BRAIT

# 2024

# UNAUDITED INTERIM RESULTS

FOR SIX MONTH PERIOD ENDED
30 SEPTEMBER 2023

## Brait PLC

(Registered in Mauritius as
a Public Limited Company)
(Registration No. 183309 GBC)
Share code: BAT
ISIN: LU0011857645
Bond code: WKN: A2SBSU
ISIN: XS2088760157
LEI code: 549300VB8GBX4UO7WG59
("Brait", the "Company" or "Group")

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# BRAIT'S INTERIM RESULTS PRESENTATION

September 2023

# EXECUTIVE SUMMARY

BRAIT

# PORTFOLIO OVERVIEW

## Portfolio company and Brait performance

Virgin active

- **Continued growth across all key territories YTD** (active membership grew 10% from 887k to 972k over the past twelve months) with yield enhancements across the portfolio
- **Agreed the Amendment and extension of the VASA and VA International debt** which provides liquidity runway for the business and agreement on the key terms of the **Vitality contract renewal**
- Completion of the agreements for the potential injection of **£60m of convertible preference shares** to drive growth initiatives

Premier

- Continued **strong performance** by the business in H1 FY24, with **EBITDA growth of 24% to R1,017m** (LTM EBITDA of R1,927m)
- Performance was driven by **strong growth across all divisions**, with only **Premier's Mozambican business (CIM)** remaining under pressure, as a consequence of macro factors and double-digit food inflation during the period
- **ROIC increased to 20.7%** with R239 million of capex spend
- Strong cash generation has allowed the business to **de-gear significantly**, with its leverage ratio decreasing to **1.4x net debt / EBITDA**

NEW LOOK

- Reasonable performance in a **tough operating environment in UK fashion retail**
- Volumes were **down 4% across the market**, in both the retail and e-commerce businesses
- **Refinance of the term debt concluded** with a maturity extension to create operating headroom
- The business will review its **operational cost base and distribution centre efficiency** to drive profit growth

BRAIT

- **R3.0 billion RCF repaid** post the Premier listing in March 2023
- Board remains focused on the **strategy to unlock value** and assessing the optimal way to achieve this

# BRAIT NAV & LIQUIDITY

# BRAIT NAV ANALYSIS

## Rand NAV Per Share [1][2]

| | Unaudited | | Audited | | Unaudited | | Movement | Notes *(Referencing to movement in balance sheet position slides)* |
|---|---|---|---|---|---|---|---|---|
| | 30 Sep 2022 | | 31 Mar 2023 | | 30 Sep 2023 | | HY24 | |
| | R'm | | R'm | | R'm | | R'm | |
| **Investments** | **19,069** | **99.6%** | **13,653** | **79.2%** | **14,656** | **96.5%** | | |
| Premier | 10,292 | 53.8% | 3,640 | 21.1% | 3,670 | 24.2% | 30 | *1* |
| Virgin Active | 7,879 | 41.1% | 9,045 | 52.5% | 9,897 | 65.2% | 852 | *2* |
| New Look | 854 | 4.5% | 931 | 5.4% | 1,055 | 7.0% | 124 | *3* |
| Other investments | 44 | 0.2% | 37 | 0.2% | 34 | 0.1% | (3) | *4* |
| **Cash and cash equivalents** | **48** | **0.2%** | **3,582** | **20.8%** | **520** | **3.5%** | (3,062) | *5* |
| **Accounts receivable** | **32** | **0.2%** | **-** | **-** | **8** | **-** | 8 | *6* |
| **Total assets** | **19,149** | **100.0%** | **17,235** | **100.0%** | **15,184** | **100.0%** | **(2,051)** | |
| Borrowings (Drawn BML RCF) | (2,607) | | (2,054) | | - | | 2,054 | *7* |
| 2024 Convertible Bonds | (2,823) | | (3,125) | | (3,331) | | (206) | *8* |
| BIH Exchangeable Bonds | (2,476) | | (2,582) | | (2,697) | | (115) | *9* |
| **Non-current liabilities** | **(7,906)** | | **(7,761)** | | **(6,028)** | | | |
| Accounts payable and provisions | (157) | | (149) | | (131) | | 18 | *10* |
| **Current liabilities** | **(157)** | | **(149)** | | **(131)** | | | |
| **Total Liabilities** | **(8,063)** | | **(7,910)** | | **(6,159)** | | **1,751** | |
| **NAV to shareholders** | **11,086** | | **9,325** | | **9,025** | | **(300)** | |
| **# of ordinary shares ('mil)** | **1,320.3** | | **1,320.3** | | **1,320.3** | | **-** | |
| **NAV Per Share** | **8.40** | | **7.06** | | **6.84** | | **(0.23)** | |
| **Illustrative diluted NAV Per Share [3]** | **6.76** | | **5.93** | | **5.84** | | **(0.09)** | |

(1) *Closing Pound Sterling rates: Sep-23: R23.02; Mar-23: R21.92; Sep-22: R20.08.*
(2) *The issuance of the BIH Exchangeable Bonds resulted in BIH's classification changing to that of an Investment Entity. In terms of IFRS10: Consolidated Financial Statements, this resulted, effective 1 October 2021, in the prospective exemption for the Group from consolidation. The results shown above apply the look-through consolidation basis.*
(3) *Illustrative diluted NAVPS assumes the outstanding BIH Exchangeable Bonds have exchanged at their principal value of R2,998.6m into 686.2m Brait shares at the R4.37 exchange price. To the extent the prevailing share price of the Brait shares delivered at redemption date is less than the R4.37 exchange price, a cash settlement would be required to cover the shortfall to the principal value of the BIH Exchangeable Bonds.*

## Movement in balance sheet positions for HY2024

| # | Item | R'm | |
|---|---|---|---|
| 1 | Premier | +30 | ▪ Premier listed on the JSE on 24-Mar-23:<br>• Brait holds 60.7m shares which are valued at the Sep-23 closing JSE share price of R60.50 (Mar-23: R60.00)<br>• Based on Premier's reported LTM EBITDA of R1.93bn (FY23: R1.73bn) and net third party debt of R2.6bn (FY23: R2.9bn), this equates to an implied EV / LTM EBITDA multiple of 5.4x (FY23: 6.1x) |
| 2 | Virgin active | +852 | ▪ Increase in carrying value mainly due to Brait's pro rata £33.8m (R756m) equity subscription into Virgin Active's £50m equity rights offer in May-23:<br>• Maintainable EBITDA based on management's Sep-25 estimate sustainable level of £121m, unchanged from FY23. In line with FY23 this includes £3m EBITDA from the Real Foods (Kauai and Nü) acquisition<br>• Unchanged 2-year forward EV / EBITDA multiple of 9.0x<br>• Net third party debt of £454m (Mar-23: £476m), which includes £20m (Mar-23: £22m) for costs deferred during lockdown periods |
| 3 | NEW LOOK | +124 | ▪ Increase of 13% in New Look's Rand carrying value (metrics on a pre-IFRS16 basis); an 8% increase in Pound carrying value:<br>• Maintainable EBITDA of £45m is referenced to FY23 LTM EBITDA of £42m, which compares to £55m used in Brait's FY23 valuation<br>• Following a successful refinancing of the £100m term loan and operating facilities to October 2026 and improved working capital management, the EV / EBITDA multiple was increased to 6.0x (FY23: 5.0x), representing a 43% discount to peer average multiple of 10.5x (FY23: 9.8x)<br>• Net third party debt reduced to £14m (Mar-23: £38m), which includes £1m (Mar-23: £19m) for costs deferred during lockdown periods |
| 4 | Other investments | (3) | ▪ Remaining carrying value relates to a legacy private equity investment |
| 5 | Cash and cash equivalents | (3,062) | ▪ Decrease largely due to: (i) full repayment of the outstanding amount of R2.1bn on the BML RCF in Apr-23; and (ii) Brait following its pro rata £33.8m (R756m) equity subscription into Virgin Active's £50m equity rights offer in May-23. Carrying value includes R0.3bn cash held in GBP denominated notes ring-fenced for the remaining coupons on the 2024 Convertible Bonds |
| 6 | Accounts receivable | +8 | ▪ Carrying value mainly relates to prepaid expenses |
| | | (2,051) | ▪ **TOTAL CARRIED FORWARD** |

## Movement in balance sheet positions for HY2024 (continued)

| # | Item | R'm | |
|---|---|---|---|
| | | (2,051) | ▪ **TOTAL BROUGHT FORWARD** |
| 7 | Borrowings (drawn BML RCF) | +2,054 | ▪ The BML RCF was fully repaid in April 2023, using proceeds received from the listing of Premier |
| 8 | 2024 Convertible Bonds | (206) | ▪ The 1,500 Convertible Bonds in issue are valued at reporting date at £96.5k per bond (FY23: £95.1k), reflecting their IAS32 measured liability component which, over their term in issue, increases to their £100k denomination by maturity date of 4 December 2024. The increase in Rand carrying value also includes the effect of the Rand having depreciated against the Pound over the reporting period |
| 9 | BIH Exchangeable Bonds | (115) | ▪ The 2,998,604 BIH Exchangeable Bonds in issue are valued at reporting date at R899 per bond (FY23: R861), reflecting their IAS32 measured liability component which, over their term in issue, increases to their R1,000 denomination by maturity date of 3 December 2024 |
| 10 | Accounts payable and provisions | +18 | ▪ Carrying value at reporting date includes coupon accruals of £3m and R49m relating to the 2024 Convertible Bonds and the BIH Exchangeable Bonds, respectively |
| | | (300) | ▪ **TOTAL BALANCE SHEET MOVEMENT: HY2024** |

# BRAIT LIQUIDITY & DEBT ANALYSIS

## Available liquidity, debt and covenants

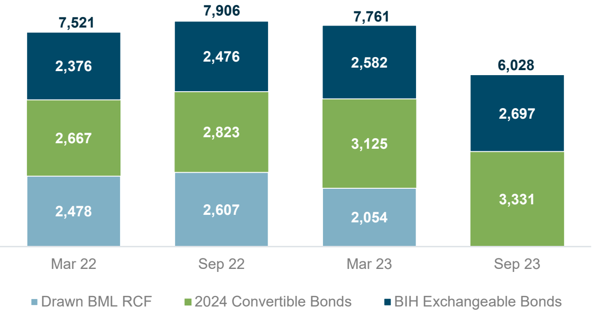
### LIQUIDITY

| **Cash and cash equivalents** (R'm) [1] | **Sep-23** | **Mar-23** |
|---|---|---|
| Opening cash balance | 3,582 | 83 |
| Proceeds received from portfolio | - | 4,901 [2] |
| Expenses (operating costs, other costs and taxes) | (103) | (203) |
| Purchase of investments | (756) [3] | (218) |
| Net cash outflow from financing activities | (2,210) [4] | (997) |
| Effect of exchange rate changes on cash | 7 | 16 |
| **Closing cash balance** | **520** [5] | **3,582** |
| **Facilities** (R'm) | **Sep-23** | **Mar-23** |
| BML RCF Facility | 594 [6] | 2,548 |
| Less: drawn | - | (2,054) |
| **Available undrawn facility: Reporting date** | **594** | **494** |
| **Available liquidity: Reporting date** | **1,114** | **4,076** |

(1) *The cash flows shown apply the look-through consolidation basis.*
(2) *FY23 includes: (i) R4,476m received from Premier (R3,600m gross proceeds received pursuant to the March 2023 JSE listing, less R73m associated costs; R924m return of capital distribution received in November 2022 and R25m in shareholder loan repayments); and (ii) R425m received from the Other Investments portfolio, mostly relating to proceeds received from the realisation of Brait IV's remaining investment in Consol.*
(3) *HY24 relates to Brait following its pro rata £33.8m (R756m) equity subscription into Virgin Active's £50m equity rights offer in May 2023.*
(4) *Includes R2.1bn repayment of the outstanding drawn balance on the BML RCF in April 2023.*
(5) *The HY24 cash balances include R326m held in GBP, which is earmarked for the remaining coupons on the 2024 Convertible Bonds.*
(6) *Brait has extended the term of the BML RCF to 31 March 2025, with an amended facility commitment of R594 million, interest rate of JIBAR plus 290bps and a 1% commitment fee.*
(7) *At maturity, the issuer may redeem the principal amount of any outstanding BIH Exchangeable Bonds by delivery of fixed number of Brait shares (using exchange price of R4.37) at their prevailing market value and cash totaling the Principal amount in value.*

### DEBT & COVENANTS

**Total Group debt (R'm)** [7]




- Per the terms of the 2024 Convertible Bonds, Brait's 'Tangible NAV/Net Debt' ratio is required to be not less than 200%
- Conversion price on the 2024 Convertible Bonds is £0.5219 (R12.02 at reporting date)
- Exchange Price of R4.37 on the BIH Exchangeable Bonds
- Brait is in compliance with all debt covenants


Premier

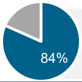
PREMIER

## 6 months ended 30 September 2023 (H1 FY24)



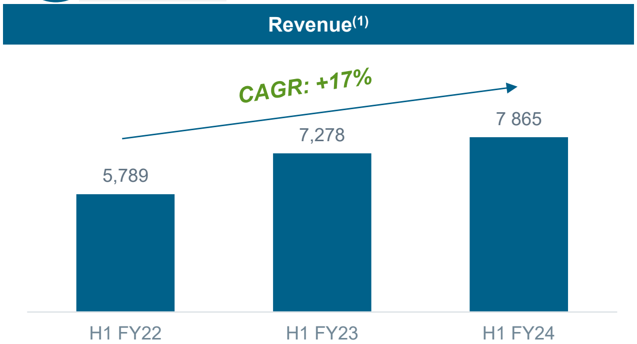

| | | |
|---|---|---|
| Revenue: **R9.4bn** +7% YoY | EBITDA: **R1,017m** +24% YoY | EBITDA margin: **10.9%** H1 FY23 = 9.4% |
| EBIT: **R805m** +33% YoY | EBIT margin: **8.6%** H1 FY23 = 6.9% | ROIC[1]: **20.7%** |
| Net profit: **R424m** +6% YoY[2] | Net profit margin: **4.5%** H1 FY23 = 4.6%[2] | Net third party debt[3]: **Leverage ratio of 1.4x** |

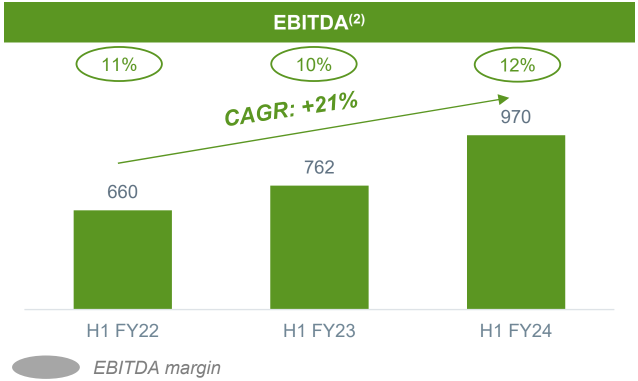
*(1) Refers to return on invested capital, adjusted for the revaluation of intangibles. (2) H1 FY23 net income includes foreign exchange gains on cash and loans of a funding nature of R36m and the reversal of accrued withholding tax on preference dividends of R43m to profit on the conversion of the redeemable preference shares to ordinary shares (3) Includes finance leases*




Contribution to H1 FY24 revenue

## Divisional performance highlights: Millbake



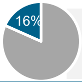




- **Revenue growth slowed as bread pricing remained flat** and maize became deflationary. Operating **margins returned to long term averages** after declining somewhat during inflationary wave experienced last year
- Management believe **Pretoria bakery is on track to deliver business case**, with Aeroton bakery closed for rebuild. Good progress with Mthatha bakery rebuild which is scheduled for completion by the end of the financial year
- Premier **teamed up with Goldkeys International (Pty) Ltd**
  - Providing sales, merchandising and distribution services for the **Golden Delight** rice brand by leveraging Premier's customer relationships and distribution network

*Source: Premier Interim results presentation*

*(1) Revenue from services rendered is excluded for segmental reporting purposes.*

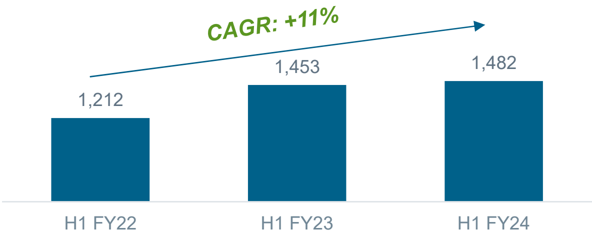
*(2) Excludes corporate office costs*



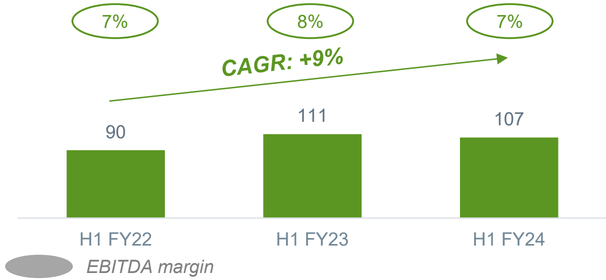

*Contribution to H1 FY24 revenue*

## Divisional performance highlights: Groceries & International

**Revenue[1]**




**EBITDA[2]**




- Ongoing focus on site **manufacturing optimisation and functionality** remains critical
  - Achieving **cost efficiencies in Home and Personal Care (HPC) and Sugar Confectionery**
  - Increased **capacity installed at Durban HPC** facility enabling onshoring of supply to the UK market
- New innovations in **exports**
  - **Lil-lets** products launched on **Amazon in the US,** with **Super C** variations launched under **private label** to the US market
- Leveraging Group **HPC infrastructure** to expand participation within the broader **Personal Care category**
  - Acquisition of a **35% stake** in a UK based niche skin care treatment range under the brand Science of Skin (SOS)
- Launched improved quality **Sunblest pasta** range into select channels in the SA market after completion of **pasta manufacturing plant rebuild** in Mozambique
- Solar installation, implemented at the Manhattan facility, has resulted in appropriate efficiencies
- Ongoing support initiatives aimed at reducing period poverty and shame in South Africa and the UK
- **CIM business in Mozambique** remained under pressure, as a consequence of **macro factors and double-digit food inflation** during the period
- Management believe the Business is poised to capitalise on the anticipated economic recovery through established **efficiencies in manufacturing capability**

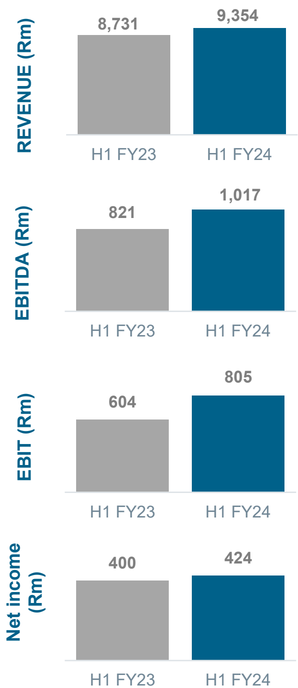
*Source: Premier Interim results presentation*

*(1) Revenue from services rendered is excluded for segmental reporting purposes.*

*(2) Excludes corporate office costs*

## Income statement: H1 FY24

**Financial Performance**




| % growth |
|---|
| +7% |
| +24% |
| +33% |
| +6% |

- Resilient financial performance despite ongoing economic challenges
- **Revenue grew 7%** on prior year, driven by[(1)]:
  - **Millbake** increasing by 8% to R7,865m
  - **Groceries & International** increasing by 2% to R1,482m

- **EBITDA grew by 24%** on prior year, driven by[(2)]:
  - **Millbake** EBITDA increasing by 27% to R970m, EBITDA margin of 12%
  - **Groceries & International** EBITDA declining by 4% to R107m, EBITDA margin of 7%

- **EBIT grew by 33%** on prior year, with depreciation and amortisation (2.3% of revenue) down 2% on prior year

- **Net income increased by 6%** on prior year
- H1 FY23 net income includes foreign exchange gains on cash and loans of a funding nature of **R36m** and the reversal of accrued withholding tax on preference dividends of **R43m** to profit on the conversion of the redeemable preference shares to ordinary shares

*Source: Premier Interim results presentation*

*(1) Revenue from services rendered is excluded for segmental reporting purposes.*

*(2) Excludes corporate office costs*

## Cash flow and leverage ratio: H1 FY24

| Unlevered cash flow (Rm) | H1 FY23 | H1 FY24 |
|---|---|---|
| **Cash flow from operations before working capital** | **885** | **1,053** |
| Working capital movement | (263) | (222) |
| **Cash flow from operations** | **622** | **831** |
| Maintenance capex | (149) | (177) |
| Taxation paid | (84) | (171) |
| **Free cash flow** | **389** | **483** |
| *Free cash flow conversion*(1) | *47%* | *47%* |

| Group net debt (Rm) | H1 FY23 | H1 FY24 |
|---|---|---|
| Borrowings | 2,213 | 2,688 |
| Lease liabilities | 238 | 276 |
| Less: (net cash) / overdraft | (247) | (344) |
| **Total net debt** | **2,204** | **2,620** |
| ***Leverage Ratio*(2)** | ***1.4x*** | ***1.4x*** |

- **Cash generated by operations** before working capital **up by 19%**, driven by strong overall group performance
- The group invested **R222 million in working capital** in H1 FY24, compared to R263m in prior year
- **Capex of R239 million** of which R62 million was expansionary and R177 million was maintenance capex
  - In order to continue to drive growth and support maintenance across the business, **future capex is anticipated to be broadly in line with historical levels**
  - Expansionary capex over the next two years will primarily be dedicated to the **rebuild of the Aeroton bakery**
- Premier has significantly paid down its debt since the refinancing pre-IPO, with **R544 million voluntary debt repayments** in the last twelve months
  - The capital repayment is available to be **withdrawn for future funding** needs if required

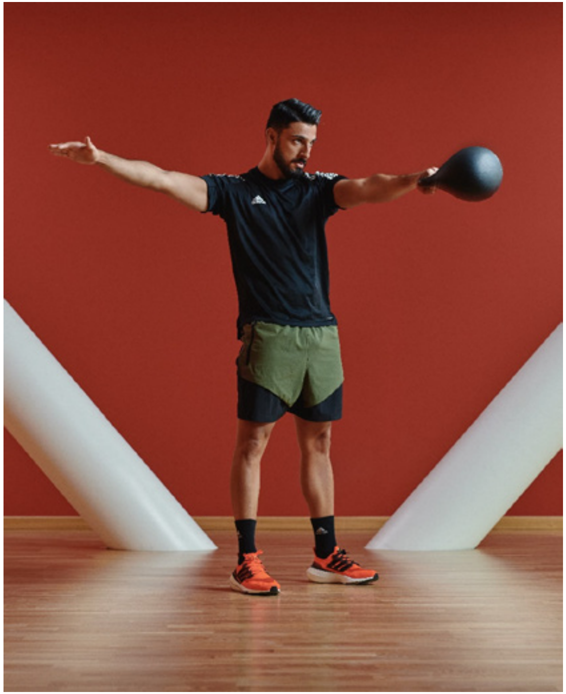
*Source: Premier Interim results presentation*
*(1) Calculated as Free cash flow as a percentage of EBITDA (2) Calculated as total net debt divided by LTM EBITDA*

## Outlook

- Pleasing half year results and well positioned for further growth in H2
- Revenue growth likely to moderate in H2 compared with the prior period which was impacted by significant inflation in soft commodity prices
- Low single digit revenue growth anticipated in H2
- Margins are expected to remain in line with H1
- Expect to benefit from reduced debt levels in H2 due to debt paydown despite higher interest rates
- Continue to focus on bakery capex projects in H2
- Remain alert to value-adding acquisition opportunities, innovation and product renovation to grow market share, maintain and expand product margins and brand equity
- Emphasis remains on entrenching and delivering on sustainability vision

*All projections are management's projections of future performance*


Virgin
active



# VIRGIN ACTIVE: PERFORMANCE

# VIRGIN ACTIVE: LTM TERRITORY UPDATE TO SEPTEMBER 2023

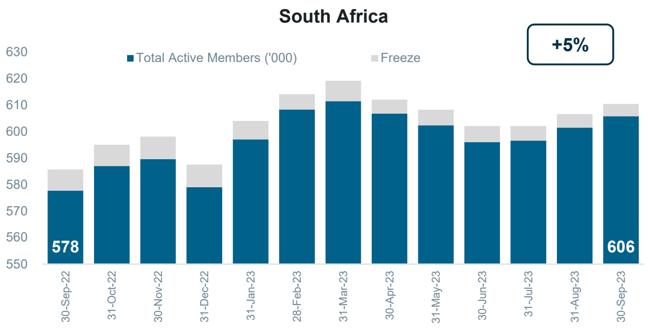
| Territory | Contribution to YTD23 revenue | Update | % 2019 membership |
|---|---|---|---|
| SOUTH AFRICA | 37% | – **Sales for the nine months of 170k**, with **net membership growth of 31k members** and **active members increasing to 606k**<br>– **Terminations remain elevated, largely driven by poor quality of sales in January-March due to a challenging economic environment**; management actions to address high attrition include changes to the sales commission structure and improved customer engagement<br>– **Refurbishment of a number of key clubs underway** with strong operating metrics post reopening | 85% |
| ITALY | 25% | – **Sales for the nine months** of 81k, with **net membership growth of 30k** increasing **active members to 175k**<br>– **Sentiment remains positive, building on the strong start to 2023,** with the focus now on yield performance and promotional campaigns | 113% |
| UNITED KINGDOM | 23% | – **Strong sales for the nine months of** with **net membership growth of 18k members** increasing **active members to 132k**<br>– Sales boosted by strong sales team performance across all clubs with **sentiment improving as London continues to recover post COVID** with higher office attendance boosting inner city sales<br>– **Focus on reducing operating costs** to offset increase in utility costs with growth capex spend on selected clubs | 92% |
| APAC | 15% | – **Sales for the nine months of 32k,** increasing **active members to 59k**<br>– Australian membership remains behind expectations while **Thailand continues to experience recovery** in membership numbers**. Singapore's strong growth continues** evidencing a robust terminations management strategy | 91% |
| HEAD OFFICE | | – **Management restructuring process is expected to result in significant central cost savings going forward**<br>– **Significant focus on quantitative capital allocation on growth projects** to expedite recovery **whilst managing tight liquidity** | |

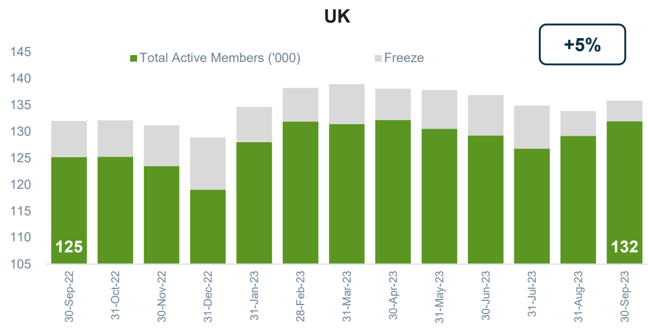
*= contribution to YTD23 revenue*

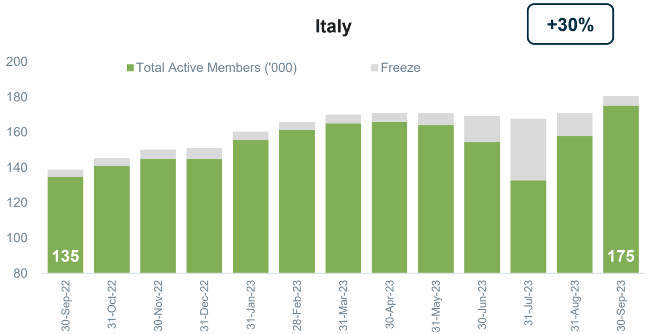
*Source: Virgin Active Management Accounts, Management Information*

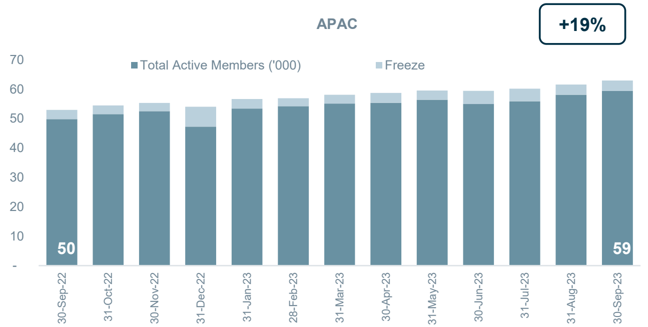
# VIRGIN ACTIVE: MEMBERSHIP

## Group membership over the last twelve months ("LTM") to September 2023 (+10%)



## Positive key KPI trends recovering to pre-Covid levels

Current membership and revenue still behind 2019 levels but **recovery is well-advanced and Group membership exceeds the EBITDA breakeven mark**

| | YTD Sep-19 | YTD Sep-22 | YTD Sep-23 | 2023 vs 2022 | 2023 vs pre-COVID |
|---|---|---|---|---|---|
| **Revenue (£m)** | 395.7 | 311.0 | 372.0 | **+20%** | **-6%** |
| **Yield (£)** | 35.0 | 33.6 | 36.7 | **+9%** | **+5%** |
| **Active Members (‘000s)** | 1 075.1 | 878.5 | 972.4 | **+11%** | **-10%** |
| **Gross Sales (‘000s)** | 336.7 | 337.9 | 345.9 | **+2%** | **+2%** |
| **Attrition** | 38% | 37% | 38% | **+1%** | **0%** |
| **EBITDA (£m)** | 92.9 | (12.9) | 13.0 | **+205%** | **-86%** |

**Strong performance from Europe and Asia Pacific:**

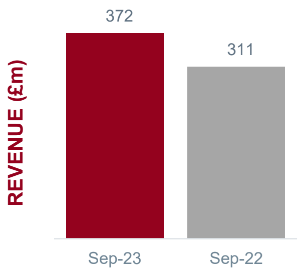
- Italy and Singapore now above pre-Covid membership levels
- UK has proven to be resilient despite macro-economic headwinds

**South Africa experiencing higher bad debt and a challenging macro-economic environment. Key focus on improving quality of *sales***

# VIRGIN ACTIVE: PERFORMANCE

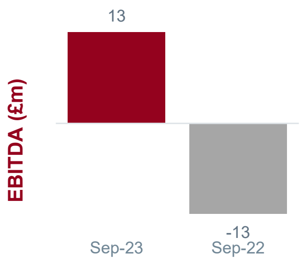
## Financial performance: Year-to-date September 2023

Financial Results [1]




– YTD Revenue of £372m is in line with expectations, 20% up YoY and 6% down on 2019. Including the Kauai Group, total revenue is £387m. **Revenue performance by territory**:

| | Actual | vs 2022 | vs 2019 |
|---|---|---|---|
| South Africa | **136.3** | 13% | (10)% |
| UK | **87.3** | 14% | (12)% |
| Italy | **94.4** | 35% | 5% |
| Australia | **28.6** | 16% | 2% |
| Thailand | **11.8** | 37% | (19)% |
| Singapore | **13.8** | 35% | 0% |



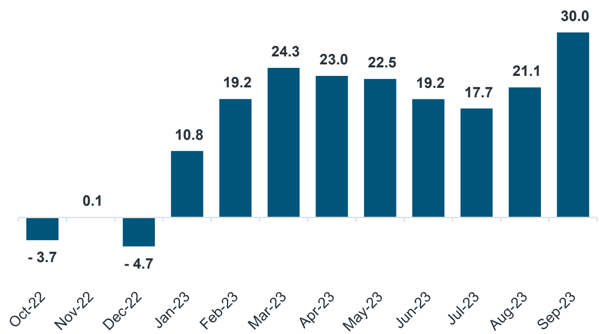

– YTD EBITDA of £13m is ahead of expectations, 205% up YoY but remains 86% below 2019 levels. Including the Kauai Group, total EBITDA is £14.8m. **EBITDA performance by territory**:

| | Actual | vs 2022 | vs 2019 |
|---|---|---|---|
| South Africa | **20.8** | 35% | (63)% |
| UK | **(2.3)** | 40% | (111)% |
| Italy | **5.7** | 156% | (64)% |
| Australia | **(4.4)** | 16% | n/a |
| Thailand | **(1.3)** | 45% | n/a |
| Singapore | **(1.5)** | 56% | (285)% |
| Group | **(3.9)** | (43)% | (105)% |

*(1) All financial data is stated at the following currency rates, unless stated otherwise: ZAR 20.18, EUR 1.17, AUD 1.78, SGD 1.70, THB 43.23. (2) Group EBITDA adjusted to include Other HoldCo EBITDA.*

# VIRGIN ACTIVE: RUN-RATE PERFORMANCE

**Implied annualised EBITDA: Group**
*(based on Sep-23 yield)*




## Implied annualised Group 'run-rate' performance

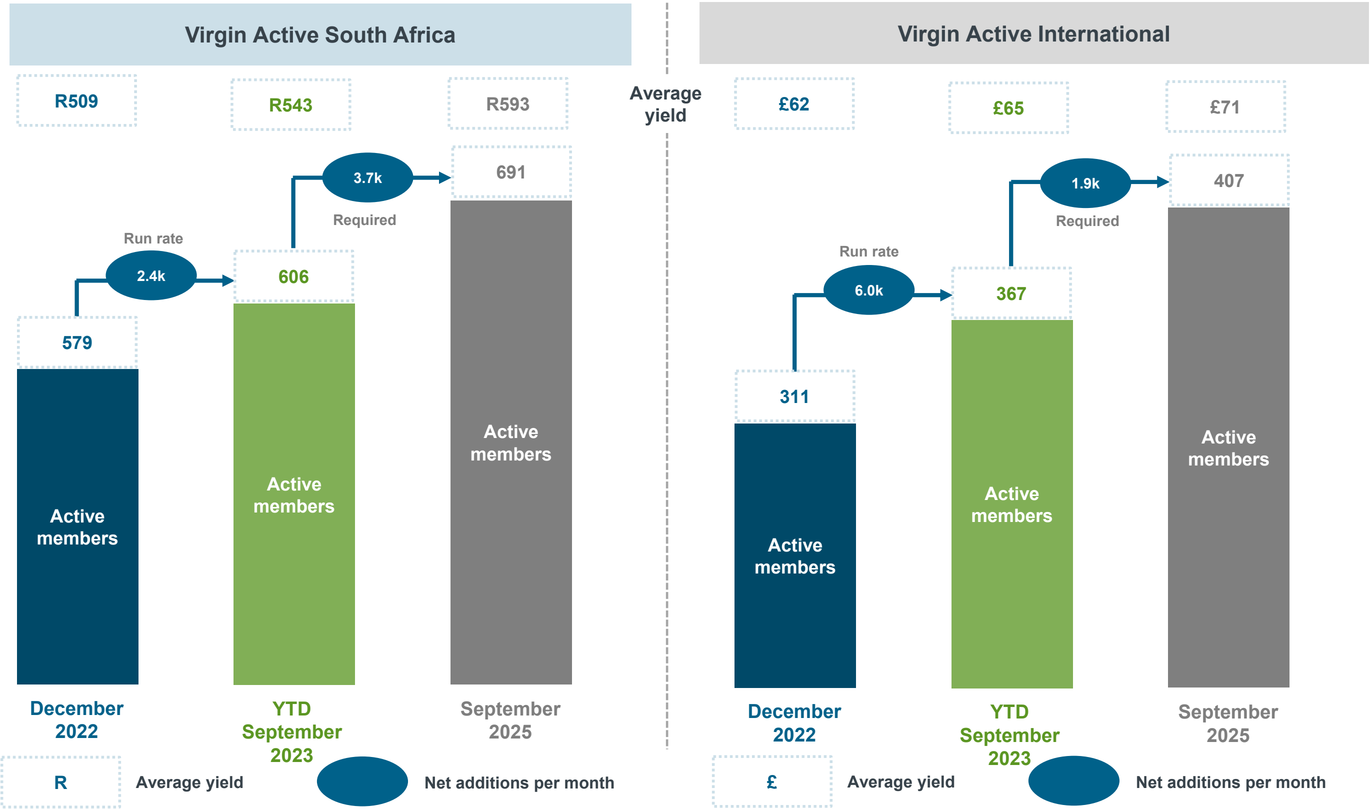
**2019 EBITDA = £134m | Sep-25 EBITDA = £118m**

| | | Total members (% of 2019) | | | |
|---|---|---|---|---|---|
| | | *Dec-22* | *Sep-23* | *Dec-19* | |
| | Total Members | 922 | 990 | 1 157 | 1 272 |
| | **% Dec-2019** | **80%** | **86%** | **100%** | **110%** |
| yield | **Dec-22** | -5 | 29 | 90 | 136 |
| yield | **Sep-23** | -5 | 30 | 91 | 138 |
| yield | **2.5% growth onSep-23** | 5 | 40 | 103 | 150 |
| yield | **5.5% growth on Sep-23** | 16 | 52 | 117 | 166 |

**Yield trends** (GBP per month, based on total members)

| | **2019** | **FY2022 Actual** | **Sep-23 Actual** | Growth on FY2022 | **2.5% growth on Sep-23** | **5.5% growth on Sep-23** |
|---|---|---|---|---|---|---|
| South Africa | 21.4 | 22.6 | 23.6 | 4% | 24.2 | **24.9** |
| United Kingdom | 60.8 | 55.5 | 58.7 | 6% | 60.2 | **62.0** |
| Italy | 55.8 | 53.3 | 54.1 | 2% | 55.5 | **57.1** |
| Australia | 70.1 | 72.6 | 81.5 | 12% | 83.5 | **85.9** |
| Singapore | 101.3 | 90.2 | 99.2 | 10% | 101.7 | **104.7** |
| Thailand | 56.6 | 51.6 | 55.8 | 8% | 57.2 | **58.9** |

# ACHIEVING MANAGEMENT’S SEP-25 EBITDA FORECAST




NEW LOOK

BRAIT

# NEW LOOK

## H1 FY24 Performance (26 weeks ended September 2023)

Revenue:

**£403.6m**

(11.3)% YoY

Gross profit margin

**56.9%**

+2.4%pts from 54.5% in PY

EBITDA:

**£20.2m**

(28.4%) YoY

### Tough trading environment over the last 6 months

Unseasonal weather, declining consumer confidence and cost of living concerns continue to be key factors

### Sales volumes down across the market in the UK

Overall volumes in the market down 4% over the last 6 months, with online volumes down 6%[1]

### Operating model adjusted to focus more on full price sales

Reduction in markdowns through inventory planning resulting in planned reduction in volume with higher achieved margins

### Completed a refinance of term debt and operating facilities in the business

Extended the maturity to October 2026

### Underlying costs well controlled during H1

Despite high inflationary operating environment

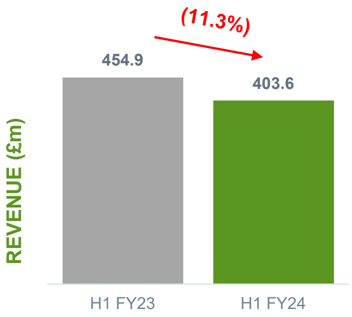
### Further investment into omnichannel experience

The business has continued to invest in improvements to its website and App

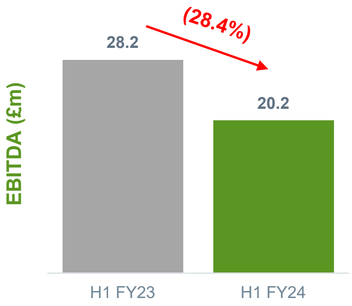
*Source: Management Accounts, Management Information*

*Notes: (1) Based on Kantar Worldpanel data 24 weeks ended 20th August 2023*

## H1 FY24 Performance (26 weeks ended September 2023)




- Revenue for H1 FY24 was down **£51.3m (11.3%) YoY,** driven by:
  - Retail[1] down **£42.9m (13%) to £285.1m**
  - Online[2] down **£8.4m (7%) to £118.5m**
- Group LFL sales **declined 7.5% in H1 FY24**, down 3% in Q1 and 12% in Q2. **Steady improvement each month through Q2**, increasing from a 19% decline in July 2023 to a 6% decline in September 2023 (largely due to the unseasonal weather)
- Ended the quarter with **0.8m higher stock units versus forecast**, providing an opportunity in 2H to generate further sales and cash through selling this excess stock. The tighter stock model in operation this year, resulted in the business **closing 1H with 0.7m less units than prior year**




- EBITDA for H1 FY24 was down **£8.0m (28.4%) YoY**
- New Look sold fewer units in H1FY24 vs H1FY23 but at higher margins given the focus on “higher frequency, higher value” customers resulting in a gross profit decline of **£18.2m (7.3%)**
- In Q2FY24, following the 6th wettest July in the UK since 1836 and with many parts of the UK breaking rainfall records at the peak of summer sales, management **increased promotional activity** to drive demand and clear undersold end of season stock
- When the weather has been at seasonal averages, the business has **performed strongly**, with a positive **customer reaction to product**
- Management continued to focus on driving operational efficiencies with costs down **£10.2m on H1 FY23**

*Notes: (1) Retail includes New Look stores in the UK and Republic of Ireland, along with concession sales (2) Online includes own e-commerce and 3rd party e-commerce sales*

# NEW LOOK PERFORMANCE

## Business Performance and Outlook

| | |
|---|---|
| **Operating environment** | – H1 FY24 was a **difficult period for trade**, with unseasonal weather, declining consumer confidence and cost of living concerns through further interest rate and inflation rises, continuing to be key factors.<br>– **Impact of unseasonal weather:** **Q1 experienced adverse weather conditions** resulting in lower footfall and a challenging trading environment (although the quarter ended well when the sun arrived in June). **Q2 begun with a wet July, impacting customer desire for summer product**, with the trend continuing into August (however the business saw a good reaction to its autumn/winter transitional product, reaffirming the decision to bring this transition offering earlier). High temperatures in September resulting in lower sales performance on the **full price autumn/winter products**<br>– **Market performance:** Overall volumes in the **market down 4%** over the last 6 months, with **online volumes particularly hard hit and down 6%** |
| **Business performance** | – New Look's market share saw a **decline over the last 6 months**, however, continues to hold the **#2 spot in the UK market for value share**<br>– The business strategy is to focus on **driving multiple purchases from loyal customers via its omnichannel** offering, and therefore as a result sales volumes have dropped, impacting market share<br>– Continued its **focus on cost control**, with costs below the gross profit line **down on prior year** driven by efficiencies in the distribution centre and head office, along with a decrease in marketing spend |
| **Outlook** | – Continued focus on **omnichannel customers**, driven through investment in app and website<br>– Continue to **improve margin** through renegotiating supplier contracts and reducing depth of seasonal markdowns through better inventory planning. This to be coupled with **a zero-based review of all business expenses** to continue rationalising costs<br>– Reviewing the business' **logistics processes**, with the belief that there are opportunities to drive **significant cost savings** through automation |

*Source: Kantar Worldpanel data 24 weeks ended 20th August 2023*

# VALUATIONS

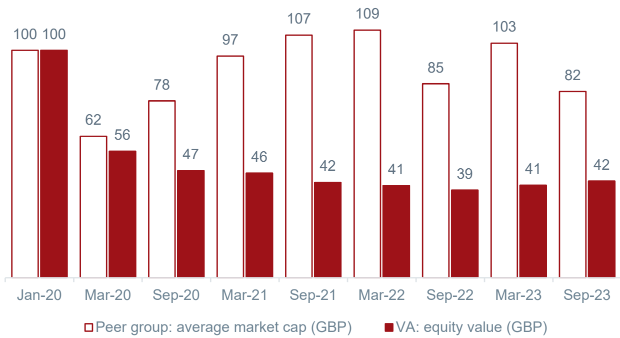
# VIRGIN ACTIVE VALUATION

## Virgin Active carrying value

| £'m | 30-Sep-22 | 31-Mar-23 | 30-Sep-23 |
|---|---|---|---|
| Maintainable EBITDA *(incl. Real Foods from Sep-22)* | 113.3 | 120.9 | 121.3 |
| EV/EBITDA multiple | 9.0x | 9.0x | 9.0x |
| **Enterprise value** | **1,019** | **1,088** | **1,091** |
| Less: actual net third party debt | (414) | (454) | (434) |
| Less: debt adjustment | (24) | (22) | (20) |
| **Shareholder value** | **582** | **612** | **637** |
| Less: senior shareholder funding | (49) | (49) | (49) |
| **Equity value** | **533** | **563** | **588** |
| *Brait's junior s/h funding participation %* | *67.4%* | *67.4%* | *67.4%* |
| Shareholder funding value | 33 | 33 | 33 |
| *Brait's equity participation %* | *67.4%* | *67.4%* | *67.4%* |
| Equity value | 359 | 379 | 397 |
| **Carrying value (£m) for Brait's investment** | **393** | **412** | **430** |
| *Closing GBP/ZAR exchange rate* | R20.08 | R21.92 | R23.02 |
| **Carrying value (Rm) for Brait's investment** | **7,879** | **9,045** | **9,897** |

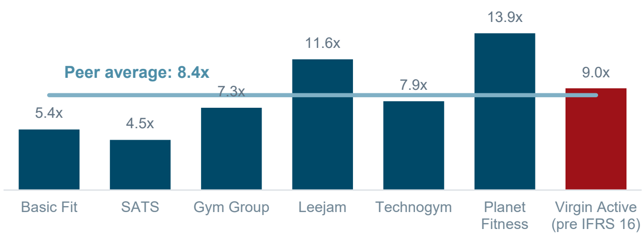
## Like-for-like peer group average market cap vs VA (rebased to 100)

**Peer group average market cap vs VA (rebased to 100)**

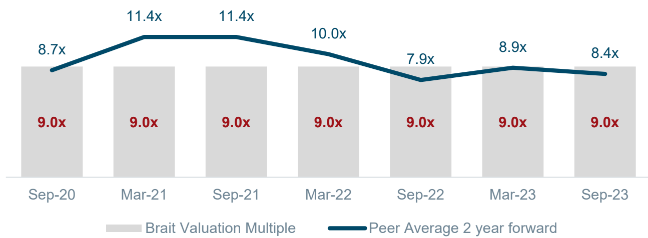



*Valuation reflected on a like-for-like basis (i.e., peer market caps and the VA equity value have been adjusted for any capital raises concluded )*

## Forward EV / EBITDA (September 2024)




## Multiple comparison

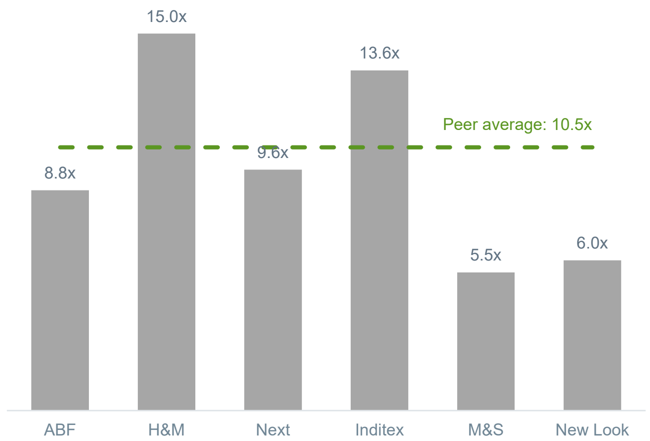


# NEW LOOK: VALUATION

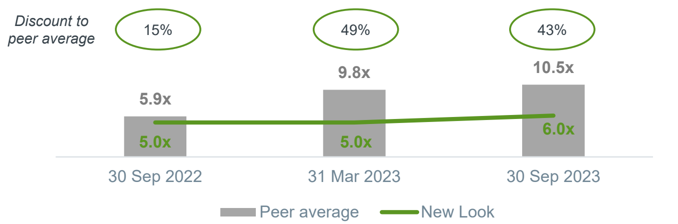
## New Look carrying value

| £'m | 30-Sep-22 | 31-Mar-23 | 30-Sep-23 |
|---|---|---|---|
| Maintainable EBITDA | 55 | 55 | 45 |
| EV/EBITDA multiple | 5.0x | 5.0x | 6.0x |
| **Enterprise value** | **275** | **275** | **270** |
| Less: net third party debt | (38) | (38) | (14) |
| **Shareholder value** | **237** | **237** | **256** |
| Less: Additional PIK facility | (50) | (54) | (59) |
| Less: PIK facility | (57) | (61) | (66) |
| Less: senior shareholder funding | (40) | (40) | (40) |
| **Equity value** | **90** | **82** | **91** |
| *Brait's additional & existing PIK facilities / reinstated SSN %* | *18.3%* | *18.3%* | *18.3%* |
| Shareholder funding value | 27 | 28 | 30 |
| *Brait's equity participation %* | *17.4%* | *17.2%* | *17.2%* |
| Equity value | 16 | 14 | 16 |
| **Carrying value (£m) for Brait's investment** | **43** | **43** | **46** |
| *Closing GBP/ZAR exchange rate* | R20.08 | R21.92 | R23.02 |
| **Carrying value (Rm) for Brait's investment** | **854** | **931** | **1,055** |

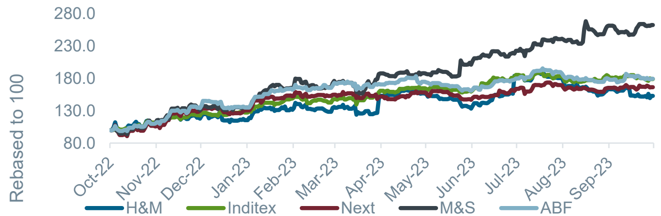
## LTM EV / EBITDA (September 2023) (pre IFRS16)




## New Look peer multiple evolution




## LTM peer share price



# RESULTS PRESENTATION ANNEXURES

FY24 H1

30 September 2023

# BRAIT PLC 2024 CONVERTIBLE BONDS – SALIENT TERMS

| | |
|---|---|
| **Issuer** | • Brait PLC |
| **Instrument** | • Unsubordinated and unsecured convertible Bonds due 4 December 2024 (Five-year term), denominated in tranches of £100,000 each |
| **Use of Funds** | • Redemption of 2020 Convertible Bonds |
| **Principal** | • £150 million |
| **Pricing date** | • 27 November 2019 |
| **Coupon** | • Fixed rate of 6.5% per annum, payable semi-annually in arrears on 4 June and 4 December over the 5 year term |
| **Reference share price** | • £0.75 (equivalent to R14.24), being the VWAP of an ordinary share between open and close of trading on 27 November 2019, converted at the prevailing GBP/ZAR spot rate at time of pricing |
| **Conversion premium** | • 25% |
| **Conversion price** | • £0.5219 (per 16 March 2020 reset following settlement of the rights offer in accordance with the Terms and Conditions; and £0.9375 at time of pricing) |
| **Conversion ratio** | • 191,607 Brait ordinary shares per 2024 Convertible Bond |
| **Settlement upon conversion** | • Convert into 287,411,381 Brait ordinary shares (1). In the event that bondholders have not exercised their conversion rights, the 2024 Convertible Bonds are cash settled at par value on settlement date |
| **Listing** | • Listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange and the Official Market of the SEM with effect from 29 January 2020 and 30 November 2021, respectively. |
| **Dividend protection** | • The conversion price is adjusted for ordinary dividends paid, in accordance with the Terms and Conditions |
| **Covenant** | • Brait's "Tangible NAV / Net Debt (2)" ratio shall not be less than 200% |

*(1) £150 million / £0.5219 conversion price applied to 1,500 2024 Convertible Bonds in issue*
*(2) Per the Terms and Conditions: (i) Tangible NAV based on Brait's reported NAV; (ii) Net Debt excludes the 2024 Convertible and BIH Exchangeable Bonds*

# BIH EXCHANGEABLE BONDS – SALIENT TERMS

| | |
|---|---|
| **Issuer** | • Brait Investment Holdings (100% owned Mauritian based subsidiary of Brait PLC) |
| **Instrument (1)** | • Senior Unsecured Exchangeable Bonds due 3 December 2024, exchangeable into Brait PLC ordinary shares, at the Exchange Price (see below) |
| **Use of Funds** | • Partial repayment of existing BML RCF |
| **Principal** | • R3,000 million (R2,998.6 million outstanding following the exchange of 1,396 Exchangeable Bonds in February 2022) |
| **Exchange terms** | • Subject to the Terms and Conditions, exchangeable into fixed number of Brait PLC ordinary shares at the holder's election during the Exchange Period ("BIH Exchange Shares")<br>• Exchange Price of R4.37 set at a 5% discount to the 5-business day VWAP of a Brait PLC Ordinary Share listed on the JSE prior to the announcement of the launch of the Exchangeable Bonds<br>• Exchange Period is from 42 days after the issue date until the earlier of:<br>    • 5 business days prior to Full settlement of the 2024 Convertible Bond; or<br>    • 5 business days prior to Final Maturity Date of 2024 Convertible Bond<br>• Anti-dilution provisions apply |
| **Coupon** | • 5.0% p.a. paid in cash semi-annually |
| **Redemption** | • At maturity, the Issuer may redeem the BIH Exchangeable Bonds at par (together with accrued and unpaid interest) or by delivery of the BIH Exchange Shares (at prevailing market value) and cash totaling the Principal amount in value<br>• The Issuer has a Shareholder Event Redemption Option and Clean-up Call Option for early redemption of the BIH Exchangeable Bonds at par (together with accrued and unpaid interest) |
| **Ranking and priority** | • BIH Exchangeable Bonds are structurally senior to the 2024 Convertible Bonds, but subordinated versus the existing BML RCF<br>• Any BIH cashflows from disposals ("Special Dividends") first offered to BIH Exchangeable Bondholders |
| **Listing** | • Instrument listed on 14 December 2021 on the Main Board of the JSE, and on the SEM on 11 May 2022 |
| **Maturity date** | • 3 December 2024 |
| **Governing law** | • South African Law |

*(1) The inward listed exchangeable bond on the JSE is classified as 'foreign' with the nominal value marked off against the institutional investors' respective prudential limits.*

# BML RCF FACILITY– SALIENT TERMS

## Salient terms for BML RCF facility

**Brait's revolving credit facility held by subsidiary Brait Mauritius Limited (the "BML RCF") is secured on a senior basis by the assets of BML**

| Key Terms | |
|---|---|
| **Facility Commitment** | • R594 million with tenure to 31 March 2025<br>• All proceeds must be mandatorily prepaid to the facility |
| **Margin** | • Margin for facility is 290 bps on JIBAR, payable quarterly with a right to rollup |
| **Commitment fee** | • 1% |
| **Covenants** | • Covenants are NAV based and set with sufficient headroom for short term volatility |

| As at 30 September 2023 | |
|---|---|
| **Facility Commitment** | • R594 million |
| **Margin** | • Interest margin continues at 290 bps on JIBAR, payable quarterly with a right to rollup |

## Additional information and summary 3-year financials


## Summarised financial information

| **Summarised income statement** *(Amounts in R'm)* | **March 2023 Audited** | **March 2022 Audited** | **March 2021 Audited** |
|---|---|---|---|
| **Net revenue** | **17,938** | **14,538** | **12,526** |
| *% Growth* | 23.4% | 16.1% | 13.4% |
| **Adjusted EBITDA** (1) | **1,731** | **1,490** | **1,099** |
| *% Margin* | 9.6% | 10.2% | 8.8% |
| Depreciation and amortization | (440) | (483) | (414) |
| **Adjusted EBIT** (1) | **1,292** | **1,007** | **685** |
| *% Margin* | 7.2% | 6.9% | 5.5% |
| Impairments | - | (130) | - |
| **EBIT** | **1,292** | **877** | **685** |
| Net finance costs - 3rd party | (309) | (220) | (212) |
| Finance income/(costs) - shareholder funding (2) | 19 | (248) | (249) |
| Foreign exchange on cash and loans of a funding nature | 56 | 5 | (45) |
| **EBT** | **1,058** | **414** | **179** |
| **PAT** | **795** | **278** | **67** |

*Source: Premier Group Annual Financial Statements*
*(1) Prior year EBITDA and EBIT adjusted by adding back an impairment loss of R130 million (2) Once-off accrued withholding tax of R43.5 million not due or payable was reversed to profit during FY23.*

## Summarised financial information

| **Summarised cash flow information** *(Amounts in R'm)* | **March 2023 Audited** | **March 2022 Audited** | **March 2021 Audited** |
|---|---|---|---|
| **Cash flow from operations before working capital** | **1,819** | **1,500** | **1,202** |
| Working capital | (274) | (85) | 220 |
| **Cash flow from operations[1]** | **1,545** | **1,415** | **1,422** |
| Maintenance capex | (325) | (148) | (203) |
| Taxation paid | (172) | (237) | (116) |
| Purchase of intangible assets | (45) | (38) | (41) |
| **Free cash flow** | **1,003** | **992** | **1,063** |
| *% Adjusted EBITDA* | *58%* | *67%* | *97%* |
| Interest paid | (336) | (376) | (451) |
| Dividends and repayment of share capital | (934) | - | - |
| Repayment of shareholder loan | - | (20) | - |
| Expansionary capex | (148) | (333) | (260) |
| Acquisitions | (23) | (428) | - |
| Proceeds from borrowings | 1,040 | 460 | 96 |
| Net proceeds from bank overdraft | 201 | - | - |
| Repayment of borrowings and lease liabilities | (446) | (327) | (254) |
| Net cash from other investing / financing activities | 42 | (22) | 26 |
| **Net movement** | **399** | **(54)** | **219** |
| Effect of exchange rate | 19 | (1) | **5** |
| **Opening balance** | **177** | **232** | **7** |
| **Closing balance** | **595** | **177** | **232** |

## Summarised financial information

| Summarised balance sheet *(Amounts in R'm)* | March 2023 Audited | March 2022 Audited | March 2021 Audited |
|---|---|---|---|
| Property, plant and equipment | 3,840 | 3,658 | 3,345 |
| Right-to-use assets | 251 | 218 | 187 |
| Intangibles | 1,704 | 1,673 | 1,707 |
| Other non-current assets | 57 | 66 | 56 |
| Current assets | 4,220 | 3,086 | 2,409 |
| Cash and cash equivalents | 596 | 291 | 368 |
| **Total assets** | **10,668** | **8,992** | **8,072** |
| | | | |
| Equity | 3,210 | (5) | (303) |
| Redeemable preference shares | - | 1,790 | 1,700 |
| Loan from shareholder | - | 1,492 | 1,512 |
| Borrowings - non-current | 2,927 | 2,123 | 1,842 |
| Lease liabilities - non-current | 249 | 204 | 190 |
| Deferred income tax | 619 | 596 | 639 |
| Other non-current liabilities | 47 | 83 | 72 |
| Other current liabilities | 3,340 | 2,361 | 1,986 |
| Borrowings - current | 22 | 179 | 273 |
| Lease liabilities - current | 53 | 55 | 25 |
| Bank overdraft | 201 | 114 | 137 |
| **Total equity and liabilities** | **10,668** | **8,992** | **8,072** |

## Additional information and summary 4-year financials

# VIRGIN ACTIVE

## Broad geographic diversity of operations and earnings

| UK | | |
|---|---|---|
| | At 31 Dec 2022 (6) | Change to comparative |
| No. of clubs | 34 | 0 |
| No. of members | 119k | 0% |
| Revenue (2) | £106m | 69% |
| Market position | Premium London operator | |

| Total Group | | |
|---|---|---|
| | At 31 Dec 2022 (6) | Change to comparative |
| No. of clubs | 232 | 2 |
| No. of members | 890k | 10% |
| Revenue (2) | £436m | 52% |

| Italy | | |
|---|---|---|
| | At 31 Dec 2022 (6) | Change to comparative |
| No. of clubs | 40 | 2 |
| No. of members | 145k | 22% |
| Revenue (2) | £97m | 116% |
| Market position (1) | Market leading operator | |

| Asia Pacific (4) | | |
|---|---|---|
| | At 31 Dec 2022 (6) | Change to comparative |
| No. of clubs | 24 | 0 |
| No. of members | 47k | (7%) |
| Revenue (2) | £60m | 56% |
| Market position | Premium operator in chosen cities | |

| Southern Africa (5) | | |
|---|---|---|
| | At 31 Dec 2022 (6) | Change to comparative |
| No. of clubs | 134 | 0 |
| No. of members | 579k | 12% |
| Revenue (2) | £173m | 22% |
| Market position (3) | Market leading operator | |

*(1) Based on revenues, source: IHRSA; (2) Year ended 31 December 2022 and measured in actual forex rates (ZAR 20.18, EUR 1.17, AUD 1.78, SGD 1.70, THB 43.23); (3) Based on revenues of private health clubs; (4) Asia Pacific includes Australia, Thailand and Singapore; (5) Southern Africa includes South Africa, Namibia and Botswana; (6) December 2022 figures are unaudited. Presented excluding closed clubs.*

## Summarised financial information

| **Summarised income statement** *(Results in £m; actual reported currency)* | **Dec-22** *Unaudited* *Post-IFRS 16* | **Dec-21** *Audited* *Post-IFRS 16* | **Dec-20** *Audited* *Post-IFRS 16* | **Dec-22** *Unaudited* *Pre-IFRS 16* | **Dec-21** *Audited* *Pre-IFRS 16* | **Dec-20** *Audited* *Pre-IFRS 16* | **Dec-19** *Audited* |
|---|---|---|---|---|---|---|---|
| **Revenue – continuing operations** | **436** | **292** | **296** | **436** | **292** | **296** | **602** |
| *% growth* | *49%* | *(1%)* | *(51%)* | *49%* | *(1%)* | *(51%)* | *3%* |
| *Total Revenue* | *436* | *292* | *296* | *436* | *292* | *296* | *602* |
| *Revenue: Discontinued operations* | - | - | - | - | - | - | - |
| **EBITDA – continuing operations** | **94** | **78** | **76** | **(12)** | **(15)** | **(17)** | **142** |
| *% margin* | *21%* | *27%* | *26%* | *nmf* | *nmf* | *nmf* | *24%* |
| *Total EBITDA* | *94* | *78* | *76* | *(12)* | *(15)* | *(17)* | *142* |
| *EBITDA: Discontinued operations* | - | - | - | - | - | - | - |
| Depreciation expense | (98) | (90) | (121) | (42) | (39) | (47) | (48) |
| Amortisation expense | (5) | (5) | (6) | (5) | (5) | (6) | (6) |
| **EBIT** | **(9)** | **(17)** | **(51)** | **(59)** | **(59)** | **(70)** | **88** |
| *% margin* | *nmf* | *nmf* | *nmf* | *nmf* | *nmf* | *nmf* | *15%* |
| Net bank debt interest charge (1) | (92) | (137) | (112) | (21) | (62) | (33) | (44) |
| Shareholder funding interest (2) | - | - | - | - | - | - | - |
| Exceptional items (3) | (46) | 152 | (421) | (38) | 7 | (167) | (13) |
| **EBT** | **(147)** | **(2)** | **(584)** | **(118)** | **(114)** | **(270)** | **31** |
| Tax | 10 | 5 | 18 | 10 | 5 | 18 | (22) |
| **PAT, continuing operations** | **(137)** | **3** | **(566)** | **(108)** | **(109)** | **(252)** | **9** |
| PAT, discontinued operations | - | - | - | - | - | - | - |
| **PAT** | **(137)** | **3** | **(566)** | **(108)** | **(109)** | **(252)** | **9** |

*(1) FY22 includes £22m in foreign exchange gains while FY21 includes (£17m) in foreign exchange losses; (2) Post Brait's acquisition in July 2015, shareholder funding is now held in a Virgin Active parent company and not included in the operating company's audited results. Brait's valuation of Virgin Active takes full consideration of this shareholder funding; and (3) Exceptional items for 2022 post IFRS 16 include impairments (£42m), non-recurring items (£5m) offset by profit on disposal of fixed assets £1m. Exceptional items for 2022 pre IFRS 16 include an impairment of (£32m), non-recurring items of (£3m), non-cash rent adjustment of (£2m) and loss on disposal of fixed assets of (£1m). Exceptional costs for 2021 post IFRS 16 include impairment reversal of £82m, non-recurring items (£13m) and profit on disposal of fixed assets £83m. Exceptional items for 2022 pre IFRS 16 include an impairment reversal of £8m, non-recurring items of £7m, non-cash rent adjustment of (£4m) and loss on disposal of fixed assets of (£4m) Exceptional costs for 2020 post IFRS 16 include impairment of (£402m), non-recurring items (£20m) and profit on disposal of fixed assets £1m. Exceptional items for 2020 pre IFRS 16 include an impairment of (£139m), non-recurring items of (£25m), non-cash rent adjustment of (£2m) and loss on disposal of fixed assets of (£1m);*

## Summarised financial information

| **Summarised balance sheet** (1)<br>*(Results in £m, actual reported currency rates)* | **Dec-22**<br>*Unaudited*<br>*Post-IFRS 16* | **Dec-21**<br>*Audited*<br>*Post-IFRS 16* | **Dec-20**<br>*Audited*<br>*Post-IFRS 16* | **Dec-22**<br>*Unaudited*<br>*Pre-IFRS 16* | **Dec-21**<br>*Audited*<br>*Pre-IFRS 16* | **Dec-20**<br>*Audited*<br>*Pre-IFRS 16* | **Dec-19**<br>*Audited* |
|---|---|---|---|---|---|---|---|
| **Total Assets** | **1,489** | **1,404** | **1,525** | **759** | **685** | **758** | **923** |
| Property and equipment | 1,035 | 1,026 | 1,083 | 299 | 302 | 334 | 399 |
| Goodwill and intangibles | 255 | 231 | 252 | 255 | 232 | 253 | 374 |
| Current assets | 33 | 25 | 41 | 39 | 29 | 40 | 36 |
| Cash | 76 | 46 | 77 | 76 | 46 | 77 | 56 |
| Other | 90 | 76 | 72 | 90 | 75 | 54 | 58 |
| **Total Liabilities** | **1,805** | **1,716** | **1,940** | **754** | **749** | **792** | **733** |
| Trade creditors | 35 | 29 | 42 | 35 | 29 | 42 | 21 |
| Current liabilities | 74 | 85 | 101 | 82 | 93 | 103 | 107 |
| Interest bearing bank debt | 508 | 467 | 455 | 508 | 467 | 455 | 437 |
| Finance leases | 1,134 | 1,081 | 1,272 | 2 | 3 | 12 | 13 |
| Other | 54 | 54 | 70 | 127 | 157 | 180 | 155 |
| **Shareholders' Equity** | **(316)** | **(312)** | **(415)** | **5** | **(64)** | **(34)** | **190** |

*(1) The figures are from the Virgin Active operating company's financial results. The shareholder funding which sits in a Virgin Active parent company is, therefore, not reflected. Brait's valuation of Virgin Active takes full consideration of this shareholder funding, including accrued interest to Brait's reporting date.*

## Summarised financial information

| **Summarised cash flow statement** [1] *(Results in £m, actual reported currency)* | **Dec-22** *Unaudited* *Post-IFRS 16* | **Dec-21** *Audited* *Post-IFRS 16* | **Dec-20** *Audited* *Post-IFRS 16* | **Dec-22** *Unaudited* *Pre-IFRS 16* | **Dec-21** *Audited* *Pre-IFRS 16* | **Dec-20** *Audited* *Pre-IFRS 16* | **Dec-19** *Audited* |
|---|---|---|---|---|---|---|---|
| **Cash flow from operations** | **73.2** | **42.8** | **114.8** | **(37.0)** | **(47.7)** | **37.5** | **132.3** |
| Maintenance and head office capex | (36.3) | (13.2) | (18.2) | (36.3) | (13.2) | (18.2) | (46.1) |
| **Operating cash flow** | **36.9** | **29.6** | **96.6** | **(73.3)** | **(60.9)** | **19.3** | **86.2** |
| Investments - new clubs, acquisitions and premiumisation | (7.9) | (1.9) | (4.2) | (7.9) | (1.9) | (4.2) | (30.5) |
| Non-recurring capex | - | - | - | - | - | - | - |
| Net exceptional, one off items and proceeds on disposal of assets | (2.1) | (16.8) | (5.5) | (2.1) | (16.8) | (5.5) | (5.9) |
| **Operating cash flow post capex** | **26.9** | **10.9** | **86.9** | **(83.3)** | **(79.6)** | **9.6** | **49.8** |
| Interest paid | (118.3) | (110.7) | (109.5) | (45.1) | (35.1) | (32.2) | (34.3) |
| Tax paid | (7.0) | (5.2) | (6.5) | (7.0) | (5.2) | (6.5) | (8.0) |
| **Operating cash flow post capex, tax and interest paid** | **(98.4)** | **(105.0)** | **(29.1)** | **(135.4)** | **(119.9)** | **(29.1)** | **7.5** |
| Shareholder funding receipts / (repayments) | 166.2 | 63.4 | 19.7 | 166.2 | 63.4 | 19.7 | (42.0) |
| **Operating cash flow post shareholder funding / repayments** | **67.8** | **(41.6)** | **(9.4)** | **30.8** | **(56.5)** | **(9.4)** | **(34.5)** |

*(1) The figures are from the Virgin Active operating company's financial results.*

## Currency assumptions

- Constant exchange rates, which represent the prior year actual average currency rates, are included to remove the impact of foreign currency movements during the reporting period
- A breakdown of the currency rates vs. Pound Sterling shown in the table below:

| | ZAR | EUR | AUD | SGD | THB |
|---|---|---|---|---|---|
| FY2021 Actual Average Currency Rates | 20.33 | 1.16 | 1.83 | 1.86 | 44.00 |
| FY2022 Constant Currency Rates | 20.33 | 1.16 | 1.83 | 1.86 | 44.00 |
| **30 September 2023: Closing Currency Rate used for Brait valuation** | **23.02** | | | | |

| For the twelve-months period to December 2022 | ZAR | EUR | AUD | SGD | THB |
|---|---|---|---|---|---|
| ***Closing rates:*** | | | | | |
| • Actual at 31 December 2021 | 21.61 | 1.19 | 1.86 | 1.83 | 44.96 |
| • Actual at 31 December 2022 | 20.48 | 1.13 | 1.77 | 1.62 | 41.65 |
| ***Average rates:*** | | | | | |
| • Actual for the year ended 31 December 2021 | 20.33 | 1.16 | 1.83 | 1.86 | 44.00 |
| • Actual for the year ended 31 December 2022 | 20.18 | 1.17 | 1.78 | 1.70 | 43.23 |

# DISCLAIMER

This report is based on information provided by The Rohatyn Group and its affiliates ("TRG"), in its capacity as the contracted investment advisor to the Brait PLC Board ("Board").

This report was prepared at the request of the Board by TRG from information in our possession as of and up through the end of the interim period. Opinions expressed in this report are intended solely as general market commentary and do not constitute investment advice or a guarantee of returns. For the avoidance of doubt, nothing in this report should be construed as advice or solicitation to buy or sell any securities. The information provided for Brait's investments is derived from public sources or received from the investment adviser's financial intermediaries, advisers or the underlying company itself. TRG shall not be liable for the accuracy and completeness of the information provided to investors.

The recipient hereby acknowledges that it is aware, and that it will advise its representatives who are informed as to the matters that are subject of this report, that the applicable securities laws prohibit any person who has received any material, non-public information about a company from purchasing or selling securities of such company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

Any projections, market outlooks or estimates in this document are forward looking statements and are based upon certain assumptions. Other events which were not taken into account may occur and may significantly affect returns or performance of an investment. Any projections, outlooks or assumptions should not be construed to be indicative of the actual events which will occur.

TRG cannot guarantee successful implementation or consummation of the strategy or exit strategy set by the Board for Brait's portfolio companies. There can be no assurance that any unrealized investment will be realized at its current valuation. Returns to investors may be materially different from the current fair values. The Board cannot guarantee the timing of dispositions.

Due to the inherent uncertainty of unlisted investment portfolio valuations, the stated values approved by the Board may differ significantly from the values that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term values of these investments may be lesser or greater than the valuations provided. Past performance is no guarantee of future results.

Certain information contained herein has been obtained from third party sources. While the Board deems such sources to be reliable, the Board cannot warrant the information to be accurate, complete or timely. The Board, and in turn TRG, is not responsible for the any damages or losses arising from any use of this third-party information.

# UNAUDITED INTERIM RESULTS ANNOUNCEMENT

## for the six month period ended 30 September 2023

## Summary consolidated statement of financial position as at 30 September

| | Notes | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | **12 452** | 13 964 | **12 535** |
| Investments | 3 | **12 452** | 13 964 | **12 535** |
| **Current assets** | | **9** | 10 | **1** |
| Accounts receivable | | **7** | 8 | **–** |
| Cash and cash equivalents | 4 | **2** | 2 | **1** |
| **Total assets** | | **12 461** | 13 974 | **12 536** |
| **EQUITY AND LIABILITIES** | | | | |
| **Ordinary shareholders equity and reserves** | 2 | **9 025** | 11 086 | **9 325** |
| **Non-current liabilities** | | **3 331** | 2 823 | **3 125** |
| 2024 Convertible Bonds | 6 | **3 331** | 2 823 | **3 125** |
| **Current liabilities** | | **105** | 65 | **86** |
| Accounts payable and other liabilities | 7 | **105** | 65 | **86** |
| **Total equity and liabilities** | | **12 461** | 13 974 | **12 536** |

## **Summary consolidated statement of comprehensive income** for the period ended 30 September

| | Notes | **Unaudited 30 September 2023 R'm** | Unaudited 30 September 2022 R'm | **Audited 31 March 2023 R'm** |
|---|---|---|---|---|
| Investment valuation gain/(loss) | 8 | **186** | (280) | **(603)** |
| Operating expenses | 10 | **(15)** | (14) | **(45)** |
| Finance costs | 11 | **(164)** | (135) | **(280)** |
| **Profit/(loss) for the period** | | **7** | (429) | **(928)** |
| **Other comprehensive (loss)/profit** | | | | |
| *Item that may be subsequently reclassified to profit or loss* | | | | |
| Translation adjustments | | **(307)** | 462 | **(800)** |
| **Comprehensive (loss)/profit for the period** | | **(300)** | 33 | **(1 728)** |
| Earnings/(loss) per share (cents) – basic and diluted | 12 | **1** | (32) | **(70)** |

## Summary consolidated statement of changes in equity for the period ended 30 September

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **Ordinary shareholders equity balance at beginning of period** | **9 325** | 11 053 | **11 053** |
| Profit/(loss) for the period | **7** | (429) | **(928)** |
| Net translation adjustments | **(307)** | 462 | **(800)** |
| **Ordinary shareholders equity balance at end of period** | **9 025** | 11 086 | **9 325** |

## Summary consolidated statement of cash flows for the period ended 30 September

| | Notes | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Operating expenses paid | | **(10)** | (34) | **(30)** |
| Administration fee paid | | **–** | – | **(11)** |
| **Net cash used in operating activities** | | **(10)** | (34) | **(41)** |
| Drawdown on loan from subsidiary | 13 | **122** | 132 | **245** |
| 2024 Convertible Bonds: coupon payments | | **(100)** | (103) | **(205)** |
| **Net cash generated from financing activities** | | **22** | 29 | **40** |
| **Net increase/(decrease) in cash and cash equivalents** | | **12** | (5) | **(1)** |
| Effects of exchange rate changes on cash and cash equivalents | | **(11)** | 5 | **–** |
| Cash and cash equivalents at beginning of period | | **1** | 2 | **2** |
| Cash and cash equivalents at end of period | 4 | **2** | 2 | **1** |

# Notes to the summary consolidated financial statements for the period ended 30 September

## 1. ACCOUNTING POLICIES

### 1.1 Basis for preparation

The summarised financial statements are presented in accordance with IAS34: Interim Financial Reporting and in accordance with the framework concepts, measurement and recognition requirements of IFRS. The accounting policies and methods of computation are consistent with those applied for the year ended 31 March 2023. The Group has only one operating segment being that of an investment holding company.

The issuance of the BIH Exchangeable Bonds resulted in BIH's classification changing to that of an Investment Entity. In terms of IFRS10: Consolidated Financial Statements, which resulted, effective 1 October 2021, in the prospective exemption for the Group from consolidation. As a result, these summarised financial statements and their comparatives are presented for the Company on a standalone basis.

The Company's financial statements are prepared using SA Rand (R/ZAR) as its presentation currency.

The holding company, Brait PLC, and its main wholly owned subsidiaries, Brait Investment Holdings Limited ("BIH") and Brait Mauritius Limited ("BML"), use Pound Sterling as their functional currency. The financial statements have been prepared using the following exchange rates:

| | **September 2023** | | September 2022 | | **March 2023** | |
|---|---|---|---|---|---|---|
| | **Closing** | **Average** | Closing | Average | **Closing** | **Average** |
| GBP/ZAR | **23.0236** | **23.4784** | 20.0760 | 19.8091 | **21.9162** | **20.4653** |
| USD/ZAR | **18.8670** | **18.6549** | 18.0168 | 16.3268 | **17.7153** | **17.0039** |

| | Notes | **Unaudited 30 September 2023 R'm** | Unaudited 30 September 2022 R'm | **Audited 31 March 2023 R'm** |
|---|---|---|---|---|
| **2. NET ASSET VALUE PER SHARE** | | | | |
| Ordinary shareholders equity and reserves | | **9 025** | 11 086 | **9 325** |
| Ordinary shares in issue (m) | 5 | **1 320.3** | 1 320.3 | **1 320.3** |
| **Net asset value per share (cents)** | | **684** | 840 | **706** |

## 3. INVESTMENTS

Through its main operating subsidiary BML, which holds its portfolio of investments, the Company designates the majority of its financial asset investments as at Fair Value Through Profit and Loss ("FVTPL"), with any resultant gain or loss recognised in investment valuation gain/loss. 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. Where applicable, listed investments are held at closing share prices at period end.

The primary valuation model utilised for valuing the unlisted portfolio of investments held by BML 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 Covid pandemic, maintainable earnings are based on a post Covid 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 and/or unbundling of its existing portfolio companies by March 2025, 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.

Where maintainable earnings are based on a post Covid 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.

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 the estimated effect of working capital and cost deferrals, where applicable.

## 3. INVESTMENTS CONTINUED

| | **30 September 2023** | | | 30 September 2022 | | | **31 March 2023** | | |
|---|---|---|---|---|---|---|---|---|---|
| **Valuation metrics** (note 1) | **EBITDA** | **Multiple** | **3rd Party Net Debt** | EBITDA | Multiple | 3rd Party Net Debt | **EBITDA** | **Multiple** | **3rd Party Net Debt** |
| Virgin Active (£'m) (note 2) | **121.3** | **9.0x** | **453.8** | 113.3 | 9.0x | 437.2 | **120.9** | **9.0x** | **476.0** |
| Premier (R'm) (note 3) | **Listed on the JSE on 24 March 2023** | | | 1 634.9 | 7.6x | 1 896.8 | **Listed on the JSE on 24 March 2023** | | |
| New Look (£'m) (note 4) | **45.0** | **6.0x** | **14.0** | 55.0 | 5.0x | 37.8 | **55.0** | **5.0x** | **38.0** |
| Other investments | | **Varied** | | | varied | | | **Varied** | |

**Note 1** Consistent with the prior year, Brait has valued its unlisted investment portfolio on a pre-IFRS16 basis, adjusting financial data for the impact of IFRS16, as appropriate to ensure consistency.

**Note 2** Maintainable EBITDA based on look-through to a September 2025 estimate sustainable level of GBP121 million. In-line with March 2023 Maintainable EBITDA also includes GBP3 million EBITDA from the Real foods (Kauai and Nü) acquisition. The primary reference measure considered is the peer group average two-year forward multiple of 8.4x (FY23: 8.9x). Net third party debt has been increased by GBP20.4 million (FY23: GBP22.2 million) for the estimated effect of costs deferred during lockdowns. The increase in carrying value was mainly due to Brait's *pro rata* £33.8 million (R756 million) equity subscription into Virgin Active's £50 million equity rights offer in May 2023.

**Note 3** Premier is valued at the closing JSE share price of R60.50 (FY23: R60.00) applied to Brait's 60.7 million shares held. Based on Premier's reported LTM EBITDA of R1.93 billion (FY23: R1.73 billion) and net third party debt of R2.6 billion (FY23: R2.9 billion), this equates to an implied EV/LTM EBITDA multiple of 5.4x (FY23: 6.1x).

**Note 4** Maintainable EBITDA is based on a sustainable LTM EBITDA applied to a 6.0x historic multiple (FY23: 5.0x), which represents a 43% discount to its peer average multiple of 10.5x (FY23: 9.8x). Net third party debt of GBP14.0 million includes an estimated GBP0.9 million normalisation adjustment to take consideration of certain costs deferred during lockdowns. Brait holds 18.3% of the New Look shareholder loans/PIK facility and equity (17.2% equity participation post dilution for management incentive plan).

## 3. INVESTMENTS CONTINUED

### Fair value hierarchy

IFRS13 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 or 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.

There are no financial assets that are categorised as Level 2 in the current year or prior year. Level 3 investments are valued at the fair value of the underlying assets and liabilities.

| | Notes | **Unaudited 30 September 2023 R'm** | Unaudited 30 September 2022 R'm | **Audited 31 March 2023 R'm** |
|---|---|---|---|---|
| BIH Investment in BML | | **15 196** | 16 488 | **15 166** |
| Virgin Active | | **9 897** | 7 879 | **9 045** |
| Premier | | **3 670** | 10 292 | **3 640** |
| New Look | | **1 055** | 854 | **931** |
| Other investments | | **34** | 44 | **37** |
| BML net working capital | | **540** | 26 | **3 567** |
| Borrowings (BML RCF) | 3.1 | **–** | (2 607) | **(2 054)** |
| BIH net working capital | | **(47)** | (48) | **(49)** |
| BIH Exchangeable Bonds due 2024 | 3.2 | **(2 697)** | (2 476) | **(2 582)** |
| **Level 3 Investments at fair value** | | **12 452** | 13 964 | **12 535** |

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **3. INVESTMENTS** CONTINUED | | | |
| **3.1 Borrowings** | | | |
| Opening balance | **2 054** | 2 478 | **2 478** |
| Interest accrual | **8** | 109 | **224** |
| Net repayments of borrowings | **(2 054)** | 70 | **(568)** |
| Drawdowns | **–** | 378 | **641** |
| Capital repayments | **(2 054)** | (308) | **(1 209)** |
| Interest repayments | **(8)** | (50) | **(80)** |
| Closing balance | **–** | 2 607 | **2 054** |

BML's committed revolving credit facility, which is secured by the assets of BML (the "BML RCF"), had a facility limit of R3 billion, with agreed reductions as Brait de-gears, and a tenure to 30 June 2024. The facility commitment, which incurred interest at JIBAR plus 4.0% and had a 1% commitment fee, was repaid in full on 13 April 2023 using proceeds received from the listing of Premier.

During April 2023, the facility limit on the BML RCF was amended to R0.6 billion, with term extended from 30 June 2024 to 31 March 2025, and remains undrawn at reporting date. The interest margin on the amended facility is the three-month JIBAR plus 2.9%, and a 1% commitment fee applies. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of BML.

## 3. INVESTMENTS CONTINUED

### 3.2 BIH Exchangeable Bonds (5% due 2024)

Brait concluded a R3 billion capital raise during December 2021 by way of renounceable Rights Offer to its shareholders, or their renouncees, to subscribe for 5.00 per cent senior unsecured Exchangeable Bonds due 3 December 2024 issued by BIH ("BIH Exchangeable Bonds"). 3 000 000 BIH Exchangeable Bonds with a denomination of ZAR1 000 each were listed on the Main Board of the JSE Limited on 14 December 2021 and carry a fixed coupon of 5.0% per annum payable semi-annually. The BIH Exchangeable Bonds are exchangeable into Brait ordinary shares at the holder's election at the earlier of their term of 3 December 2024, or on full settlement of the 2024 Convertible Bonds (the "BIH Exchange Shares"). Using the exchange price of R4.37, holders are entitled at reporting date to exchange their BIH Exchangeable Bonds to a maximum of 686.179 million ordinary shares (subject to rounding provisions).

At maturity, BIH may redeem the BIH Exchangeable Bonds at par (together with accrued and unpaid interest) or by delivery of the Exchange Shares (at prevailing market value) and cash totalling the Principal amount in value.

| | **Unaudited 30 September 2023 R'm** | Unaudited 30 September 2022 R'm | **Audited 31 March 2023 R'm** |
|---|---|---|---|
| **Reconciliation of the movements for the period:** | | | |
| Opening balance | **2 582** | 2 376 | **2 376** |
| Increase of liability component in terms of IAS32 over term of BIH Exchangeable Bonds | **115** | 100 | **206** |
| Closing balance | **2 697** | 2 476 | **2 582** |

# Notes to the summary consolidated financial statements for the period ended 30 September

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **4. CASH AND CASH EQUIVALENTS[1]** | | | |
| Balances with banks | **2** | 2 | **1** |
| – ZAR cash | ***** | * | ***** |
| – USD cash | ***** | * | ***** |
| – GBP cash | **2** | 2 | **1** |

[1] *Following BIH's classification as an Investment Entity, reported cash of R2 million relates to the Company. Cash held by subsidiaries, namely BML and BIH, amounting to R0.5 billion (FY23: R3.6 billion) is presented within BML net working capital in Investments (refer note 3). HY24 cash held by subsidiaries includes R0.3 billion cash held in GBP denominated notes ring-fenced for the remaining coupons on the 2024 Convertible Bonds. FY23 cash held by subsidiaries represented R3.6 billion proceeds realised from the listing of Premier which were subsequently applied as follows: (i) to fully repay the outstanding amount of R2.1 billion on the BML RCF in April 2023; and (ii) to follow Brait's pro rata GBP33.8 million (R756 million) equity subscription into Virgin Active's GBP50 million equity rights offer in May 2023.*

* *Less than R1 million.*

# Notes to the summary consolidated financial statements for the period ended 30 September

## 5. STATED CAPITAL

At 30 September 2023, the Company had 1 320 312 254 issued ordinary shares of no par value, unchanged from 31 March 2023.

At the Extraordinary General Meeting held on 22 December 2021, Shareholder approval was obtained for the allocation and issuance of Brait PLC ordinary shares arising from the exchange rights of the BIH Exchangeable Bonds. Following the exchange of 1 396 BIH Exchangeable Bonds in February 2022, 686 179 405 ordinary shares may be issued in terms of its obligations to the holders of the BIH Exchangeable Bonds. Concurrently, Shareholder approval was also obtained for the re-designation of the ordinary shares of par value EUR0.22 each of the Company into ordinary shares of no par value.

At the Extraordinary General Meeting held on 14 January 2020, Shareholder approval was obtained for the allocation and potential issue from conversion on maturity of the 2024 Convertible Bonds, 287 411 381 ordinary shares in terms of its obligations to the holders of the 2024 Convertible Bonds.

| | Number of shares in issue | R'm |
|---|---|---|
| **Issued ordinary share capital** | | |
| **31 March 2023** | **1 320 312 254** | **12 190** |
| Stated capital | | **12 190** |
| **30 September 2023** | **1 320 312 254** | **12 190** |
| Stated capital | | **12 190** |
| | **1 320 312 254** | |

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **6. 2024 CONVERTIBLE BOND (6.50% DUE 2024)** | | | |
| On 4 December 2019 Brait received £150 million from the issuance of its five year unsubordinated, unsecured convertible bonds ("2024 Convertible Bonds"). The 2024 Convertible Bonds listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange on 29 January 2020 and carry a fixed coupon of 6.50% per annum payable semi-annually in arrears. The conversion price at reporting date is £0.5219 per ordinary share. Using this conversion price, the 2024 Convertible Bonds would be entitled to convert into a maximum of 287.411 million ordinary shares (subject to rounding provisions) on exercise of bondholder conversion rights. | | | |
| In the event that the bondholders have not exercised their conversion rights in accordance with the terms and conditions of the 2024 Convertible Bonds, the 2024 Convertible Bonds are settled at par value in cash on maturity on 4 December 2024. | | | |
| In accordance with IAS32 (Financial Instruments: Presentation), the liability component for the 2024 Bonds is measured at reporting date as GBP145 million (FY23: GBP143 million). | | | |
| **Reconciliation of the movements for the period:** | | | |
| Opening balance | **3 125** | 2 667 | **2 667** |
| Increase of liability component in terms of IAS32 over the five-year bond term | **49** | 38 | **80** |
| Foreign currency translation reserve | **157** | 118 | **378** |
| Closing balance | **3 331** | 2 823 | **3 125** |
| **7. ACCOUNTS PAYABLE AND OTHER LIABILITIES** | | | |
| Accounts payable at reporting date includes the £3.1 million coupon accrual on the 2024 Convertible Bonds | **105** | 65 | **86** |

# Notes to the summary consolidated financial statements for the period ended 30 September

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **8. INVESTMENT VALUATION GAIN/(LOSS)** | | | |
| **BML** | **216** | (175) | **(578)** |
| Finance income (note 9) | **22** | 24 | **30** |
| Administration fee received from Brait PLC | **–** | – | **14** |
| Operating cost (note 10) | **(49)** | (61) | **(144)** |
| Finance cost (note 11) | **(8)** | (109) | **(223)** |
| Tax | **–** | – | **(2)** |
| Investment valuation gain/(loss) | **251** | (29) | **(253)** |
| **BIH** | **85** | (5) | **181** |
| Operating cost (note 10) | **(1)** | – | **(1)** |
| Finance cost (note 11) | **(75)** | (75) | **(150)** |
| Foreign exchange gain | **161** | 70 | **332** |
| BIH Exchangeable Bond: liability component in terms of IAS 32 (note 11) | **(115)** | (100) | **(206)** |
| Investment valuation gain/(loss) | **186** | (280) | **(603)** |
| **9. FINANCE INCOME** | | | |
| Premier shareholder funding (interest income) | **–** | 24 | **25** |
| Other interest income | **22** | – | **5** |
| Total finance income earned for the year | **22** | 24 | **30** |
| Amounts recognised in investment valuation gain/(loss) (refer note 8) | **(22)** | (24) | **(30)** |
| | **–** | – | **–** |

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **10. OPERATING EXPENSES** | | | |
| Directors fees | **10** | 10 | **19** |
| Corporate advisory fees[1] | **33** | 48 | **114** |
| Insurance | **8** | 8 | **16** |
| Administration fee paid to BML | **–** | – | **14** |
| Professional fees[2] | **5** | 2 | **7** |
| Travel and accommodation | **3** | 2 | **5** |
| Other operating expenses | **3** | 3 | **9** |
| External audit fees | **3** | 3 | **6** |
| Total operating expenses incurred for the period | **65** | 76 | **190** |
| Amounts recognised in investment valuation gain/(loss) (refer note 8) | **(50)** | (62) | **(145)** |
| | **15** | 14 | **45** |

[1] *Ethos Private Equity Proprietary Limited ("EPE") was appointed as the contracted advisor to BML effective 1 March 2020. As announced to the market previously, The Rohatyn Group ("TRG") has formally been appointed by the Brait Board to replace EPE as BML's contracted investment advisor with effect from 1 April 2023. The fee comprises the advisory fee of R33 million (FY23: R96 million). FY23 also included a short term incentive award of R17.8 million, based on the Board's annual, pre-determined key performance indicators set for the Advisor in terms of executing on Brait's stated strategy.*

[2] *Largely made up of legal fees, as well as comprising fees relating to administration and fees paid/payable to external auditors in relation to non-audit services (such fees deemed immaterial to the Group).*

## Notes to the summary consolidated financial statements for the period ended 30 September

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **11. FINANCE COST** | | | |
| **BML RCF** | | | |
| – Interest expense | **7** | 107 | **218** |
| – Raising and commitment fees | **1** | 2 | **5** |
| **2024 Convertible Bonds** | | | |
| – Coupon | **115** | 97 | **200** |
| – Increase of liability component in terms of IAS32 over the five-year bond term | **49** | 38 | **80** |
| **BIH Exchangeable Bonds** | | | |
| – Coupon | **75** | 75 | **150** |
| – Increase of liability component in terms of IAS32 over the three-year bond term | **115** | 100 | **206** |
| **Total finance cost incurred for the period** | **362** | 419 | **859** |
| Amounts recognised in investment valuation gain/(loss) (refer note 8) | **(198)** | (284) | **(579)** |
| | **164** | 135 | **280** |
| **12. HEADLINE EARNINGS RECONCILIATION** | | | |
| Profit/(loss) and headline profit/(loss) | **7** | (429) | **(928)** |
| Weighted average ordinary shares in issue (m) – basic | **1 320** | 1 320 | **1 320** |
| Earnings/(loss) and headline earnings/(loss) per share (cents) – basic and diluted[1] | **1** | (32) | **(70)** |

[1] *Based on the reported NAV of R6.84 and at a BIH Exchange price of R4.37, the BIH Exchangeable bonds would be dilutive if exchanged into the Company's ordinary shares. The £0.5219 conversion price of the 2024 Convertible Bonds is anti-dilutive, based on the reported NAV.*

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **13. DRAWDOWN ON LOAN FROM SUBSIDIARY[(1)]** | | | |
| **BML** | **(2 911)** | 161 | **3 874** |
| Investment proceeds received[(2)] | **–** | 416 | **4 901** |
| Purchase of investments[(3)] | **(756)** | (182) | **(218)** |
| BML Administration fee received from holding company | **–** | – | **11** |
| BML Operating and other expenses | **(85)** | (91) | **(170)** |
| BML withholding taxes | **(8)** | (2) | **(2)** |
| BML RCF: net capital repayments (refer note 3.1) | **(2 054)** | 70 | **(568)** |
| BML RCF: interest repayments (refer note 3.1) | **(8)** | (50) | **(80)** |
| **BIH cash flow** | **(75)** | (68) | **(145)** |
| BIH Operating costs | **–** | – | **(1)** |
| BIH Exchangeable Bonds: Coupon paid | **(75)** | (68) | **(144)** |
| Decrease/(increase) in cash held by BML due to BIH investment Entity status | **3 108** | 39 | **(3 484)** |
| Total drawdown on loan from subsidiary | **122** | 132 | **245** |

(1) *The Company is funded by its subsidiary BIH. The loan that arises is settled by way of return of capital in accordance with section 62 of the Mauritian Companies Act.*

(2) *Investment proceeds received in FY23 comprised of: (i) R4,476 million received from Premier (R3,600 million gross proceeds received pursuant to the March 2023 JSE listing, less R73 million associated costs; R924 million return of capital distribution received in November 2022 and R25 million in shareholder loan repayments); and (ii) R425 million received from the Other Investments portfolio, mostly relating to proceeds received from the realisation of Brait IV's remaining investment in Consol.*

(3) *Purchase of investments: HY24 relates to Brait following its pro rata £33.8 million (R756 million) equity subscription into Virgin Active's £50 million equity rights offer in May 2023. FY23 relates to Brait's pro rata £9.1 million investment to purchase commitments under New Look's HSBC operating facility in September 2022 and Brait's pro rata costs related to the March 2022 Virgin Active capital raise.*

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **14. RELATED PARTY BALANCES** | | | |
| **Profit from operations include:** | | | |
| Non-executive directors' fees | **(10)** | (10) | **(19)** |
| Corporate advisory fees[1] | **(33)** | (48) | **(114)** |
| Professional fees – Stonehage Fleming[2] | **(1)** | (1) | **(1)** |

*[1] As announced to the market previously, TRG has formally been appointed by the Brait Board to replace EPE as BML's contracted investment advisor with effect from 1 April 2023. EPE was appointed as the contracted advisor to BML effective 1 March 2020. EPE owns 1.2% of the BIH Exchangeable Bonds, while entities affiliated to EPE (EPE Direct Investments GP Proprietary Limited and Ethos Fund VII GP (SA) Proprietary Limited) collectively own 12.3% of Brait's ordinary shares and 12.3% of the BIH Exchangeable Bonds.*

*[2] HRW Troskie is a director and shareholder of Brait as well as a director and shareholder of certain Stonehage Fleming group entities, which is the company secretary of the Company. M Dabrowski is a director of Brait and until 31 August 2023 was also a director of certain Stonehage Fleming group entities.*

# Notes to the summary consolidated financial statements for the period ended 30 September

| | Unaudited 30 September 2023 R'm | Unaudited 30 September 2022 R'm | Audited 31 March 2023 R'm |
|---|---|---|---|
| **15. CONTINGENT LIABILITIES AND COMMITMENTS** | | | |
| **15.1 Commitments[1]** | | | |
| **2024 Convertible Bond commitments** | | | |
| 2024 Convertible Bonds coupon payments due within one year[2] | **224** | 196 | **214** |
| BIH Exchangeable Bonds coupon payments due within one year[3] | **150** | 150 | **150** |
| 2024 Convertible Bonds coupon payments due between one and five years[2] | **112** | 294 | **214** |
| BIH Exchangeable Bonds coupon payments due between one and five years[3] | **75** | 225 | **150** |
| 2024 Convertible Bonds principal settlement due within five years[4] | **3 454** | 3 011 | **3 287** |
| BIH Exchangeable Bonds principal settlement due within five years[5] | **1 194** | 288 | **516** |
| **Total commitments** | **5 209** | 4 164 | **4 531** |

[1] *Commitments include those of Brait PLC (in respect of its issued 2024 Convertible Bonds) as well as those of its wholly owned subsidiary, BIH ("the BIH Exchangeable Bonds"), for which Brait PLC will issue the exchange shares.*

[2] *The coupon payments reflect the semi-annual coupons of 6.5% payable in arrears over the remaining terms of the 2024 Convertible Bonds.*

[3] *The coupon payments reflect the semi-annual coupons of 5.0% payable in arrears over the remaining term of the BIH Exchangeable Bonds.*

[4] *The principal cash settlement amount for the 2024 Convertible Bonds is payable at maturity date of 4 December 2024 in the event that the bondholders have not exercised their conversion rights.*

[5] *The principal cash settlement amount for the BIH Exchangeable Bonds is only payable at maturity date of 3 December 2024 to the extent the prevailing share price of the Brait shares delivered at such redemption date is less than the R4.37 exchange price. The cash settlement amount reflected applies the respective reporting date closing share price of R2.63 (FY23: R3.62) to the 686.2 million Brait PLC exchange shares.*

## 15. CONTINGENT LIABILITIES AND COMMITMENTS CONTINUED

### 15.2 Contingent liabilities

At the Extraordinary General Meeting held on 30 October 2020, Shareholders approved the Long Term Incentive Plan ("LTIP") for EPE (as Advisor to Brait) and its employees working on the Brait portfolio. The LTIP is a five-year structure which has been designed to align the interests of the Advisor with those of Shareholders in delivering on Brait's revised strategy of realising value from the portfolio over the medium term, whilst minimising dilution to Shareholders. The LTIP will result in the Advisor receiving participation rights ("Participation Rights") to the realised proceeds distributed from the Brait portfolio only once cumulative distributions to Shareholders have exceeded the 31 March 2020 Net Asset Value ("NAV") of R8.27 per share (the "Hurdle Price"). The Hurdle Price will be adjusted to account for corporate events such as the declaration of ordinary and special dividends, share buybacks, capital raises and asset unbundlings. The value accruing to the Advisor would be equal to the surplus between such distributions and the Hurdle Price and would be settled in cash. Once, on a cumulative basis, the realised distributions to Shareholders exceeds the Hurdle Price, the Advisor will be entitled to its Participation Right of any further distributions to Shareholders.

### 15.3 Other

The Group has rights and obligations in terms of standard representation shareholder or purchase and sale agreements relating to its present or former investments.

# Review of operations

The Board of Directors ("Board") hereby reports to Brait's shareholders ("Shareholders") on Brait's unaudited interim results for the six months ended 30 September 2023.

## FINANCIAL HIGHLIGHTS

- **Virgin Active:**
  - Robust operating performance across key territories, with active membership increasing 10% to 972k over the past twelve months and enhancement of average yield across the portfolio.
  - Amendment and extension to June 2025 of VASA debt terms, which together with the previously announced extension to June 2027 of the debt terms for the international business, provide liquidity runway.
  - Agreement on the key terms of the Vitality contract renewal to December 2028.
  - Shareholders are in the process of injecting GBP60 million (Brait's participation is GBP6.9 million) in the form of convertible preference shares to drive growth initiatives.
- **Premier:**
  - Continued strong performance in HY24, with EBITDA growth of 24% to R1 billion (LTM EBITDA of R1.9 billion), driven by strong growth across all divisions except for the Mozambican business ("CIM"), which was impacted by macro factors and double-digit food inflation during the period.
  - Capital expenditure of R239 million, whilst increasing ROIC to 20.7%.
  - Strong cash generation resulting in improved leverage ratio of 1.4x net debt / EBITDA (FY23: 1.7x).
- **New Look:**
  - Reasonable performance in a challenging UK fashion retail operating environment where market volumes declined by 4%.
  - Refinanced the GBP100 million term debt to October 2026 with covenants set to provide operating headroom.
  - Review underway of operational cost base and distribution centre efficiency to drive profit growth.
- **Brait:**
  - Board remains focused on unlocking value for stakeholders and assessing the optimal way to achieve this.
  - NAV per share is R6.84, a 3% decrease on FY23 reported R7.06.
  - Available cash and facilities of R1.1 billion.

# Review of operations continued

The NAV breakdown at reporting date is presented below.

| | % | [(1)]Unaudited 30 September 2023 R'm | [(1)]Unaudited 30 September 2022 R'm | [(1)]Audited 31 March 2023 R'm |
|---|---|---|---|---|
| **Investments** | **96** | **14 663** | 19 069 | **13 653** |
| Virgin Active | **65** | **9 897** | 7 879 | **9 045** |
| Premier | **24** | **3 670** | 10 292 | **3 640** |
| New Look | **7** | **1 055** | 854 | **931** |
| Other investments | **–** | **34** | 44 | **37** |
| **Current assets** | **4** | **528** | 80 | **3 582** |
| Cash and cash equivalents | | **520** | 48 | **3 582** |
| Accounts receivable | | **8** | 32 | **–** |
| **Total assets** | **100** | **15 184** | 19 149 | **17 235** |
| **Non-current liabilities** | | **6 028** | 7 906 | **7 761** |
| Borrowings (BML RCF) | | **–** | 2 607 | **2 054** |
| 2024 Convertible Bonds (6.5% due 2024) | | **3 331** | 2 823 | **3 125** |
| BIH Exchangeable Bonds (5.0% due 2024) | | **2 697** | 2 476 | **2 582** |
| **Current liabilities** | | **131** | 157 | **149** |
| Accounts payable | | **131** | 157 | **149** |
| **NAV** | | **9 025** | 11 086 | **9 325** |
| **Net issued ordinary shares (million)** | | **1,320.31** | 1,320.31 | **1,320.31** |
| **NAV per share (cents)** | | **684** | 840 | **706** |

[(1)] *The issuance of the BIH Exchangeable Bonds resulted in BIH's classification changing to that of an Investment Entity. In terms of IFRS10: Consolidated Financial Statements, this resulted, effective 1 October 2021, in the prospective exemption for the Group from consolidation. The results shown above apply the look-through consolidation basis.*

# Review of operations continued

### HIGHLIGHTS FOR THE GROUP'S INVESTMENT PORTFOLIO

**Virgin Active (65% of Brait's total assets):**

- One of the world's leading premium international health and wellness brands, offering innovative health and fitness experiences to its members, Virgin Active continues its recovery from the significant impact of the Covid lockdown restrictions, which were finally lifted in September 2022.
- Robust operating performance across key territories, with active membership increasing 10% to 972k over the past twelve months and enhancement of average yield across the portfolio.
- Amendment and extension to June 2025 of VASA debt terms, which together with the previously announced extension to June 2027 of the debt terms for the international business, provide liquidity runway.
- Agreement on the key terms of the Vitality contract renewal to December 2028.
- Shareholders are in the process of injecting GBP60 million (Brait's participation is GBP6.9 million) in the form of convertible preference shares to drive growth initiatives.
- Territory update for the 9 months ended 30 September 2023:
  - Southern Africa (37% of group revenue) ("VASA"):
    - Sales of 170k, net membership growth of 31k and active members increasing to 606k.
    - Terminations elevated, largely driven by poor quality of sales in the first quarter of 2023 due to a challenging economic environment; management focused on addressing the increased attrition rates through changes to the sales commission structure and improved customer engagement.
    - Refurbishment of a number of key clubs underway with strong operating metrics post reopening.
    - Amendment and extension to June 2025 of VASA debt terms provides liquidity runway and key terms of the Vitality contract renewal to December 2028 have been agreed.
  - Italy (25% of group revenue):
    - Sales of 81k, net membership growth of 30k and active members increasing to 175k.
    - Sentiment remains positive, building on the strong start to 2023, with the focus now on yield performance and promotional campaigns.
  - UK (23% of group revenue):

    - Sales of 62k, net membership growth of 18k and active members increasing to 132k.
    - Sales boosted by strong sales team performance across all clubs supported by promotional campaigns. Sentiment continues to be positive as London continues to recover post Covid with higher office attendance helping boost inner city sales.
    - Focus on reducing operating costs to offset the increase in utility costs with growth capex spend on selected clubs.
  - Asia Pacific (15% of group revenue):
    - Sales of 32k with active members increasing to 59k.
    - Singapore's strong growth continues evidencing a robust terminations management strategy. Australian membership is behind expectations while Thailand continues to experience recovery.
  - Head office:
    - The management restructuring process currently underway is expected to result in significant central cost savings going forward.
    - Management focused on quantitative capital allocation on growth projects to expedite recovery whilst managing tight liquidity.
- Valuation as at 30 September 2023 (performed on a pre-IFRS16 basis):
  - Maintainable EBITDA is based on a look-through to a September 2025 estimated GBP121 million, which includes GBP3 million EBITDA from Real Foods (Kauai and Nü).
  - The 2-year forward valuation multiple is maintained at 9.0x (peer average forward multiple of 8.4x; FY23: 8.9x).
  - Net third party debt of GBP454 million (FY23: GBP476 million) includes GBP20 million (FY23: GBP22 million) for costs deferred during lockdown periods.
  - Brait's resulting unrealised carrying value for its investment in Virgin Active at the reporting date is R9,897 million (FY23: R9,045 million) and comprises 65% of Brait's total assets (FY23: 53%). The increase in carrying value is mainly due to Brait's pro rata GBP33.8 million (R756 million) equity subscription into Virgin Active's GBP50 million equity rights offer in May 2023.

# Review of operations continued

### Premier (24% of Brait's total assets)

- A leading South African FMCG manufacturer, offering branded and private label solutions, Premier delivered a strong HY24 operating performance despite high inflation and interest rates coupled with social unrest and power interruptions.
- Premier's results for the six months ended 30 September 2023 were released to the market on 13 November 2023:
  - Revenue of R9.4 billion; +7% year on year ("YoY").
  - Adjusted EBITDA of R1.0 billion; +24% YoY.
  - Adjusted EBITDA margin: 10.9% (HY23: 9.4%).
  - Adjusted return on invested capital (ROIC): 20.7% (HY23: 14.9%).
  - Normalised HEPS of 331 cents per share, +25% YoY.
  - Net third party debt leverage ratio of 1.4x, unchanged from HY23.
- Divisional highlights for the six months ended 30 September 2023:
  - Premier's MillBake business (84% of group revenue) continued its strong momentum despite challenging economic conditions, with revenue increasing 8% to R7.87 billion and adjusted EBITDA increasing 27% to R970 million:
    - Revenue growth slowed as bread pricing remained flat and maize became deflationary.
    - Operating margins returned to long term averages after declining somewhat during the inflationary wave experienced last year.
  - Premier's Groceries and International business (16% of group revenue) increased revenue by 2% to R1.48 billion, with Adjusted EBITDA decreasing by 4% to R107 million, impacted by CIM's performance as a result of challenging Mozambican macro factors:
    - Ongoing focus on site manufacturing optimisation and functionality remains critical.
    - Business poised to capitalise on anticipated economic recovery through established efficiencies in manufacturing capability.
- In keeping with Premier's strategy of achieving growth and being the lowest cost producer, investment in best-in-class facilities is an ongoing priority. Capital expenditure for the group of R239 million (HY23: R215 million) comprised R177 million maintenance (HY23: R149 million) and R62 million expansionary (HY23: R66 million). Cash generated by operations before working capital increased by 19% to R1.5 billion driven by the group's strong overall performance.
- Valuation as at 30 September 2023:
  - Premier is valued using the closing JSE share price of R60.50 (FY23: R60.00) applied to Brait's 60.7 million shares, resulting in a carrying value of R3.67 billion (FY23: R3.64 billion).
  - Based on Premier's LTM EBITDA of R1.93 billion (FY23: R1.73 billion) and net third party debt of R2.62 billion (FY23: R2.86 billion), this equates to an implied EBITDA multiple of 5.4x (FY23: 6.1x).

# Review of operations continued

**New Look (7% of Brait's total assets):**

- New Look is a leading fashion retailer operating in the value segment of the clothing and footwear market in the UK and the Republic of Ireland, with a targeted online presence. New Look offers products and a shopping experience based on excitement, value and newness.
- In a challenging UK fashion retail operating environment where market volumes declined by 4%, New Look's HY24 Revenue and EBITDA declined by 11.3% and 28.4% respectively. Unseasonal weather, declining consumer confidence and cost of living concerns through further interest rate and inflation increases, continue to be key factors affecting performance.
- Refinanced the GBP100 million term debt  to October 2026 with covenants set to provide operating headroom.
- Valuation as at 30 September 2023 (performed on a pre-IFRS16 basis):
  - Maintainable EBITDA of GBP45 million (FY23: GBP55 million) is referenced to FY23 LTM EBITDA of GBP42 million.
  - Following a successful refinancing of the GBP100 million term loan and operating facilities to October 2026 and improved working capital management, the valuation multiple was increased to 6.0x (FY23: 5.0x), which maintains a similar level of discount to the peer average multiple of 9.8x that applied at FY23.
  - Net third party debt of GBP14 million (FY23: GBP38 million) includes a GBP1 million (FY23: GBP19 million) normalisation adjustment, to take consideration of estimated deferred costs.
  - Brait holds 18.3% of the New Look shareholder loans/PIK facility and equity (17.2% equity participation post dilution for management's incentive plan).
  - The resulting unrealised carrying value for the investment in New Look at the reporting date is R1,055 million (FY23: R931 million), comprising 7% of Brait's total assets (FY23: 5%).

**Other investments**

- The remaining carrying value of R34 million relates to a legacy private equity fund investment.

# Review of operations continued

### GROUP LIQUIDITY POSITION

### Reporting date

- The R3.6 billion proceeds Brait received from Premier's 24 March 2023 listing on the JSE were applied during HY24 as follows:
  - In April 2023, settlement of the outstanding amount of R2.1 billion on the BML RCF; and
  - During May 2023, Brait followed its pro rata GBP33.8 million (R756 million) equity subscription into Virgin Active's GBP50 million equity rights offer to fund growth initiatives.
- Following its repayment, the BML RCF, which is secured on a senior basis by the assets of subsidiary Brait Mauritius Limited, was amended to a facility commitment of R594 million and extended term of 31 March 2025, interest at JIBAR plus 290bps and a 1% commitment fee.
- Cash of R520 million, which includes R326 million held in GBP for the remaining coupons on the 2024 Convertible Bonds, together with the undrawn BML RCF, results in available cash and facilities of R1.1 billion at the reporting date.
- Brait is in compliance with all covenants at the reporting date.
- The Board remains focused on unlocking value for stakeholders and assessing the optimal way to achieve this.

### DIVIDEND POLICY

Brait's ability to return capital to Shareholders pursuant to its monetisation strategy will depend upon its receiving realisations on loans and investments, dividends, other distributions or payments from its portfolio companies (which are under no obligation to pay dividends or make any other distributions to Brait). In addition, Brait's ability to pay any dividends will depend upon distribution allowances under the terms of the BML RCF.

To the extent that surplus cash becomes available at a future date for distribution, the Board will consider the potential for the distribution of such surplus cash by way of special dividend. Pursuant to the terms of the 2024 Convertible Bonds, before Brait is able to pay a special dividend to Shareholders, it will have to first make an offer to the holders of the 2024 Convertible Bonds to tender for repurchase an aggregate principal amount of the 2024 Convertible Bonds for an amount equal to such proposed special dividend at a price per 2024 Convertible Bond equal to its principal amount together with accrued interest. Prior to the offer to the holders of the 2024 Convertible Bonds, Brait will have to make an offer to the holders of the BIH Exchangeable Bonds to redeem the BIH Exchangeable Bonds.

For and on behalf of the Board

**RA Nelson**

*Non-Executive Chairman*

15 November 2023

# Review of operations continued

### Directors (all non-executive)

RA Nelson (Chairman)#, MP Dabrowski**, JM Grant#, Y Jekwa*, PG Joubert**, PJ Roelofse*, HRW Troskie^, Dr CH Wiese*

# *British* ^*Dutch* **South African* ***Resident in Mauritius*

Brait's Ordinary Shares are primary listed and admitted to trading on the Luxembourg Stock Exchange ("LuxSE") and its secondary listing is on the exchange operated by the JSE. Brait's 2024 Convertible Bonds due 4 December 2024 are dual listed on the Open Market ("Freiverkehr") segment of the Frankfurt Stock Exchange as well as the Official Market of the Stock Exchange of Mauritius ("SEM"). The BIH Exchangeable Bonds are dual listed on JSE and SEM.

### LuxSE Listing Agent:

Harney Westwood & Riegels SARL

### JSE Sponsor:

Rand Merchant Bank (A division of FirstRand Bank Limited)

### SEM Authorised Representative and Sponsor:

Perigeum Capital Ltd

# Administration and contact details

**BRAIT PLC**
Registration No: 183309 GBC

**ISSUER NAME AND CODE**
Issuer long name – BRAIT PLC
Issuer code – BRAIT
Share code: BAT – ISIN: LU0011857645
Bond code:
WKN: A2SBSU ISIN: XS2088760157
LEI: 549300VB8GBX4UO7WG59

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