

Premier Group Limited
(formerly Premier Group Proprietary Limited)
(Incorporated in the Republic of South Africa)
(Registration number 2007/016008/06)
(JSE share code: PMR)
(ISIN: ZAE000320321)
("Premier", the "Group" or the "Company")

ABRIDGED PRE-LISTING STATEMENT

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THIS ABRIDGED PRE-LISTING STATEMENT OF PREMIER DATED 10 MARCH 2023 SUPERSEDES AND REPLACES, IN ITS ENTIRETY, THE ABRIDGED PRE-LISTING STATEMENT ISSUED BY PREMIER ON 22 NOVEMBER 2022 (THE "2022 ABRIDGED PRE-LISTING STATEMENT") IN RELATION TO THE PROPOSED LISTING OF ALL THE ORDINARY SHARES ON THE MAIN BOARD OF THE JSE, WHICH PROPOSED LISTING WAS WITHDRAWN ON 2 DECEMBER 2022 ("WITHDRAWN IPO"). NO RELIANCE WHATSOEVER SHOULD BE PLACED ON THE 2022 ABRIDGED PRE-LISTING STATEMENT. FOR THE AVOIDANCE OF DOUBT, THE CONTENTS OF THIS ABRIDGED PRE-LISTING STATEMENT SHOULD BE CONSIDERED AND INSPECTED INDEPENDENTLY AND NOT IN CONJUNCTION WITH ANY OTHER INFORMATION PREPARED BY ANY PERSON AND PUBLISHED IN CONNECTION WITH THE WITHDRAWN IPO AND THE 2022 ABRIDGED PRE-LISTING STATEMENT. NEITHER PREMIER, BRAIT, BRAIT PLC, RMB, STANDARD BANK, INVESTEC, ETHOS, ANY PERSON WHO CONTROLS PREMIER, BRAIT, BRAIT PLC, ETHOS, RMB, STANDARD BANK OR INVESTEC, ANY DIRECTOR, OFFICER, EMPLOYEE OR AGENT OF ANY OF THEM NOR ANY AFFILIATE OF ANY SUCH PERSON ACCEPTS OR ASSUMES ANY LIABILITY OR RESPONSIBILITY WHATSOEVER IN RESPECT OF THE WITHDRAWN IPO, THE 2022 ABRIDGED PRE-LISTING STATEMENT (INCLUDING FOR ANY DELIBERATE OR INADVERTENT RELIANCE OR PURPORTED RELIANCE THEREON BY ANY PERSON) OR FOR ANY INCONSISTENCY OR DIFFERENCE BETWEEN THE 2022 ABRIDGED PRE-LISTING STATEMENT AND THIS ABRIDGED PRE-LISTING STATEMENT.

The capitalised words and expressions used in this abridged pre-listing statement that has been prepared in accordance with the JSE Listings Requirements ("Abridged Pre-listing Statement"), unless expressly defined or indicated otherwise herein, shall bear the meanings given to them in the full Pre-listing Statement (as defined below).

This Abridged Pre-listing Statement relates to:

- the admission to listing of the Ordinary Shares (ISIN: ZAE000320321) of Premier Group Limited (formerly Premier Group Proprietary Limited) (incorporated and registered on 31 May 2007) in the "45102020 – Food Products" sector of the main board of the JSE (under the abbreviated name "Premier" and share code "PMR") with effect from the commencement of business on Friday, 24 March 2023 ("Admission"); and
- in connection with the Admission, the Offer to be undertaken by Brait Mauritius Limited ("Brait"), which constitutes an offer for sale by Brait of 65,031,586 Ordinary Shares (excluding Overallotment Shares) (the "Sale Shares") to raise approximately ZAR3.5 billion in aggregate, subject to certain

terms and conditions, to (i) South African Qualifying Investors; and (ii) to selected persons outside the United States of America in reliance on Regulation S under the US Securities Act ("Qualifying International Investors"), in each case to whom the Offer may be specifically addressed and only by whom the Offer will be capable of acceptance. Up to the maximum number of Overallotment Shares borrowed by the Stabilisation Manager under the Securities Lending Agreement, may be sold in the Offer for purposes of Stabilisation.

This Abridged Pre-listing Statement does not constitute an offer to the public for the sale of or subscription for, or the solicitation of an offer to buy or subscribe for any Shares but is issued in compliance with the JSE Listings Requirements for the purpose of providing information to the selected persons in South Africa and other jurisdictions with regards to Premier.

The information in this Abridged Pre-listing Statement has been extracted, in summarised form, from the full pre-listing statement published by Premier on Friday, 10 March 2023 (the "Pre-listing Statement"), which Pre-listing Statement supersedes and replaces, in its entirety, the pre-listing statement dated 22 November 2022 that was published by the Company in connection with the Withdrawn IPO. The Pre-listing Statement has been made available on Premier's website www.premierfmcg.com. This Abridged Pre-listing Statement is not complete and does not contain all the information that readers of the Abridged Pre-listing Statement and / or the Pre-listing Statement should consider in relation to the Admission and the Offer.

Investing in the Ordinary Shares involves risks. Investors should read the Pre-listing Statement carefully in its entirety, including the "Risk Factors" section, before taking any decision in relation to the Ordinary Shares.

1. THE OFFER

- The Offer of the Sale Shares held by Brait, a wholly-owned subsidiary of Brait PLC, to South African Qualifying Investors and Qualifying International Investors, intended to raise minimum gross proceeds of ZAR3.5 billion (ZAR3.6 billion inclusive of the Overallotment Option which, if exercised, includes an additional 1,858,046 Ordinary Shares equal to an aggregate consideration of ZAR100 million), which has been fully de-risked prior to launch.
- The Offer Price is set at a price of ZAR53.82 per Offer Share, equating to an equity valuation of approximately ZAR6.9 billion.
- The Offer Price equates to a 6.3x last twelve months to 30 September 2022 multiple of earnings before interest, tax, depreciation, and amortisation ("EBITDA") to enterprise value.
- Brait will receive gross proceeds of up to ZAR3.6 billion from the Offer, which, together with its share of the November 2022 pre-listing distribution of ZAR950 million, totals up to ZAR4.6 billion, before fees and expenses.
- The gross proceeds of up to ZAR4.6 billion holistically address Brait's future liquidity requirements and Brait remains committed to distributing its assets to its shareholders.
- The Offer and Admission has been de-risked as follows:
 - Concurrently with, and to support, the Admission and Offer, Titan, Premier and Brait have entered into the Cornerstone Investment and Underwriting Agreement, in terms of which Titan Premier Investments Proprietary Limited ("Titan"), has, pursuant to the Titan Cornerstone Investment, agreed to purchase the Titan Cornerstone Investment Shares, representing c.36.2% of the maximum number of Offer Shares (including the Overallotment Shares)
 - Pre-Launch Commitments have been sourced from various institutions, which alongside existing public shareholders and other parties' commitments, meet the free-float requirements as set out in the JSE Listings Requirements and accordingly allow for the Admission to

proceed. The Pre-Launch Commitments include irrevocable agreements and / or letters of support secured from ABAX, Allan Gray (for and on behalf of their respective clients and not by Allan Gray as principal), Laurium, Mergence and Steyn Capital for an aggregate consideration of approximately ZAR1,340 billion. Together with the Titan Cornerstone Investment of ZAR1,302 billion, these Pre-Launch Commitments result in approximately 75.5% coverage of the Offer (assuming an Offer size of ZAR3.6 billion).

- In addition to the Pre-Launch Commitments and the Titan Cornerstone Investment, Titan (as “Underwriter”), in terms of the Cornerstone Investment and Underwriting Agreement, will underwrite Offer Shares (“Underwritten Shares”) not taken up in terms of the Offer up to an aggregate maximum underwriting commitment of c.ZAR832 million at the Offer Price. The terms of the Titan Cornerstone Investment and the Underwrite are set out in the Cornerstone Investment and Underwriting Agreement.
- The Offer comprises the offer for sale by Brait made to (i) South African Qualifying Investors; and (ii) Qualifying International Investors to acquire up to 65,031,586 Ordinary Shares (excluding the Overallotment Option consisting of 1,858,046 Ordinary Shares), with 15,451,165 Ordinary Shares (which are Underwritten Shares) and the remainder (if any) to be placed at the Offer Price in accordance with the indicative timetable set out below.
- No fees or commissions are payable to Titan pursuant to the Cornerstone Investment and Underwriting Agreement. Similarly, no fees or commissions are payable to those investors who provided Pre-Launch Commitments.
- As part of the Offer, Brait PLC has offered to cede and transfer to those of its shareholders who submit an order to purchase Offer Shares equal to their fully diluted shareholding in Brait PLC (assuming that all the outstanding senior, unsecured, exchangeable bonds due in 2024 that were issued by a subsidiary of Brait PLC, are exchanged for ordinary shares in Brait PLC), the voting rights in Premier held by Brait following the Admission equal to their percentage allocation of Offer Shares.
- The Takeover Regulation Panel have granted Titan and its associated entities an exemption from the obligation to make a mandatory offer in terms of section 119(6) of the Companies Act in relation to its acquisition of more than 35% of the voting rights attached to all securities issued by Premier on account of the Cornerstone Investment and Underwriting Agreement and the Cession of Voting Rights Agreement.
- Lock-up arrangements will apply to each of the Company (180 days from the Admission Date), Brait (360 days from the Admission Date), Premier’s senior management (360 days from the Admission Date), and Titan (180 days from the Admission Date), subject to customary exceptions for transactions of this nature and provided that Brait PLC would be entitled to unbundle its residual shareholding in Premier within the lock-up period.

The Company’s authorised share capital comprises 200,000,000 Ordinary Shares, 25,000 A Ordinary Shares and 50,000 A1 Ordinary Shares and the Company’s issued share capital comprises 128,905,800 Ordinary Shares, 15,457 A Ordinary Shares and 23,060 A1 Ordinary Shares. As at the Admission Date, the Company’s listed issued shares are expected to comprise 128,905,800 Ordinary Shares. The Company’s unlisted issued shares shall comprise 15,457 A Ordinary Shares and 23,060 A1 Ordinary Shares, as at the Admission Date. No Shares are, or on the Admission Date are expected to be, held in treasury by the Group. The actual number of Offer Shares sold on the Settlement Date and certain other information is expected to be announced via SENS on Monday, 20 March 2023 and published in the South African press on Wednesday, 22 March 2023.

2. RATIONALE FOR THE ADMISSION AND THE OFFER

The main purposes of the Offer and Admission are to:

- enable Brait to realise a portion of its investment in the Company through the disposal of the Offer Shares, reduce its gearing and substantially eliminate the need for Brait to sell any further Ordinary Shares into the market, and clear the path for an unbundling of the remaining Ordinary Shares held by Brait to Brait PLC shareholders at an appropriate time in due course;
- provide the Company with access to capital markets, which it may use to support and develop further growth of the Group in accordance with its strategy and to finance acquisitions of, or investments in, businesses, technologies and other assets in the future;
- provide holders of Ordinary Shares with a liquid public market on which to trade their Ordinary Shares;
- raise the Company's profile through the listing and trading of the Company's Ordinary Shares on an established exchange and increase investor awareness regarding the Company's vision, strategy and operations; and
- enable Premier to use listed securities to potentially raise capital in the future under circumstances deemed appropriate by the Directors to, among other things, strengthen the Company's balance sheet and to assist the Group to optimise the capital structure of the Group, to the extent required.

The Company will not receive any proceeds from the sale of the Offer Shares to be sold by Brait under the Offer.

Brait is expected to retain 60,667,968 Ordinary Shares amounting to 47.1% of the shares in issue in the Company post implementation of the Offer and Admission (assuming an Offer size of ZAR3.6 billion) and will continue to work closely with the Group's management to drive growth and create value in the Group.

3. OVERVIEW OF PREMIER

Premier is a leading consumer product goods ("CPG") company in Southern Africa that has expanded its portfolio from a traditional milling and baking ("Millbake") business to include a groceries business ("Groceries and International"). Premier's Millbake business comprises operations and distribution facilities throughout South Africa, Lesotho and eSwatini, operating bakeries, maize and wheat mills supported by an extensive distribution capability. Premier's Groceries and International business comprises a portfolio of sugar confectionery products, home and personal care ("HPC") products, beverages, and a diversified product portfolio in Mozambique through Companhia Industrial da Matola ("CIM").

Premier employs over 8,100 permanent and contracted employees across owned sites and operates 13 bakeries, 7 wheat mills and 3 maize mills. The company has an installed milling capacity per annum of approximately 980,000 tonnes of wheat, 680,000 tonnes of maize, and an installed baking capacity of 747 million loaves of bread and delivers approximately 1.7 million loaves of bread a day to over 45,000 customers, 363 days a year. Premier operates 30 owned manufacturing sites and 25 distribution depots, spanning South Africa, eSwatini, Lesotho and Mozambique. ZAR5.2 billion in capital expenditure since FY2012 has culminated in a robust and technologically advanced operating platform, which can be further leveraged to enter new CPG categories.

Premier's two reporting business units produce a wide range of products:

- Millbake includes bread, sandwich squares (individually packaged, pre-sliced toasted bread), maize, wheat, samp (dried corn kernels that have been pounded and chopped until broken), quick cook samp, instant maize porridge, maize rice, maize flour, wheat flour, corn flour, baking powder,

pasta and value-added baking mixes. A significant proportion of Millbake products are supplied to the informal market - with more than 60% of Premier's Millbake sales derived from this market.

- Groceries and International includes sugar confectionery, a business that has an extensive range of products including inter alia, marshmallows, jellies, chews, gums, compressed sweets, boiled lollipops and sweets, liquorice, chocolate coated gums, and peanut brittle. Premier has further enhanced its strong market position in sugar confectionery brands, with synergies from the acquisition of the business of Mister Sweet, concluded in June 2021 and which are expected to fully materialise in the years ending 31 March 2023 and 2024. The HPC portfolio includes sanitary pads, non-applicator and applicator tampons, liners, maternity pads, breast pads, reusable applicators and menstrual cups, a broad range of cotton tips, pads, balls and rolls, and plastic gloves. The balance of the Groceries and International business includes nutritional beverages, as well as biscuits, pasta, rice and animal feeds produced and sold by Premier's Mozambique subsidiary CIM. CIM is a subsidiary in the Group which is 98% held by Prem-Cap Investments Proprietary Limited, which is wholly owned by Premier.

Premier produces and markets iconic South African brands such as Snowflake, Blue Ribbon, BB Bakeries, Star, Mister Bread, Iwisa, Nyala, Super Sun, Invicta, Impala, Manhattan, Super C, Mister Sweet, Champion toffee, Rascals, Candy Tops, Frutus, Lil-lets, Vulco and Dove cotton wool; as well as leading brands in Mozambique which include CIM, Florbela, Favorito, Polana, Top Score, Celeste, Dourado, Sunblest and Blue Ribbon (imported from eSwatini); and in eSwatini brands which include SUB, Mister Bread, Blue Ribbon, Iwisa, Bakers Pride and Ligugu and Mandla Mageu.

According to DataOrbis market share data by value for the 12 months to August 2022, Premier has an approximate 24% market share in bread, 32% market share in flour, 20% market share in maize, 18% market share in total sugar-based confectionery (rising to a 20% market share within Premier's defined segments comprising gums and jellies, marshmallows, chews, compressed and boiled sweets, toffees and liquorice) and an 18% market share in feminine care in South Africa. Notably, in respect of the bread category for the 12 months to August 2022, Premier held the market leading position in the Western Cape (37%), and the second largest market share in KwaZulu-Natal (30%) and the Eastern Cape (34%), respectively (Source: DataOrbis). Since 2012, the coastal regions have been a strong focus for Premier's success in the bread market, and Premier's baking business is now on the path to delivering its strategy to expand its inland market share as the Group recently commissioned a new Pretoria-based bakery and mill to better service the inland region.

Premier's leading consumer brands are marketed to consumers using bespoke trade, shopper, and consumer marketing tools in various media channels. The brands are active on trade broadsheet, outdoor media, radio and television, print, various in-store media and on social media. Well-branded and informative packaging forms the core of Premier's brand communication strategy direct to the shopper. During COVID-19, Premier actively redirected marketing spending into various initiatives which benefitted the communities that Premier serves, increasing the visibility of its products.

One of Premier's key strengths is its route to market capability using a fleet of 1,059 (912 owned, 147 third party) bakery vehicles delivering bread to over 45,000 customers, 363 days a year. For the balance of the product portfolio, Premier distributes its sugar confectionery and HPC brands to the retail, wholesale, general trade, buy-to-use and out-of-home and export sales channels through its strategically situated distribution centres and its fully owned fleet, accounting for 40% of deliveries, with the remainder distributed through third parties. The 4,890 sales and merchandising contracted service providers call on 5,400 stores daily to ensure Premier's products are visible and available for consumers to purchase.

Premier is led by a strong and experienced management team that think and act like owners of the business. The management team has a proven track-record of acquiring and integrating new businesses successfully and are supported by a strong executive and middle management unit. The management team's incentives are aligned to the realisation of Premier's growth strategy, and they are committed to Premier through an incentive structure to 2027. Management is participating in the Offer by purchasing Offer Shares from Brait for up to ZAR20 million at the Offer Price.

In addition to the Ordinary Shares that are owned by Senior Management and former management, Premier has created A Ordinary Shares and A1 Ordinary Shares that have been subscribed for by Senior Management and former management which convert to Ordinary Shares in 2027 based on the relative value of the Ordinary Shares at that date (net of a notional finance cost equivalent to prime less 1%). In aggregate, Senior Management members have invested ZAR59.9 million to acquire their Ordinary Shares, A Ordinary Shares and A1 Ordinary Shares and in addition have received interest bearing loans from Premier to acquire the Ordinary Shares. The value of the A Ordinary Shares and A1 Ordinary Shares is dependent on the performance of the business and the value of the A Ordinary Shares and A1 Ordinary Shares is targeted to grow to ZAR400 million – ZAR500 million over the next 5 years, which when converted into Ordinary Shares would result in management's aggregate shareholding increasing from 1.39% to between 2.5% – 3.5% of Premier's Ordinary Shares in issue. Prior to any conversion into Ordinary Shares, the A Ordinary Shares and A1 Ordinary Shares also entitle their holders to their *pro rata* share of all distributions declared by Premier.

4. FINANCIAL HIGHLIGHTS

The following figures are a summary of Premier's financial performance over the past three financial years ended 31 March:

	Unit	FY2020^	FY2021^	FY2022^	1H FY2022^	1H FY2023^
Revenue	ZAR million	11,048	12,526	14,538	7,001	8,672
Millbake	ZAR million	9,051	10,547	11,870	5,755	7,179
Groceries and International	ZAR million	1,996	1,979	2,668	1,246	1,492
Revenue growth	%		13.4%	16.1%		23.9%
Adjusted EBITDA*	ZAR million	1,032	1,099	1,490	709	821
Millbake	ZAR million	919	1,053	1,388	660	761
Groceries and International	ZAR million	185	122	200	90	112
Corporate	ZAR million	(72)	(76)	(97)	(41)	(52)
Adjusted EBITDA margin	%	9.3%	8.8%	10.3%	10.1%	9.5%
Operating profit/(loss)	ZAR million	(6)**	685	877	491	604
Operating profit margin	%	(0.1%)	5.5%	6.0%	7.0%	7.0%
Profit after tax	ZAR million	(626)	67	278	183	400
Profit after tax margin	%	(5.7%)	0.5%	1.9%	2.6%	4.6%
Free cash flow conversion:						
Including expansionary capital expenditure	%	39.6%	73.0%	44.4%	34.2%	53.1%

Excluding expansionary capital expenditure	%	55.5%	96.7%	66.8%	54.7%	61.1%
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* Adjusted EBITDA defined as earnings before interest, tax, depreciation, amortisation, and impairment losses.

** Impacted by impairment losses of ZAR631 million, primarily relating to the write-down in the investment in CIM for property, plant and equipment and the write-down of various trademarks and goodwill.

^ FY2020, FY2021 and FY2022 audited full year financials, 1H FY2022 unaudited interim financials and 1H FY2023 reviewed interim financials.

In FY2022, Premier generated revenue of ZAR14.5 billion and Adjusted EBITDA of ZAR1.5 billion. The Millbake and Groceries and International businesses contributed 82% and 18%, respectively, to Premier Group revenue. Despite high commodity prices and pandemic-led headwinds, Premier delivered strong financial results over the three-year period to FY2022. Revenue grew by a CAGR of over 15% alongside a strengthening of margins driven by volume and market share growth, a recovery in the Cape Town bakery and CIM business and active cost management and operational efficiencies undertaken by management. Adjusted EBITDA grew by a 20% CAGR over the 3-year period.

Premier's Millbake division (82% of Group revenue) showed strong momentum in FY2022, successfully managing its margins in an inflationary environment:

- Revenue growth of 12.5% to ZAR11.9 billion, comprising volume growth of 6.0% and average price inflation of 6.5%; and
- Adjusted EBITDA, excluding head office costs, growth of 32% to ZAR1.4 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% to ZAR2.7 billion. Adjusted EBITDA, excluding head office costs, increased by 24% to ZAR200 million, driven by significant historic capex spend, brand loyalty, and product expansion. On a divisional basis:

- Sugar confectionery revenue increased by 238% to ZAR763 million with revenue from Mister Sweet contributing ZAR540 million for the 10 months since acquisition;
- HPC revenue increased by 6% to ZAR651 million; and
- CIM Premier's Mozambique subsidiary increased revenue by 10.4% to ZAR1.2 billion.

Capital expenditure for the Group of ZAR519 million (FY2021: ZAR504 million) comprises ZAR186 million maintenance capital expenditure (FY2021: ZAR244 million) and ZAR333 million expansionary capital expenditure (FY2021: ZAR260 million), largely relating to the new Pretoria mill and bakery, which was recently commissioned.

Premier's leverage ratio (measured as net debt owing to third parties excluding shareholder funding to EBITDA) was 1.6x at the end of FY2022 (FY2021: 1.9x). Premier's Adjusted Return on Invested Capital (adjusted for capital expenditure projects not yet, or recently, commissioned and the revaluation of internally generated intangibles) increased from 11.1% for FY2021 to 14.8% for FY2022.

Premier delivered a strong performance for 1H FY2023, maintaining margins despite high commodity prices, loadshedding and other cost inflation pressures. Revenue for the six months ended 30 September 2022 was ZAR8.7 billion, a 24.7% improvement on 1H FY2022 (ZAR7.0 billion), driven by strong performance across both the Millbake and Groceries and International divisions. EBITDA grew by 15.7% on the comparable period, driven by Millbake increasing its EBITDA by 15.2% and Groceries and International EBITDA increasing by 25.1%. Corporate office costs increased by 28.3% to ZAR52 million compared to 1H FY2022.

Revenue for the Millbake business increased by 24.8% to ZAR7.2 billion in 1H FY2023 (1H FY2022: ZAR5.8 billion), with volumes in bread, wheat and breakfast categories growing despite the impacts of loadshedding on the division and price increases being passed through to the market. Millbake EBITDA increased by 15.2% to ZAR760 million in 1H FY2023 with the EBITDA margin contracting by 90 basis points to 10.6%. Revenue for the Groceries and International business increased by 19.8% to ZAR1.5 billion in 1H FY2023 (1H FY2022: ZAR1.2 billion), supported by: (i) robust performance in the sugar confectionery category, with growing sales volumes underpinning increases in revenue, gross profit and EBITDA, (ii) strong trading in home and personal care and CIM; and (iii) continued brand loyalty and product expansion. The home and personal care and CIM businesses showed good trading through the six months to 30 September 2022, with strong margin management and well-controlled costs driving gross profit and EBITDA increases in both businesses. Groceries and International EBITDA increased by 25.1% to ZAR112 million in 1H FY2023, with margins expanding by 30 basis points to 7.5%.

On 2 November 2022, Premier FMCG (Premier's South African operating entity), refinanced its long-term debt and increased its debt by ZAR1.04 billion. Of this, ZAR950 million has been distributed to Premier shareholders in the form of a pre-IPO distribution, with the remaining ZAR90 million retained as cash on the Premier balance sheet. This increased debt will result in a leverage ratio of 2.0x and bring Premier's leverage ratio in line with historic leverage multiples.

Given the strong cash flow generation over the period, during January 2023 the Group made a voluntary capital repayment of ZAR294 million on the revolving credit facility from the cash that was generated from operations, reducing the leverage ratio to 1.9x as at 31 January 2023. The capital repayment is available to be drawn for future funding needs if required. In light of the R950 million special distribution to Premier shareholders in November 2022, no further distributions to shareholders have been made.

Premier is targeting a pay-out ratio of 30% to 60% (2.0x to 2.5x times cover) of diluted headline earnings per share from continuing operations considering its targeted leverage ratio (net debt / EBITDA) of approximately 1.5x by the end of FY2025, as well as its cash generation and growth aspirations.

Premier's current intention is to declare a maiden dividend in 2024 post the release of FY2024 full year financial results, to be paid out of retained earnings.

5. KEY STRENGTHS

Premier is a highly attractive investment opportunity, within the food producers' sector, differentiated by consistently strong financial and operational performance and a scalable platform. Premier believes that the following key strengths contribute to its success and distinguish it from its competitors:

- Premier is well positioned as a sector CPG leader within the Sub-Saharan African market;
- Premier is the largest unlisted South African essential foods business in the market (Source: Euromonitor, Staple Foods in South Africa, Dec 2021 and Mail & Guardian, SA's Food Security – Premier Helping to Feed the Nation, Oct 2022);
- Premier has a track record of withstanding input cost pressures in a rising inflationary environment;
- Premier has a consistent track record of superior financial performance;
- Premier's continued capital expenditure investment has delivered fully integrated, best-in-class facilities;
- Premier has identified growth vectors to bolster its leading market position and support future success; and
- Premier has a highly skilled and experienced management team.

6. OVERARCHING BUSINESS STRATEGY

Premier pursues its purpose to ensure that its products and employees make a difference in the everyday lives of consumers through “The Premier Way” to:

Unlock future growth – focusing on the optimisation and growth of the core business through innovation and improved efficiency and costs, together with the delivery of attractive growth, margin returns and returns to investors.

Earn the right to operate in communities – ensuring the protection of the health and safety of employees and consumers, pursuing Sustainable Development goals and limiting our impact on the planet and purpose through social upliftment and a more inclusive organisation which is achieved by a clear commitment to building employee engagement equity within communities and a focus on B-BBEE within the business.

Grow together to be the best – developing Premier’s people through improved leadership strength, functional competencies at all levels, entrench performance management processes, retaining critical staff and promoting diversity and inclusiveness to inspire employees with a sense of belonging to make a meaningful contribution.

Be brilliant at the basics – creating fit-for-purpose products that reflect value for money and strive for continuous improvement in all operations, identifying cross-functional efficiencies, providing consistent quality and product and service availability to the end consumer.

The Premier Way underpins the leadership and communication philosophy within the business to execute on strategy and build the employee value proposition.

Premier operates in a high-performance growth culture with corporate and operational business scorecards focused on driving growth. Premier measures the execution of its strategies and its performance on a quarterly basis and adapts plans and tactics where necessary. This ensures that Premier remains agile and relevant in its dynamic business environment.

7. DIRECTORS AND MANAGEMENT

The directors of Premier on the Admission Date are set out below:

Name (age)	Position	Nationality	Address
Cornelius Johannes Roodt (63)	Independent Non-Executive Director and Chairman	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Jacobus Johannes Gertenbach (51)	Executive Director and CEO	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Fritz Grobbelaar (45)	Executive Director and CFO	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090

Rolf Mark Hartmann (48)	Non-Executive Director	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Peter Robert Nainby Hayward Butt (50)	On 11 November 2022 became the Alternate Director to Rolf Mark Hartmann	British	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Faith Nondumiso Khanyile (55)	Independent Non-Executive Director	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Jonathan Matthews (48)	Non-Executive Director	South African / British	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Harish Ramsumer (61)	Independent Non-Executive Director	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Wandile Sihlobo (32)	Independent Non-Executive Director	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090
Iaan van Heerden (51)	Non-Executive Director	South African	Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall, 2090

8. IMPORTANT DATES AND TIMES

The following indicative timetable sets out expected dates for the implementation of the Offer and the Admission*.

Key action	2023
Opening date of the Offer at 09:00 on	Friday, 10 March
Publication of the Pre-listing Statement on	Friday, 10 March
Release of the Abridged Pre-listing Statement on SENS on	Friday, 10 March
Publication of the Abridged Pre-listing Statement in the press on	Monday, 13 March
Last date and time for indications of interest for purposes of book building to be received up until 12:00 on	Friday, 17 March
Closing date of the Offer at 12:00 on	Friday, 17 March
Successful applicants advised of allocations on	Friday, 17 March
Publication date of the final number of Offer Shares released on SENS on	Monday, 20 March
Publication date of the final number of Offer Shares published in the press on	Wednesday, 22 March
Settlement and Admission Date	Friday, 24 March

* The above dates and times are subject to amendment. Any such material amendment will be released on SENS and published in the South African Press.

9. COPIES OF THE PRE-LISTING STATEMENT

The Pre-listing Statement is only available in English and copies may be viewed on the Company's website at www.premierfmcg.com or, by eligible investors, during normal business hours from Friday, 10 March 2023 until Friday, 17 March 2023 from Premier, RMB and Computershare Investor Services (Proprietary) Limited as follows:

Premier
Building 5
Maxwell Office Park
Magwa Crescent West
Waterfall, 2090

Rand Merchant Bank
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton, 2196

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

Johannesburg
10 March 2023

Sponsor
Rand Merchant Bank (A division of FirstRand Bank Limited)

Joint Global Coordinator, Joint Bookrunner and Stabilisation Manager
Rand Merchant Bank (A division of FirstRand Bank Limited)

Joint Global Coordinator and Joint Bookrunner
The Standard Bank of South Africa Limited

Joint Bookrunner
Investec Bank Limited

South African Legal Advisor to the Company
DLA Piper Advisory Services Proprietary Limited

South African Legal Advisors to the Joint Global Coordinators, Joint Bookrunners and Stabilisation Manager
Webber Wentzel

International Legal Advisors to the Joint Global Coordinators, Joint Bookrunners and Stabilisation Manager
Linklaters LLP

Independent Reporting Accountants and auditors
PricewaterhouseCoopers Inc.

DISCLAIMER

Prospective investors are expressly advised that an investment in Ordinary Shares entails certain risks and that they should therefore carefully read and review the entire Pre-listing Statement. Prospective investors should not just rely on key information or information summarised within the Pre-listing Statement or this Abridged Pre-listing Statement. Prospective investors should, in particular, read the section of the Pre-listing Statement entitled "Risk Factors" when considering an investment in the Ordinary Shares. A prospective investor should not invest in Ordinary Shares unless it has the expertise (either alone or with a financial adviser) to evaluate how the Ordinary Shares will perform under changing conditions, the resulting effects on the value of the Ordinary Shares and the impact this investment will have on the prospective investor's overall investment portfolio. Prospective investors should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposal of the Ordinary Shares.

The content of this Abridged Pre-listing Statement and the Pre-listing Statement should not be construed as business, legal or tax advice. It is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, Brait (or its directors), Brait PLC (or its directors), Titan (or its directors) or any of their advisers or any of their respective representatives that any recipient of this Abridged Pre-listing Statement and/or the Pre-listing Statement should purchase any Ordinary Shares. Prospective investors should consult their own professional adviser before making any investment decision with regard to the Ordinary Shares, among other things, to consider such investment decision in light of his or her personal circumstances and in order to determine whether or not such prospective investor is eligible to purchase Ordinary Shares. In making an investment decision, prospective investors must rely on their own analysis, enquiry and examination of the Company and the Ordinary Shares, including the merits and risks involved.

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The information contained in this Abridged Pre-listing Statement constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002, as amended ("FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Shares or in relation to the business or future investments of the Company is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Abridged Pre-listing Statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

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The statements contained in this Abridged Pre-listing Statement are made as at 10 March 2023, unless some other time is specified in relation to them, and publication of this Abridged Pre-listing Statement shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Accordingly, the delivery or publication of this Abridged Pre-listing Statement shall not, under any circumstances, create any implication that there has been no change in the facts set forth herein since the date of this Abridged Pre-listing Statement or that the information contained in this Abridged Pre-listing Statement is correct as at any time subsequent to the date of this Abridged Pre-listing Statement. Nothing contained in this Abridged Pre-listing Statement shall be deemed to be a forecast, projection or estimate of the future financial performance of the Group except where otherwise stated.

Forward-looking statements

This Abridged Pre-listing Statement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

Each of the Company, Brait, Ethos, RMB, Investec and Standard Bank and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this Abridged Pre-listing Statement whether as a result of new information, future developments or otherwise.

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The timing of the Admission may be influenced by factors such as market conditions. There is no guarantee that Admission will occur, and you should not base your financial decisions on the Company’s intentions in relation to Admission at this stage. Acquiring investments to which this Abridged Pre-listing Statement relates may expose an investor to a significant risk of losing the entire amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This Abridged Pre-listing Statement does not constitute a recommendation concerning the Offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.

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Each of RMB, Investec and Standard Bank are acting exclusively for the Company and Brait and no-one else in connection with the Offer. They will not regard any other person as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company and Brait for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this Abridged Pre-listing Statement or any transaction, arrangement or other matter referred to herein. In connection with the Offer, each of RMB, Investec and Standard Bank and any of their respective affiliates, may take up a portion of the Shares as a principal position and in that capacity may retain, purchase, sell, offer to sell, or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Pre-listing Statement, once published, to the Shares being issued, offered, subscribed, acquired, placed, or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by any of RMB, Investec and Standard Bank and any of their respective affiliates acting in such capacity.

In addition, RMB, Investec and Standard Bank may enter into financing arrangements and swaps in connection with which they or their affiliates may from time to time acquire, hold, or dispose of Shares. None of RMB, Investec and Standard Bank nor any of their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Unless otherwise indicated, market, industry, market share and competitive position data are estimates (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, nor has the Company ascertained the underlying economic assumptions relied upon therein.