as such analogous event relates to any of the events mentioned in relation to paragraph (b), (d), (e), (f) or, in relation to any Material Subsidiary only, (f)(i) or (g)), the Bondholder Representative shall, following consultation with an Independent Advisor, have certified in writing to the Issuer that in its opinion such event is materially prejudicial to the interests of the Bondholders (and the Issuer shall notify the Bondholder Representative forthwith upon becoming aware of any such event as is referred to in this proviso).

If an Event of Default occurs, the Issuer shall forthwith upon becoming aware of such Event of Default, give notice thereof in writing to the Bondholder Representative, the Transfer Agent, the Calculation Agent, the Central Securities Depository, the Relevant Stock Exchange and the Bondholders through SENS (in accordance with the applicable JSE timetable set out in the JSE Debt Listing Requirements).

11. UNDERTAKINGS

(a) *Undertakings of the Issuer*

Whilst any Exchange Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution of the Bondholders:

- (i) make or cause to be made an application for the Exchangeable Bonds to be admitted to trading on the JSE (or another internationally recognised, regularly operating, regulated or non-regulated stock exchange or securities market) on or prior to the Issue Date and to maintain such admission to trading for so long as any of the Exchangeable Bonds remain outstanding, save that if the Issuer is unable to maintain such admission to trading as aforesaid, the Issuer undertakes to use all reasonable endeavours to obtain and maintain a listing and/or admission to trading for the Exchangeable Bonds on such other stock exchange as the Issuer may from time to time determine and the Issuer will forthwith give notice to the Bondholders and the Bondholder Representative of any such listing or delisting of the Exchangeable Bonds by any of such stock exchanges;
- (ii) use its best endeavours to (x) make or cause to be made an application for the Exchangeable Bonds to be admitted to trading on the Stock Exchange of Mauritius prior to the First Interest Payment Date and (y) to maintain such admission to trading for so long as the Exchangeable Bonds remain outstanding and as required by Mauritian law or in order for the Issuer to pay amounts under the Exchangeable Bonds free of withholding taxes; and
- (iii) use its best endeavours in procuring the Parent to convene the EGM for the purpose of considering and if thought fit, passing the Shareholders' Resolutions as are required to enable the issuance of such number of Ordinary Shares as may be required to be issued from time to time to satisfy the exercise of Exchange Rights.

(b) *Undertakings of the Parent*

Pursuant to the terms of the Deed Poll and its obligations set out therein, whilst any Exchange Right remains exercisable, the Parent will (save with the approval of an Extraordinary Resolution of the Bondholders):

- (i) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
 - (1) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Ordinary Shares and the issue to Shareholders of an equal number of Ordinary Shares by way of capitalisation of profits or reserves; or
 - (2) pursuant to a Newco Scheme; or
 - (3) by the issue of fully paid Ordinary Shares or other Securities to Shareholders and other holders of shares in the capital of the Parent which by their terms entitle the holders thereof to receive Ordinary Shares or other Securities on a capitalisation of profits or reserves; or
 - (4) by the issue of fully paid Ordinary Shares and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a Dividend in cash; or
 - (5) by the issue of fully paid equity share capital (other than Ordinary Shares) to the holders of equity share capital of the same class and other holders of shares in the capital of the Parent which by their terms entitle the holders thereof to receive equity share capital (other than Ordinary Shares); or
 - (6) by the issue of Ordinary Shares or any equity share capital to, or for the benefit of, employees or former employees, director or executive holding or formerly holding executive office (including directors holding or formerly holding executive office or non-executive office, consultants or former consultants or the personal service company of any such person) or their spouses or relatives, in each case the Parent or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to an employee, director or executive share or option or incentive scheme (a “**Permitted Issue**”),

unless, in any such case, (a) the same gives rise (or would, but for the provisions of these Conditions relating to roundings, minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Exchange Price; or (b) the same constitutes a Dividend or otherwise gives (or, in the case of an issue or payment up of Securities in connection with a Change of Control, will give) rise (or would, but for the provisions of these Conditions relating to roundings, minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Exchange Price or is (or, in the case of any issue or payment up of Securities in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made;

- (ii) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 11(b)(ii) shall prevent:
 - (1) any consolidation, reclassification or subdivision of the Ordinary Shares or the conversion of an Ordinary Share into stock or vice versa; or
 - (2) any modification of such rights which is not, in the opinion of an Independent Adviser acting in good faith, materially prejudicial to the interests of the Bondholders upon which opinion the Issuer and the Bondholder Representative shall be entitled to rely absolutely without liability to any person; or
 - (3) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of these Conditions relating to roundings and minimum adjustments or the carry forward of adjustments or, where comprising Ordinary Shares, the fact that the consideration per Ordinary Share receivable therefor is at least 95 per cent. of the Current Market Price per Ordinary Share, otherwise result, in an adjustment to the Exchange Price; or
 - (4) without prejudice to any rule of law or legislation, the conversion of Ordinary Shares into, or the issue of any Ordinary Shares in, uncertificated form (or the conversion of Ordinary Shares in uncertificated form to certificated form) or the amendment of the Articles of Association of the Parent to enable title to Securities (including Ordinary Shares) to be evidenced and transferred without a written instrument or any other alteration to the Articles of Association of the Parent made in connection with the matters described in this Condition 11(b)(ii) or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or

- (5) any issue of equity share capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer or the Parent shall have instructed an Independent Adviser to determine in good faith what (if any) adjustments should be made to the Exchange Price as being fair and reasonable to take account thereof and such Independent Adviser shall have determined in good faith either that no adjustment is required or that an adjustment resulting in a decrease in the Exchange Price is required and, if so, the new Exchange Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly); or
- (6) any alteration to the memorandum of incorporation (or other constitutional document) of the Parent made in connection with the matters described in this Condition 11 or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or
- (7) the amendment of the memorandum of incorporation (or other constitutional document) of the Parent following a Change of Control to ensure that any Bondholder exercising its Exchange Right where the Exchange Date falls on or after the occurrence of a Change of Control will receive the same consideration in respect of any Ordinary Shares required to be issued or transferred and delivered to it in respect of such exercise as it would have received in respect of such Ordinary Shares had it exercised its Exchange Right at the time of the occurrence of the Change of Control and had such Ordinary Shares been entitled to participate in the relevant Scheme of Arrangement or tendered in the relevant offer (a **"Change of Control Exchange Right Amendment"**); or
- (8) a Permitted Issue;
- (iii) except as part of any employee, director or executive share or option or incentive scheme (or other similar incentive plan (including, but not limited to, any restricted share plan)), procure that no Securities (whether issued by the Parent or any Subsidiary of the Parent or procured by the Parent or any Subsidiary of the Parent to be issued or issued by any other person pursuant to any arrangement with the Parent or any Subsidiary of the Parent) issued without rights to convert into, or exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share at the close of business on the last dealing day preceding the date of the first public announcement of the proposed inclusion of such rights unless the same gives rise (or would, but for the provisions of these Conditions relating to roundings and minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Exchange Price and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;
- (iv) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, following the exercise of Exchange Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid pursuant to these Conditions;
- (v) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:
 - (1) pursuant to the terms of issue of the relevant share capital; or
 - (2) by means of a purchase or redemption of share capital of the Parent, in each case, to the extent permitted by applicable law; or
 - (3) where the reduction does not involve any distribution of assets to Shareholders; or
 - (4) solely in relation to a change in the currency in which the nominal value of the Ordinary Shares is expressed; or
 - (5) a reduction of its share premium account to facilitate the writing off of goodwill arising on consolidation which does not involve the return, either directly or indirectly, of an amount standing to the credit of the share premium account of the Parent; or
 - (6) to create distributable reserves; or
 - (7) as provided in paragraph (i) of this Condition 11(b); or
 - (8) pursuant to a Newco Scheme; or
 - (9) by way of transfer to reserves as permitted under applicable law; or
 - (10) where the reduction is permitted by applicable law and the Bondholder Representative is advised in writing by an Independent Adviser, acting as an expert and in good faith, that the interests of the Bondholders will not be materially prejudiced by such reduction; or

- (11) where the reduction is permitted by applicable law and results (or, in the case of a reduction in connection with a Change of Control, will result) in (or would, but for the provisions of these Conditions relating to roundings or the carry forward of adjustments, result in) an adjustment to the Exchange Price or is (or, in the case of a reduction in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Parent may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Bondholders;

- (vi) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any person or persons acting together) to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice in writing of such offer or scheme to the Bondholder Representative and the Bondholders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified office of the Paying Agent and, where such an offer or scheme has been recommended by the board of directors of the Parent, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to the holders of any Ordinary Shares issued during the period of the offer or scheme arising out of the exercise of Exchange Rights and/or to the holders of the Exchangeable Bonds (which like offer or scheme to Bondholders shall entitle Bondholders to receive the same type and amount of consideration they would have received had they held the number of Ordinary Shares to which such Bondholders would be entitled assuming Exchange Rights were exercisable and Bondholders were to exercise such Exchange Rights at the time of the announcement of the offer);
- (vii) in the event of a Newco Scheme, take (or shall procure that there is taken) all necessary action to ensure that immediately after completion of the Scheme of Arrangement:
- (1) Newco is substituted under the Deed Poll in place of the Parent subject to and as provided in the Deed Poll;
 - (2) such amendments are made to these Conditions, the Paying and Transfer Agency Agreement, the Exchange Agency Agreement, the Bondholder Representative Deed and the Deed Poll as are necessary to ensure that the Exchangeable Bonds may be converted into or exchanged for cash and/or ordinary shares or units or the equivalent in Newco (or depositary or other receipts or certificates representing ordinary shares or units or the equivalent in Newco) *mutatis mutandis* in accordance with and subject to these Conditions;
 - (3) the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalents of Newco) are (A) admitted to trading on the JSE or (B) admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market as determined by Newco; and
 - (4) the Paying and Transfer Agency Agreement, the Exchange Agency Agreement, the Bondholder Representative Deed, the Deed Poll and the Conditions provide at least the same powers, protections, rights and benefits to the Bondholder Representative and the Bondholders following the implementation of such Newco Scheme as they provided to the Bondholder Representative and the Bondholders prior to the implementation of the Newco Scheme, *mutatis mutandis*;
- (viii) use all reasonable endeavours to ensure that the Ordinary Shares issued upon exercise of Exchange Rights will, as soon as is practicable, be admitted to listing and to trading on the Relevant Stock Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in (but so that this undertaking shall not be considered as being breached as a result of a Change of Control (whether or not recommended or approved by the board of directors of the Parent) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, including at the request of the person or persons controlling the Parent as a result of the Change of Control, a de-listing of the Ordinary Shares);
- (ix) to the extent required, to use all reasonable endeavours to publish a prospectus in accordance with the Rules and Regulations of the LuxSE in respect of the listing of Ordinary Shares on the LuxSE issued pursuant to the exercise of Exchange Rights (the “**Listing Prospectus**”), as soon as reasonably practicable and, in any event, within 12 months following the triggering of the requirement;

- (x) at all times during the Exchange Period keep available for issue free from pre-emptive rights out of its authorised but unissued capital sufficient authorised but unissued Ordinary Shares which would, when taken together with any Ordinary Shares for the time being held in treasury and available for transfer and delivery, enable the exercise of Exchange Rights in respect of all the Exchangeable Bonds (including any Further Exchangeable Bonds) then outstanding, and all other rights of subscription and exchange for Ordinary Shares, to be satisfied in full at the current subscription prices or exchange prices; and
- (xi) where an Elective Scrip Dividend is announced, the Parent shall, within 5 Johannesburg business days following the last day on which the relevant election may be made by Shareholders, publicly announce (which may be on the website of the Parent), as appropriate:
 - (i) the aggregate amount of cash elected by Shareholders (expressed in rand and determined as provided in paragraph (2)(ii)(1)(B) and (6) of the definition of “Dividend”);
 - (ii) the aggregate number of Ordinary Shares elected by Shareholders as referred to in paragraph (2)(ii)(2) of the definition of “Dividend”; and
 - (iii) the aggregate Fair Market Value of any property or assets (other than cash or Ordinary Shares) elected by Shareholders (determined as provided in paragraph (2)(ii)(1)(A) of the definition of “Dividend”); and
- (xii) use all reasonable endeavours to publish the Shareholder Resolution Announcement on SENS of the JSE as soon as practicable after the EGM.

The Issuer has undertaken in the Bondholder Representative Deed to deliver to the Bondholder Representative semi-annually and otherwise on request of the Bondholder Representative a certificate signed by two of its directors as to there not having occurred an Event of Default or Relevant Event since the date of the last such certificate or, if such has occurred, as to the details of such event. The Bondholder Representative will be entitled to rely without liability on such certificate and shall not be obliged to independently monitor compliance by the Issuer and the Parent with the undertakings set forth in this Condition 11, nor be liable to any person for not so doing.

12. PRESCRIPTION

Claims against the Issuer for payment in respect of the Exchangeable Bonds shall be prescribed and become void unless made within 5 years from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other obligation in respect of the Exchangeable Bonds shall be prescribed and become void unless made within 5 years following the due date for performance of the relevant obligation.

13. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF EXCHANGEABLE BONDS

(a) *Exchange of Beneficial Interests*

- (i) The holder of a Beneficial Interest in an Exchangeable Bond or Exchangeable Bonds may, in accordance with the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Securities Depository), request that such Beneficial Interest be exchanged for Exchangeable Bonds in definitive form represented by a Certificate (the “**Definitive Exchange Notice**”). The Definitive Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for a Certificate; provided that such day shall be a Johannesburg business day and shall fall not less than 30 days after the day on which such Definitive Exchange Notice is given (the “**Definitive Exchange Date**”).
- (ii) The holder's nominated Participant will, following receipt of the Definitive Exchange Notice, through the Central Securities Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Exchangeable Bonds represented by a Certificate. The Transfer Agent will, as soon as is practicable but within 14 days after receiving such notice, in accordance with the Applicable Procedures, procure that a Certificate is prepared, authenticated and made available for delivery, on a Johannesburg business day falling within the aforementioned 14 day period, to the holder of the Beneficial Interest at the specified office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Certificate in respect of that joint holding, and delivery to one of those joint holders shall be delivery to all of them.

(iii) In the case of the exchange of a Beneficial Interest in Exchangeable Bonds issued in uncertificated form:

- (1) the Central Securities Depository shall, prior to the Definitive Exchange Date, surrender (through the Central Securities Depository system) such uncertificated Exchangeable Bonds to the Transfer Agent at its specified office; and
 - (2) the Transfer Agent will obtain the release of such uncertificated Exchangeable Bonds from the Central Securities Depository in accordance with the Applicable Procedures.
- (iv) A Certificate shall, in relation to a Beneficial Interest in any number of Exchangeable Bonds issued in uncertificated form of a particular aggregate principal amount standing to the account of the holder thereof, represent that number of Exchangeable Bonds of that aggregate principal amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate principal amount is equivalent to a fraction of the minimum denomination of the Exchangeable Bonds or a fraction of any multiple thereof, such Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

(b) Costs

Certificates shall be provided (whether by way of issue or delivery) by the Issuer without charge, save as otherwise provided in these Conditions. The costs and expenses of delivery of Certificates by a method other than ordinary post (if any) and, if the Issuer shall so require, taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery, shall be borne by the Bondholder.

(c) Replacement of Exchangeable Bonds

If any Exchangeable Bond is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Transfer Agent subject to all applicable laws and stock exchange requirements or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Exchangeable Bonds must be surrendered before replacements will be issued.

14. MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

(a) Meetings of Bondholders

Where a meeting of Bondholders is to be convened, in accordance with these Conditions or the Bondholder Representative Deed, then the provisions of this Condition 14(a) shall apply.

(i) Convening of Meetings

The Issuer or the Bondholder Representative may at any time convene a meeting of Bondholders and the Issuer or the Bondholder Representative will convene such meeting of the Bondholders upon the requisition in writing of Bondholders holding not less than 10 per cent. of the aggregate principal amount of the Exchangeable Bonds for the time being outstanding (a “**requisition notice**”).

Whenever the Issuer wishes to convene a meeting, it will forthwith give notice in writing to the Bondholders in the manner prescribed in Condition 17 and to the Bondholder Representative in accordance with the provisions of the Bondholder Representative Deed of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolution(s) to be proposed and considered at the meeting.

Whenever the Bondholder Representative wishes (or is obliged) to convene a meeting it will forthwith give notice in writing to the Bondholders and the Issuer in the manner prescribed in Condition 17, of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolution(s) to be proposed and considered at the meeting.

All physical meetings of the Bondholders will be held in Johannesburg.

The Issuer or the Bondholder Representative may conduct a meeting of Bondholders entirely by electronic communication or provide for participation in a meeting by electronic communication. Accordingly, one or more Bondholders, or proxies for Bondholders, may participate by electronic communication in all or part of any Bondholder meeting that is being held in person, so long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other and without an intermediary, and to participate reasonably effectively in the meeting. Any notice of any meeting of Bondholders at which it will be possible for Bondholders to participate by way of electronic communication shall inform Bondholders of the ability to so participate and shall provide any necessary information to enable Bondholders or their proxies to access the available medium or means of electronic communication, provided that such access shall be at the expense of the Bondholder or proxy concerned.

(ii) Requisition

A requisition notice will state the nature of the business for which the meeting is to be held and the resolution(s) to be proposed and considered at the meeting and will be delivered to the registered office of the Issuer or the Bondholder Representative, as the case may be.

A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

(iii) Convening of meetings demanded by requisitionists

Upon receipt of a requisition notice, the Issuer will:

- (1) immediately, and within not less than one Johannesburg business day of receipt of the requisition notice, inform the JSE in writing of the demand for a meeting and the nature of the business for which the meeting is to be held;
- (2) release an announcement through SENS that a requisition notice has been received and specifying the place, day and time of the meeting to be held;
- (3) within 5 Johannesburg business days of receipt of the requisition notice, deliver written notice (in accordance with Condition 17) to each Bondholder, specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolution(s) to be proposed and considered at the meeting; and
- (4) within 2 Johannesburg business days of the meeting, release an announcement through SENS as to the outcome of the meeting.

In compliance with the Companies Act, the date of the meeting shall be at least 14 days from the date of delivery of the written notice convening the meeting.

The written notice of meeting shall allow for a pre-meeting of the Bondholders (without the presence of the Issuer) at the same place and on the same day as the meeting of Bondholders, at least two hours before the scheduled meeting of Bondholders.

In accordance with Condition 14(a)(x), voting shall only take place on a poll and not on a show of hands.

The requisitionists who demanded the meeting may, prior to the meeting, withdraw the requisition notice by notice in writing to the Issuer, copied to the JSE. The Issuer may cancel the meeting if as a result of one or more of the demands being withdrawn, the voting rights of the remaining requisitionists fail to meet the required percentage referred to in Condition 14(a)(i) to call a meeting.

In the event of the liquidation, administration or receivership of the Issuer, the inability of the Issuer to pay its debts as they fall due as contemplated in the Insolvency Act, the reference to 5 Johannesburg business days in Condition 14(a)(iii)(3) above is reduced to 2 Johannesburg business days and the reference to 7 Johannesburg business days in the second paragraph of this Condition 14(a)(iii) is reduced to 5 Johannesburg business days.

If the Issuer or the Bondholder Representative does not deliver written notice to convene a meeting within the timelines referred to above, then without prejudice to any other remedy, the requisitionists may themselves convene the meeting, which will be convened as nearly as possible in the same manner as that in which meetings demanded by requisitionists ought to have been convened by the Issuer or the Bondholder Representative. Whenever the requisitionists are about to so convene any such meeting, requisitionists shall forthwith give notice of the meeting to the Issuer.

The provisions of this Condition 14(a)(iii) in respect of meetings demanded by requisitionists will prevail in the event of any conflict with any other provision in these Conditions.

(iv) Notice of Meeting

Unless every Bondholder who is entitled to exercise voting rights in respect of any item on the meeting agenda is present at the meeting and votes for a shorter minimum notice period, at least 15 Johannesburg business days' written notice, specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting, will be given to each Bondholder, the Issuer and the Bondholder Representative.

The accidental omission to give such notice to any Bondholder, the Issuer or the Bondholder Representative, as the case may be, or the non-receipt of any such notice, will not invalidate the proceedings at a meeting.

(v) *Quorum*

A quorum at a meeting shall for the purposes of considering any resolution, including a resolution in respect of the dismissal of the Bondholder Representative and approval of the appointment of any new Bondholder Representative in accordance with the provisions of the Bondholder Representative Deed or an Extraordinary Resolution of Bondholders, consist of Bondholders present in person or by proxy and holding in the aggregate not less than 25 per cent. of the aggregate principal amount of the Exchangeable Bonds for the time being outstanding; *provided that* at any meeting the business of which includes any of the matters specified in the proviso to Condition 14(a)(xiii) below, the quorum shall be one or more persons present in person holding Exchangeable Bonds or being proxies or representatives and holding in the aggregate not less than three quarters in principal amount of the Exchangeable Bonds for the time being outstanding.

No business will be transacted at a meeting of the Bondholders unless a quorum is present at the time when the meeting proceeds to business.

If, within 15 minutes from the time appointed for the meeting, a quorum is not present, the meeting will, if it was convened on the requisition of the Bondholders be dissolved. In every other case the meeting will stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a business day, the next succeeding business day. If at such adjourned meeting a quorum is not present the Bondholders present, in person or by proxy, will constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution; *provided that* at any adjourned meeting at which is to be proposed an Extraordinary Resolution for the purpose of effecting any of the modifications specified in the proviso to Condition 14(a)(xiii) below, the quorum shall be one or more persons so present holding Exchangeable Bonds or being proxies or representatives and holding in the aggregate not less than one half in principal amount of the Exchangeable Bonds for the time being outstanding.

(vi) *Chairperson*

The chairperson of the meeting shall be nominated by the Bondholder Representative or shall be such other person elected as chairperson by way of Ordinary Resolution of the Bondholders present at the meeting.

(vii) *Adjournment*

Subject to the provisions of this Condition 14, the chairperson may, with the consent of, and will on the direction of, the meeting adjourn the meeting from time to time and from place to place.

No business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

At least 14 days' written notice of the place, day and time of an adjourned meeting will be given by the Issuer or the Bondholder Representative, as the case may be, to the Issuer, the Bondholder Representative and each Bondholder. In the case of a meeting so adjourned, the notice will state that the Bondholders present in person or by proxy at the adjourned meeting will constitute a quorum.

(viii) *Determination of Questions*

At a meeting, a resolution put to the vote will be decided on a poll. In the case of an equality of votes, the chairperson will not be entitled to a casting vote in addition to the vote, if any, to which he or she is entitled.

(ix) *Votes*

Voting shall only take place on a poll and not on a show of hands. On a poll every Bondholder, present in person or by proxy, will be entitled to one vote in respect of each ZAR1,000 in principal amount of the Exchangeable Bonds held. In relation to joint Bondholders, the vote may be exercised only by that Bondholder whose name appears first on the Register in the event that more than one of such Bondholders is present, in person or by proxy, at the meeting. A Bondholder in respect of Exchangeable Bonds held in the Central Securities Depository in uncertificated form shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Exchangeable Bonds in accordance with the instructions to the Central Securities Depository from the holders of Beneficial Interests conveyed through the Participants in accordance with the Applicable Procedures.

(x) *Proxies and Representatives*

Bondholders, present either in person or by proxy, may vote on a poll. A Bondholder, may by an instrument in writing (a "**proxy form**") signed by the Bondholder (or his duly authorised agent) or, in the case of a juristic person, signed on its behalf by a duly authorised officer of the juristic person, appoint any person (a "**proxy**" or "**proxies**") to act on his or its behalf in connection with any meeting or proposed meeting.

A person appointed to act as proxy need not be a Bondholder.

The proxy form will be deposited at the registered office of the Issuer or at the registered office of the Transfer Agent, as the case may be, at any time before the time appointed for the meeting or adjourned meeting at which the person named in such proxy proposes to vote.

No proxy form will be valid after the expiration of six months from the date stated in it as the date of its execution. Notwithstanding the foregoing, a proxy form will be valid for any adjourned meeting, unless the contrary is stated thereon.

A vote given in accordance with the terms of a proxy form will be valid notwithstanding the previous death or incapacity of the principal or revocation or amendment of the proxy form or of any of the instructions of the Bondholder, pursuant to which the proxy form was executed or of the authority under which the proxy form was executed or the transfer of Exchangeable Bonds or in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity, revocation or amendment shall have been received by the Issuer at its registered office or the Transfer Agent at its registered office, as the case may be, more than (and that the transfer has been given effect to less than) 12 hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.

Any Bondholder, which is a juristic person, may authorise any person to act as its representative in connection with any meeting or proposed meeting of the Bondholders, by resolution of the directors or other governing body of the juristic person. Any reference in these Conditions to a Bondholder or any other member of the Bondholders present in person includes the duly authorised representative of a Bondholder or any other member of the Bondholders, as the case may be, which is a juristic person.

(xi) Minutes

The Issuer will cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.

Any such minutes as aforesaid, if purporting to be signed by the chairperson of the meeting at which such resolutions were passed or proceedings held (or by the chairperson of the next succeeding meeting) will be receivable in evidence without any further proof, and until the contrary is proved, a meeting of the Bondholders in respect of the proceedings of which minutes have been so made will be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

(xii) Written Resolutions

A resolution in writing submitted to the Bondholders entitled to exercise voting rights in relation to the resolution, and signed by Bondholders holding more than 50 per cent. (in the case of a matter to be adopted by Ordinary Resolution) or at least 66.67 per cent. (in the case of a matter to be adopted by Extraordinary Resolution), of the outstanding principal amount of the Exchangeable Bonds, as the case may be, within 20 Johannesburg business days after the written resolution was submitted to such Bondholders, shall be as valid and effective as if it had been passed at a meeting duly convened and constituted and shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Bondholders. That resolution may consist of two or more documents in the same form each of which is signed by one or more of the Bondholders. Each Bondholder shall, promptly after signature of the resolution by it, submit a copy of the resolution as signed by it to the Issuer or the Bondholder Representative, as the case may be. Within two Johannesburg business days after adoption of the resolution, the Issuer or the Bondholder Representative shall notify all Bondholders of the results of the resolution put to the vote in writing as contemplated in this Condition 14(a)(xii).

(xiii) Powers of Bondholders by Extraordinary Resolution

A meeting of Bondholders shall, subject to these Conditions, in addition to the powers given in this Condition 14(a) above, but without prejudice to any powers conferred on other persons by the Bondholder Representative Deed, have power exercisable by Extraordinary Resolution:

- (a) to bind all of the Bondholders to any compromise or arrangement;
- (b) to sanction any proposal by the Parent, the Issuer or the Bondholder Representative for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Parent, the Issuer or against any of the Parent's or the Issuer's property whether such rights shall arise under the Bondholder Representative Deed, the Deed Poll or otherwise;

- (c) to sanction any scheme or proposal for the exchange, substitution or sale of the Exchangeable Bonds for, or the exchange of the Exchangeable Bonds into, or the cancellation of the Exchangeable Bonds in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or the Parent (other than in respect of the Exchange Rights of a holder which are governed by the provisions set out herein or as otherwise more generally set out in these Conditions) or (other than as set out in Condition 6(n)) any other body corporate formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;
- (d) to assent to any modification of the Bondholder Representative Deed, the Deed Poll or the Conditions that relate to the rights appertaining to the Exchangeable Bonds which shall be proposed by the Issuer or the Bondholder Representative;
- (e) to authorise anyone to concur in and do all such things as may be necessary to carry out and to give any authority, direction or sanction which under the Bondholder Representative Deed or the Exchangeable Bonds is required to be given by Extraordinary Resolution;
- (f) to appoint any persons (whether Bondholders or not) as a committee or committees to represent the interests of the Bondholders and to confer upon such committee or committees any powers or discretions which the Bondholders could themselves exercise by Extraordinary Resolution;
- (g) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under these Conditions or the substitution of the Parent in respect of its obligations under the Exchangeable Bonds and under the Deed Poll; and
- (h) to discharge or exonerate the Bondholder Representative from any liability in respect of any act or omission for which it may become responsible under the Bondholder Representative Deed or the Exchangeable Bonds,

provided that the special quorum provisions contained in the proviso to the first paragraph of Condition 14(a)(v) and, in the case of an adjourned meeting, in the proviso to the third paragraph Condition 14(a)(v), shall apply in relation to any Extraordinary Resolution for the purpose of Condition 14(a)(xiii)(b) or 14(a)(xiii)(g) or for the purpose of making any modification to the provisions contained in the Bondholder Representative Deed, the Deed Poll or the Exchangeable Bonds which would have the effect of:

- (1) changing the Final Maturity Date or the dates on which interest is payable in respect of the Exchangeable Bonds;
- (2) modifying the circumstances or period in which the Issuer or Bondholders are entitled to redeem or exchange the Exchangeable Bonds pursuant to Condition 7(b), (c), (d), (e) or (i);
- (3) reducing or cancelling the principal amount of, or interest on, the Exchangeable Bonds or to reduce the amount payable on redemption of the Exchangeable Bonds;
- (4) modifying the basis for calculating the interest payable in respect of the Exchangeable Bonds;
- (5) modifying the provisions relating to, or cancelling, the Exchange Rights (including the periods and/or circumstances in which the Exchange Rights may be exercised) or the rights of Bondholders to receive Ordinary Shares upon the exercise of Exchange Rights or receive Deliverable Shares and/or Cash Settlement Amount following exercise of the Share Settlement Option pursuant to these Conditions, (other than pursuant to or as a result of any amendments to these Conditions and the Paying and Transfer Agency Agreement made pursuant to and in accordance with the provisions of Condition 6(n) in order to effect a Right Transfer or Condition 11(vii) following (or as part of) a Newco Scheme ("**Newco Scheme Modification**") and other than a reduction to the Exchange Price);
- (6) increasing the Exchange Price (other than in accordance with these Conditions or pursuant to a Newco Scheme Modification);
- (7) changing the currency of the Exchangeable Bonds or any payment in respect of the Exchangeable Bonds;
- (8) changing the governing law of the Exchangeable Bonds, the Bondholder Representative Deed, the Deed Poll or the Paying and Transfer Agency Agreement;
- (9) modifying the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution; or
- (10) amending this proviso.

No consent or approval of Bondholders shall be required in connection with any Newco Scheme Modification.

(b) *Modification and Waiver*

The Issuer may effect, without the consent of the Bondholders, any modification of any of the provisions of the Deed Poll, any deed supplemental to the Deed Poll or these Conditions, which in the Issuer's opinion is of a technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

The Bondholder Representative may, with and subject to the prior authorisation of an Extraordinary Resolution of the Bondholders or with the prior written consent of Bondholders holding not less than 66.67 per cent. of the principal amount of the Exchangeable Bonds then outstanding, waive or authorise, any breach, continuing breach or proposed breach by the Issuer of any of the provisions of the Exchangeable Bonds or these Conditions or determine that any Event of Default should not be treated as such.

Any such modifications, authorisations, waivers or determinations in accordance with the preceding paragraphs of this Condition 14(b) shall be binding on the Bondholders and shall be notified to the Bondholders promptly in accordance with Condition 17 and, whilst the Exchangeable Bonds are listed on the JSE, to the JSE.

In respect of any modification to these Conditions or the Deed Poll that is not of a technical nature as set out in the first paragraph of this Condition 14(b); such amendment may be made only with the prior authorisation of an Extraordinary Resolution of the Bondholders. The Issuer shall call a meeting of Bondholders, such meeting or meetings to be called and regulated in accordance with the provisions of Condition 14(a). A proposed amendment that is not of the nature set out in the first paragraph of this Condition 14(b) will not be made until such amendment has been approved by Extraordinary Resolution at such meeting. While the Exchangeable Bonds are listed on the JSE, the Issuer shall first obtain formal approval from the JSE on the notice to be delivered to Bondholders incorporating such proposed modifications in compliance with the JSE Debt Listings Requirements prior to delivery of such notice to Bondholders.

(c) *Entitlement of the Bondholder Representative*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Bondholder Representative shall have regard to the interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Bondholder Representative shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders, except to the extent already provided for in these Conditions or the Bondholder Representative Deed.

15. ENFORCEMENT

The Bondholder Representative may take such proceedings, actions or steps (including lodging as appeal in any proceedings) against the Issuer as it may think fit to enforce the provisions of the Bondholder Representative Deed and the Exchangeable Bonds, where (i) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least 66.67 per cent. in principal amount of the Exchangeable Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. The Bondholder Representative may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Bondholder Representative may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

Unless there has been an Extraordinary Resolution of the Bondholders to the contrary, each Bondholder shall be entitled to (a) take any such steps or action against the Parent and/or the Issuer to enforce the performance of any of the provisions of the Bondholder Representative Deed or the Exchangeable Bonds or (b) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Parent and/or the Issuer.

16. THE BONDHOLDER REPRESENTATIVE

The Bondholder Representative Deed contains provisions for the indemnification of the Bondholder Representative and for its relief from responsibility, including:

- (i) provisions relieving it from taking actions, steps or proceedings unless indemnified and/or secured and/or prefunded to its satisfaction; and
- (ii) provisions limiting or excluding its liability in certain circumstances. The Bondholder Representative is entitled to enter into business transactions with the Parent and/or the Issuer and any entity related to the Parent and/or the Issuer without accounting for any profit. The Bondholder Representative Deed provides that, when considering whether an indemnity or any security or pre-funding is satisfactory to it, the Bondholder Representative shall be entitled, among other things and without limiting the generality of the foregoing, (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Bondholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the indemnity or security.

The Bondholder Representative may act and/or rely without liability to Bondholders on a report, confirmation or certificate or opinion or any advice of any accountants, financial advisers, financial institution, an Independent Adviser or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Bondholder Representative or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Bondholder Representative shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Bondholder Representative Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Bondholder Representative and the Bondholders in the absence of manifest error.

17. NOTICES

Subject as set out below, all notices (including all demands or requests under these Conditions) to the Bondholders will be valid if sent by electronic mail to their e-mail addresses appearing in the Register or delivered by hand to their addresses appearing in the Register or published in a leading English language daily newspaper of general circulation in South Africa. Each such notice will be deemed to have been given, if sent by electronic mail, on the day of its sending, except that any such sending after 4.30 p.m. shall be deemed to have been received on the following day, if delivered in person or by courier, at the time of delivery or if published on the day of first publication, as the case may be.

For so long as the Exchangeable Bonds are held in their entirety by the Central Securities Depository, notice as contemplated immediately above may be substituted with the delivery of the relevant notice to the Central Securities Depository, the Participants and the JSE for communication by them to the holders of Beneficial Interests in the Exchangeable Bonds, in accordance with the Applicable Procedures. Each such notice will be deemed to have been given, if sent by electronic mail, on the day of its sending to the Central Securities Depository, except that any such sending after 4.30 p.m. shall be deemed to have been received on the following day, if delivered in person or by courier, at the time of delivery to the Central Securities Depository.

Where any provision of these Conditions requires notice to be given to the Bondholders of any matter other than a meeting of Bondholders, such notice will be given *mutatis mutandis* as set out in the preceding two paragraphs, respectively, subject to compliance with any other time periods prescribed in the provision concerned.

All notices (including all communications, demands and/or requests under these Conditions) to be given by any Bondholder to the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, will be in writing and given by delivering the notice, by hand or by electronic mail, together with a certified copy of the relevant Certificate, if any, to the specified office of the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, and marked for the attention of an executive director of the Issuer. Any notice to the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, will be deemed to have been received by the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, on the second business day after being delivered by hand to the specified office of the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, or if sent by electronic mail to the specified office of the Issuer, the Bondholder Representative, the Paying Agent, the Exchange Agent or the Transfer Agent, as the case may be, on the day of its sending, except that any such sending after 4.30 p.m. shall be deemed to have been received on the following day.

Whilst any of the Exchangeable Bonds are held in uncertificated form, notices to be given by any holder of a Beneficial Interest to the Issuer shall be given by such holder through such holder's relevant Participant in accordance with the Applicable Procedures.

While the Exchangeable Bonds are listed on the JSE, any notices to Bondholders, including of meetings and any amendments to these Terms and Conditions, shall be published on SENS.

The Issuer shall send a copy of all notices given by it to Bondholders (or a Bondholder) or the Bondholder Representative pursuant to these Conditions promptly to the Calculation Agent.

18. **FURTHER ISSUES**

The Issuer may from time to time, without the consent of the Bondholders, create and issue (i) further bonds having the same terms and conditions in all respects (or in all respects save for the first payment of interest thereon and the first date on which exchange rights may be exercised thereon) as the outstanding Exchangeable Bonds and so that such further issue shall be consolidated and form a single series with the outstanding Exchangeable Bonds (referred to herein as the "**Further Exchangeable Bonds**") and/or (ii) notes, bonds or debentures, whether in registered or bearer form, having such other terms and conditions as the Issuer may determine at the time of their issue. Any Further Exchangeable Bonds shall be issued pursuant to a deed supplemental to the Bondholder Representative Deed.

19. **GOVERNING LAW AND JURISDICTION**

(a) Governing Law

These Conditions and any non-contractual obligations, disputes or claims arising out of or in connection with them are governed by, and shall be construed in accordance with, South African law.

(b) Jurisdiction

The Issuer agrees that the high courts of South Africa are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bondholder Representative Deed or the Exchangeable Bonds (and any non-contractual obligations arising out of or in connection with them) and accordingly any legal action or proceedings arising out of or in connection with the Bondholder Representative Deed or the Exchangeable Bonds ("**Proceedings**") shall (save as follows) be brought in such courts. The Issuer irrevocably submits to the exclusive jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This agreement and submission is made for the benefit of the Bondholder Representative and each of the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor the taking of multiple Proceedings in one or more jurisdictions (whether concurrently or not).

ANNEXURE 6: BIH RESOLUTIONS

Below is a list of the resolutions passed by the Directors of BIH authorising the Proposed Transaction:

RESOLVED:

- Approval of the Proposed Transaction, including the issuance of the Exchangeable Bonds and the Listing;
- Approval of the transaction documents, including the Underwriting Agreement, Bondholder Representative Deed, Paying and Transfer Agency Agreement, Exchange Agency Agreement, Calculation Agency Agreement and Deed Poll;
- Approval of submission of this Prospectus to the JSE and the CIPC for its approval and registration; and
- Authorising any Director to do or cause all such things to be done, and to sign all documentation, including any amendments thereto, as may be necessary, to give effect to and implement the abovementioned resolutions and the Proposed Transaction.

ANNEXURE 7: *PRO FORMA* FINANCIAL INFORMATION OF

BIH

***Pro forma* statement of comprehensive income and statement of financial position of BIH**

The *pro forma* BIH statement of financial position at 31 March 2021 and statement of comprehensive income for the year ended 31 March 2021 are set out below. The unaudited *pro forma* BIH statement of financial position and statement of comprehensive income have been prepared for illustrative purposes only to provide information on how the Rights Offer might have impacted on the financial position and results of BIH. Because of their nature, the *pro forma* BIH statement of financial position and statement of comprehensive income may not be a fair reflection of BIH's financial position, nor of its future earnings after implementation of the Rights Offer.

The *pro forma* statement of financial position and statement of comprehensive income have been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the published audited consolidated results of the Brait Group for the year ended 31 March 2021.

The directors of BIH are responsible for the compilation, contents and preparation of the *pro forma* financial information contained in the Prospectus and for the financial information from which it has been prepared. Their responsibility includes determining that: the *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of the Brait Group; and the *pro forma* adjustments are appropriate for the purposes of the *pro forma* financial information disclosed in terms of the Listings Requirements.

The *pro forma* statement of financial position and statement of comprehensive income as set out below should be read in conjunction with the report of the independent reporting accountants which is included as Annexure 8 to this Prospectus.

Pro forma BIH statement of financial position
at 31 March 2021

	Before	ZAR presentation currency @ R14.766 (R'million)	Pro forma adjustments Rights Offer (R'million)	Pro forma after Total (R'million)
	Total (\$'000)			
	(b)	(b)	(d)	
ASSETS				
Non-current assets	895,734	13,226	2,940	16,166
Investment	895,734	13,226	2,940	16,166
Current assets	15,384	227	–	227
Receivables	15,361	227	–	227
Cash and equivalents	23	–	–	–
Total assets	911,118	13,453	2,940	16,393
EQUITY AND LIABILITIES				
Capital and reserves	911,113	13,453	(60)	13,393
Share capital	208,998	3,116	–	3,116
Share premium	1,750,033	14,672	–	14,672
Foreign currency translation reserve	(191,488)	8,312	–	8,312
Retained earnings	(856,430)	(12,647)	(60)	(12,707)
Non-current liabilities	–	–	3,000	3,000
Exchangeable Bonds	–	–	3,000	3,000
Current liabilities	5	–	–	–
Payables	5	–	–	–
Total equity and liabilities	911,118	13,453	2,940	16,393

NAV per share has not been calculated on the basis that the BIH ordinary shares are not listed

Notes:

- Pro forma* adjustments to the BIH statement of financial position are calculated on the assumption that the Proposed Transaction was effective 31 March 2021.
- Extracted from the BIH audited March 2021 financial statements, which were presented in USD. Following the transfer of registered office from Malta to Mauritius, BIH will present its financial results in South African Rands. The *pro forma* translation adjustments to reflect the statement of financial position in Rands apply the closing 31 March 2021 USD/ZAR exchange rate of R14.766 for assets and liabilities, with historic actual exchange rates used for share capital and share premium. Retained earnings reflects the translation of each year's retained profit or loss using the corresponding average USD/ZAR exchange rates.
- No adjustments are required to present the consolidated financial position of BIH on the investment accounting basis, being the basis of accounting to be adopted by BIH going forward, as the Company carries its investment in its subsidiary, BML, at historical cost less accumulated impairment, which equates to the current fair value.
- The Rights Offer proceeds of R3 billion received by BIH will be utilised to capitalise its wholly owned subsidiary BML. BML will use the proceeds received from this capitalisation, net of the estimated fees, costs and expenses related to the Rights Offer of ZAR60 million, to settle a portion of the outstanding balance on its drawn borrowing facility, the BML RCF.
- No taxation effect for the *pro forma* adjustments resulting from the capital raising is assumed, given that BIH and BML do not generate significant taxable income in terms of Mauritian laws.

Pro forma BIH statement of comprehensive income

For the year ended 31 March 2021

	Before	ZAR presentation currency @ R16.357 (R'million)	Pro forma adjustments Rights Offer (R'million)	Pro forma after Total (R'million)
	Total (\$'000)			
	(g)	(g)	(i)	
Investment valuation gain	33,200	543	193	736
Administrative expenses	(57)	(1)	–	(1)
Foreign exchange loss	(724)	(12)	–	(12)
Finance costs	(1)	–	(150)	(150)
Profit before taxation	32,418	530	43	573
Taxation	–	–	–	–
Profit for the year	32,418	530	43	573
Other comprehensive gain				
Translation adjustments gain	88,042	1,440	–	1,440
Comprehensive gain for the year	120,460	1,970	43	2,013

Headline and basic earnings per share have not been calculated on the basis that the BIH ordinary shares are not listed

Notes to the pro forma adjustments

- (f) *Pro forma* adjustments to the BIH *pro forma* statement of comprehensive income are calculated on the assumption that the Proposed Transaction was effective 1 April 2020.
- (g) Extracted from the audited financial statements of BIH for the year ended 31 March 2021, which were presented in USD. Following the transfer of registered office from Malta to Mauritius, BIH will present its financial results in South African Rands. The *pro forma* statement of comprehensive income presented in Rands is translated using the average 31 March 2021 USD/ZAR exchange rate of R16.357.
- (h) No adjustments are required to present the consolidated financial position of BIH on the investment accounting basis, being the basis of accounting to be adopted by BIH going forward, as the Company carries its investment in its subsidiary, BML, at historical cost less accumulated impairment, which equates to the current fair value.
- (i) The *pro forma* effects of the application of the proceeds from the Proposed Transaction are as follows:
- Savings on finance charges on drawn BML RCF borrowings of R253 million based on the Proposed Transaction proceeds (net of once-off estimated fees, costs and expenses of R60 million which will be borne by BML) being received on 1 April 2020 at the average rate of interest incurred on this facility for the year to 31 March 2021 of 8.54%, impacting the investment valuation gain; and
 - Interest on the R3 billion Exchangeable Bonds, assumed to have been issued 1 April 2020, at the 5% coupon.
- (j) No taxation effect for the *pro forma* adjustments resulting from the Proposed Transaction is assumed, given that BIH and BML do not generate significant taxable income in terms of Mauritian laws
- (k) All *pro forma* financial effects are of a recurring nature except as otherwise stated.

ANNEXURE 8: INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION



To the Directors of Brait Investment Holdings Limited

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information included in a Prospectus

We have completed our assurance engagement to report on the compilation of the pro forma financial information of Brait Investment Holdings Limited (the “Company”) by the directors. The pro forma financial information, as set out in Annexure 7 of the *Prospectus re: ZAR3,000,000,000 5% Senior Unsecured Exchangeable Bonds due 2024 and exchangeable into Brait PLC Ordinary Shares in Brait PLC at a subscription price of ZAR1,000 each* (“the Prospectus”), consist of the pro forma balance sheet as at 31 March 2021, the pro forma statement of comprehensive income for the year then ended and related notes. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the JSE Limited (JSE) Listings Requirements and described in Annexure 7 of the Prospectus.

The pro forma financial information has been compiled by the directors to illustrate the impact of proposed offer and subsequent listing of ZAR denominated, fixed income exchangeable bonds (the “Exchangeable Bonds”), to be issued by the Company, on the main board of the JSE Limited (the “Proposed Transaction”). As part of this process, information about the Company’s financial position and financial performance has been extracted by the directors from the Company’s financial statements for the year ended 31 March 2021, on which an audit report has been published.

Directors' responsibility

The directors of the Company are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 7 of the Prospectus.

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors’ (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Reporting accountant's responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 7 of the Prospectus based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in Annexure 7 of the Prospectus.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: TJ Howatt
Registered Auditor
Waterfall City
15 November 2021

ANNEXURE 9: BML HISTORICAL FINANCIAL INFORMATION AND INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON BML HISTORICAL FINANCIAL INFORMATION

PART 1: AUDITED BML HISTORICAL FINANCIAL INFORMATION

BRAIT MAURITIUS LIMITED

STATEMENTS OF FINANCIAL POSITION AT 31 MARCH 2021, 31 MARCH 2020 AND 31 MARCH 2019

	Notes	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
ASSETS				
Non-current assets		16,431,737	18,623,386	32,387,988
Investments in subsidiaries	6	178,674	1,567,934	3,437,130
Financial assets at fair value through profit or loss	7	16,253,004	17,055,379	28,950,805
Equipment	5	59	73	53
Current assets		260,005	115,801	2,633,745
Accounts receivable	8	64,892	24,447	1,809,120
Cash and cash equivalents	9	195,113	91,354	824,625
Total assets		16,691,742	18,739,187	35,021,733
EQUITY AND LIABILITIES				
Equity and reserves		13,226,770	14,055,195	28,425,659
Stated capital	11	15,921,492	16,167,505	12,969,081
Foreign currency translation reserve		6,996,249	8,175,562	6,311,576
(Accumulated losses)/retained earnings		(9,690,971)	(10,287,872)	9,145,002
Non-current liabilities		3,420,414	4,605,389	6,514,265
Retirement benefit obligations		3,630	3,838	3,068
Borrowings	12	3,416,784	4,601,551	6,511,197
Current liabilities		44,558	78,603	81,809
Accounts payable	10	44,558	78,603	81,809
Total equity and liabilities		16,691,742	18,739,187	35,021,733

BRAIT MAURITIUS LIMITED
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 MARCH 2021, 31 MARCH 2020 AND 31 MARCH 2019

	Notes	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Fair value gain/(loss) on investment at fair value through profit or loss	15	1,069,311	(16,255,844)	(7,404,227)
Profit on disposal of financial assets		11,221	–	–
Interest income		187,533	239,082	251,275
Dividend income		85,921	180,057	401,041
Fee income		5,305	19,194	83,418
Foreign exchange gains		–	737,350	601,140
Profit/(loss)		1,359,291	(15,080,161)	(6,067,353)
Staff costs		(688)	(769)	(715)
Directors' fees		(6,359)	(6,286)	(5,497)
Audit fees		(2,206)	(1,744)	(560)
Professional fees	16	(115,803)	(414,557)	(239,901)
Travel and accommodation		(180)	(2,713)	(711)
Office related costs		(1,638)	(1,229)	(1,526)
Depreciation	5	(28)	(30)	(103)
Insurance		(77)	(72)	(65)
Foreign exchange losses		(303,694)	–	–
Other costs		(2,564)	(3,683)	(5,232)
Total operating expenses		(433,237)	(431,083)	(254,310)
Profit/(loss) from operations		926,054	(15,511,244)	(6,321,663)
Finance costs	17	(305,151)	(648,543)	(510,064)
Profit/(loss) before taxation		620,903	(16,159,787)	(6,831,727)
Income tax expense	18	(24,002)	(21,762)	(25,857)
Profit/(loss) for the year		596,901	(16,181,549)	(6,857,584)
Other comprehensive (loss)/income				
Item that will not be reclassified subsequently to profit or loss:				
Exchange differences arising on translation to presentation currency		(1,179,313)	1,863,986	4,007,456
Total other comprehensive (loss)/ income		(1,179,313)	1,863,986	4,007,456
Total comprehensive (loss)/income for the year		(582,412)	(14,317,563)	(2,850,128)

BRAIT MAURITIUS LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEARS ENDED 31 MARCH 2021, 31 MARCH 2020 AND 31 MARCH 2019**

	Stated capital ZAR'000	Foreign Currency Translation Reserve ZAR'000	Accumulated losses ZAR'000	Total ZAR'000
At 1 April 2018	12,969,081	2,304,120	16,002,586	31,275,787
Loss for the year	–	–	(6,857,584)	(6,857,584)
Other comprehensive income	–	4,007,456	–	4,007,456
At 31 March 2019	12,969,081	6,311,576	9,145,002	28,425,659
Loss for the year	–	–	(16,181,549)	(16,181,549)
Paid up issued share capital	3,198,424	–	–	3,198,424
Other comprehensive income for the year	–	1,863,986	–	1,863,986
Dividend paid	–	–	(3,251,325)	(3,251,325)
At 31 March 2020	16,167,505	8,175,562	(10,287,872)	14,055,195
Profit for the year	–	–	596,901	596,901
Reduction in share capital	(246,013)	–	–	(246,013)
Other comprehensive loss for the year	–	(1,179,313)	–	(1,179,313)
At 31 March 2021	15,921,492	6,996,249	(9,690,971)	13,226,770

BRAIT MAURITIUS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 MARCH 2021, 31 MARCH 2020 AND 31 MARCH 2019

	Notes	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Cash flows from operating activities				
Investment proceeds received	19.1	2,701,260	4,090	379,510
Purchase of investments	19.2	(906,980)	(148,130)	(1,228,106)
Fees received		9,809	2,945	83,418
Interest received		167,440	229,222	251,275
Dividends received		–	51	–
Operating expenses paid		(158,555)	(374,889)	(254,207)
Tax refund	18	–	–	457
Taxation paid	18	(24,002)	(21,762)	(26,314)
Finance costs paid		(165,992)	(328,056)	(510,064)
Cash generated from/(used) in operating activities		1,622,980	(636,529)	(1,304,031)
Cash flows from investing activities				
Purchase of equipment	5	(18)	(47)	(39)
Loan advanced to related companies		(5,975)	(1,056)	(1,496,674)
Loan repayment received from related companies		–	1,691,098	1,094
Loan advance to holding company		(245,665)	–	–
Cash (used in)/generated from investing activities		(251,658)	1,689,995	(1,495,619)
Cash flows from financing activities				
Loan received from related companies		–	881,909	41,215
Proceeds from draw of long-term borrowings		1,334,208	170,000	2,288,616
Repayment of long-term borrowings		(2,659,889)	(2,409,134)	(496,162)
Additional shares issued		–	3,198,424	–
Dividend paid		–	(3,251,325)	–
Cash (used in)/generated from financing activities		(1,325,681)	(1,410,126)	1,833,669
Net increase/(decrease) in cash and cash equivalents				
		45,641	(356,660)	(965,981)
Effects of exchange rate changes on cash and cash equivalents		58,118	(376,611)	(1,107,321)
Cash and cash equivalents at beginning of year		91,354	824,625	2,897,927
Cash and cash equivalents at end of year		195,113	91,354	824,625

BRAIT MAURITIUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. LEGAL STATUS AND BUSINESS ACTIVITY

- (a) Brait Mauritius Limited (the “Company”) was registered by continuation in the Republic of Mauritius on 12 January 2006. The Company holds a Category 1 Global Business Licence. The address of its registered office is at Suite 420, Barkly Wharf, Caudan, Port Louis, Mauritius. The principal place of business is at Suite 520, Barkly Wharf, Caudan, Port Louis, Mauritius.
- (b) The Company’s activities are those of proprietary investing and investment advisory services. There has been no change in the activities of the Company during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRSs) on the going concern principle, using the historical cost basis, except for certain financial instruments that are fair valued at the end of each reporting period. The accounting policies and methods of computation are consistent with those applied in the annual financial statements for the years ended 31 March 2020 and 31 March 2019.

The Company’s financial statements are prepared using ZAR as its presentation currency in line with the policy of Brait Group. The financial statements are presented in thousands of South African Rand (ZAR’ 000). The Company has Great Britain Pound (GBP) as its functional currency. The financial statements have been prepared using the following exchange rates, while its presentation currency is South African Rand:

	2021		2020		2019	
	Closing	Average	Closing	Average	Closing	Average
USD/ZAR	14.7660	16.3574	17.8379	14.7750	14.4978	13.7630
GBP/ZAR	20.3422	21.3393	22.1694	18.7829	18.8946	18.0440

2.2 Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which it operates (“the functional currency”).

In preparing the financial statements, transactions in currencies other than the Company’s functional currency are recognised at the exchange rates prevailing on the dates of the transactions. Outstanding balances of monetary items denominated in foreign currencies are translated at the closing exchange rates, with gains and losses reported in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currency are translated at the exchange rates prevailing when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting the financial statements, assets and liabilities are translated into the presentation currency at the closing exchange rates. Income and expenses are translated at the average exchange rates, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Revenue recognition

2.3.1 Fair value gain/(loss) on investment at fair value through profit or loss

Fair value gain/(loss) on investment at fair value through profit or loss (FVTPL) is recognised as earned/(incurred). This relates to the fair value gains/(losses) on the Company's portfolio investments. The fair value is determined per IFRS 13 Fair Value Measurement (see details under Financial Instruments note).

2.3.2 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. Interest income includes interest accrued on amortised cost shareholder funding. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.3.3 Dividend Income

Dividend income is recognised on the date the right to receive payment is established, gross of any foreign withholding taxes. Dividend income includes accrued interest on amortised cost shareholder funding when the contractual terms of the funding results in the receipt of a dividend.

2.3.4 Fee income

Fee income is recognised as the services are provided by the Company. Fee income earned by the Company in providing private equity fund management services is charged at an agreed percentage of the value of third party funds committed to the private equity fund, which is reduced on a sliding scale after the term of the fund's commitment period (usually five years from the anniversary of the final closing date) after which the fee is based on the value of third party funds invested in the remaining unrealised investments held by the private equity fund.

2.4 Taxation

Income tax for the year comprises current and deferred tax. Current income tax is the expected tax payable on the taxable income for the year, using tax rates and law enacted or substantively enacted at reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided in full, using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates that have been enacted or substantially enacted at the statement of financial position date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available, against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in statement of profit or loss. Withholding taxes are included in tax expense in profit or loss.

BRAIT MAURITIUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided for on the historical cost method, using the straight-line basis, at rates considered appropriate to write the assets down to their expected residual value over their estimated useful lives, which are reassessed at each reporting date. The annual depreciation rates used for the purpose are as follows:

Computer equipment: – 33 1/3%

Furniture & fittings: – 20%

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss in the year the asset is derecognised.

2.6 Financial instruments

Financial instruments include all financial assets and financial liabilities including derivative instruments. Financial assets and financial liabilities, are recognised when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.6.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

2.6.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2.6.3 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset/financial liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments/receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability or, where appropriate, a shorter period.

Interest income/expense is recognised on an effective interest basis for instruments other than those designated as at FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

2.6.4 Financial instruments at FVTPL

The Company designates the majority of its investments at FVTPL as the Company together with its portfolio investments are managed on a fair value basis, with any resultant gain or loss recognised in profit or loss as part of fair value gains/(losses) on financial assets. Fair value is determined in accordance with IFRS 13. Statement of financial position items carried at fair value include investments in equity instruments and shareholder funding instruments.

The Company applies a number of methodologies to determine and assess the reasonableness of the fair value, which may include the following:

- Earnings multiple;
- Recent transaction prices;
- Net asset value; or
- Price to book multiple.

Listed investments are held at recently quoted transaction prices. Where the listed investment is either thinly traded and/or the market is inactive, the valuation applied to determine the carrying value is based on the applicable unlisted investment methodology set out below.

The primary valuation model utilised for valuing unlisted portfolio investments is the maintainable earnings multiple model.

Maintainable earnings are generally determined with reference to the mix of prior year audited numbers and forecasts for future periods after adjusting both for non-recurring income/expenditure or abnormal economic conditions if applicable. If the forecasts are higher than the prior year earnings, as the year progresses the weighting is increased towards the portfolio company's forecast. If the forecasts are lower, the forecasted future earnings will usually be used as the maintainable earnings for valuation purposes. For portfolio companies that have been significantly impacted by the Coronavirus pandemic, maintainable earnings are based on a look-through to a medium term post Coronavirus sustainable level.

The Directors decide on an appropriate group of comparable quoted companies from which to base the EV/EBITDA valuation multiple. Pursuant to Brait's strategy focused on maximising value through the realisation of its existing portfolio companies over the medium term, the primary reference measure generally considered at reporting date is the average spot multiple of the comparable quoted companies included as peers, which is adjusted for points of difference, where required, to the portfolio company being valued. The three-year trailing average peer multiple at reporting date is also considered. Where maintainable earnings are based on a post Coronavirus sustainable level, peer average forward multiples for the corresponding forward period are used as the reference measure. Peer multiples are calculated based on the latest available financial information which may be adjusted based on subsequent macro or company specific information publicly known if appropriate. Adjustments for points of difference are assessed by reference to the two key variables of risk and earnings growth prospects and include the nature of operations, type of market exposure, competitive position, quality of management, capital structure and differences between the liquidity of the shares being valued and those on a quoted exchange. No control premium or minority discount adjustments are considered. The resulting valuation multiple is applied to the maintainable EBITDA to calculate the Enterprise Value ("EV") for the portfolio investment.

The Company designates the majority of its investments at FVTPL as the Company together with its portfolio investments are managed on a fair value basis, with any resultant gain or loss recognised in profit or loss as part of fair value gains/(losses) on financial assets. Fair value is determined in accordance with IFRS 13. Statement of financial position items carried at fair value include investments in equity instruments and shareholder funding instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

2.6.4 Financial instruments at FVTPL (cont'd)

The equity valuation takes consideration of the portfolio investment's net debt/cash on hand per its latest available financial results.

Where appropriate, alternative methodologies such as the Price to book valuation model are applied.

Shareholder funding instruments may be designated at FVTPL at inception where they have distinguishing characteristics. Some of these characteristics include:

- (i) the fact that the shareholder funding is linked/stapled to equity instruments in a portfolio company;
- (ii) their rate is not referenced to normal market related rate but is agreed between Brait and the Investee; and
- (iii) in the event of exit, the funding cannot be settled other than at cost plus accrued interest, i.e trade restrictions. For these shareholder funding instruments, cost plus accrued interest is representative of fair value.

2.6.5 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2.6.6 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

2.6.7 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

2.6.8 Equity instruments

An equity instrument, is any contract that evidences a residual interest in the assets of an entity, after deducting all its liabilities, and the Company has no obligation to deliver either cash or any other financial asset to the holder. Equity instruments issued by the Company are recorded at the proceeds received, net of issue costs.

2.6.9 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15: Revenue from Contracts with Customers.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

2.6.9 Financial guarantee contracts (cont'd)

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

2.6.10 Other financial liabilities

Other financial liabilities, including accounts payable and borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

2.6.11 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.9 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, which will probably result in an outflow of economic benefits that can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Investment in subsidiaries

Given the nature of the company's operations, all portfolio investments are accounted for at Fair Value Through Profit and Loss (FVTPL) in terms of IFRS 9: Financial Instruments: irrespective of whether they are subsidiaries as explained below.

Subsidiaries are entities that the company controls by being exposed to, or having rights to, variable returns from its involvement with that entity and, where the company has the ability to affect those returns through its power over the entity.

The Company's subsidiaries consist of entities that:

- i. hold portfolio investments;
- ii. provide services to third parties and related companies; and
- iii. do both (i) and (ii).

Subsidiaries classified as (i) or (iii) are classified as Investment Entities under IFRS 10 Consolidated Financial Statements. Investment Entities are exempt from consolidation and measured at FVTPL in terms of IFRS 9. Changes in fair value, primarily driven by revaluation of portfolio investments, are recognised in profit or loss in the period of change. Subsidiaries classified as (ii) are not Investment Entities and continue to be consolidated.

BRAIT MAURITIUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Investment subsidiaries (cont'd)

The Company is required as per paragraph 2 of International Financial Reporting Standards "IFRS 10"- Consolidated Financial Statement to present consolidated financial statements, unless it is exempted from the requirements as per paragraph 4(a) of IFRS 10. No consolidated financial statements are prepared as Brait Mauritius Limited is ultimately owned by Brait PLC (formerly known as Brait SE), incorporated in Mauritius, which prepares consolidated financial statements in accordance with IFRS. The financial statements are obtainable at Brait PLC, c/o Maitland Mauritius Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius and are available for public use.

2.12 Leasing

Lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under leases are recognised as an expense in the period in which they are incurred.

2.13 Stated capital

Ordinary shares are classified as 'Stated Capital' within equity.

2.14 Retirement benefit obligations

Employees are entitled to a gratuity payment on retirement under the terms of the Workers Rights Act 2019. Accordingly, the Company has calculated and provided for the gratuity payment in the financial statements.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Company has assessed all of the new and revised standards and interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 April 2020, 01 April 2019 and 01 April 2018.

3.1 Standards and amendments to existing standards that are already effective

There were no new standards or amendments to existing standards that were effective for annual periods beginning on 01 April 2020, 01 April 2019 and 01 April 2018 that had a significant impact on the Company or its operations.

3.2 New standards and interpretations that are not yet effective and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 01 April 2020, 01 April 2019 and 01 April 2018, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company.

4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS requires the directors and management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, therefore, differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)
Determination of fair value of investments

Where the fair value of investments recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques (refer to note 2.6.4). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of investments.

Determination of functional currency of the Company

The determination of the functional currency is critical since the way in which every transaction is recorded and whether exchange differences arise are dependent on the functional currency selected. In making this judgement, the directors have considered the currency of the country whose competitive forces and regulations matter, the currencies in which costs are settled, the currencies in which the funds from investing and financing activities are generated or used in, and the currency in which receipts from operating activities are usually retained.

The directors have determined the functional currency of the Company to be Great Britain Pound (GBP).

5. EQUIPMENT

	Computer Software & Equipment ZAR'000	Furniture & Fittings ZAR'000	Total ZAR'000
COST			
At 01 April 2018	256	100	356
Additions for the year	–	39	39
Exchange difference	36	13	49
At 31 March 2019	292	152	444
At 01 April 2019	292	152	444
Additions for the year	47	–	47
Exchange difference	50	27	77
At 31 March 2020	389	179	568
At 01 April 2020	389	179	568
Additions for the year	18	–	18
Exchange difference	(30)	(15)	(45)
As at 31 March 2021	377	164	541
ACCUMULATED DEPRECIATION			
At 01 April 2018	188	61	249
Charge for the year	75	28	103
Exchange difference	29	10	39
At 31 March 2019	292	99	391
At 01 April 2019	292	99	391
Charge for the year	4	26	30
Exchange difference	51	23	74
At 31 March 2020	347	148	495
At 01 April 2020	347	148	495
Charge for the year	19	9	28
Exchange difference	(29)	(12)	(41)
As at 31 March 2021	337	145	482
NET BOOK VALUE			
As at 31 March 2021	40	19	59
As at 31 March 2020	42	31	73
As at 31 March 2019	–	53	53

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
6. INVESTMENTS IN SUBSIDIARIES

					2021	2020	2019
					ZAR'000	ZAR'000	ZAR'000
At cost					9	16,838	14,351
At fair value through profit or loss					178,665	1,551,096	3,422,779
					178,674	1,567,934	3,437,130
Details of investments:							
Name of investee	Country of Incorporation	Class of Shares	% Holding	Voting Rights	2021	2020	2019
					ZAR'000	ZAR'000	ZAR'000
At cost⁽¹⁾:							
Brait Manager Mauritius Limited ⁽⁴⁾	Mauritius	Ordinary	100%	100%	–	16,829	14,343
SAPEF GP Limited	Cayman Islands	Ordinary	100%	100%	9	9	8
					9	16,838	14,351
At fair value through profit or loss⁽²⁾:							
Brait CM 1 Limited ⁽⁵⁾	Mauritius	Ordinary	100%	100%	10	1,389,677	3,175,431
Brait III Investments Limited ⁽⁶⁾	Mauritius	Ordinary	100%	100%	130,315	88,244	129,350
Brait South Africa Holdings Ltd	South Africa	Ordinary	100%	100%	48,340	73,175	117,998
Brait Capital International Limited ⁽³⁾	Mauritius	Ordinary	100%	100%	–	–	–
					178,665	1,551,096	3,422,779
					178,674	1,567,934	3,437,130

Investments measured at cost has been assessed for impairment at reporting date. The directors are of the opinion that the investments have not suffered any impairment loss.

The Company is required as per paragraph 2 of International Financial Reporting Standards “IFRS 10”- Consolidated Financial Statement to present consolidated financial statements, unless it is exempted from the requirements as per paragraph 4(a) of IFRS 10. No consolidated financial statements are prepared as Brait Mauritius Limited is ultimately owned by Brait PLC (formerly known as Brait SE), registered in Malta, which prepares consolidated financial statements in accordance with IFRS. The financial statements are obtainable at Brait PLC, c/o Maitland Mauritius Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius and are available for public use.

The investments at fair value through profit or loss have been valued at year end in accordance with the International Private Equity and Venture Valuation Guidelines, which is based on the net asset value of the investment which is carried at fair value. The directors are of the opinion that this reflects the fair value of these investments.

BRAIT MAURITIUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Financial assets designated at FVTPL classified under Level 3 have been valued using the Net asset value of the subsidiaries.

- (1) These investments in subsidiaries are reflected at cost less any impairment as they are not classified as Investment Entities (refer to Note 2.11) and are consolidated at Brait PLC. Brait Mauritius Limited has taken advantage of paragraph 4(a) of IFRS 10, Consolidated Financial Statements, which dispenses it from the need to present consolidated financial statements.
- (2) These investments in subsidiaries are measured at FVTPL in terms of IFRS 9 as they are classified as Investment Entities (refer to Note 2.11).
- (3) Brait Capital International Limited is the vehicle used for shareholder's funding in Virgin Active and New Look. The carrying amount of shareholder's funding is classified under Note 7 Financial assets.
- (4) Brait Manager Mauritius Limited went into voluntary liquidation and returned all costs during FY2021.
- (5) The fair value of Brait CM1 Limited is mainly driven by its investment in Iceland Foods as detailed below

	2021 £'000	2020 £'000	2019 £'000
Maintainable EBITDA	–	134.0	140.0
EV/EBITDA multiple ⁽¹⁾	–	6.0x	7.0x
Enterprise value	–	804.0	980.0
Less: Net third party debt ⁽²⁾	–	(704.5)	(713.5)
Equity value of Iceland foods	–	99.5	266.5
Brait's shareholding in Iceland Foods (%)	–	63.1%	63.1%
Carrying value (GBP'm) for Brait's investment in Iceland Foods	–	62.8	168.1
Closing GBP/ZAR exchange rate	ZAR	22.17	18.89
	ZAR'000	1,391,000	3,176,000

(1) **2021:** Brait disposed of its entire 63.1% interest in Iceland Foods for a total consideration of GBP115 million; an implied Enterprise Value of GBP887 million and valuation multiple of 6.6x EV/EBITDA (the peer group average spot multiple was 6.7x at 31 March 2020) and at a significant premium to the FY2020 carrying value. The first tranche of GBP60 million (R1.275 billion) proceeds were received on 8 June 2020. Brait received a further GBP48.5 million (R1.074 billion) as final early settlement for the two remaining deferred tranches (GBP26.9 million by 30 July 2021; GBP28.1 million by 29 July 2022; 2020: Pursuant to Brait's new strategy focused on maximising value through the realisation of its existing portfolio companies over the medium term, the primary reference measure considered at 31 March 2020 reporting date is the peer group average spot multiple. The average peer spot multiple decreased from 7.8x (31 March 2019) to 6.7x, resulting in a decrease in the valuation multiple from 7.0x to 6.0x. 2019: EV/EBITDA valuation multiple applied to maintain historic levels of discount to peer averages.

(2) Net debt as at 31 March 2020 of £704.5m includes £17.0m interest accrued on term debt. Net debt as at 31 March 2019 of £713.5 million represents £764 million term debt, £17 million interest accrued thereon, £43 million of finance leases, less cash at bank and in hand of £111 million.

(6) Brait III Investment Limited

Carrying value at reporting date comprises Brait III Investment Limited's remaining private equity fund investments, mostly relating to Brait IV's investment in Consol Glass, the largest manufacturer of glass packaging in Africa.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
7. FINANCIAL ASSETS

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Virgin Active (note 7.1)	7,971,302	9,356,705	17,362,463
Premier Group (Pty) Ltd (note 7.2)	7,597,136	6,047,216	8,803,218
Top Gun Bidco Limited (New Look) (note 7.3)	544,524	939,442	1,146,009
Brait PLC (note 7.4)	–	137,311	878,789
Other investments (note 7.5)	140,042	574,705	760,326
	16,253,004	17,055,379	28,950,805

The directors are of the opinion that the above investments have been correctly stated at their fair values. The fair values of unlisted private equity investments are primarily based on earnings multiple models, offers received and discounted cash flow models and are measured on a recurring basis.

7.1 Virgin Active

	2021	2020	2019
	£'m	£'m	£'m
Maintainable EBITDA ⁽¹⁾	105.4	108.0	137.6
EV/EBITDA multiple	9.0x	9.0x	11.0x
Enterprise value	948.5	972.1	1,513.3
Less: net third party debt ⁽³⁾	(455.0)	(439.5)	(352.5)
Equity Value	493.5	532.6	1,160.8
Less: senior shareholder funding ⁽⁴⁾	(25.0)	–	–
Residual equity value	468.5	532.6	1,160.8
Less: shareholder funding (capped at residual equity value) ⁽⁵⁾	(468.5)	(532.6)	(1,160.8)
Surplus equity value post shareholder funding	–	–	–
Brait's senior shareholder funding participation % ⁽⁴⁾	72.1%	71.9%	71.9%
Senior shareholder funding value	20	–	–
Brait's shareholder funding participation % ^(6,7)	79.4%	79.2%	79.2%
Shareholder funding value	371.8	422.0	918.9
Brait's participation % for surplus equity value post shareholder funding ^(6,7)	72.1%	71.9%	71.9%
Surplus equity value post shareholder funding	–	–	–
Carrying value (GBP'm) for Brait's investment in Virgin Active	391.8	422.0	918.9
Closing GBP/ZAR exchange rate	20.34	22.17	18.89
Carrying value (ZAR'000) for Brait's investment in Virgin Active	7,971,302	9,356,705	17,362,463

(1) **2021:** Due to the continued impact of the Coronavirus pandemic, maintainable EBITDA based on look-through to a pre-IFRS 16, March 2023 estimate to reflect a post Coronavirus sustainable level of GBP105 million, which represents a 26% reduction to the GBP142 million actual EBITDA achieved by Virgin Active for its financial year ended 31 December 2019. **2020:** Maintainable EBITDA based on look-through to a medium-term post Coronavirus sustainable level of GBP108 million, which represents a 24% reduction of the GBP142 million actual EBITDA achieved by Virgin Active for its financial year ended 31 December 2019.

(2) **2021:** Aligned with the look through to a two-year post Coronavirus level of maintainable EBITDA, the primary reference measure considered at 31 March 2021 reporting date is the peer group average two-year forward multiple of 11.4x. **2020:** Pursuant to Brait's new strategy focused on maximising value through the realisation of its existing portfolio companies over the medium term, the primary reference measure considered at 31 March 2020 reporting date is the peer group average spot multiple. The average peer spot multiple decreased from 12.7x (31 March 2019) to 10.8x, resulting in a decrease in the valuation multiple applied from 11.0x to 9.0x. **2019:** Decrease in the EV/EBITDA valuation multiple applied to maintain historic levels of discount to peer averages. Virgin Active peer group composition changed at 31 March 2019 to include Technogym and exclude both Planet Fitness and Whitbread. This change has the effect of reducing the average 3-year trailing multiple at reporting date from 13.7x to 13.2x, with average spot reducing from 14.3x to 12.7x.

BRAIT MAURITIUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. FINANCIAL ASSETS (CONT'D)

7.1 Virgin Active (cont'd)

- (3) **2021:** Net debt of GBP397.0 million per Virgin Active's March 2021 management accounts, on a pre-IFRS 16 basis, has been increased by GBP58.0 million to GBP455.0 million. The adjustment applied takes consideration of the estimated effect of working capital and costs deferred during the lockdown periods. **2020:** Net debt of GBP344.3 million per Virgin Active's March 2020 management accounts has been increased by GBP95.2 million (28% increase) to GBP440 million. The adjustment applied takes consideration of the estimated effect of working capital and costs deferred during the lockdown period.
- (4) GBP denominated senior shareholder funding bears interest at LIBOR +4.25% plus 0.75% PIK, is unsecured, with no fixed repayment terms and matures on 30 June 2025.
- (5) GBP denominated shareholder funding bears interest at a fixed rate of 10%, is unsecured, with no fixed repayment terms and matures 16 July 2025. Total shown includes accrued interest to valuation date, with £113 million accruing during FY 2019.
- (6) Brait participation % shown as fully diluted for the classes of non-voting share capital (sweet equity) held by the Virgin Active management team.
- (7) Brait entered into a series of put option agreements with the Virgin Active management team based on Brait's fair value of Virgin Active at the exercise date and as a result, do not expose Brait to fair value risk.

7.2 Premier Group

	2021 ZAR'm	2020 ZAR'm	2019 ZAR'm
Maintainable EBITDA ⁽¹⁾	1,152	1,010	1,009
EV/EBITDA multiple	8.0x	8.0x	11.0x
Enterprise value	9,216	8,080	11,094
Less: net third party debt at valuation date ⁽³⁾	(1,489)	(1,989)	(2,053)
Equity value	7,727	6,091	9,041
Less: shareholder funding at valuation date ⁽⁴⁾	(3,212)	(3,197)	(3,028)
Surplus equity value post shareholder funding	4,515	2,894	6,013
Brait's shareholding funding participation %	100%	100%	100%
Shareholder funding value	3,212	3,197	3,028
Brait's participation % for equity value ⁽⁵⁾	97.1%	98.5%	96.1%
Equity value	4,385	2,850	5,775
Brait's carrying value (ZAR'000) for its investment in Premier	R'000 7,597,136	6,047,216	8,803,219

(1) Maintainable EBITDA of R1,152 million is based on Premier's Last Twelve Months EBITDA to 31 March 2021, on a pre-IFRS 16 basis, reflecting a 14% increase on the R1,010 million achieved in Premier's financial year ended 31 March 2020. Maintainable EBITDA at 31 March 2019 includes the normalisation for management's estimate of the R37million EBITDA impact due to lost sales volumes during the period of the strike at the Cape Town MillBake site.

(2) The primary reference measure considered at reporting date is the peer group average spot multiple of 9.6x (31 March 2020: 8.8x). The average peer spot multiple decreased from 10.4x (31 March 2019) to 8.8x, resulting in a decrease in the valuation multiple from 11.0x to 8.0x.

(3) On a pre-IFRS 16 basis, net third party debt as at reporting date is normalised to exclude R394 million (31 March 2020: R236 million) capex investment which had not yet generated EBITDA, as well as R8 million (31 March 2020: R24 million) of other adjustments. No normalisation adjustments applied at 31 March 2019.

(4) Shareholder funding comprises a combination of preference share capital and loan funding from Brait. The rate on the preference shares of prime less 2% (31 March 2020: prime plus 2%, 31 March 2019: N/A) with the rate on the shareholder loan funding prime plus 2% (31 March 2020 and 2019: prime plus 2%). Both instruments are unsecured with no fixed terms of repayment.

(5) Brait's shareholding in Premier is 98.5%. Brait's equity value participation at 31 March 2021 is 97.1%, the decline is a result of the dilutionary impact of the management incentive scheme put in place in FY21. The value of this scheme will be measured at each reporting date. 2020 and 2019: Brait has entered into a series of put option agreements with the Premier management team based on Brait's fair value of Premier at the exercise date and as a result, do not expose Brait to fair value risk.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
7. FINANCIAL ASSETS (CONT'D)
7.3 New Look

	2021 £'m	2020 £'m	2019 £'m
Maintainable EBITDA ⁽¹⁾	59.0	–	
EV/EBITDA multiple	4.0x	–	
Enterprise value	236.0	–	
Less: Net third party debt ⁽³⁾	(86.0)	–	
Equity value	150.0	–	
Shareholder funding ⁽⁴⁾	(84.6)	–	
Surplus equity value post-shareholder funding	65.4	–	
Brait's shareholding funding participation %	18.3%	–	
Shareholder funding value	15.4	–	
Brait's shareholding in New Look % ⁽⁵⁾	17.4%	–	
Surplus equity value	11.4	–	
Carrying value (GBP'm) for Brait's investment in New Look ⁽⁶⁾	26.8	42.4	60.6
Closing GBP/ZAR exchange rate	ZAR 20.34	22.17	18.89
Carrying value (ZAR'000) for its investment in New Look	ZAR'000 544,524	939,442 ⁽⁶⁾	1,146,009 ⁽⁶⁾

(1) Following the equitisation of the New Look Senior Secured Notes (SSNs) on 9 November 2020 pursuant to the completion of New Look's recapitalisation transaction, Brait's investment in New Look is valued at the current reporting date on a maintainable EBITDA basis. Maintainable EBITDA is based on a look-through to a pre-IFRS 16, one-year post-Coronavirus sustainable level of GBP59.0 million. This represents a 25% discount to the GBP78.6 million actual pre-IFRS 16 EBITDA achieved by New Look for its 39 weeks ended 28 December 2019, as reported in its last Q3FY20 investor presentation to bond holders.

(2) Aligned with the look through to a one-year post-Coronavirus level of maintainable EBITDA, the primary reference measure considered at 31 March 2021 reporting date is the peer group average one-year forward multiple of 9.8x.

(3) Net third party debt of GBP39.0 million per New Look's March 2021 management accounts has been increased by GBP47.0 million to GBP86.0 million. The adjustment applied takes consideration of estimated costs deferred during the lockdown period.

(4) Shareholder funding comprises: (i) the GBP40 million (Brait's pro rata share: GBP7.3 million) non-interest bearing shareholder loan issued on 16 October 2020 to SSN bond holders in exchange for cancellation of the SSNs and 20% of New Look's share capital; (ii) GBP40 million (Brait's pro rata share: GBP7.3 million) of new money in the form of a payment in kind ("PIK" facility), issued at a 5% discount, accruing interest at 16.5% per annum, for which the new money providers received 80% of New Look's share capital. The shareholder loan is unsecured, with no fixed repayment terms and matures in November 2029. The PIK facility is secured, with no fixed repayment terms and matures in November 2027.

(5) Brait's pro-rata SSN holding (18.3%) in the PIK facility, receiving 14.6% shareholding, in addition to the 3.7% shareholding received in exchange for its SSN holding. Brait's resulting 18.3% shareholding is diluted to 17.4% as a result of the New Look management incentive plan.

(6) Carrying value at 31 March 2020 represents Brait's GBP75.3 million nominal value of SSNs, valued using the closing quoted Bloomberg price of 0.549, plus accrued interest of GBP1.1 million. SSNs are valued at 31 March 2019 using the post-balance sheet restructuring conversion ratio price of 0.234561 (determined at the restructure transaction's voting record time (5.00 pm UK time on 18 April 2019) representing the existing SSNs of £1,066 million to be exchanged into £250 million new SSNs) applied to the nominal value of Brait's 18.2% holding.

BRAIT MAURITIUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****7. FINANCIAL ASSETS (CONT'D)****7.4 Brait PLC (formerly known as Brait SE)**

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
The Company's investment in Brait PLC	-	137,311	878,789
Equity value ⁽¹⁾	-	137,311	878,789

(1) The Company held 36,616,189 Brait PLC. shares as Treasury shares for the Brait Group. During the year, as part of a Rights issue by Brait PLC, the Treasury shares were cancelled.

7.5 Other investments

On 13 May 2020, all of the conditions relating to the sale of Brait's entire 91.3% shareholding in DGB were fulfilled for a total consideration of R470 million, which was largely in line with its September 2019 carrying value and equal to the March 2020 carrying value.

8. ACCOUNTS RECEIVABLE

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Other receivables	63,609	23,947	363,746
Amounts receivable from related companies (note 20)	1,283	500	1,445,374
	64,892	24,447	1,809,120

The directors have assessed the recoverable amount receivable from related companies and other receivables at reporting date and where necessary provisions have been made for any impairments.

9. CASH AND CASH EQUIVALENTS

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Balances with banks	195,113	91,354	824,625
Total cash and cash equivalents	195,113	91,354	824,625

Balances with banks are denominated in the following currencies:

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
ZAR	176,204	54,660	72,932
USD	8,102	4,198	4,507
GBP	10,638	32,378	746,333
MUR	169	118	853
	195,113	91,354	824,625

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
10. ACCOUNTS PAYABLE

	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Amounts owed to related companies (note 20)	–	1,310	39,341
Other creditors and accruals	44,558	77,293	42,468
	44,558	78,603	81,809

11. STATED CAPITAL

	2021 ⁽²⁾ ZAR'000	2020 ⁽¹⁾ ZAR'000	2019 ZAR'000
Issued and fully paid			
2021: 16,167,504,848;	15,921,492	16,167,505	12,969,081
2020: 16,167,504,848 and			
2019: 12,969,081,041 Ordinary shares at ZAR 1 par value each			

(1) During February 2020, Brait PLC applied the proceeds from a rights issue to settle an intercompany loan owed to Brait Investment Holdings Limited ("BIH"), and to further advance a capital contribution to BIH. BIH, in turn, used these proceeds to settle an intercompany payable owed to BML in the amount of R1,648,657 (refer note 20) and to advance a further capital contribution to BML amounting to R3,198,423,821.

(2) During the year ended 31 March 2021, BML advanced various loans in the amount of R245,665 to BIH which were used to settle operating expenses. The loan receivable was subsequently settled as a return of capital (refer note 20) and accounted for as a reduction in stated share capital. During the year ended 31 March 2021, the Board approved two reductions in the stated capital of the Company for a total amount of ZAR 246,012,550 in the form of returns of capital to its sole shareholder.

12. BORROWINGS

	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Opening balance	4,601,551	6,511,197	4,723,563
Interest accrual	306,906	657,544	505,244
Net (repayment)/drawdown of borrowings	(1,325,681)	(2,239,134)	1,792,454
Drawdowns	1,334,208	170,000	2,288,616
Capital repayments	(2,659,889)	(2,409,134)	(496,162)
Interest repayments	(165,992)	(328,056)	(510,064)
Closing balance	3,416,784	4,601,551	6,511,197

Brait Mauritius Limited R4.4 billion revolving credit (31 March 2020: R6.3 billion) and (31 March 2019: R8.5 billion), with agreed reductions as Brait de-gears, is held with FirstRand Bank Limited (trading through its Rand Merchant Bank division) and The Standard Bank of South Africa Limited (the "**Lenders**") and has a three-year tenure to 28 February 2023 (the "**BML RCF**"). The BML RCF bears interest at JIBAR plus 4.0% (31 March 2020: JIBAR plus 4.6%) repayable quarterly (with the margin decreasing as utilisation reduces), with a right to rollup these quarterly interest payments. Covenants remain NAV based and have been set with sufficient headroom for short term volatility, with the facility continuing to be secured on a senior basis by the assets of BML, which includes the investments (refer note 7) and the cash held by Brait Mauritius Limited ("**BML**") (refer note 9).

Following the court sanction of the Virgin Active UK Restructuring Plan on 12 May 2021, Brait has signed a term sheet with the Lenders and is in the final stages of concluding the legal agreements to increase the BML RCF facility limit to R5 billion through to 1 July 2022. The facility was renegotiated effective 31 March 2020 with a three-year tenure to 28 February 2023. The modification did not result in any significant gain/loss.

BRAIT MAURITIUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****13. FINANCIAL GUARANTEE**

At reporting date, the Company does not have any exposure in terms of any financial guarantee.

14. LEASE ARRANGEMENTS

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Minimum lease payments	738	754	730

At the reporting date, the Company had outstanding commitments which fall due as follows:

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Within one year	775	198	767
Between two and five years	407	–	201
	1,182	198	968

Lease payments represent rentals payable by the Company in respect of its office premises. The lease expired on 30 June 2020 and was extended for a further period of three months ended 30 September 2020. The lease was renewed for a term of two years starting on 1 October 2020 and ending on 30 September 2022.

15. FAIR VALUE GAIN/(LOSS) ON INVESTMENT AT FVTPL

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Fair value gain/(loss) on investment at FVTPL	1,069,311	(16,255,844)	(7,404,227)

16. PROFESSIONAL FEES

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Corporate advisory fees ⁽¹⁾	114,000	165,202	220,000
Termination cost previous advisory agreement ⁽²⁾	–	163,704	–
BML RCF raising fees	–	71,763	–
Other professional fees ⁽³⁾	1,803	13,888	19,901
Total professional fees	115,803	414,557	239,901

(1) FY21 comprises (i) advisory fee of R91 million (R100 million contracted amount for the year, offset by voluntary reductions by the contracted advisor, Ethos Private Equity Proprietary Limited (“EPE”); and (ii) short-term incentive award of R23 million to EPE, based on annual, pre-determined key performance indicators set for EPE in terms of executing on Brait’s strategy.

(2) Represents the cost of terminating the previous advisory agreement including retrenchment and office closure costs as relevant. EPE was appointed as the contracted advisor to the Company effective 1 March 2020.

(3) Largely made up of legal fees, as well as comprising fees relating to internal auditors, administration and fees paid/payable to external auditors in relation to non-audit services (such fees deemed immaterial).

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
17. FINANCE COSTS

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Interest expense	289,110	641,221	493,654
Commitment fees	16,041	7,322	16,410
Total finance cost	305,151	648,543	510,064

18. TAXATION
Corporate tax

The Company is subject to income tax in Mauritius on its net income at **15%** (2020, 2019 – 15%). It is, however, entitled to an **80%** partial exemption on certain categories of taxable income resulting in an effective tax rate to **3%** (2020, 2019 – 3%).

At 31 March 2021, the Company has tax losses of **ZAR891 million** (2020: ZAR744 million, 2019: ZAR197.7 million) which can be carried forward for set-off against taxable income derived for the next five succeeding income years as follows:

Year ended

	ZAR'000	
31 March 2021	147,039	Up to 31 March 2026
31 March 2020	556,592	Up to 31 March 2025
31 March 2019	13,829	Up to 31 March 2024
31 March 2018	174,025	Up to 31 March 2023

(a) Income tax expense

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Mauritian income tax and foreign taxes	24,002	21,762	25,857

(b) Tax asset/(liability)

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
As at 1 April	–	–	–
Tax refund for the year	–	–	457
Tax charge for the year	24,002	21,762	25,857
Payments during the year	(24,002)	(21,762)	(26,314)
At 31 March	–	–	–

BRAIT MAURITIUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****18. TAXATION (CONT'D)****(c) Tax reconciliation**

Numerical reconciliation between the average effective tax rate and the applicable tax rate is as follows:

	2021	2020	2019
	%	%	%
Applicable tax rate	15.00	15.00	15.00
Tax effect of:			
Exempt income	(26.12)	0.72	1.32
Disallowed expenses	7.57	(15.18)	(16.27)
Deferred tax not recognised	3.55	(0.54)	(0.05)
Withholding tax suffered	3.87	0.13	0.38
Effective tax rate	3.87	0.13	0.38

(d) Deferred tax

Deferred tax asset amounting to **ZAR26.7 million** (2020: ZAR22.3 million, 2019: ZAR5.6 million) has not been recognised as at 31 March 2021 on accumulated tax losses since it is not probable that the Company will have future taxable profits against which the tax losses can be utilised.

19. CASH FLOW INFORMATION**19.1 Investment proceeds received**

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Includes the following:			
Virgin Active	–	4,090	373,920
Premier Group	69,453	–	–
Other investments	424,357	–	5,590
Subsidiaries	2,207,450	–	–
	2,701,260	4,090	379,510

19.2 Purchase of investments

Includes the following:

Premier Group	–	146,822	195,071
New Look	148,701	–	–
Virgin Active	757,489	–	–
Brait PLC	–	–	915,019
Other investments	790	1,308	118,016
	906,980	148,130	1,228,106

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
20. RELATED PARTY TRANSACTIONS ⁽¹⁾

During the year, the following transactions were carried out with related parties:

Name of entity	Relationship	Nature of transactions	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Related party payables					
Brait Manager Mauritius Limited	Subsidiary	Balance as 1 April	(1,303)	(1,334)	(3,552)
		Loan advanced	273	–	(1,327)
		Loan repayment	(322)	275	4,318
		Reduction in share capital	1,203	–	–
		Foreign exchange movement	149	(244)	(773)
		Balance at 31 March	–	(1,303)	(1,334)
Related party receivables					
SAPEF GP Limited	Subsidiary	Balance 1 April	500	–	(204,667)
		Dividend set off	–	–	238,782
		Loan advanced	87	487	–
		Foreign exchange movement	(95)	13	(34,115)
		Balance at 31 March	492	500	–
Brait III Investments Limited	Subsidiary	Balance as 1 April	–	66	1,160
		Loan repayment	–	(4,875)	(1,094)
		Reduction in share capital	–	4,988	–
		Foreign exchange movement	–	(179)	–
		Balance at 31 March	–	–	66
Brait CM 1 Limited	Subsidiary	Balance as 1 April	–	152	–
		Loan advanced	4,831	294	152
		Loan repayment	–	(37,566)	–
		Loan received by BML ⁽²⁾	(2,207,129)	–	–
		Reduction in share capital	2,202,298	37,120	–
		Balance at 31 March	–	–	152
Brait South Africa Holdings Ltd	Subsidiary	Balance as 1 April	(7)	(38,007)	(457)
		Loan advanced	487	–	(39,888)
		Reduction in share capital	–	38,000	–
		Foreign exchange movement	13	–	2,338
		Balance at 31 March	493	(7)	(38,007)

(2) Proceeds received from CM1 for Iceland Foods sale, the funds were advanced to Brait Mauritius through a loan.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
20. RELATED PARTY TRANSACTIONS (CONT'D)

Name of entity	Relationship	Nature of transactions	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Brait Capital International Limited	Subsidiary	Balance as 1 April	-	-	1,297,623
		Loan advanced ⁽³⁾	881,319	-	1,272,587
		Loan advanced	-	(881,909)	-
		Reduction in share capital	-	797,596	-
		Transfer from/(to)			
		Investment	-	84,313	(2,749,891)
		Conversion of loan to equity	(881,021)	-	-
		Foreign exchange movement	-	-	179,681
		Balance at 31 March	298	-	-
Brait Investment Holdings Limited (previously Brait Malta Limited)	Holding company	Balance at 1 April	-	1,445,156	997,284
		Loan advanced	245,665	-	223,935
		Loan repayment	-	(1,648,657)	-
		Conversion of loan to equity	(239,007)	-	-
		Foreign exchange movement	(6,658)	203,501	223,937
		Balance at 31 March	-	-	1,445,156

(3) Loan advanced to Brait Capital International Limited for it to provide a shareholder loan to New Look and Virgin Active.

The related party receivables and payables are unsecured, interest-free and repayable on demand.

Advisory fee

The Company charges an annual advisory fee to its ultimate holding company, Brait PLC. The fee during the year was as follows:

	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Advisory fee	11,620	8,634	-

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
Short-term benefits	6,359	6,286	5,497

The remuneration of directors and key executives is determined by Brait PLC's remuneration committee having regard to the performance of individuals and market trends.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
21. FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are measured on an ongoing basis either at fair value or at amortised cost. The summary of significant accounting policies describes how the classes of financial instruments are measured. The following table analyses the carrying amounts of the financial assets and liabilities by category as defined in IFRS 9.

21.1 Sector analysis for investments

	2021	2020	2019
Consumer services – fitness	7,971,302	9,356,705	17,362,463
Consumer goods – food products	7,597,136	6,047,216	8,803,218
Consumer services – apparel retailer	544,524	939,442	1,146,009
Other	140,042	712,016	1,639,115
	16,253,004	17,055,379	28,950,805

21.2 Investment shareholding analysis

	2021	2020	2019
Shareholding in the <20% range	Other investments New Look	Other investments New Look	Other investments New Look
Shareholding in the >25% range	Virgin Active Premier	Virgin Active Premier Iceland Foods Other Investments	Virgin Active Premier Iceland Foods Other Investments

Categories of financial instruments:

	2021 ZAR'000	2020 ZAR'000	2019 ZAR'000
<i>Financial assets designated at fair value through profit or loss</i>	16,431,669	18,606,475	32,373,584
Investment in subsidiaries	178,665	1,551,096	3,422,779
Financial assets at fair value through profit or loss	16,253,004	17,055,379	28,950,805
<i>At amortised cost</i>	260,005	115,801	2,633,745
Accounts receivable	64,892	24,447	1,809,120
Cash and cash equivalents	195,113	91,354	824,625
Categories of financial instruments:			
<i>Financial liabilities at amortised cost</i>	(3,461,342)	(4,680,154)	(6,593,006)
Accounts payable	(44,558)	(78,603)	(81,809)
Borrowings	(3,416,784)	(4,601,551)	(6,511,197)
Change in fair value recognised in profit or loss			
Designated fair valued through profit and loss	1,080,532	(16,255,844)	(7,404,227)

22. FINANCIAL RISK MANAGEMENT

The Board is ultimately responsible for any financial loss or reduction in shareholder value. It is therefore responsible for recognising all risks to which the Company is exposed and ensuring that the requisite culture, practices, policies and systems are in place. To achieve this, the Board has closely defined the duties and responsibilities of the significant structural elements of the Company's risk management systems and processes on the one hand, and risk monitoring on the other. In that respect, the overall governance structure and high-level policies relating to the manner in which the Company manages the risk it is exposed to, has been aligned with that of Brait Group. IFRS 7 requires more detail regarding the processes and procedures utilised to measure various risk categories, namely market risk, credit risk and liquidity risk.

22.1 Capital management

The Group policy is to maintain a strong capital base so as to maintain investor and market confidence and to sustain the future development of the business.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capitalisation of Brait has been considered in the context of its existing cash and near cash resources, its current debt levels, Convertible Bonds funding and associated obligations. The result of this consideration is that Brait is regarded as appropriately capitalised at this time. For the current year, no cash dividend has been declared as the Board has resolved to reduce debt at the Brait level and only declaring a dividend by way of bonus shares is not tax effective to some shareholder jurisdictions. This will continue to be reviewed by the Board. There are no regulatory capital requirements.

The gearing ratios at 31 March 2021, 2020 and 2019 were as follows:

	2021	2020	2019
	ZAR'000	ZAR'000	ZAR'000
Total borrowings (note 12)	3,416,784	4,601,551	6,511,197
Less Cash and cash equivalents (note 19)	(195,113)	(91,354)	(824,625)
Net equity	3,221,671	4,510,197	5,686,572
Total equity	13,226,770	14,055,195	28,425,659
	16,448,441	18,565,392	34,112,231
Gearing ratio	20%	24%	17%

22.2 Market risk

Market risk is the potential change in the value of a financial instrument resulting from changes in market conditions or market parameters such as equity prices, exchange rates or interest rates. The risk of a decrease in the value of the portfolio can be measured by the susceptibility of that portfolio to movements in the overall market conditions or any of the specific parameters.

The Company is exposed to three primary types of market risk namely equity risk, interest rate risk and currency risk. These risks are monitored by the Board. The specific risk management objectives, policies and procedures relating to each type of market risk is described, and the impact on profit or loss is disclosed, in the sections below:

BRAIT MAURITIUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****22. FINANCIAL RISK MANAGEMENT (CONT'D)****22.2 Market risk (CONT'D)****22.2.1 Equity risk management**

Equity risk is the potential change in the value of a financial instrument resulting from changes in market conditions. The valuation of unquoted investments depends upon a combination of market factors and the performance of the underlying asset. The Company does not hedge the price risk inherent in the portfolio but manages investment performance risk on an investment-specific basis.

The Company is exposed to equity risk through its investment in portfolio companies.

The Company's predominant exposure to equity risk is related to the sensitivities of movements in the fair value of its investments. The valuation multiple applied in determining the fair value of Brait's investments is referenced to the three-year trailing average of each investment's relevant peer group, with adjustments for points of difference and consideration of the peer average spot multiple at each reporting date.

The table that follows sets out an analysis of the Company's investment's sensitivity to equity price variability by analysing the impact of a change in the valuation multiple applied to the fair value of its investments.

Investments exposed to equity risk	Carrying value exposed to equity risk ZAR'm	Reasonable possible change in valuation multiple	Pre-tax SOCI/SOCE impact ZAR'm
2021			
Virgin Active	7,971	± 1.0x	± 1,701
Premier Foods	7,597	± 1.0x	± 1,119
New Look	545	± 1.0x	± 210
2020			
Virgin Active	9,357	± 1.0x	± 1,897
Premier Foods	6,047	± 1.0x	± 995
Iceland	1,391	± 1.0x	± 1,874
2019			
Virgin Active	17,362	+ 1.0x	± 1,961
Virgin Active	17,362	- 1.0x	- 2,058
Premier Foods	8,803	± 1.0x	± 969
Iceland	3,176	± 1.0x	± 1,668

22.2.2 Interest rate risk management

Interest rate risk refers to the impact on future cash flows and earnings of interest rates re-pricing either at different points in time or on a different basis on assets and liabilities. The Company assesses interest rate risk at different levels depending on where the risk arises. Where appropriate, interest rate risk profiles are matched in order to reduce the impact of interest rate volatility and to match the estimated yield of the underlying portfolio company investments to borrowings used to fund those investments. This is done where it is considered appropriate and may be achieved through either fixed rate funding or interest rate derivative instruments.

Shareholder funding, other than those designated at fair value through profit or loss, are carried at amortised cost. The amortised cost valuation for Premier shareholder funding approximates fair value as these loans are variable at market related rates. Shareholder funding in Virgin Active and New Look have been designated at fair value through profit and loss, carrying a fixed rate at 10% and 12% respectively, compounded annually and thus has no impact on Brait's future cash flows or earnings from repricing of interest rates.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
22. FINANCIAL RISK MANAGEMENT (CONT'D)
22.2 Market risk (CONT'D)
22.2.2 Interest rate risk management (CONT'D)

Brait Group's borrowings bear interest at a variable rate linked to the three-month JIBAR.

Investments exposed to interest rate risk*	Carrying value at year-end ZAR'm	Carrying value exposed to interest rate risk ZAR'm	Index to which interest rate is linked	Reasonable possible change in interest rate	Pre-tax SOCI/SOCE impact ZAR'm
2021					
Premier Group	7,597	3,212	SA Prime	1%	32
Total investments	7,597	3,212			32
Cash and cash equivalents	195	195	–	–	2
GBP	11	11	Base rate (UK)	0.025%	–
ZAR	176	176	Prime (SA)	1%	2
USD	8	8	Base rate (US)	0.025%	–
Total financial assets	7,792	3,407			34
Borrowings	3,417	3,417	JIBAR	1%	34
Total financial liabilities	3,417	3,417			34
2020					
Premier Group	6,047	3,197	SA Prime	1%	32
Total investments	6,047	3,197			32
Cash and cash equivalents	91	91	–	–	1
GBP	32	32	Base rate (UK)	0.025%	–
ZAR	55	55	Prime (SA)	1%	1
USD	4	4	Base rate (US)	0.025%	–
Total financial assets	6,138	3,288			33
Borrowings	4,602	4,602	JIBAR	1%	46
Total financial liabilities	4,602	4,602			46
2019					
New Look Bridge Facility	288	281	LIBOR UK	0.025%	0.07
Premier Group	8,803	3,028	SA Prime	1%	30
Total investments	9,091	3,309			30.07
Cash and cash equivalents	825	825	–	–	1
GBP	746	746	Base rate ((UK)	0.025%	–
ZAR	73	73	Prime (SA)	1%	1
USD	6	6	Base rate (US)	0.025%	–
Total financial assets	9,916	4,134			31.07
Borrowings	6,511	6,511	JIBAR	1%	65
Total financial liabilities	6,511	6,511			65

22. FINANCIAL RISK MANAGEMENT (CONT'D)

22.2 Market risk (CONT'D)

22.2.3 Foreign exchange rate risk management

The Company's primary investments have one of two functional currencies: GBP (£/GBP) and SA Rand (ZAR). The Company and its main operating subsidiaries use GBP and ZAR as their functional currency. The Company's predominant exposure to foreign exchange rate fluctuations is related to the sensitivities of movements in the presentation value of its investments. The Company does not seek to hedge the carrying value of foreign investments but will consider hedging strategies for cash flows denominated in foreign currencies are deemed significant for the Group. Investment portfolio companies that enter into transactions denominated in foreign currencies as part of the normal course of operations hedge these as appropriate. The Group's primary investments are GBP and Rand denominated.

22.3 Credit risk

Credit and counterparty risk refers to the effects on future cash flows and earnings of borrowers defaulting on their obligations. This also covers trading counterparties, issuers of instruments held by the Company or as collateral. Such risk arises primarily from lending and investment activities as well as from the settlement of financial market transactions.

These exposures are managed through prudent credit exposure limits, constantly measuring current credit exposures, estimating maximum potential credit exposures that may arise over the duration of a transaction, and responding quickly when corrective action that needs to be taken.

The Company's assets are predominately unsecured investments in unlisted companies. The Company considers the overall risk exposure of the investments, as a whole, therefore significant changes in a particular sector or unexpected increases in interest rates could increase the credit risk inherent in the investment. This risk is mitigated through portfolio diversification and active management.

Unless otherwise indicated, the maximum exposure to credit risk is the carrying value of the investment. Given the nature of the risk in shareholder funding, no additional collateral is taken against the credit risk exposures.

The Company's remaining financial assets are mainly in the form of deposits held with reputable banks.

22.4 Liquidity risk

Liquidity risk arises in the general funding of the Company's activities when there are mismatches between the sizes and maturities of assets and liabilities. Liquidity risk refers to the ability of the Company to meet its financial obligations as they fall due.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The liquidity position and forecast liquidity requirements are based on anticipated changes in the statement of financial position. These are tested against various different stress scenarios. The scenarios are used to identify consequences of market rate changes (including extreme but remote changes) and the Company's cash position is evaluated and adjusted accordingly.

The following table details the Company's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the earliest date on which the Company can be required to pay.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
22. FINANCIAL RISK MANAGEMENT (CONT'D)
22.4 Liquidity risk (CONT'D)

Maturity profile of financial liabilities

	Less than 1 year ZAR'000	Between 1 and 2 years ZAR'000	Between 2 and 5 years ZAR'000	More than 5 years ZAR'000	Total ZAR'000
31-Mar-21					
Non-interest bearing	44,458	–	–	–	44,458
Interest bearing	262,409	3,675,799	–	–	3,938,208
	306,867	3,675,799	–	–	3,982,666
31-Mar-20					
Non-interest bearing	78,603	–	–	–	78,603
Interest bearing	524,577	584,378	5,252,549	–	6,361,504
	603,180	584,378	5,252,549	–	6,440,107
31-Mar-19					
Non-interest bearing	81,809	–	–	–	81,809
Interest bearing	–	7,718,058	–	–	7,718,058
	81,809	7,718,058	–	–	7,799,867

22.5 Fair value hierarchy

IFRS 13 provides a hierarchy that classifies inputs employed to determine fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the assets or liability that are not based on observable market data.

All level 3 investments have been valued using maintainable earnings multiples data.

There are no financial assets that are categorised as Level 2 in the current or prior year.

During the current year, as part of a new round of capital restructure, Senior Secured Notes in New Look were written down and converted into an interest-free shareholder loan. The shareholder loan is classified as Level 3 in the fair value hierarchy. There were no other transfers between the hierarchy levels during the year.

BRAIT MAURITIUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
22. FINANCIAL RISK MANAGEMENT (CONT'D)
22.5 Fair value hierarchy (CONT'D)

The following table analyses, with the fair value hierarchy, the Company's investments measured at fair value.

	Investments Level 1 ZAR'm	Investments Level 3 ZAR'm	Total ZAR'm
2021 financial assets			
New Look ⁽¹⁾	–	545	545
Virgin Active	–	7,971	7,971
Premier Group	–	4,385	4,385
Other investments	–	140	140
Investment in subsidiaries (at FVTPL)	–	179	179
Total financial assets	–	13,220	13,220
2020 financial assets			
New Look ⁽¹⁾	939	–	939
Virgin Active	–	9,357	9,357
Premier Group	–	2,850	2,850
Brait PLC	137	–	137
Other investments	–	575	575
Investment in subsidiaries (at FVTPL)	–	1,551	1,551
Total financial assets	1,076	14,333	15,409
2019 financial assets			
New Look ⁽²⁾	–	1,146	1,146
Virgin Active	–	17,362	17,362
Premier Group	–	5,776	5,776
Brait PLC	–	879	879
Other investments	–	760	760
Investment in subsidiaries (at FVTPL)	–	3,422	3,422
Total financial assets	–	29,345	29,345

(1) The New Look SSNs were equitised on 9 November 2020 pursuant to the completion of New Look's recapitalisation transaction. Post Brait's £7.3 million pro rata share of the £40 million new money injection, Brait's resulting 18.3% holding of the shareholder loans/PIK Facility and 17.4% of New Look's equity (valued post dilution for management's incentive plan) have been valued at reporting date using an earnings multiple basis. Carrying value at 31 March 2020 represents Brait's holding in New Look SSNs.

(2) The prior year balance represents Brait's holding in the New Look Senior Secure Notes (SSNs), which were valued using the post-balance sheet restructuring conversion ratio price of 0.234561 applied to the nominal value of Brait's 18.2% holding, and Brait's pro-rata proportion of the Bridge Facility advanced to New Look together with accrued interest thereon (unobservable inputs).

Valuation techniques and key inputs used for Level 3 investments are disclosed in the Accounting Policies note 2.6.4.

23. CONTINGENT LIABILITIES AND COMMITMENTS
Capital commitment

The Company has a capital commitment of USD6 million in Adlevo Capital Africa, LLC. At 31 March 2021, the total contributed capital in the Fund amounts to **USD5,373,400** (2020: USD5,271,778) and (2019: USD5,233,715) and the total undrawn capital committed to the Fund amounts to USD626,600 (2020: USD728,222, 2019: USD766,285).

BRAIT MAURITIUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)****24. HOLDING AND ULTIMATE HOLDING COMPANIES**

The directors regard Brait Investment Holdings Limited (formerly known as Brait Malta), incorporated in Mauritius as the immediate holding company and Brait PLC (formerly known as Brait SE), registered in Mauritius, as the ultimate holding company.

25. DIVIDEND DECLARATION

There was no dividend declared or paid during the year (2020: ZAR3.3 billion, 2019: Nil).

26. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities. Liabilities from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statements of cash flows from financing activities. Refer to note 20 for related party financing cash flow movement.

	Opening balance ZAR'000	Financing cash flows ZAR'000	Finance cost cash flows	Other non- cash movements ZAR'000	Closing balance ZAR'000
2021					
Borrowings	4,601,551	(1,325,681)	(165,992)	306,906	3,416,784
2020					
Borrowings	6,511,197	(2,239,134)	(328,056)	657,544	4,601,551
2019					
Borrowings	4,723,563	1,792,454	(510,064)	505,244	6,511,197

27. POST-BALANCE SHEET EVENTS**Shareholder loan injection in Virgin Active**

As announced on 12 May 2021, the English Court sanctioned the Virgin Active UK Restructuring Plan under the provisions of Part 26A of the UK Companies Act 2006 ("Restructuring Plan"). The Restructuring Plan was principally related to the Virgin Active UK business although there was an indirect benefit to the Italian and Asia Pacific businesses as these businesses (together "Virgin Active Europe") are owned by Virgin Active UK. The Virgin Active South Africa "VASA" business is separately financed and was not directly impacted by the Restructuring Plan.

The combination of the Restructuring Plan, Virgin Enterprises Limited licensee fee concessions and significant additional operational savings identified by the management team will have a significant impact on the sustainability of the Virgin Active Europe business given the liabilities written off and deferred and the reduction in operating costs, providing it with the requisite operational and financial flexibility to emerge from the Covid-19 pandemic, return to profitability and create sustainable value for all stakeholders.

Following the sanctioning of the Restructuring Plan, the Company, drawing on the Company's Revolving Credit Facility ("RCF"), advanced its pro rata 80% share (£16 million) of the total £20 million shareholder post-implementation facility to Virgin Active UK on 12 May 2021, taking the drawn balance on the RCF to R3.7 billion.

The Company has signed a term sheet with its Lenders and is in the process of concluding the requisite legal agreements to increase the limit of its RCF, from the current amount of R4.4 billion to R5 billion, through to 1 July 2022. The interest margin for the term of the increased facility will be three-month JIBAR plus 5%, decreasing as the facility limit reduces as a result of repayments and/or liquidity events. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of the Company.

During June 2021, the Company agreed to provide its pro rata 80% share (R600 million) of the total R750 million guarantee to VASA's lending banks as part of the restructuring and extension of the existing VASA debt facilities. Such an amount will be reserved from the available RCF.

The Company remains focused on de-gearing and continues to assess a number of liquidity options to do so.

PART 2: INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON BML HISTORICAL FINANCIAL INFORMATION

Presented below is the Independent Reporting Accountant's Audit Report on the Historical Financial Information of BML for the respective financial years.



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH")

Our opinion

Brait Investment Holdings Limited (or "BIH") is issuing a Prospectus to its shareholders (the "Prospectus") regarding the proposed offer and subsequent listing of ZAR denominated, senior unsecured exchangeable bonds (the "Exchangeable Bonds"), to be issued by Brait Investment Holdings Limited, on the Main Board of the JSE Limited (the "Proposed Transaction").

In our opinion, the historical financial information as set out in Annexure 9 of Prospectus (the "historical financial information") presents fairly, in all material respects, the financial position of Brait Mauritius Limited as at 31 March 2019, 31 March 2020 and 31 March 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listings Requirements.

What we have audited

At your request and solely for the purpose of the Prospectus to be dated on or about 23 November 2021, we have audited Brait Mauritius Limited's historical financial information, which comprises:

- the statements of financial position as at 31 March 2019, 31 March 2020, and 31 March 2021;
- the statements of profit or loss and other comprehensive income for the years then ended;
- the statements of changes in equity for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the historical financial information, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Reporting accountant's responsibilities for the audit of the historical financial information* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Republic of Mauritius
Tel: +230 404 5000, Fax: +230 404 5088, www.pwc.com/mu
Business Registration Number : F07000530

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Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Independence

We are independent of Brait Investment Holdings Limited and Brait Mauritius Limited in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Purpose of this report

This report has been prepared for the purpose of the Prospectus and for no other purpose.

Responsibilities of the directors for the historical financial information

The directors of Brait Mauritius Limited are responsible for the preparation, contents and presentation of the Prospectus and are responsible for ensuring that Brait Mauritius Limited complies with the requirements of the JSE Limited Listings Requirements.

The directors of Brait Mauritius Limited are responsible for the preparation and fair presentation of the historical financial information in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of historical financial information that are free from material misstatement, whether due to fraud or error.

In preparing the historical financial information, the directors of Brait Mauritius Limited are responsible for assessing Brait Mauritius Limited's (the "Company") ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Reporting accountant's responsibilities for the audit of the historical financial information

Our objectives are to obtain reasonable assurance about whether the historical financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue a reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this historical financial information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the historical financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of Brait Mauritius Limited.
- Conclude on the appropriateness of the directors of Brait Mauritius Limited's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountant's report to the related disclosures in the historical financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our reporting accountant's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the historical financial information, including the disclosures, and whether the historical financial information represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Reporting accountant's responsibilities for the audit of the historical financial information (Continued)

We communicate with the directors of Brait Investment Holdings Limited regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to be "Kul", written over the printed name "PricewaterhouseCoopers".

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to be "Olivier Rey", written over the printed name "Olivier Rey".

15 November 2021

ANNEXURE 10: BIH HISTORICAL FINANCIAL INFORMATION

BRAIT INVESTMENT HOLDINGS LIMITED

Statement of profit or loss and other comprehensive income Year ended 31 March 2021

	Notes	2021 USD	2020 USD
Revenue	5	–	220,063,412
Administrative expenses		(56,972)	(49,953)
Reversal of impairment of investment in subsidiary		33,199,800	–
Impairment of investment in subsidiary		–	(890,711,030)
Foreign exchange (loss)/gain		(724,097)	38,537
Finance income		10	120
Finance expense		(1,015)	(2,089)
Profit/(loss) before tax	6	32,417,726	(670,661,003)
Income tax expense	7	–	–
Profit/(loss) for the year		32,417,726	(670,661,003)
Other comprehensive income/(loss)			
Translation adjustments income/(loss)		88,042,250	(61,275,683)
Total comprehensive income/(loss) for the year		120,459,976	(731,936,686)

BRAIT INVESTMENT HOLDINGS LIMITED**Statement of financial position****Year ended 31 March 2021**

	Notes	2021 USD	2020 USD
ASSETS			
Non-current assets			
Investment in subsidiary	8	895,733,911	790,637,864
Equipment	9	175	316
Total non-current assets		895,734,086	790,638,180
Current assets			
Receivables	10	15,360,695	–
Cash and cash equivalents	15	23,342	24,965
Total current assets		15,384,037	24,965
Total assets		911,118,123	790,663,145
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	208,997,765	208,997,765
Share premium		1,750,032,740	1,750,032,740
Foreign currency translation reserve		(191,487,249)	(279,529,499)
Retained losses		(856,430,388)	(888,848,114)
Total equity		911,112,868	790,652,892
Current liabilities			
Payables	11	5,255	10,253
Total equity and liabilities		911,118,123	790,663,145

BRAIT INVESTMENT HOLDINGS LIMITED
Statement of changes in equity
Year ended 31 March 2021

	Notes	Share capital USD	Share premium USD	Foreign currency translation reserve USD	Retained losses USD	Total USD
Balance as at 31 March 2019		2,266,464	1,750,032,740	(218,253,816)	776,552	1,534,821,940
Issued share capital	12	206,731,301	–	–	–	206,731,301
Dividends paid	13	–	–	–	(218,963,663)	(218,963,663)
Net translation adjustment		–	–	(61,275,683)	–	(61,275,683)
Loss for the year		–	–	–	(670,661,003)	(670,661,003)
Total comprehensive loss for the year		–	–	(61,275,683)	(670,661,003)	(731,936,686)
Balance as at 31 March 2020		208,997,765	1,750,032,740	(279,529,499)	(888,848,114)	790,652,892
Net translation adjustment		–	–	88,042,250	–	88,042,250
Profit for the year		–	–	–	32,417,726	32,417,726
Total comprehensive gain for the year		–	–	88,042,250	32,417,726	120,459,976
Balance as at 31 March 2021		208,997,765	1,750,032,740	(191,487,249)	(856,430,388)	911,112,868

BRAIT INVESTMENT HOLDINGS LIMITED
Statement of cash flows
Year ended 31 March 2021

	Note	2021 USD	2020 USD
Cash flow from operating activities			
Profit/(loss) before taxation and dividends received		32,417,726	(890,724,415)
Adjustment for:			
(Reversal of impairment)/impairment of investment in subsidiary		(33,199,800)	890,711,030
Dividend received		–	220,063,412
Depreciation		160	161
Foreign exchange gain/(loss)		724,097	(38,537)
Operating (loss)/gain before working capital movements		(57,817)	220,011,651
Movement in working capital:			
Movement in receivables		(15,360,695)	105,049,013
Movement in payables		(4,997)	(99,723,028)
<i>Cash flow (used in)/generated from operating activities</i>		(15,423,509)	225,337,636
Cash flows from investing activities			
Decrease/(increase) in investment in subsidiary		15,535,050	(213,165,578)
Net cash generated from/(used in) investing activities		15,535,050	(213,165,578)
Cash flows from financing activities			
Increase in issued and paid-up share capital		–	206,731,301
Dividends paid		–	(218,963,663)
Net cash used in financing activities		–	(12,232,362)
Net increase/(decrease) in cash and cash equivalents		111,541	(60,304)
Cash and cash equivalents at the beginning of the year		24,965	80,310
Effects of exchange rate changes on cash and cash equivalents		(113,164)	4,959
Cash and cash equivalents at the end of the year	15	23,342	24,965

BRAIT INVESTMENT HOLDINGS LIMITED

1. COMPANY INFORMATION AND BASIS OF PREPARATION

Brait Investment Holdings Limited (formerly Brait Malta Limited, “BIH”) is a limited liability company domiciled in Mauritius with registration number 183308 GBC. The registered address of the company is C/o Maitland (Mauritius) Limited, Suite, 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius. The principal activity of the company is the holding of shares in corporate bodies.

On 30 October 2020, Brait PLC (as the sole shareholder of BIH) approved the proposed transfer of BIH’s registered office from Malta to Mauritius, where the Brait Group’s main investment subsidiary, BML, is domiciled (the “BIH Redomiciliation”). The BIH Redomiciliation was concluded on 20 October 2021 and the Company’s domicile was migrated to Mauritius. BIH’s name changed from Brait Malta Limited on 29 October 2021.

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS) on the going-concern principle, using the historical cost basis.

The Company is required, per paragraph 2 of IFRS 10 – Consolidated Financial Statements to present consolidated financial statements unless it is exempted from the requirements per paragraph 4(a) of IFRS 10. No consolidated financial statements are prepared as BIH is ultimately owned by Brait PLC (formerly known as Brait SE), which prepares publicly available consolidated financial statements prepared in accordance with IFRS. The registered office of Brait PLC is Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius.

The significant accounting policies adopted in these individual financial statements are set out below.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Investment in subsidiary

A subsidiary is an entity that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are accounted for on the basis of the direct equity interest and are stated at cost less any accumulated impairment losses. Dividends from the investment are recognised in profit or loss.

2.1.1 Impairment of investment in subsidiary and non-financial assets

Investment in subsidiary and non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.2 Financial instruments

Financial instruments include all financial assets, financial liabilities and equity instruments including derivative instruments.

Financial assets and financial liabilities are recognised on the Company’s statement of financial position when the company becomes party to the contractual provisions of the instrument. All transactions, including regular way purchases and sales, are recognised at fair value on trade date.

2.2.1 Classification

The financial instruments are classified into the following categories:

- Financial assets designated at fair value through profit or loss (FVTPL) – investments.
- Financial assets at amortised cost – cash and cash equivalents and accounts receivable.
- Financial liabilities at amortised cost – accounts payable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial instruments (continued)

2.2.1 Classification (continued)

The classification of financial assets is on the basis of the business model for managing the financial assets with the objective to hold financial assets in order to collect contractual cash flow or to hold to collect contractual cash flow and selling financial assets. An assessment of the instrument's contractual term was performed to determine whether the terms give rise on specified states to cash flows that are solely payments of principal and interest of the principle amount outstanding (referred to as SPPI) and whether there is an accounting mismatch.

2.2.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability or a shorter period where appropriate.

Interest income/expense is recognised on an effective interest basis for instruments other than those designated as at FVTPL.

2.2.3 Cash and receivables

The statement of financial position includes receivables which are recognised initially at the amount of consideration that is unconditional. These financial assets are measured at amortised cost using the effective interest method, less any expected credit losses.

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.2.4 Impairment of financial assets

Financial assets, other than those as at FVTPL, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. The carrying amount of the financial asset is reduced by the impairment loss directly only when all legal avenues have been exhausted and there is no possibility of an additional recovery. Changes in the carrying amount and subsequent recoveries of amounts previously written off are recognised in profit or loss.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss. This reversal is limited to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2.2.5 De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial instruments (continued)

2.2.6 Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

2.2.7 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.3 Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.4 Revenue recognition

Dividend income is recognised when the shareholder's right to receive payment is established, gross of any foreign withholding taxes. Dividend income includes accrued interest on amortised cost shareholder funding when the contractual terms of the funding results in the receipt of a dividend.

2.5 Taxation

Current and deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also dealt with in other comprehensive income or equity, as appropriate.

Current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets, including deferred tax assets for the carry forward of unused tax losses and unused tax credits, are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences (or the unused tax losses and unused tax credits) can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when the company has a legally enforceable right to set off the recorded amounts and intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.5 Taxation (continued)

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to set off its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
2.6 Currency

The Company uses GBP as its functional currency. Assets and liabilities are translated into the Company's presentation currency of USD at closing exchange rates. Capital and reserves are translated at historical rates. Income statement items are translated at the average exchange rates for the period. Movements in the translation of the financial statements are recognised in 'foreign currency translation reserve'.

The financial statements have been prepared using the following exchange rates:

	2021		2020	
	Closing	Average	Closing	Average
GBP/USD	1.3776	1.3082	1.2420	1.2713
EUR/USD	0.8521	0.8569	0.9065	0.8998

Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year-end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt with in profit or loss.

Foreign exchange gains and losses are included within operating profit, except in the case of significant exchange differences arising on investing or financing activities, which are classified within investment income, investment losses or finance costs as appropriate.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 Equipment

The cost of an item of equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company and;
- the cost of the item can be measured reliably.

Property, plant and equipment are initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of equipment and costs incurred subsequently to add to or to replace part of it. If a replacement cost is recognised in the carrying amount of an item of equipment, the carrying amount of the replaced part is derecognised.

Equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value, if any.

The useful lives of items of equipment have been assessed as follows:

Item	Average useful life
Computers and electronic equipment	Four years

The residual value, useful life and depreciation method of each asset are reviewed at the end of the reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss.

The gain or losses arising from de-recognition of an item of equipment is included in profit or loss when the item is derecognised. The gain or loss arising from de-recognition of an item of equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

BRAIT INVESTMENT HOLDINGS LIMITED

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

3. USE OF ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS

In preparing the financial statements, the directors are required to exercise their judgement in the process of applying the Company's accounting policies, making of estimates, judgements and assumptions that affect reported income, expenses, assets and liabilities and disclosure of contingent assets and liabilities.

Other areas of judgement relate to the classification of financial assets and liabilities into their relevant categories and in determining their appropriate measurement and disclosure.

A change in accounting estimate is defined as an adjustment to the carrying value of an asset or liability that results from new developments or information. Changes in accounting estimates are recognised in the statement of comprehensive income during the period in which the change is made.

Impairment assessment of investment in subsidiary

The Company holds an investment in Brait Mauritius Limited (the "Subsidiary"), a company registered in Mauritius with a carrying amount of USD895,733,911 as at 31 March 2021 (2020 – USD790,637,864). The Company tests the investment in its Subsidiary for any impairment (or reversal) on an annual basis, or where there is an indication of impairment (or reversal), in accordance with the accounting policy stated above. The impairment test is based on the recoverability of the financial assets held by the Subsidiary.

The Subsidiary designates the majority of its financial asset investments as fair value through profit and loss ("FVTPL") as these are managed on a fair value basis ("Portfolio Investments"), with any resultant gain or loss recognised in investment gains. Fair value is determined in accordance with IFRS 13. Statement of financial position items carried at fair value include investments in equity instruments and shareholder funding instruments. The Subsidiary applies a number of methodologies to determine and assess the reasonableness of the fair value, which may include the following:

- Earnings multiple.
- Recent transaction prices.
- Net asset value.
- Discounted cash flow.
- Price to book multiple.

Listed investments held by the Subsidiary are measured at quoted transaction prices. These comprise:

Brait PLC (formerly known as Brait SE):

	2021	2020
The Subsidiary's investment in Brait PLC	–	137,311
Equity value ⁽¹⁾	–	137,311

(1) The Subsidiary held 36,616,189 Brait PLC shares as Treasury shares for the Brait Group. During the year ended 31 March 2021, as part of a Rights issue by Brait PLC, the Treasury shares were cancelled.

Where the listed investment is either thinly traded and/or the market is inactive, the valuation applied to determine the carrying value is based on the applicable unlisted investment methodology set out below.

The primary valuation model utilised for valuing unlisted Portfolio Investments is the maintainable earnings multiple model.

- Maintainable earnings are generally determined with reference to the mix of prior year audited numbers and forecasts for future periods after adjusting both for non-recurring income/expenditure or abnormal economic conditions if applicable. If the forecasts are higher than the prior year earnings, as the year progresses the weighting is increased towards the portfolio company's forecast. If the forecasts are lower, the forecasted future earnings will usually be used as the maintainable earnings for valuation purposes. For portfolio companies that have been significantly impacted by the Coronavirus pandemic, maintainable earnings are based on a look-through to a medium-term post Coronavirus sustainable level.

3. USE OF ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS (CONTINUED)

- The directors decide on an appropriate group of comparable quoted companies from which to base the EV/EBITDA valuation multiple. Pursuant to the Brait Group's strategy focused on maximising value through the realisation of its existing portfolio companies over the medium term, the primary reference measure generally considered at reporting date is the average spot multiple of the comparable quoted companies included as peers, which is adjusted for points of difference, where required, to the portfolio company being valued. The three-year trailing average peer multiple at reporting date is also considered. Where maintainable earnings are based on a post-Coronavirus sustainable level, peer average forward multiples for the corresponding forward period are used as the reference measure. Peer multiples are calculated based on the latest available financial information which may be adjusted based on subsequent macro or company specific information publicly known if appropriate. Adjustments for points of difference are assessed by reference to the two key variables of risk and earnings growth prospects and include the nature of operations, type of market exposure, competitive position, quality of management, capital structure and differences between the liquidity of the shares being valued and those on a quoted exchange. No control premium or minority discount adjustments are considered. The resulting valuation multiple is applied to the maintainable EBITDA to calculate the Enterprise Value ("EV") for the portfolio investment.
- That EV is then adjusted by net cash/debt to calculate net EV to which the Company's percentage holding is applied to calculate the Company's carrying value. Net cash/debt may be adjusted for expected losses or provisioning required, and for the timing of capex expenditure relative to its commissioning if appropriate.
- The equity valuation takes consideration of the Portfolio Investment's net debt/cash on hand per its latest available financial results. Where appropriate, alternative methodologies such as the price to book or discounted cash flow valuation models are applied. Shareholder funding instruments may be designated FVTPL at inception where they have distinguishing characteristics. Some of these characteristics include:
 - the fact that the shareholder funding is linked/stapled to equity instruments in a Portfolio Investments;
 - their rate is not referenced to normal market related rates, but is agreed between the Subsidiary and the investee; and
 - in the event of exit, the funding cannot be settled other than at cost plus accrued interest, i.e. trade restrictions.

The significant Portfolio Investments of the Subsidiary together with their associated maintainable EBITDA and EV/EBITDA multiples are detailed below:

	2021		2020	
	Maintainable EBITDA	EV/EBITDA multiple	Maintainable EBITDA	EV/EBITDA multiple
Virgin Active (£'m)	105.4	9.0 x	108.0	9.0x
Premier (ZAR'm)	1,152	8.0 x	1,010	8.0 x
New Look (£'m) ¹	59.0	4.0 x	–	–

(1) Following the equitisation of the New Look Senior Secured Notes (SSNs) on 9 November 2020 pursuant to the completion of New Look's recapitalisation transaction, the Subsidiary investment in New Look is valued at the current reporting date on a maintainable EBITDA basis.

In addition to its Portfolio Investments, the Subsidiary holds a number of investments in subsidiaries at either cost or at FVTPL.

Investments in subsidiaries by the Subsidiary are measured at cost when they are not classified as Investment Entities under IFRS 10, and have been assessed for impairment at each reporting date. The directors of the Subsidiary are of the opinion that the investments have not suffered any impairment losses.

Investments in subsidiaries by the Subsidiary are measured at FVTPL in terms of IFRS 9 as they are classified as investment entities, and have been valued at year-end in accordance with the International Private Equity and Venture Valuation Guidelines, which is based on the net asset value of the investment. The directors are of the opinion that this reflects the fair value of these investments.

BRAIT INVESTMENT HOLDINGS LIMITED

3. USE OF ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS (CONTINUED)

These subsidiaries include:

		2021	2020
<i>At cost:</i>	% holding	ZAR'm	ZAR'm
Brait Manager Mauritius Limited	100%	–	16,829
SAPEF GP Limited	100%	9	9
<i>At fair value through profit or loss:</i>			
Brait CM 1 Limited ⁽¹⁾	100%	10	1,389,677
Brait III Investments Limited ⁽²⁾	100%	130,315	88,244
Brait South Africa Holdings Ltd	100%	48,340	73,175
Brait Capital International Limited ⁽³⁾	100%	–	–

(1) The fair value of Brait CM1 Limited is mainly driven by its investment in Iceland Foods as detailed below:

	2021		2020	
	Maintainable EBITDA	EV/EBITDA multiple	Maintainable EBITDA	EV/EBITDA multiple
Iceland Foods (£'m) ¹	–	–	134.0	6 x

(1) During the year ended 31 March Brait disposed of its entire 63.1% interest in Iceland Foods for a total consideration of GBP115 million

(2) Carrying value at reporting date comprises Brait III Investment Limited's remaining private equity fund investments, mostly relating to Brait IV's investment in Consol Glass, the largest manufacturer of glass packaging in Africa.

(3) Brait Capital International Limited is the vehicle used for shareholder's funding in Virgin Active and New Look included in the Portfolio Investment analysis above.

Shareholder funding instruments by the Subsidiary in Portfolio Investments and subsidiaries may be designated FVTPL at inception where they have distinguishing characteristics. Some of these characteristics include:

- the fact that the shareholder funding is linked/stapled to equity instruments in a portfolio company;
- their rate is not referenced to normal market related rates, but is agreed between Brait and the investee; and
- in the event of exit, the funding cannot be settled other than at cost plus accrued interest, i.e. trade restrictions.

Except for shareholder funding designated to FVTPL, these financial assets are measured at amortised cost using the effective interest method, less any expected credit losses.

The recoverability of the Subsidiary is measured based on its net asset value based on the principles described above. The directors are satisfied that their investment in Brait Mauritius Limited is recoverable as at 31 March 2021. Furthermore:

- Based on the impairment assessment performed, the directors have concluded that the investment in the Subsidiary was impaired at 31 March 2020. An impairment loss in the amount of USD890,711,030 was recognised in the statement of profit and loss.
- After reassessment during 2021, a partial reversal of the impairment recognised in 2020 in the amount of USD33,199,800 was recognised in the statement of profit and loss as a result of the revaluation of the financial assets held by the Subsidiary as described above.

4. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

Adoption of new and revised standards and interpretations

There are no standards, amendments to standards or interpretations issued by IASB and the IFRS Interpretations Committee (IFRIC) of the IASB that are effective for annual reporting periods commencing on 1 April 2020 that have a material effect on the financial statements.

Standards, interpretation and amendments applicable to the Group and not yet effective

At the date of authorisation of these financial statements, the following standards were in issue but not yet effective for the annual periods commencing on or after the specified dates. The directors do not believe that the below-mentioned standards have a material impact on the financial statements. Except for IFRS 17 Insurance contracts, these standards have been endorsed by the EU.

- IFRS 16 Leases (amendments effective for annual periods beginning on or after 1 June 2020).

BRAIT INVESTMENT HOLDINGS LIMITED

4. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (CONTINUED)

- IFRS 9 Financial instruments, IAS 39 Financial instruments: Recognition and measurement and IFRS 7 Financial instruments: Disclosure (amendments effective for annual periods beginning on or after 1 January 2021).
- IAS 1 Presentation of financial statements (amendments effective for annual periods beginning on or after 1 January 2022).
- IFRS 3 Business combinations (amendments effective for annual periods beginning on or after 1 January 2022).
- IAS 16 Property, plant and equipment (amendments effective for annual periods beginning on or after 1 January 2022).
- IAS 37 Provisions, contingent liabilities and contingent assets (amendments effective for annual periods beginning on or after 1 January 2022).
- IFRS 17 Insurance contracts (issued May 2017 and effective for annual periods beginning on or after 1 January 2023).

These standards will be adopted when they become applicable.

5. REVENUE

	2021 USD	2020 USD
Dividend received from Brait Mauritius Limited	–	220,063,412

6. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax for the year is stated after charging auditor's remuneration, including irrevocable VAT, amounting to USD8,307 (2020 – USD5,000). The employee benefits paid to the employee during the year amounted to USD5,438 (2020 – USD5,752).

The Company had one employee during the current and prior year.

7. INCOME TAX EXPENSE

	2021 USD	2020 USD
Profit/(loss) before tax	32,417,726	(670,661,003)
Tax at the applicable rate of 35%	11,346,204	(234,731,351)
Tax effect of:		
Unrealised exchange gain	(253,434)	13,488
Expenses not deductible in determining taxable income	11,599,638	(311,767,033)
Exempt dividends	–	77,022,194
Income tax expense for the year	–	–

8. INVESTMENT IN SUBSIDIARY

This is stated at cost and comprises an equity investment in a subsidiary.

	2021 USD	2020 USD
Carrying amount		
Beginning balance	790,637,864	1,529,425,451
Additions	–	213,165,578
Disposals ⁽¹⁾	(15,535,050)	–
Impairment ⁽²⁾	–	(890,711,030)
Reversal of impairment ⁽²⁾	33,199,800	–
Effects of foreign exchange rates	87,431,297	(61,242,135)
Closing balance	895,733,911	790,637,864

BRAIT INVESTMENT HOLDINGS LIMITED

8. INVESTMENT IN SUBSIDIARY (CONTINUED)

(1) The disposal in the carrying value of the investment resulted due to a reduction in share capital of Brait Mauritius Limited which did not impact the shareholding percentage in the investee.

(2) Refer to note 3 for the principles applied in determining the impairment and reversal of impairment

The registered office of the following subsidiary is Suite 420, Barkly Wharf, Le Caudan, Port Louis, Mauritius.

	2021 and 2020 Proportion of Ownership %
Brait Mauritius Limited	100

At March 2021 and 2020 all the shares in the subsidiary have been pledged to certain financial institutions in connection with the credit facilities undertaken by the subsidiary.

9. EQUIPMENT

	Computer and electronic equipment USD	Total USD
Cost or valuation		
Balance at 1 April 2020	624	624
Effect of foreign currency exchange differences	21	21
Balance at 31 March 2021	645	645
Depreciation		
Balance at 1 April 2020	(308)	(308)
Depreciation charge	(160)	(160)
Effect of foreign currency exchange differences	(3)	(3)
Balance at 31 March 2021	(471)	(471)
Carrying value		
Balance at 31 March 2021	175	175
Balance at 31 March 2020	316	316

10. RECEIVABLES

	2021 USD	2020 USD
Trade and other receivables	1,349	–
Amounts due from parent company	15,359,346	–
	15,360,695	–

The amounts due from related parties which consist of balances due from the parent company, are interest-free and unsecured. The credit risk associated with receivables is considered to be insignificant.

11. PAYABLES

	2021 USD	2020 USD
Trade creditors	995	1,158
Accruals	4,260	9,095
Amounts due to subsidiary company	–	–
	5,255	10,253

The amounts due to related parties which consist of balances due to subsidiary company, were interest-free and unsecured. The amounts were settled during the period.

BRAIT INVESTMENT HOLDINGS LIMITED**12. SHARE CAPITAL**

	2021 and 2020 authorised USD	2021 issued and called up USD	2020 issued and called-up USD
22,499,999,999 ordinary 'A' shares of USD 0.01 each, of which 20,899,776,485 (2019 – 226,646,456/2020 – 20,673,130,027) have been issued and called up	225,000,000	208,997,765	208,997,765
1 ordinary 'B' share of USD 0.01 each of which has been issued and called up	0.01	0.01	0.01
	225,000,000	208,997,765	208,997,765

Any shareholder holding in aggregate shares with a nominal value which does not exceed two US Dollar cents (USD 0.02), or its equivalent shall not be entitled to any rights to dividends. In addition, the holders of class B shares of the company are not entitled to any vote or rights in general meetings and are not entitled to appoint a director.

13. DIVIDENDS

	2021 USD	2020 USD
Ordinary shares		
Interim dividend for the year ended 31 March 2020 of 1.070 cents per fully paid share	–	218,963,663
	–	218,963,663

There were no dividends declared during the year. In 2020, dividends were declared and paid between 19 and 27 February 2020 after receiving a dividend income from the Company's subsidiary.

BRAIT INVESTMENT HOLDINGS LIMITED**14. FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

At 31 March 2021 and 31 March 2020, the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amount in the statement of financial position:

	2021 USD	2020 USD
Cash at bank	23,342	24,965

16. RELATED PARTY DISCLOSURES

The parent company and ultimate controlling party of Brait Investment Holdings Limited is Brait PLC.

Other than as disclosed elsewhere in these financial statements, there were no related party transactions during the year.

The terms and conditions of the amounts due to and from related parties at the end of the reporting period are disclosed in notes 10 and 11. The terms and conditions in respect of the related party balances do not specify the nature of the consideration to be provided in settlement. No guarantees have been given or received.

17. FINANCIAL RISK MANAGEMENT

17.1 Financial risk factors

The exposures to risk and the way risks arise, together with the company's objectives, policies and processes for managing and measuring these risks are disclosed in more detail below.

Where applicable, any significant changes in the company's exposure to financial risks or the manner in which the company manages and measures these risks are disclosed below.

Where possible, the company aims to reduce and control risk concentrations. Concentrations of financial risk arise when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of the risk exposure associated with financial instruments sharing similar characteristics is disclosed in the financial statements.

(i) Credit risk

Credit and counterparty risk refers to the effects on future cash flows and earnings of borrowers defaulting on their obligations. Such risk arises primarily from lending and investment activities as well as from the settlement of financial market transactions.

These exposures are managed through prudent credit exposure limits, constantly measuring current credit exposures, estimating maximum potential credit exposures that may arise over the duration of a transaction, and responding quickly when corrective action needs to be taken.

Financial assets which potentially subject the Company to concentrations of credit risk consist principally of amounts due from parent company and cash at bank.

Unless otherwise indicated, the maximum exposure to credit risk is the carrying value of the financial assets. Given the nature of the risk on intercompany loans, no additional collateral is taken against the credit risk exposures.

Cash at bank is placed with reliable financial institutions.

(ii) Liquidity risk

The company monitors and manages its risk of a shortage of funds by holding financial assets which are expected to generate cash inflows that will be available to meet cash outflows on liabilities or by matching the maturity of both its financial assets and financial liabilities.

(iii) Currency risk

Considering that the functional currency of the Company is GBP, the Company's exposure to foreign currency risk at the end of the reporting period, was as follows:

	2021			2020		
	EUR	ZAR	USD	EUR	ZAR	USD
Cash and cash equivalents	10,188	70,889	3,371	10,226	73,068	3,371
Receivables	1,150	–	–	–	–	–
Payables	(1,283)	–	(3,750)	(2,296)	–	(7,718)

The risk arising from foreign currency transactions is managed by regular monitoring of the relevant exchange rates and management's reaction to material movements thereto.

The directors do not consider the Company's nett exposure to currency risk to be material.

17.2 Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximise the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of cash and cash equivalents, items presented within equity which included share capital, share premium and retained earnings.

The Company's directors manage the Company's capital structure and make adjustments to it, in light of changes in economic conditions. The capital structure is reviewed as necessary. Based on recommendations of the directors, the Company balances its overall capital structure through the payments of dividends and new shares issues.

The Company's overall strategy remains unchanged from the prior year.

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

17.3 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Where applicable, for assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines when transfers are deemed to have occurred between levels in the hierarchy at the end of each reporting period.

18. SUBSEQUENT EVENTS

On 30 October 2020, Brait PLC (as the sole shareholder of BIH) approved the proposed transfer of BIH's registered office from Malta to Mauritius, where the Brait Group's main investment subsidiary, BML, is domiciled (the "Redomiciliation"). The Redomiciliation of BIH was concluded on 20 October 2021 and the Company's domicile was migrated to Mauritius. On 29 October 2021, BIH was converted from a private company to a public company.

BRAIT INVESTMENT HOLDINGS LIMITED

Appendix A

Statutory information

Brait Investment Holdings Limited (formerly Brait Malta Limited, “BIH”) is a limited liability company domiciled in Mauritius with registration number 183308 GBC.

The immediate parent company of the Company is Brait PLC (formerly known as Brait SE). The registered office of Brait P.L.C is C/o Maitland (Mauritius) Limited, Suite, 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius.

Directors:

Ivor Brett Childs
Dhanraj Boodhoo

Secretary:

Maitland Mauritius Limited

Registered office:

Suite 420, 4th Floor,
Barkly Wharf, Le Caudan Waterfront
Port Louis, SGN 2805
Mauritius

Country of incorporation:

Mauritius

Company registration number:

183308 GBC

Auditor:

PwC Mauritius

ANNEXURE 11: INDEPENDENT REPORTING ACCOUNTANTS REPORT ON THE BIH HISTORICAL FINANCIAL INFORMATION



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH")

Our opinion

Brait Investment Holdings Limited (or "BIH") is issuing a Prospectus to its shareholders (the "Prospectus") regarding the proposed offer and subsequent listing of ZAR denominated, senior unsecured exchangeable bonds (the "Exchangeable Bonds"), to be issued by Brait Investment Holdings Limited, on the Main Board of the JSE Limited (the "Proposed Transaction").

In our opinion, the historical financial information as set out in Annexure 10 of Prospectus (the "historical financial information") presents fairly, in all material respects, the financial position of Brait Investment Holdings Limited as at 31 March 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listings Requirements.

What we have audited

At your request and solely for the purpose of the Prospectus to be dated on or about 23 November 2021, we have audited Brait Investment Holdings Limited's historical financial information, which comprises:

- the statement of financial position as at 31 March 2021;
- the statement of profit or loss and other comprehensive income for the years then ended;
- the statement of changes in equity for the years then ended;
- the statement of cash flows for the years then ended; and
- the notes to the historical financial information, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Reporting accountant's responsibilities for the audit of the historical financial information* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Republic of Mauritius
Tel: +230 404 5000, Fax: +230 404 5088, www.pwc.com/mu
Business Registration Number : F07000530



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Independence

We are independent of Brait Investment Holdings Limited in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Purpose of this report

This report has been prepared for the purpose of the Prospectus and for no other purpose.

Responsibilities of the directors for the historical financial information

The directors of Brait Investment Holdings Limited are responsible for the preparation, contents and presentation of the Prospectus and are responsible for ensuring that Brait Investment Holdings Limited complies with the requirements of the JSE Limited Listings Requirements.

The directors of Brait Investment Holdings Limited are responsible for the preparation and fair presentation of the historical financial information in accordance with International Financial Reporting Standards and the requirements of the JSE Limited Listings Requirements, and for such internal control as the directors determine is necessary to enable the preparation of historical financial information that are free from material misstatement, whether due to fraud or error.

In preparing the historical financial information, the directors of Brait Investment Holdings Limited are responsible for assessing Brait Investment Holdings Limited's (the "Company") ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Reporting accountant's responsibilities for the audit of the historical financial information

Our objectives are to obtain reasonable assurance about whether the historical financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue a reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this historical financial information.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the historical financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of Brait Investment Holdings Limited.
- Conclude on the appropriateness of the directors of Brait Investment Holdings Limited's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountant's report to the related disclosures in the historical financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our reporting accountant's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the historical financial information, including the disclosures, and whether the historical financial information represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Reporting Accountant's Audit Report on the Historical Financial Information

To the Directors of
Brait Investment Holdings Limited ("BIH") (Continued)

Reporting accountant's responsibilities for the audit of the historical financial information (Continued)

We communicate with the directors of Brait Investment Holdings Limited regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to be "Kul", written over the PricewaterhouseCoopers name.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to be "Olivier Rey", written over the printed name.

15 November 2021

ANNEXURE 12: REGULATION 79 INFORMATION

In terms of Regulation 79(1) and 79(3) of the Companies Act, this Annexure includes the historical standalone profits of Brait Investment Holdings Limited (formerly Brait Malta Limited) (the “Company”), and Brait Mauritius Limited (the “Subsidiary”) for the financial years ended 31 March 2021, 31 March 2020 and 31 March 2019, and the Company and Subsidiary standalone total assets and total liabilities as at 31 March 2021. Furthermore, in terms of Regulation 79(1) this Annexure includes details of the ordinary share dividends paid by the Company for the preceding financial years ended 31 March 2021, 31 March 2020 and 31 March 2019.

Extract from the statements of profit or loss and other comprehensive income and statements of changes in equity

	31 March 2021	31 March 2020	31 March 2019
Company standalone			
Profit/(loss) after tax	\$32,417,726	(\$670,661,003)	\$338,028
Ordinary share dividend paid	–	\$218,963,663	–
Subsidiary standalone			
Profit/(loss) after tax	R596,901,000	(R16,181,549,000)	(R6,857,584,000)

Extract from the statement financial position as at 31 March 2021

	31 March 2021
Company standalone	
Total assets	\$911,118
Total liabilities	\$5,255
Subsidiary standalone	
Total assets	R16,691,742,000
Total liabilities	R3,464,972,000

ANNEXURE 13: REPORT BY INDEPENDENT REPORTING ACCOUNTANT IN TERMS OF REGULATION 79 OF THE COMPANIES REGULATIONS



REPORT BY THE REPORTING ACCOUNTANT OF BRAIT INVESTMENT HOLDINGS LIMITED IN TERMS OF REGULATION 79 OF THE COMPANIES ACT OF SOUTH AFRICA ON HISTORICAL FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

The Board of Directors

C/o Maitland (Mauritius) Limited
Suite, 420, 4th Floor,
Barkly Wharf, Le Caudan Waterfront,
Port Louis
Mauritius

15 November 2021

Dear Sirs

We have performed the procedures agreed with you and enumerated below with respect to the Regulation 79 Financial Information for the period ended 31 March 2021 of Brait Investment Holdings Limited ("BIH" or "the Company") prepared by Management and presented in Annexure 12 to the Prospectus to be dated on or about 23 November 2021 ("Regulation 79 Financial Information"). Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in BIH's compliance with Regulation 79 of the Companies Act of South Africa and are summarised as follows:

1. Agree the standalone profit/loss before tax and the standalone profit/loss after tax for BIH and Brait Mauritius Limited ("BML") in respect of the periods ended 31 March 2021, 31 March 2020 and 31 March 2019 in the Regulation 79 Financial Information to the profit/loss before tax and the profit/loss after tax in the income statement included in the audited annual financial statements of BIH for the period ended 31 March 2019 and to the historical financial information of BIH for the periods ended 31 March 2021 and 31 March 2020 included as Annexure 10 to the Prospectus, and to the historical financial information of BML for the periods ended 31 March 2021, 31 March 2020 and 31 March 2019 included as Annexure 9 to the Prospectus, respectively.
2. Agree the total assets and total liabilities of BIH and BML as at 31 March 2021 in the Regulation 79 Financial Information to the statements of financial position included in the historical financial information for the period ended 31 March 2021 presented as Annexures 10 and 9 to the Prospectus, respectively;
3. Agree the dividend paid by BIH for the periods ended 31 March 2021, 31 March 2020 and 31 March 2019 in the Regulation 79 Financial Information, to the statement of changes in equity included in the historical financial information for the period ended 31 March 2021 included

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

as as Annexure 10 to the Prospectus;

4. Where any subsidiaries of BIH have incurred losses, document the details of the subsidiaries and the amount of the losses incurred and the manner in which provision was made for those losses;
5. Inspect the latest management accounts of BIH and BML following the date of the latest audited financial statements and compare the categories of assets and liabilities to the audited historical financial information for the period ended 31 March 2021 in order to identify any material change (being any movement in excess of 10%) and document the details of the total assets and total liabilities in excess of 10%;
6. Inspect the minutes of meetings of the board of directors of BIH and BML since the date of the last historical financial information, and up to the date of this report, to identify any matters relating to material changes in assets or liabilities, e.g. the sale or purchase of a significant asset, and document any material changes (being any movement in excess of 10%) identified; and
7. Obtain a letter of representation from management of BIH and BML confirming that there have been no material changes (being any movement in excess of 10%) in the total assets and total liabilities of BIH from the date of the last audited historical financial information.

We report our findings below:

1. With respect to item 1, the standalone profit/loss before tax and the standalone profit/loss after tax for BIH and Brait Mauritius Limited (“BML”) in respect of the periods ended 31 March 2021, 31 March 2020 and 31 March 2019 in the Regulation 79 Financial Information agrees with the profit/loss before tax and the profit/loss after tax in the income statement included in the audited annual financial statements of BIH for the year ended 31 March 2019 and the historical financial information of BIH for the years ended 31 March 2021 and 31 March 2020 included as Annexure 10 to the Prospectus, and to the historical financial information of BML for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 included as Annexure 9 to the Prospectus, respectively.
2. With respect to item 2, the total assets and total liabilities of BIH and BML as at 31 March 2021, in the Regulation 79 Financial Information agrees with the statements of financial position included in the historical financial information for the year ended 31 March 2021 presented as Annexures 10 and 9 to the Prospectus, respectively;
3. With respect to item 3, the dividend paid by BIH for the year ended 31 March 2020, in the Regulation 79 financial information was agreed to the statement of changes in equity included in the historical financial information included as Annexure 10 to the Prospectus.



4. With respect to item 4, this procedure is not applicable as BML did not incur a loss for the period ended 31 March 2021;
5. With respect to item 5, set out below are the material changes in the assets and liabilities between the 30 September 2021 management accounts and the last audited historical financial information for BIH:

Per the 30 September 2021 management accounts the total liabilities of BIH amount to \$7,328,830 as compared to \$ 5,255 per the historical financial information at 31 March 2021;

With respect to item 5, set out below are the material changes in the assets and liabilities between the 30 September 2021 management accounts and the last audited historical financial information for BML:

Per the 30 September 2021 management accounts the total liabilities of BML amount to R3,984,950,697 as compared to R3,464,972,000 per the historical financial information at 31 March 2021;

6. With respect to item 6, we did not identify any material changes to assets and liabilities from inspecting minutes of meetings of the board of directors of BIH; and
7. With respect to item 7, we obtained a letter of representation from management of BIH confirming that there have been no material changes in the assets and liabilities of BIH from the date of the last audited historical financial information.

With respect to Regulation 79(4)(a), an unmodified opinion was issued in respect of the historical financial statements of BIH for the year ended 31 March 2021, prepared in accordance with International Financial Reporting Standards.

With respect to Regulation 79(4)(b)(i-iv), we refer you to the audited historical financial information for the years ended 31 March 2021, 31 March 2020, and 31 March 2019 included as Annexures 9 and 10 to the Prospectus.

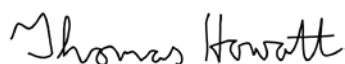
Because the above procedures do not constitute either an audit, review or other assurance engagement made in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements, we do not express any assurance on the Regulation 79 Financial Information presented in Annexure 12 to the Prospectus.

Had we performed additional procedures or had we performed an audit or review of, or other assurance engagement on the historical results as per the Prospectus in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements, other matters might have come to our attention that would have been reported to you.

The report is supplied on the basis that it is for the sole use of the parties to whom it is addressed and exclusively for the purposes set out herein. No party other than those to whom it is addressed may rely upon this report for any purpose whatsoever.

Copies of our report may be made available to your professional advisers provided that it is clearly understood by the recipients that they enjoy such receipt for information only and that we accept no duty of care to them in respect of our reports and letters. Furthermore, the reports and letters are to be used by them only for the purposes stated herein. The report must not be made available or copied in whole or in part to any other party without our prior written consent, which consent may be given or withheld at our absolute discretion. This limitation will obviously not apply to the provision of this report in compliance with any order of court, subpoena or other judicially enforceable directive or to the Prospectus.

This report relates only to the accounts and items specified above and does not extend to any financial statements of the Company, taken as a whole.

A handwritten signature in black ink, reading "Thomas Howatt". The signature is written in a cursive, slightly stylized font.

TJ Howatt
Director
Chartered Accountant (SA)
Waterfall City
15 November 2021

ANNEXURE 14: PRICE HISTORY OF BRAIT PLC SHARES ON THE JSE

Set out below is a table of the aggregate volumes and values traded in Brait PLC Shares, and the highest and lowest prices traded, for each month over the 12 months prior to the date of issue of the Prospectus and for each day over the 30 days preceding the Latest Practicable Date:

Date	Volume	Value (Rands)	High	Low
17 November 2021	7,575,524	R33,430,255	R4.85	R3.96
31 October 2021	13,068,097	R55,756,755	R4.60	R4.01
30 September 2021	29,064,694	R106,247,659	R4.20	R2.95
31 August 2021	12,782,882	R36,510,267	R3.00	R2.78
31 July 2021	15,057,473	R44,211,361	R3.19	R2.79
30 June 2021	24,086,462	R65,505,729	R3.00	R2.53
31 May 2021	46,847,830	R122,012,782	R2.78	R2.40
30 April 2021	20,321,819	R55,781,625	R2.93	R2.64
31 March 2021	62,722,508	R163,789,739	R3.15	R2.30
28 February 2021	25,626,799	R72,561,312	R3.25	R2.42
31 January 2021	12,266,582	R41,720,432	R3.82	R3.05
31 December 2020	22,688,301	R87,134,757	R4.07	R3.60
30 November 2020	24,793,685	R91,491,825	R4.15	R3.24
31 October 2020	32,309,991	R124,627,998	R4.38	R3.48
Date	Volume	Value (Rands)	High	Low
17 November 2021	75,220	R346,498	R4.69	R4.52
16 November 2021	170,630	R818,957	R4.88	R4.71
15 November 2021	135,734	R636,593	R4.81	R4.61
12 November 2021	191,110	R883,870	R4.70	R4.59
11 November 2021	474,477	R2,219,076	R4.77	R4.57
10 November 2021	943,073	R4,476,261	R4.91	R4.71
09 November 2021	1,603,385	R7,731,203	R4.94	R4.63
08 November 2021	981,858	R4,511,181	R4.69	R4.42
05 November 2021	1,043,119	R4,590,381	R4.51	R4.20
04 November 2021	263,942	R1,100,213	R4.20	R4.11
03 November 2021	1,064,927	R4,363,788	R4.17	R4.05
02 November 2021	656,887	R2,705,044	R4.35	R4.03
29 October 2021	405,168	R1,709,706	R4.27	R4.06
28 October 2021	165,518	R671,218	R4.10	R4.01
27 October 2021	845,102	R3,435,473	R4.14	R4.06
26 October 2021	556,710	R2,264,229	R4.12	R4.06
25 October 2021	206,805	R844,008	R4.15	R4.06
22 October 2021	157,914	R652,005	R4.20	R4.03
21 October 2021	160,772	R654,763	R4.14	R4.04
20 October 2021	231,409	R948,392	R4.14	R4.07
19 October 2021	404,617	R1,654,519	R4.30	R4.06
18 October 2021	319,399	R1,312,967	R4.16	R4.08
15 October 2021	232,150	R956,734	R4.24	R4.09
14 October 2021	227,189	R950,253	R4.25	R4.10
13 October 2021	1,050,865	R4,389,336	R4.39	R4.11
12 October 2021	1,590,276	R6,974,496	R4.42	R4.30
11 October 2021	1,717,212	R7,569,714	R4.48	R4.31
08 October 2021	1,282,050	R5,671,412	R4.60	R4.39
07 October 2021	629,588	R2,730,446	R4.50	R4.30
06 October 2021	788,194	R3,374,239	R4.35	R4.17

