

EPE CAPITAL PARTNERS LTD

INCORPORATED IN THE REPUBLIC OF MAURITIUS

REGISTRATION NUMBER: C138883 C1/GBL

ISIN: MU0522S00005

SHARE CODE: EPE

("ETHOS CAPITAL" OR "THE COMPANY")

VOLUNTARY PERFORMANCE UPDATE, SHARE BUYBACKS AND BRAIT ANNUAL RESULTS UPDATE

Ethos Capital is an investment holding company, registered, and incorporated in Mauritius. It is listed on the Johannesburg Stock Exchange ("JSE") and offers shareholders potential long-term capital appreciation by making commitments and investments into Funds or co-investments that are actively managed by Ethos Private Equity (Pty) Limited ("Ethos"), providing the Company with exposure to a diversified portfolio of unlisted private equity type investments ("Portfolio Companies"). As noted in the Company's previous announcements, The Rohatyn Group ("TRG") acquired Ethos with effect from 1 April 2023, resulting in TRG replacing Ethos as Ethos Capital's contracted investment advisor and administration services provider. All key members of the Ethos team responsible for providing the contracted investment advisory and administration services to Ethos Capital remain in their roles.

Below is a voluntary update of the Company since the interim results announcement published in March 2023.

Net Asset Value ("NAV") and NAV per share ("NAVPS")

The NAVPS of Ethos Capital, including the Brait PLC ("Brait") investment at its share price, increased by 1.2% in the quarter to 31 March 2023, from R8.51 to R8.61. For the nine-months of the financial year-to-date to 31 March 2023 ("YTD"), the NAVPS increased by 1.4% from 30 June 2022 (R8.49).

Based on the Brait NAVPS of R7.06 as at 31 March 2023, the Ethos Capital NAVPS decreased in the quarter to 31 March 2023 by 4.3% from R10.80 to R10.34, with the YTD decrease from the NAVPS of R10.66 at 30 June 2022 at 3.0%.

YTD, the Ethos Capital unlisted portfolio achieved a return of 10%. This was largely attributable to strong valuation gains in Optasia, Gammatek and Synerlytic.

The Ethos Capital listed portfolio was impacted YTD by significant decreases in share price movements in Brait (-11%) and MTN Zakhele Futhi (-17%). The price of the Brait Exchangeable Bonds increased by 9% over the quarter to 31 March 2023.

The table below sets out the portfolio valuation and the Company's NAVPS as at 31 March 2023:

	Ethos Capital portfolio (excl. Brait Ordinary shares)		Brait Ordinary shares Mar 23		Combined portfolio Mar 23	
	Dec 22	Mar 23	At R7.06	At R3.62	At R7.06	At R3.62
NAV ('million)	2,105	2,198	911	467	3,109	2,665

NAVPS – Rand

Invested capital	12.11	10.38
Net liabilities	(1.77)	(1.77)
Total	10.34	8.61

Share buybacks

As noted in the March 2023 interim results announcement, the Board approved a share buyback program that commenced towards the end of March 2023 and was completed in May 2023. In aggregate, Ethos Capital purchased R20 million through this program at an average price of R5.53 per share (acquiring 3.6 million shares with a total implied NAV of R37 million and R31 million respectively, as derived from the above noted NAVPS bases), thereby increasing the cumulative repurchased shares to c.12.6 million. All these shares are held as treasury shares.

Brait annual results update

Brait announced its annual results for the year ended 31 March 2023 today with its NAVPS decreasing to R7.06, representing a decrease of c.16% over the 31 March 2022 NAVPS of R8.37 and the 30 September 2022 NAVPS of R8.40 respectively. The decrease in the Brait NAVPS was mainly attributable to the lower Premier valuation as a result of using the listed share price as at 31 March 2023, the impact of the ZAR depreciation on the value of the GBP denominated Brait Convertible Bonds and the IFRS accounting impact on the equity component of the Brait Convertible and Exchangeable Bonds.

The following financial highlights were noted:

- Premier's strong operational performance has continued with EBITDA growth of 16% in FY23, largely driven by the Millbake business.
- The successful listing of Premier in March 2023 raised R3.6 billion for Brait, in addition to a R0.9 billion shareholder distribution received pre the listing.
- Virgin Active delivered strong operating performance over the last six months, with active memberships growing by 14% over the past 12 months and average yield increasing by 4% year-on-year.
- Despite the challenging market conditions for the UK fashion retail market, New Look achieved solid operating performance growing its EBITDA by 68%, driven by increased footfall and cost management at its distribution centre and head office.
- Brait repaid its R3.0 billion revolving credit facility during the year, resulting in R360 million of interest savings per year.

For further information on Brait's results, please refer to the Brait annual results for the year ended 31 March 2023 announcement that was published on the Stock Exchange News Service today and is available at <http://brait.investoreports.com/investor-relations/results-and-reports/>

Disclaimer

The financial information on which this announcement is based has not been audited, reviewed, and reported on by the Company's external auditors.

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Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)