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

AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

The Board of Directors ("**Board**") hereby reports to Brait's shareholders ("**Shareholders**") on the Group's audited results for the financial year ended 31 March 2022.

GROUP FINANCIAL HIGHLIGHTS

- Premier:
    - Continued strong operational performance driven by market share gains, volume growth, input costs pass-through and cost management/operational leverage
    - Performance enhanced by completion of Mister Sweet acquisition and debt refinancing
    - Company has completed its IPO readiness plans and will potentially proceed with the listing, market conditions permitting
- Virgin Active:
    - Significant year completing the Restructuring Plan and debt refinancings, raising of GBP88.4 million (R1.8 billion) of new capital in Virgin Active at Brait's valuation and appointment of new management (Virgin Active CEO, CFO and VASA MD)
    - Strong growth in the membership base since the start of the calendar year across the key territories, from 754k active members as at 31 December 2021 to 847k active members currently, with a significant reduction of the members on freeze
    - The capital raise and amalgamation of Kauai and Nü chains of healthy fast casual restaurants, which remains subject to regulatory approvals, will expedite Virgin Active's recovery back to 2019 operational levels and accelerate the transition into the broader wellness space
- New Look:
    - Strong performance for 3 quarters of FY22 offset by underperformance in October – December 2021 due to Omicron, with lower than expected footfall and supply chain issues
    - Recovery in operating performance since the beginning of the calendar year with a good start to FY23
- Brait:
    - Runway to execute monetisation strategy post the R3.0 billion capital raised from December 2021 issuance of Exchangeable Bonds by wholly owned subsidiary Brait Investment Holdings ("**BIH**") ("**December 2021 Capital Raise**") listed on the Main Board of the JSE and the Official Market of the Stock Exchange of Mauritius Ltd ("**SEM**")
    - Net proceeds raised partially repaying Brait's committed revolving credit facility ("**BML RCF**"), facilitating its amendment and extension to 30 June 2024 with a facility limit of R3.0 billion
    - Awarded 2nd place in the inaugural Intellidex Investor Relations Mid Cap awards
    - Post year end, realised Brait IV's investment in Consol at a 16% premium to its September 2021 valuation
    - NAV per share of R8.37, a 5.9% increase on FY21 reported R7.90 (2.9% increase on 1H22: R8.14)
    - Available cash and facilities:
        - R0.6 billion at reporting date
        - Post the Consol realisation, R1.0 billion
    - As an investment holding company, Brait's key reporting metric is NAV per share. From an IFRS reporting perspective, Brait's earnings per share and headline earnings per share is 44 cents (FY2021: 34 cents)

REPORTED NAV PER SHARE

The following disclosure changes applicable to FY22 have had no impact on the Group's audited NAV per share of R8.37:

- During its term of domiciliation in Malta, Brait was legally required to present its financial results in EURO, resulting in the use of two presentation currencies, the SA Rand and the EURO. Following the transfer in September 2021 of Brait's registered office from Malta to Mauritius (the "**Redomiciliation**"), the Board has elected to present the Group's results solely in SA Rand.
- The issuance of the BIH's Exchangeable Bonds by BIH has resulted in BIH's classification changing to that of an Investment Entity. In terms of IFRS10: Consolidated Financial Statements, this results, effective 1 October 2021, in the prospective exemption for the Group from consolidation, with the Group audited financial results accordingly reflecting the fair value of the investment in BIH as opposed to the "look-through" consolidation method applied in the previous financial years.

At the reporting date, the composition of the respective peer groups remain unchanged. Premier is valued using a Last Twelve Months ("**LTM**") post-IFRS16: Leases valuation multiple of 7.6x, compared to the peer average spot multiple of 7.7x. In the case of Virgin Active and New Look, where maintainable earnings are based on an estimate sustainable EBITDA level, the reference measure considered is the pre-IFRS16 peer average multiple for the corresponding forward period:

- Virgin Active is valued using a two-year forward multiple of 9.0x, which represents a 10% discount to the peer average two-year forward multiple of 10x.
- New Look is valued using a one-year forward valuation multiple of 5.0x, which represents a 25% discount to the 6.7x peer average one-year forward.

HIGHLIGHTS FOR THE GROUP'S INVESTMENT PORTFOLIO

Premier (49% of Brait's total assets)

- A leading South African FMCG manufacturer, offering branded and private label solutions, Premier delivered a strong FY22 performance despite the headwinds faced from high commodity prices.
- Group results for the financial year ended 31 March 2022 (quoted on a post-IFRS16 basis):
  - Revenue of R14.5 billion, a 16% increase on FY21 revenue of R12.5 billion.
  - Adjusted EBITDA of R1.5 billion, a 36% increase on FY21 Adjusted EBITDA of R1.1 billion
  - Adjusted EBITDA margin: 10.3% (FY21: 8.8%)
  - Return on invested capital: 14.8% (FY21: 11.5%)
  - Operating cash conversion (post maintenance capex): 67% of Adjusted EBITDA (FY21: 97%)
  - Net third party debt leverage ratio of 1.6x (FY21: 1.9x)
- Premier completed the integration of its R419 million bolt-on acquisition of the Mister Sweet confectionary business and has realised most of the merger synergies identified at the time of the transaction. The results of Mister Sweet have been included in the FY22 results for the 10 months since 1 June 2021.
- Divisional highlights for the financial year ended 31 March 2022:
  - Premier's MillBake business (82% of group revenue) has continued its strong momentum, significantly outperforming its peers and successfully passing on inflationary increases in a tough trading environment:
    - Revenue growth of 12.5% to R11.9 billion, comprising volume growth of 6.0% and average price inflation of 6.5%
    - Adjusted EBITDA, excluding head office costs, increased by 32% to R1.4 billion, with Adjusted EBITDA margins expanding by 170bps to 11.7%
  - Premier's Groceries and International division (18% of group revenue) increased revenue by 35%. Adjusted EBITDA, excluding head office costs, increased by 24% to R200 million, driven by significant historic capex spend, brand loyalty and product expansion:
    - Sugar confectionery revenue increased by 238% to R763 million with revenue from Mister Sweet contributing R540 million for the 10 months since acquisition
    - Beverages revenue decreased by 6.5% to R80 million
    - Home and personal care revenue increased by 6% to R651 million
    - CIM revenue increased by 10.4% to R1,174 million
- Capital expenditure for the group of R519 million (FY21: R504 million) comprises R186 million maintenance (FY21: R244 million) and R333 million expansionary (FY21: R260 million), largely relating to the new Pretoria mill and bakery, which was recently commissioned.
- Premier repaid Brait R173 million of shareholder funding during the current financial year (FY21: R237 million), increasing Brait's share of realised proceeds received to date to R1,905 million. Post year-end, in May 2022, Brait converted the preference shares it held in Premier to ordinary shares, and Premier settled

the outstanding shareholder loan amount owing to Brait through the issuance of ordinary shares in Premier, thereby settling in full Brait's shareholder funding to Premier.

- Valuation as at 31 March 2022 (performed on a post-IFRS16 basis):
    - Maintainable EBITDA of R1,505 million, which is referenced to Premier's LTM Adjusted EBITDA, is applied to a valuation multiple of 7.6x, compared to the peer average LTM multiple of 7.7x.
    - Net third party debt of R2,008 million is based on Premier's reported net third party debt of R2,379 million (FY21: R2,098 million), adjusted to exclude R371 million mostly in respect of capital expenditure on the new, recently commissioned, Pretoria mill and bakery.
    - Brait's shareholding in Premier is 98.5%. Brait's equity value participation at reporting date is 96.5% (FY21: 97.1%) due to the dilutionary impact of the management incentive scheme put in place in FY21. Shareholder funding participation remains unchanged at 100%.
    - Premier's unrealised carrying value at the reporting date is R9,266 million, reflecting a 22% increase for the financial year (FY21: R7,597 million) and comprising 49% of Brait's total assets (FY21: 45%).

Virgin Active (44% of Brait's total assets):

- One of the leading international health club operators, Virgin Active's results for the financial year ended 31 December 2021 have been significantly impacted by Coronavirus lockdown restrictions. All territories have been operational since 30 October 2021.
- Significant year completing the Restructuring Plan and debt refinancings, raising of GBP88.4 million (R1.8 billion) of new capital in Virgin Active at Brait's H12022 Enterprise Value and appointment of new management. The amalgamation of Kauai and Nü chains of healthy fast casual restaurants remains subject to regulatory approval. These transactions will expedite Virgin Active's recovery back to 2019 operational levels and accelerate the transition into the broader wellness space.
- Territory update
    - Southern Africa:
        - Clubs were subject to capacity restrictions in line with lockdown regulations until February 2022. Since the relaxation of Coronavirus restrictions and the removal of capacity restraints in Q1 2022, Virgin Active South Africa has shown good traction on membership recovery.
        - Sales have recovered to levels similar to 2019 levels with active members growing from 497k as at 31 December 2021 to 557k as at May 2022. Membership engagement and usage levels continue to improve and termination levels have fallen, comparing favourably to 2019 levels.
        - Focused spend to rejuvenate the estate and drive further membership engagement during the next few years.
    - Italy:
        - Restrictions in Italy have resulted in a prolonged negative impact on membership growth in 2022. Clubs reopened in May 2021, having been closed since October 2020, subject to certain restrictions (swimming pools, showers, saunas closed) and proof of vaccination being required to enter.
        - All restrictions were lifted in March 2022 resulting in increased sales, with strong performance recorded in residential clubs and a positive uptake in new clubs.
        - The active membership base has increased from 106k in December 2021 to 123k as at May 2022.
        - Membership engagement is strong and club usage is at 96% of 2019 levels.
    - UK:
        - Clubs reopened in April 2021, having been closed since December 2020, with group exercise classes in operation since May 2021.
        - Since the removal of all restrictions in July 2021, the UK has delivered good performance in residential clubs, however the recovery in London Corporate clubs remains slower with changing working habits.
        - The active membership base has increased from 107k in December 2021 to 120k as at May 2022.
        - Termination levels have fallen and club usage is at 101% of 2019 levels, with strong membership engagement and an increased uptake of group exercise and personal training.
    - Asia Pacific:
        - Australian clubs were subject to repeated short lockdowns (circuit-breakers) since February 2020, with all clubs closed in August 2021. Sydney reopened on 11 October 2021 and clubs in Melbourne reopened on 30 October 2021. Membership recovery has been slow as restrictions have gradually been eased.

  - Thailand closed its gyms in April 2021, re-opening on 1 October 2021, however clubs are still subject to operating restrictions. Singapore closed its gyms from May 2021 to June 2021 but after a period of trading, closed again in July 2021 before reopening in August 2021.
  - Recovery in Asia Pacific has been slower than expected due to ongoing restrictions.
  - The active membership base has increased from 43k in December 2021 to 47k as at May 2022.
  - Club usage for Asia Pacific is at 91% of 2019 levels.

- Valuation as at 31 March 2022 (performed on a pre-IFRS16 basis):
  - Maintainable EBITDA is based on a look-through to a 2-year forward estimated sustainable level of GBP110 million, which is 23% less than the GBP142 million actual EBITDA achieved in its pre-Covid affected financial year ended 31 December 2019.
  - The valuation multiple has been maintained at 9.0x, which represents a 10% discount to the peer average two-year forward multiple of 10.0x.
  - Net third party debt of GBP353.2 million per the March 2022 management accounts has been increased by GBP27.2 million to GBP380.4 million. The normalisation adjustment applied takes consideration of the estimated effect of working capital and costs deferred during the lockdowns (March-21 net debt of GBP455 million included a GBP58 million normalisation adjustment).
  - Post the GBP88.4 million capital raise, Brait's equity and shareholder funding participation decreased to 70.6% (FY21: 79.4%).
  - Brait's resulting unrealised carrying value for its investment in Virgin Active at reporting date is R8,282 million (FY21: R7,970 million) and comprises 44% of Brait's total assets (FY21: 45%).

New Look (4% of Brait's total assets):

- New Look is a UK based multichannel fashion brand, operating in the value segment of the clothing, footwear and accessories market.
- New Look's completion of the CVA process and its recapitalisation have provided the funding and operational flexibility to execute on its strategy:
- Solid performance for 3 quarters of FY22 offset by underperformance in October – December 2021 due to the impact of Omicron in the lead up to Christmas, with lower than expected footfall and global supply chain issues.
- Based on Kantar Worldpanel published data, New Look is Number 1 for women's dresses and denim clothing among the key 18-44s in the UK (by value) for the 24 weeks to 3 April 2022.
- Positive start to trading since the beginning of the 2022 calendar year.
- Valuation as at 31 March 2022 (performed on a pre-IFRS16 basis):
  - Maintainable EBITDA is based on a look-through to a 1-year forward sustainable level of GBP55 million.
  - The 1-year forward applied of 5.0x represents a 25% discount to the peer average forward multiple of 6.7x.
  - Net third party debt of GBP78.5 million (FY21: GBP86 million) includes an estimated GBP30.1 million (FY21:GBP47 million) normalisation adjustment, to take consideration of certain deferred costs during the lockdown periods.
  - Brait continues to hold 18.3% of the New Look shareholder loans/PIK facility and equity (17.4% equity participation post dilution for management's incentive plan).
  - Brait's resulting unrealised carrying value for its investment in New Look at reporting date is R672 million (FY21: R545 million) and comprises 4% of Brait's total assets (FY21: 3%).

Other Investments (2% of Brait's total assets):

Other Investments comprise Brait's remaining private equity fund investments, mostly relating to Brait IV's investment in Consol, the largest manufacturer of glass packaging products on the African continent. As previously announced, all conditions and approvals relating to the sale of Consol were fulfilled on 3 May 2022. Brait's share of R402 million proceeds, reflects the carrying value used at reporting date (16% premium to the September 2021 carrying value).

GROUP LIQUIDITY POSITION

Reporting date

- As previously announced, post the December 2021 Capital Raise, the BML RCF, secured by the assets of BML, was amended to have a facility limit of R3.0 billion, with agreed reductions as Brait de-gears, and

term extension to 30 June 2024. The BML RCF bears interest at JIBAR plus 4.0% repayable quarterly, with the margin decreasing as utilisation reduces, with a right to rollup these quarterly interest payments.
- The reduction in the drawn balance on the BML RCF for FY22 of R0.9 billion is a function of the net R2.9 billion proceeds received from the December 2021 Capital Raise, offset by R1.7 billion investment in Virgin Active and an interest accrual of R0.3 billion.
- The drawn balance at reporting date was R2.478 billion, resulting in an undrawn available facility of R532 million. Including the closing cash balance of R83 million, available liquidity at reporting date was R615 million.
- Brait is in compliance with all covenants at reporting date:
  - BML RCF covenants are NAV based.
  - Per the terms of the 2024 Convertible Bonds, Brait's 'Tangible NAV/Net Debt' ratio is required to be not less than 200%. The definition of 'Net Debt' per this covenant excludes the convertible and exchangeable bonds, with Tangible NAV referenced to Brait's net asset value.

Post balance sheet date liquidity position

Post receipt of the Consol proceeds of R402 million, available liquidity post balance sheet date is R1.017 billion.

UPDATE ON GOVERNANCE MATTERS

- Following the Redomiciliation, the dual listing of Brait's 2024 Convertible Bonds and BIH Exchangeable Bonds on the SEM completed on 30 November 2021 and 11 May 2022 respectively. The 2024 Convertible Bonds continue to trade on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange, with the BIH Exchangeable Bonds trading on the Main Board of the JSE.
- Since 1 March 2020, Ethos Private Equity Proprietary Limited ("**EPE**" or the "**Advisor**") has been the contracted investment advisor to Brait. The contract provided for a three-year tenor, with an annual renewal thereafter at an initial cost of R100 million per annum with inflation linked increases:
  - In FY21 EPE voluntarily reduced the advisory fee to R91 million in response to the Covid pandemic. In recognition of the challenging environment due to Covid and the restructuring of the Brait cost base, EPE volunteered to retain this fee level for FY22 (compared to the contracted value of R105 million). In FY23, the advisory fee is set at R96 million (compared to a contracted value of R110 million).
  - The Board has approved a 1-year extension of the EPE advisory contract to 31 March 2024 at a fee of R65 million.
  - The annual Short Term Incentive ("**STI**") serves to align the interests of Shareholders and the Advisor in terms of value creation. The STI is based on pre-determined key performance indicators focused on (i) progress on path to exit for the portfolio; (ii) growth in net asset value, and (iii) capital and liquidity management. The Board approved an STI award for FY22 of R30 million (FY21: R23 million). This results in total fees to the Advisor in FY22 of R121 million (FY21: R114 million).
  - The Long Term Incentive Plan ("**LTIP**") is accounted for as a contingent liability.

GROUP OUTLOOK

The December 2021 Capital Raise and refinancing of the BML RCF provides runway to execute Brait's strategy of maximising value through the realisation of its portfolio companies in the medium term. Virgin Active has started to recover from the effects of the numerous Covid-induced lockdowns and this momentum should continue. Premier's strong performance has continued since the start of its financial year. New Look is benefitting from the operational and strategic changes that have been made over the past two years.

In addition to the Long Form Results Announcement published on the website of the LuxSE today, Brait's FY22 results presentation booklet is available at www.brait.com. This short form announcement is published under the responsibility of the Board and is a summary of the information in the full announcement available on the Luxembourg Stock Exchange website and the JSE Stock Exchange News Service at: https://senspdf.jse.co.za/documents/2022/JSE/ISSE/BAT/BPLCMar22.pdf and on the Company's website http://brait.investoreports.com/investor-relations/results-and-reports/

This announcement does not contain full details and should not be used as a basis for any investment decision in relation to the Company's shares. The full announcement is available for inspection, at no charge, at the

Company’s registered office (C/o Stonehage Fleming, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius) and the office of the sponsor during standard office hours.

Port Louis, Mauritius
21 June 2022

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 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