



2022

INTEGRATED ANNUAL REPORT

FOR THE YEAR ENDED
31 MARCH 2022



Scope and boundary of the Integrated Annual Report

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Brait Public Limited Company ("Brait", the "Group", or the "Company") is an investment holding company whose ordinary shares are primary listed on the Euro MTF market of the Luxembourg Stock Exchange ("LuxSE"), with its secondary listing on the exchange operated by the JSE Limited ("JSE"). The Company's convertible bonds due 4 December 2024 ("2024 Convertible Bonds") are dual listed on the Open Market ("Freiverkehr") segment of the Frankfurt Stock Exchange and the Official Market of the Stock Exchange of Mauritius ("SEM"). During the current financial year, the Group's wholly owned subsidiary, Brait Investment Holdings ("BIH") issued Exchangeable Bonds due 3 December 2024 ("BIH Exchangeable Bonds") which are dual listed on the Main Board of the JSE and the SEM.

The Board of Directors ("Board") hereby acknowledges its responsibility to ensure the integrity of the 2022 Integrated Annual Report, which, in the Board's opinion, addresses all material issues of which it is aware and presents fairly the integrated performance of the Group and its impact on stakeholders. The Board has therefore approved the 2022 Integrated Annual Report for release to stakeholders.

The Integrated Annual Report does not cover the activities of the Group's portfolio investments except insofar as is relevant to assessing the Group's investment interests in those entities. For additional portfolio investment information, we refer you to the Brait 2022 Audited Results Presentation Booklet at www.brait.com.

The Group's annual financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. In addition to relying on representations and information provided, the Board has drawn assurance from the external auditors, PricewaterhouseCoopers, in the course of their annual audit of the Group's financial statements and their unmodified audit report.

The use of "Audited" on respective portfolio company information refers to the relevant portfolio company external auditors. To reduce the Group's impact on the environment as well as cost savings on printing and posting, the Group has distributed to each shareholder an electronic copy of the Integrated Annual Report, which is also available at www.brait.com. Printed copies of the Integrated Annual Report are available to Shareholders on request.

FORWARD-LOOKING STATEMENTS

This Integrated Annual Report may contain certain forward-looking statements with respect to the financial condition and results of operations of the Group, which by their nature, involve risk and uncertainty as they relate to events and depend on circumstances that may occur in the future. These forward looking statements have not been reviewed or reported on by the Group's external auditors.

2 Financial and operational highlights

ENTITY	HIGHLIGHTS
	• Runway to execute monetisation strategy post the R3.0 billion capital raised from the December 2021 issuance of BIH Exchangeable Bonds • Net proceeds raised partially repaying 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
	• 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
	• 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
	• 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

YEAR IN REVIEW

Over the last year, Brait has made significant progress in delivering value to shareholders. Refinancing has increased our capital strength; restructuring has improved our operational performance; and monetisation has contributed to Group liquidity.

The R3 billion Capital Raise, concluded in December 2021 by way of issuance of the BIH Exchangeable Bonds due 3 December 2024, facilitated the refinancing of the BML RCF with a facility limit of R3 billion and term date of 30 June 2024. This has provided runway to execute Brait's strategy of unlocking value through the realisation of portfolio companies in the next 3 years.

As discussed in the Advisor's report (section 7 of the Integrated Annual Report):

- Premier has delivered another strong operational performance with EBITDA growth of 36% for its financial year ended 31 March 2022 driven by market share gains, volume growth, input costs pass-through and cost management. The conclusion of the Mister Sweet transaction in June 2021 and refinancing of debt facilities have both served to enhance performance.
- This has been a significant year for Virgin Active. The Restructuring Plan completed in May 2021, facilitating the refinance of both the international and South African business' debt packages, with term dates extended to June 2025 and March 2025 respectively. In March 2022, Virgin Active raised new capital of £88 million at Brait's valuation and appointed new management (Group CEO, CFO and MD for the South African business). The revised strategy is demonstrating early progress back to pre-Covid 2019 operational levels and positive momentum in terms of membership growth across all territories. The capital raise and amalgamation of the Real Foods nutrition assets (Kuaui and Nū chains of healthy fast casual restaurants), which remains subject to regulatory approvals, will expedite Virgin Active's recovery and accelerate the transition into the broader wellness space.
- New Look is benefitting from the operational and strategic changes made over the past two years. It delivered a robust performance for 3 quarters of its financial year, with 3Q (October – December 2021) impacted by Omicron and resulting lower than expected footfall and supply chain issues. The business recovery is on track with a decent start to its 2023 financial year.
- As previously announced, all conditions and approvals relating the sale of Consol were fulfilled on 3 May 2022. Brait's share of R0.4 billion proceeds reflects the carrying value used at reporting date, which represents a 16% premium to the interim September 2021 reported carrying value.

REPORTED NAV PER SHARE

The Group's reported NAV per share at 31 March 2022 is R8.37, which represents a 5.9% increase for the financial year (FY21: R7.90) and a 2.9% increase on interim reported NAV per share of R8.14.

Section 8 of the Integrated Annual Report provides an overview of the investment portfolio, with more detailed portfolio company information included in Brait's 2022 Audited Results Presentation booklet, which is available on the Company's website.

GROUP LIQUIDITY POSITION

The R2.5 billion drawn balance on the Group's borrowing facility (the "BML RCF") reflects a R0.9 billion reduction for the year, as a result of the R2.9 billion repayment from the issuance of the BIH Exchangeable Bonds, less the R1.7 billion invested in Virgin Active during the year and the accrual of interest. Including the Group's closing cash balance of R83 million, resulting available liquidity at reporting date is R615 million.

Taking consideration of the Consol proceeds of R0.4 billion, available liquidity post balance sheet date is R1 billion. Brait is in compliance with all covenants at reporting date.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

Sustainability, social responsibility, and ethics are integral to our investment activity. Brait and its portfolio companies have a long-standing commitment to doing business responsibly, striving to positively influence and effect change for the better. Following its redomiciliation to Mauritius in September 2021, Brait is required to comply with the Mauritian National Code of Corporate Governance and strives to comply with the LuxSE’s Ten Principles of Corporate Governance and Guide to ESG Reporting. Brait supports various voluntary social projects through the Brait Foundation as well as indirectly supporting the environmental and social initiatives undertaken by its portfolio companies.

The ESG Report (section 12 of the Integrated Annual Report) sets out a number of the initiatives undertaken by the portfolio companies and Brait during the year in review.

GOVERNANCE

Following the redomiciliation to Mauritius, the dual listing of Brait’s 2024 Convertible Bonds and BIH Exchangeable Bonds on the Official Market of 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. The Board has approved a 1-year extension of the EPE advisory contract to 31 March 2024 at a fee of R65 million.

ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders will take place at the Company’s registered office in Mauritius, on Thursday, 4 August 2022 (the “AGM”). The Notice of the AGM and Form of proxy are set out in sections 17 and 18 of the Integrated Annual Report.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to the Portfolio Company management teams and our Advisor, for their dedication and execution on a number of key milestones during this financial year. I thank our stakeholders and business partners for their continued support and my fellow Directors for their ongoing insightful contributions.

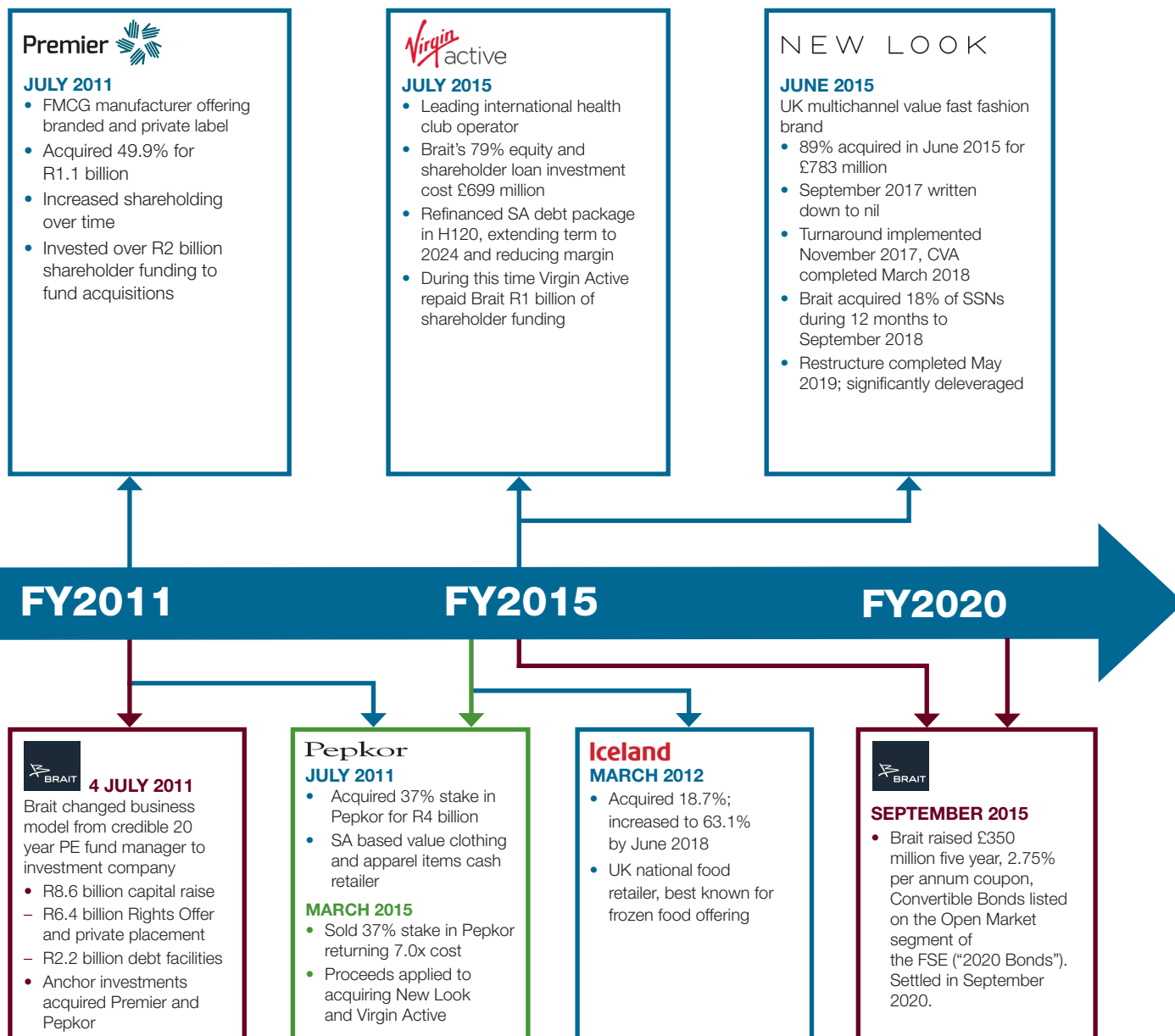


RA Nelson

Non-Executive Chairman of the Board

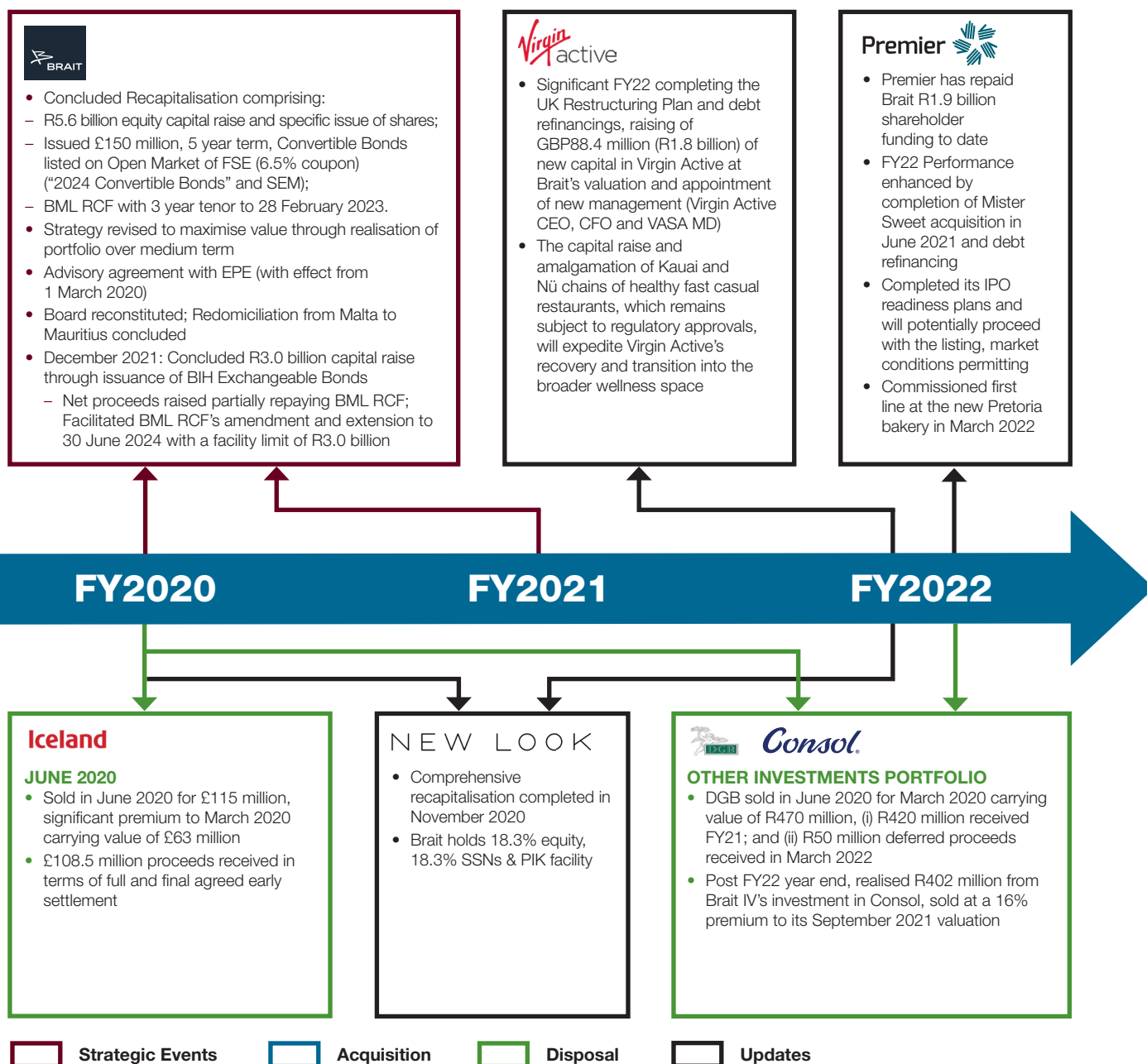
Brait's history

4.1 AS A LONG TERM INVESTMENT HOLDING COMPANY (JULY 2011 – FEBRUARY 2020)⁽¹⁾



⁽¹⁾ Brait operated as a private equity fund manager from 1991 to 2011, having raised four funds and delivering 3.7x cost on the R3 billion invested across 48 investments.

4.2 ASSET MONETISATION STRATEGY SINCE 1 MARCH 2020



BRAIT'S INVESTMENT STRATEGY

The Board's strategy is to maximise value for stakeholders through the realisation of Brait's portfolio companies over the medium term and return capital to shareholders. The Board, assisted by BML and its contracted investment advisor, EPE execute this strategy through:

- Maintaining appropriate portfolio company board representation to direct investment strategy focused on optimising growth in EBITDA, free cash flow generation and value creation aligned with Brait's medium term targeted realisation date;
- Ensuring appropriate measures are in place for aligning portfolio company management teams with Brait in order to deliver an optimal exit in the medium term;
- Critically assessing the likely exit alternatives for each portfolio company, which may include public offering and resulting secondary market share sales, trade sales or a break-up;
- On an ongoing basis, evaluating methods of returning capital to Brait from the portfolio companies through the repayment of shareholder loans, redemption of share capital or other cash distributions out of disposals of all or part of the portfolio company investments

OTHER PARAMETERS

- Each portfolio company is free standing in respect of its debt obligations;
- Brait may hold short-term investments, debt instruments and increased levels of cash depending on market conditions and other circumstances.

CATEGORISATION, COMMUNICATION AND APPROVAL OF TRANSACTIONS

- Brait ensures compliance with all listing requirements pursuant to its ordinary shares, 2024 Convertible Bonds and the BIH Exchangeable Bonds;
- All transactions concluded in accordance with this investment strategy will be regarded as being in the ordinary course of business, unless circumstances dictate otherwise.

Since 1 March 2020, EPE has been the contracted investment Advisor to the Group. An investment services agreement contracted with BML details the terms by which EPE provides the requisite investment advisory and administration services on a non-discretionary basis. EPE has an established track record of generating realised returns for investors, leveraging its execution capability and exit track record to execute the Company's strategy to unlock value for stakeholders through asset monetisation over the next three years.

At reporting date, EPE Direct Investments GP Proprietary Limited and Ethos Fund VII GP (SA) Proprietary Limited, affiliates of EPE, collectively own 12.3% of Brait's ordinary shares (FY21: 12.3%) and 12.3% of the BIH Exchangeable Bonds issued in December 2021. EPE owns 1.2% of the BIH Exchangeable Bonds.

KEY PRINCIPLES OF THE INVESTMENT SERVICES AGREEMENT BETWEEN BML AND EPE

- EPE provides accounting, administration, corporate finance, investment advisory, investor relations and general corporate secretarial services
- The Board and EPE have undertaken to assess on an annual basis the appropriateness of the annual cost in the context of the resources required to implement the strategic business plans for that year.
- The agreement commenced on 1 March 2020 with a three-year tenor at a cost of R100 million per annum with inflation linked increases, subject to annual renewal thereafter:
 - In response to the Covid pandemic, EPE voluntarily reduced the advisory fee for FY21 to R91 million and retained 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 the renewal of the EPE advisory contract to 31 March 2024 at a fee of R65 million.

TO ALIGN THE INTERESTS OF BRAIT SHAREHOLDERS AND EPE IN TERMS OF VALUE CREATION:

- The Board approved annual Short-Term Incentive ("STI") for EPE serves to align interests with Shareholders 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), resulting in total FY22 fees to EPE of R121 million (FY21: R114 million).
- At the Extraordinary General Meeting held in Malta on 30 October 2020, Shareholders approved the Long-Term Incentive Plan ("LTIP") for EPE, designed as a five-year structure to align interests with Shareholders in delivering on Brait's asset monetization strategy over the medium term, whilst minimising dilution to Shareholders. The LTIP will result in EPE receiving non-voting participation rights to realised proceeds only once cumulative distributions to Shareholders have exceeded the hurdle price set as the 31 March 2020 NAV of R8.27 per share. The participation rights are based on a sliding scale from 5.0% to 0.5% depending on the quantum of cumulative proceeds distributed to Shareholders. The value accruing to EPE would be equal to the surplus between such distributions and the hurdle price and would be settled in cash. 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. As at reporting date, the LTIP is accounted for as a contingent liability.

ABOUT THE INVESTMENT ADVISOR, EPE

- EPE was established in 1984 and was instrumental in establishing the private equity asset class in South Africa. EPE has a strong track record of generating superior returns across multiple economic and political cycles. In the last few years EPE has successfully evolved its strategy, redefining its identity as it seeks to become one of the African continent's leading alternative asset investors. This diversification strategy has led to the launch of Artificial Intelligence, Mezzanine and Mid-Market Funds, as well as the JSE listing of Ethos Capital.
- EPE's investment activities are led by highly experienced private equity and mezzanine teams, comprising more than 20 partners. The partners have collectively been with EPE for over 200 years and are backed by a number of additional investment professionals, providing deep private equity expertise and strong resources to support transaction activity. The team is defined by a high-performance culture and characterised by local insights with international reach.
- For more information on EPE, including profiles of the senior members of the investment advisory team, please see www.ethos.co.za

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 Nū 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

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 10.0x.
- 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 2 multiple.

The NAV breakdown at reporting date is presented below.

Rand NAV per share ⁽¹⁾

	Audited		Unaudited		Audited ⁽²⁾		Movement	
	31 Mar 2021		30 Sep 2021		31 Mar 2022		FY22	
	R'm		R'm		R'm		R'm	Notes
Investments	16,450	98.4%	17,445	99.4%	18,657	99.5%		
Premier	7,597	45.4%	8,360	47.6%	9,266	49.4%	1,669	1
Virgin Active	7,970	47.7%	7,970	45.4%	8,282	44.2%	312	2
New Look	545	3.3%	732	4.2%	672	3.6%	127	3
Other investments	338	2.0%	383	2.2%	437	2.3%	99	4
Cash and cash equivalents	213	1.3%	60	0.3%	83	0.5%	(130)	5
Accounts receivable	53	0.3%	61	0.3%	-	-	(53)	6
Total assets	16,716	100.0%	17,566	100.0%	18,740	100.0%	2,024	
Borrowings (Drawn BML RCF)	(3,417)		(3,970)		(2,478)		939	7
2024 Convertible Bonds	(2,749)		(2,773)		(2,667)		82	8
BIH Exchangeable Bonds	-		-		(2,376)		(2,376)	9
Non-current liabilities	(6,166)		(6,743)		(7,521)			
Accounts payable and provisions	(118)		(73)		(166)		(48)	10
Current liabilities	(118)		(73)		(166)			
Total Liabilities	(6,284)		(6,816)		(7,687)		(1,403)	
NAV to ordinary shareholders	10,432		10,750		11,053		621	
# of shares ('mil)	1,320.0		1,320.0		1,320.3		0.3	11
NAV per share	7.90		8.14		8.37		0.47	

(1) Closing Pound Sterling rates: Mar-22: R19.23; Sep-21: R20.26; Mar-21: R20.34

(2) The issuance of the BIH Exchangeable Bonds resulted in the change in classification to Investment Entity status for BIH, and consequent exemption from consolidation for the Group. This is just a change in disclosure in the audited financial statements and does not impact the Group's key NAV per share reporting metric. For comparability, FY22 results shown above apply the look-through consolidation basis.

OVERVIEW ON NAV MOVEMENTS FOR FY2022

Item		R'm	
1	Premier 	+1,699	Increase of 22% in Premier's carrying value (metrics on a post-IFRS16 basis): - Maintainable EBITDA of R1,505 million, which is referenced to LTM⁽¹⁾ Adjusted EBITDA of R1,490 million - LTM multiple of 7.6x, a 1% discount to peer average LTM multiple of 7.7x - Net third party debt of R2,008 million, which excludes capex largely spent on the recently commissioned Pretoria mill and bakery
2	Virgin active 	+312	Increase of 4% in Virgin Active's carrying value (metrics on a pre-IFRS16 basis) - Maintainable EBITDA based on look-through to a Mar-24 estimate sustainable level of £110 million (Mar-21: £105 million) - Unchanged 2-year forward multiple of 9.0x, a 10% discount to peer average 2-year forward multiple of 10.0x (Mar-21: 11.4x) - Net third party debt of £380 million (Mar-21: £455 million), which includes £27 million (Mar-21: £58 million) for costs deferred during lockdown periods
3	NEW LOOK	+127	Increase of 23% in New Look's carrying value (metrics on a pre-IFRS16 basis) - Maintainable EBITDA is based on a sustainable level of £55 million (Mar-21: £59 million) 1-year forward EV/EBITDA multiple of 5.0x (Mar-21: 4.0x), a 25% discount to peer average multiple of 6.7x - Net third party debt of £79 million (Mar-21: £86 million), which includes £30 million (Mar-21: £47 million) for costs deferred during lockdown periods
4	Other investments	+99	Increase in Other investments carrying value: Uplift on Brait's remaining private equity fund investments, mostly relating to Brait IV's investment in Consol, which is valued at Mar-22 based on the sale agreement concluded with Ardagh Group SA
5	Cash and cash equivalents	(130)	Decrease largely due to the payment of operating expenses and coupons on the 2024 Convertible Bonds, offset by R234 million proceeds received from the portfolio
6	Accounts receivable	(53)	Receipt of remaining R50 million deferred consideration proceeds from the realisation of DGB
7	Borrowings (drawn BML RCF)	+939	Consists of R2.9 billion repayment following the issuance of the BIH Exchangeable Bonds, offset by R1.7 billion invested in Virgin Active and interest accrual on the BML RCF of R252 million.
8	2024 Convertible Bonds	+82	Reduction in translated Rand value mainly due to the Pound having weakened against the Rand.
9	BIH Exchangeable Bonds	(2,376)	Issuance of the R3 billion Exchangeable Bonds by subsidiary BIH, offset with the IAS32 measured net R624 million equity component at reporting date.
10	Accounts payable and provisions	(48)	Increase largely due to the coupon accrual on the BIH Exchangeable Bonds.
		+621	Increase in NAV: FY2022
Item		#'m	
11	Number of shares in issue	+0.3	Issued ordinary share capital increased during the year by 319 450 shares as a result of relevant bondholders electing to exchange their 1,396 BIH Exchangeable Bonds into ordinary shares issued by the Company, at the exchange price of R4.37

⁽¹⁾ LTM refers to Last Twelve Months

⁽²⁾ Adjusted EBITDA is calculated post IFRS16 and includes exceptional items (foreign exchange movements have been restated from exceptional items to finance costs).

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 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 Covid 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 Covid 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

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%).

Consol®

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 2024 Convertible and BIH 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.

LIQUIDITY		
Cash and cash equivalents (R'm)	Mar-22	Mar-21
Opening cash balance	213	3,887
Proceeds received from portfolio	234	3,024
Expenses (operating costs, other costs and taxes)	(207)	(179)
Purchase of investments ⁽¹⁾	(1,682)	(955)
Net proceeds of BIH Exchangeable Bonds ⁽²⁾	2,934	-
Net cash outflow from financing activities	(1,420)	(5,480) ⁽³⁾
Effect of exchange rate changes on cash	11	(84)
Closing cash balance	83	213
Borrowings (R'm)	Mar-22	Mar-21
BML RCF Facility	3,010	4,371
Less: drawn	(2,478)	(3,417)
Remaining facility: Reporting date	532	954
Available liquidity: Reporting date	615	1,167
Proceeds from the sale of Consol	402	
Available liquidity: Post balance sheet date	1,017	

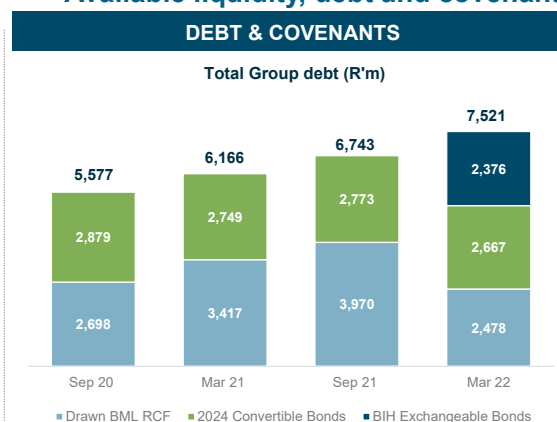
(1) FY22 relates to Virgin Active: (i) aggregate equity and shareholder funding advanced as follows: In Jun-21, the £16m post-implementation funding for the International business; in Dec-21, £9.6m further support to the International business in respect of its banking facility; and in Mar-22, pursuant to Virgin Active's capital raise, a £16.2m equity subscription and R760m capitalisation of the VASA shareholder commitment in exchange for shares in Virgin Active; and (ii) a total of £2.5m relating to the exercise of put options during the year. FY21 relates to: (i) Virgin Active (£36m in shareholder loans; and £1.2m exercise of put options in Aug-20) and (ii) New Look (£7.3m capital injection in Nov-20).

(2) The net proceeds of the BIH Exchangeable Bonds were used to repay part of the BML RCF.

(3) Includes R3.7bn settlement of outstanding 2020 Bonds.

(4) The definition for 'Net Debt' excludes the 2024 Convertible and BIH Exchangeable Bonds, with the covenant referenced to Brait's net asset value.

Available liquidity, debt and covenants



- Brait is in compliance with all debt covenants
- Per the terms of the 2024 Convertible Bonds, Brait's 'Tangible NAV/Net Debt' ratio is required to be not less than 200% ⁽⁴⁾
- Conversion price on the 2024 Convertible Bonds is £0.5219 (R10.04 at reporting date)
- Initial Exchange Price of R4.37 on the BIH Exchangeable Bonds

UPDATE ON GOVERNANCE MATTERS

- Following the Redomiciliation, the dual listing of Brait's 2024 Convertible Bonds and BIH Exchangeable Bonds on the Official Market of 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.

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.

ORDINARY SHARE CAPITAL

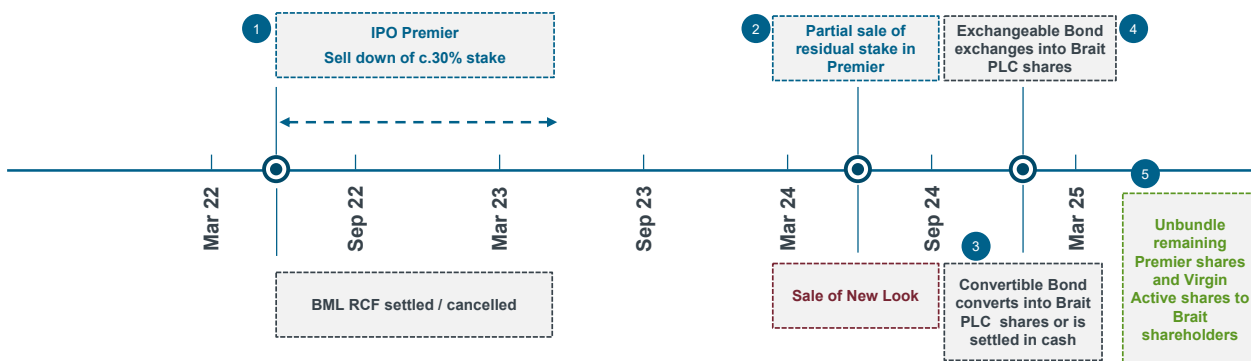
Total issued ordinary share capital at 31 March 2022 is 1 320 312 254 shares of no par value (FY21: 1 319 992 804). As previously announced:

- Shareholders approved (at the Extraordinary General Meeting held on 22 December 2021) the redesignation of the ordinary shares of par value of EUR0.22 each in the capital of the Company, into ordinary shares of no par value, each having the rights as set out in the Constitution of the Company (as amended from time to time)
- Issued ordinary share capital increased during the year by 319 450 shares as a result of a number of relevant bondholders electing in February 2022, to exchange their 1 396 BIH Exchangeable Bonds into ordinary shares issued by the Company, at the exchange price of R4.37.

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.

Brait base case strategy to unlock value



Value unlock strategy

- 1 **IPO of Premier**, sale of a c.30% stake to fully settle BML RCF (and leave surplus cash for operating costs)
- 2 Proceeds from sale of New Look (and possibly partial sale of Premier stake) used to **settle the Convertible Bond**
- 3 To the extent the Convertible Bonds are **not converted** in Dec 24 they will be cash settled
- 4 Exchangeable Bonds are expected to convert into **686m Brait PLC shares** in Dec 24
- 5 Remaining Premier shares and Virgin Active shares **unbundled to Brait shareholders**

The base case plan would be amended should alternative options to enhance shareholder value present themselves



8.1 PREMIER

Transaction overview

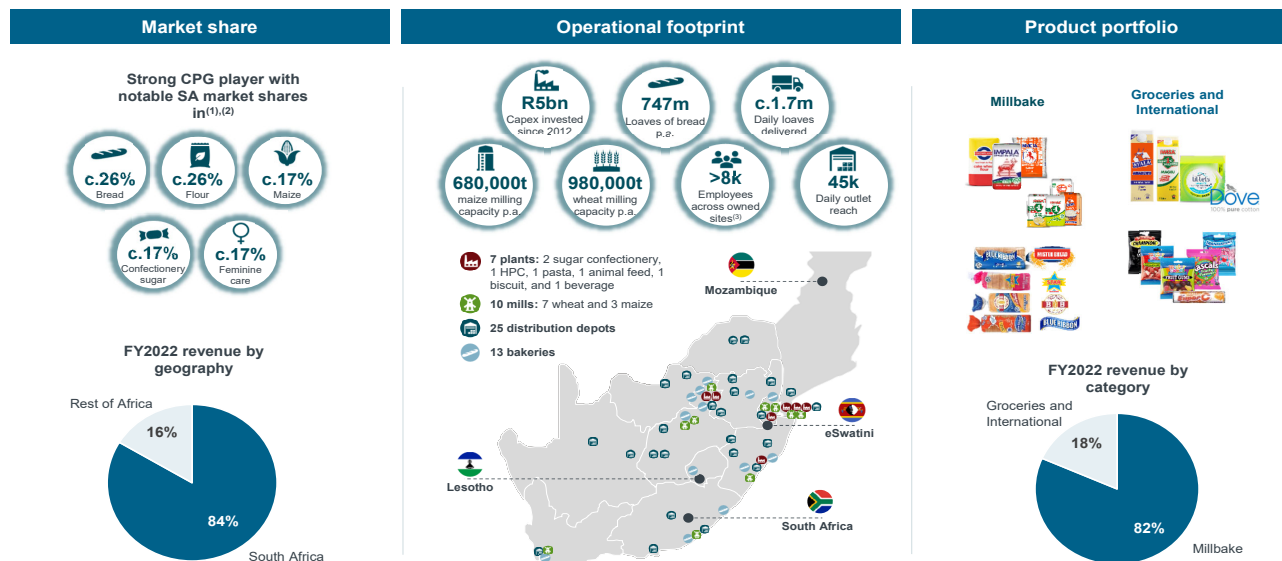
	%	Date	Multiple	Equity R'm	Shareholder funding ⁽³⁾ R'm	Total R'm
Initial acquisition (equity and shareholder funding)	49.9	5-Jul-11	6.4x	848.3	221.2	1 069.5
Further investment ⁽¹⁾	48.6	8-Feb-12 to current	various	1 377.2	2 355.0	3 732.2
Total cost of investment at reporting date	98.5			2 225.5	2 576.2	4 801.7
Carrying value at reporting date ⁽²⁾	96.5		7.6x	5 984	3 282	9 266
Proceeds received to reporting date				–	1 905	1 905
Carrying value + proceeds received				5 984	5 187	11 171

⁽¹⁾ Increase in shareholding due to exercise of put and call option agreements over the period. Increase in shareholder funding to fund Premier's acquisitions to date.

⁽²⁾ Metrics for FY22 on a post IFRS16 basis. Brait's equity participation declined as a result of the dilutionary impact of the management incentive scheme put in place in FY21.

⁽³⁾ In May 2022 Brait converted preference shares in Premier into ordinary shares in Premier, and Premier settled the outstanding loan amount owing to Brait by issuing ordinary shares to Brait.

South Africa's largest unlisted consumer goods platform servicing the formal and informal market



⁽¹⁾ Bread market share based on volume market data from SAGIS (12 months ended 31 March 2022) ⁽²⁾ Other market shares based on Nielsen report data which only considers the formal market by value in South Africa (12 months ended 28 February 2022) ⁽³⁾ Premier owns its manufacturing sites employing >8,100 permanent and contract employees (c.13,000 including contracted service providers)

Twelve months ended 31 March 2022 (FY2022)



Revenue:
R14,538m
+16% YoY
(+12% excluding Mister Sweet⁽¹⁾)

Adjusted EBITDA⁽²⁾:
R1,490m
+36% YoY
(+30% excluding Mister Sweet⁽¹⁾)

Adjusted EBITDA margin:
10.3%
FY21 = 8.8%

Adjusted EBIT⁽²⁾:
R1,007m
+47% YoY
(+45% excluding Mister Sweet⁽¹⁾)

Adjusted EBIT margin:
6.9%
FY21 = 5.5%

The integration of Mister Sweet is complete
On track to deliver the merger synergies identified
Commissioned first line at the new Pretoria bakery

Adjusted ROIC⁽³⁾:
14.8%
FY21 ROIC = 11.5%

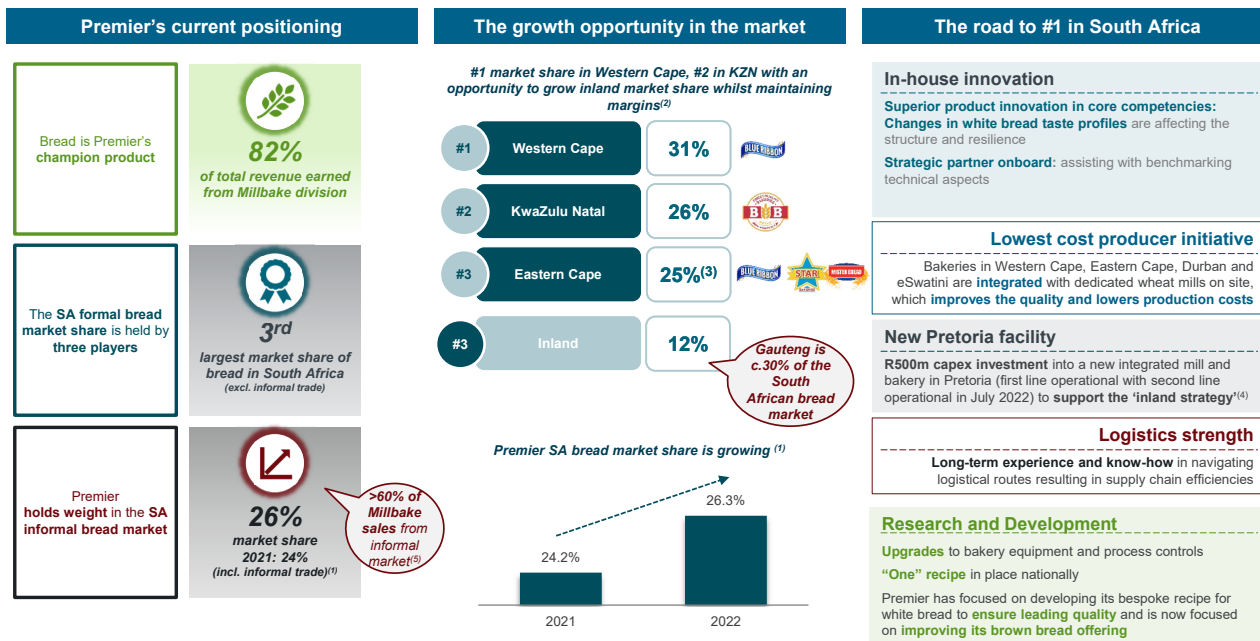
Shareholder funding:
Repaid R173m
Total cash returned to Brait since 2011 of R1,905m

Net third party debt:
Leverage ratio of 1.6x
(1.4x prior to funding Mister Sweet acquisition)

(1) Mister Sweet, a sugar based confectionery business, was acquired by Premier for R419m and the results have been included for 10 months since 1 June 2021 (2) Adjusted EBITDA and Adjusted EBIT are adjusted for a R130m impairment loss in FY22 (3) Refers to return on invested capital, adjusted for capital projects not yet commissioned and revaluation of intangibles



Premier's ambition is to be the #1 bread business in SA



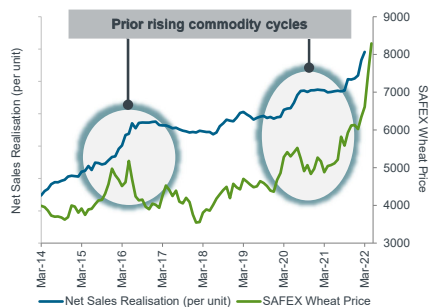
Source: Premier Group Consolidated Financial Statements, Nielsen as at end February 2022, SAGIS as at end March 2022, management information and estimates

(1) SAGIS data based on volumes across the formal and informal market. (2) Nielsen 12mm to February 2022 based on tradedesk value. (3) Collective market share (4) R5 billion in capital expenditure projects since 2012. (5) Management estimate.

Proven track record of withstanding cost pressures in an inflationary environment

In previous commodity price surges, Premier has achieved volume growth without negatively impacting margins

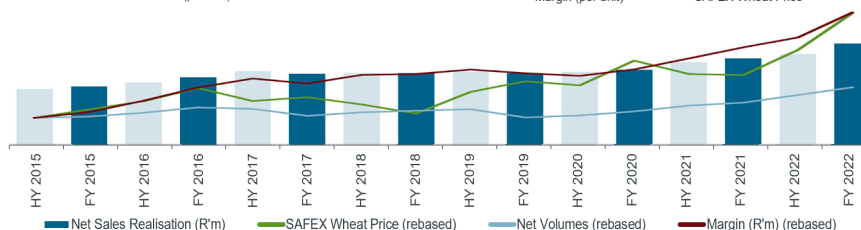
Premier has passed on price increases in rising commodity cycles...



...resulting in stable and improving margins in bread



- Bread is a “necessity staple” in many SA consumers’ lives which has resulted in very **low elasticity of demand** (price increases have limited impact on volumes)
- In rising soft commodity cycles, **Premier’s margins have shown continued improvement** highlighting an effective pass through of commodity costs
- Historically, Premier has been able to pass on price increases without any material impact on sales volumes
- In FY2022 and YTD FY2023, price increases have not negatively impacted sales volumes
- Wheat constitutes c.50% of the cost of a loaf (fuel is c.6%)
 - A R1,000 increase in the price of wheat adds c.55 cents to the cost of a loaf
 - A R1 / liter increase in fuel costs adds c.3.5 cents to the cost of a loaf



Source: Premier Group Consolidated Financial Statements, Management Analysis, Bloomberg (SAFEX)



Outlook for the business

Recent trading update

- **Premier has had a strong start to FY2023**, across all divisions in the first two months to 31 May 2022 with revenue and Adjusted EBITDA up >10% on prior year
- **Premier has continued to achieve volume growth in the Millbake business** in the first 2 months (up c.9% on prior year), despite significant input cost pressures (due to higher soft commodity and fuel prices) which have been passed through (average price growth of c.10%)

Organic growth

- The Premier team is targeting **continued strong growth**, despite the impact of commodity price increases and cost inflation in the short-term
 - The company has a **track record of maintaining margins** by passing on price increases
 - Weak consumer environments tend to strengthen demand for staple foods as consumers trade down and prioritise staples over other spend
 - **Operating leverage and the integration of Mister Sweet** should enhance efficiencies
- **Continued focus on internal cost saving initiatives and extraction of synergies**, as well as elimination of waste and delivery of material operational efficiencies across both manufacturing and the supply chain / logistics and distribution

Capex spend

- Premier has **invested significantly in its asset base**, spending c.R5bn in 10 years on upgrading and building new plants which has resulted in industry-leading facilities across the country
- The **recently commissioned Pretoria mill and bakery** will lower the cost of servicing the inland region and improve bread quality. The impact of historic capex spend on its coastal facilities resulted in significantly higher margins in the coastal regions and the investment in the new Pretoria bakery is expected to yield similar results
 - The full financial benefits from the new bakery are expected to accrue in H2 of FY23

Summarised financial information

Summarised income statement (Amounts in R'm)	March 2022 Audited	March 2021 Restated	March 2020 Restated
Net revenue	14,538	12,526	11,048
% Growth	16.1%	13.4%	9.5%
Adjusted EBITDA ⁽¹⁾⁽²⁾	1,490	1,099	1,032
% Margin	10.3%	8.8%	9.3%
Depreciation and amortisation	(483)	(414)	(407)
Adjusted EBIT	1,007	685	625
% Margin	6.9%	5.5%	5.7%
Impairments	(130)	-	(631)
EBIT	877	685	(6)
Net interest charge – bank debt and lease liabilities	(191)	(184)	(250)
Interest charge – grain inventory financing	(29)	(28)	(37)
Interest charge – shareholder funding	(248)	(249)	(408)
Foreign exchange (gains) / losses ⁽²⁾	5	(45)	37
EBT	414	179	(664)
PAT	278	67	(626)

(1) Exceptional items per FY2021 Brait results booklet amounted to a loss R166m (R15m in FY20), which had been excluded from operational EBITDA given their non-recurring nature. In order to align with Premier's reporting methodology going forward, exceptional items are included in Adjusted EBITDA (pre impairment losses) (2) The breakdown of the exceptional items for FY21 and FY20 included (a) FY21: The R166m of exceptional items included R121m relating to Coronavirus pandemic donations, strikes, retrenchment costs and other non-recurring items, as well as R45m FX loss on CIM shareholder loan. In FY22, Premier has restated this R45m to form part of interest, and accordingly exceptional items impacting EBITDA amounted to R121m (b) FY20: The R15m of exceptional items included R52m relating to strikes and retrenchments costs, as well as R37m FX gain on CIM shareholder loan. In FY22, Premier has restated this R37m to form part of interest, and accordingly exceptional items impacting EBITDA amounted to R52m



Summarised financial information

Summarised cash flow information (Amounts in R'm)	March 2022 Audited	March 2021 Restated	March 2020 Restated
Cash flow from operations before working capital ⁽¹⁾⁽²⁾	1,500	1,202	1,087
Working capital ⁽¹⁾⁽²⁾	(85)	220	(215)
Cash flow from operations ⁽¹⁾ % Adjusted EBITDA	1,415 95.0%	1,422 129.4%	872 84.5%
Capex (including acquisition of intangibles)	(519)	(504)	(421)
Operating cash flow post capex % Adjusted EBITDA	896 60.1%	918 83.6%	451 43.7%
Taxation paid ⁽³⁾	(237)	(116)	(42)
Net interest paid	(223)	(214)	(269)
Operating cash flow post capex, tax and interest % EBITDA	436 29.3%	589 53.6%	140 13.6%
Shareholder funding repayments (capital and interest) ⁽⁴⁾	(173)	(237)	(231)
Operating cash flow post shareholder funding repayments % EBITDA	263 18.2%	352 32.9%	(91) (8.8%)

(1) The Nedbank grain facility was previously included as part of borrowings and has been restated as a current liability. The Nedbank grain facility is considered working capital used by the Group in the normal operating cycle to finance the procurement of grain. The cash flow impact was previously included as part of financing activities, with the prior year amounts now restated to form part of cash flows from operating activities, resulting in an increase in working capital and cash flow from operations of R94m for FY2021 and a decrease in working capital and cash flow from operations of R46m for FY2020 (2) The net exchange differences on working capital was previously disclosed under cash flow from operations before working capital, instead of including the effect as part of working capital. The prior year balances have therefore been restated resulting in an increase in working capital of R46m in FY2021 and an increase of R13m in FY2020 (and a corresponding decrease/increase in cash flow from operations before working capital). The net effect of this restatement has a nil effect on cash flow from operations (3) Taxation paid in FY2020 has been restated to R42m, with R8m of withholding tax restated from changes in working capital to taxation paid (relating to dividends received from Premier Eswatini) (4) Includes withholding tax paid on shareholder interest repayments

Summarised financial information

Summarised balance sheet (Amounts in R'm)	March 2022 Audited	March 2021 Restated	March 2020 Restated
Total Assets	8,992	8,072	7,883
Property and equipment	3,658	3,345	3,280
Right of use asset	218	187	229
Intangibles	1,673	1,707	1,711
Other long-term assets	66	56	70
Current Assets	3,085	2,409	2,506
Cash	291	368	88
Total Liabilities	5,716	5,162	5,001
Trade creditors ⁽¹⁾⁽²⁾⁽³⁾	1,618	1,257	1,144
Grain financing facility	464	497	404
Interest bearing debt	2,417	2,251	2,326
Lease liabilities	258	214	240
Other ⁽¹⁾⁽²⁾⁽³⁾	959	942	888
Shareholders Equity (includes shareholder funding)	3,277	2,910	2,882
Shareholder funding reconciliation for Brait valuations (Amounts in R'm)	March 2022 Audited	March 2021 Audited	March 2020 Audited
Opening balance	3,212	3,197	3,028
Interest accrued for the period ⁽⁴⁾	243	245	399
Amounts repaid during the period ⁽⁴⁾	(173)	(230)	(229)
Closing balance	3,282	3,212	3,197

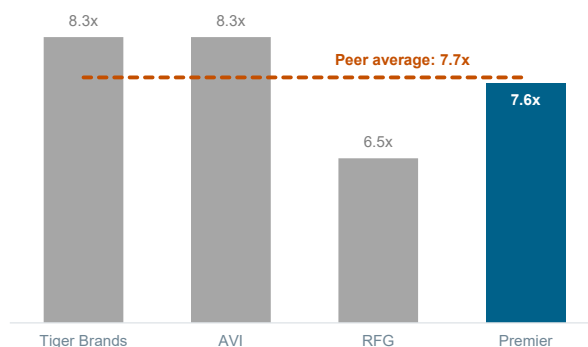
(1) The share appreciation right scheme was previously disclosed as part of Trade and Other Payables. Due to the long-term nature of the share appreciation right scheme, the prior year amounts have been restated as employee benefits obligations under non-current liabilities (R27m in FY2021 and R3m in FY2020) (2) The withholding tax on preference dividends and interest were previously disclosed as part of Trade and Other Payables. The withholding tax on preference dividends is recognised as and when the preference dividends accrue on the redeemable preference shares. The withholding tax on interest is recognised as and when interest accrues on the loan from shareholder. Due to the long-term nature of the withholding tax on preference dividends and interest, the prior year amounts have been restated as tax liabilities under non-current liabilities (R39m in FY2021 and R42m in FY2020) (3) Leave obligations, employee-related incentives and employee payroll accruals were previously disclosed as part of Trade and Other Payables. The prior year amounts have been restated to disclose these balances as employee benefit obligations. Management made the decision that the defined benefit obligation, which is considered immaterial and similar in nature to employee benefits, be reclassified to form part of employee benefit obligations. This restatement has no impact on current or non-current liabilities (R228m in FY2021 and R188m in FY2020) (4) In the FY2021 results booklet the interest accrued, and amounts repaid, included withholding tax. This withholding tax accrual has been restated to credit tax liabilities and not shareholder loans. Shareholder funding repayments in the cash flows is still shown inclusive of this withholding tax



Premier valuation

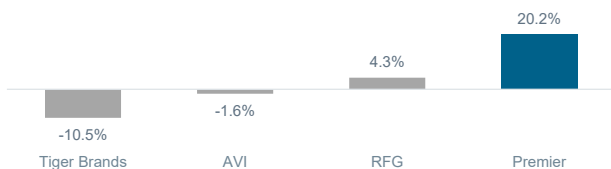
Premier carrying value				
R'm	Pre IFRS16			Post IFRS 16
	31-Mar-21	30-Sep-21	31-Mar-22	31-Mar-22
LTM EBITDA ⁽¹⁾	1,152	1,249	1,405	1,505
EV/EBITDA multiple	8.0x	8.0x	8.0x	7.6x
Enterprise value	9,126	9,989	11,241	11,488
Less: net third party debt	(1,489)	(1,465)	(1,760)	(2,008)
Shareholder value	7,727	8,524	9,480	9,480
Less: shareholder funding	(3,212)	(3,314)	(3,282)	(3,282)
Equity value	4,515	5,210	6,198	6,198
<i>Brait's s/h funding participation %</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Shareholder funding value ⁽²⁾	3,212	3,314	3,282	3,282
<i>Brait's equity participation %⁽³⁾</i>	<i>97.1%</i>	<i>96.9%</i>	<i>96.5%</i>	<i>96.5%</i>
Equity value	4,385	5,046	5,984	5,984
Carrying value (Rm) for Brait's investment	7,597	8,360	9,266	9,266

(1) Excludes the charge of R10m for the share appreciation rights scheme and R5m loss on sale of assets
 (2) In May 2022 Brait converted preference shares in Premier into ordinary shares in Premier, and Premier settled the outstanding loan amount owing to Brait by issuing ordinary shares in Premier to Brait (3) Brait's equity participation declined as a result of the dilutionary impact of the management incentive scheme put in place in FY21

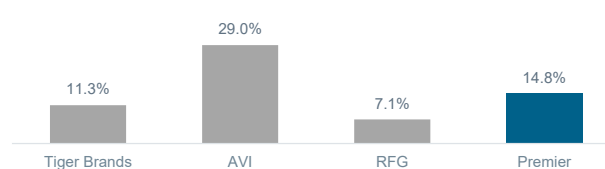
LTM EV / EBITDA (March 2022) (Post IFRS 16)⁽⁴⁾

(4) Market data as at 31 March 2022; Peer average pre IFRS 16 of 8.1x EV/EBITDA

Peer 2-year historic EBITDA CAGR



Return on Invested Capital



8.2 VIRGIN ACTIVE

Transaction overview

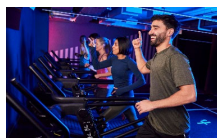
	%	Date	Multiple	£'m	£/R rate	R'm
Initial acquisition (equity and shareholder funding)	78.2	16-Jul-15	10.2x	691.0	18.40	12 715
Further investment ⁽¹⁾	1.9	Sep-16 to Mar-22	various	71.7	20.79	1 491
Capital raise ^(2,3)	(9.5)	Mar-22	various	53.2	20.45	1 088
Total cost of investment at reporting date	70.6		10.2x	815.9	18.74	15 294
Carrying value at reporting date	70.6		9.0x	430.7	19.23	8 282
Proceeds received to reporting date				52.2	18.66	974
Carrying value + proceeds received				482.9	19.17	9 256

⁽¹⁾ Increase in shareholding due to exercise of put and call option agreements over the period. The investments for FY22 (up to 31 March 2021: £43.6 million) relate to equity and shareholder funding advanced as follows: In Jun-21, the £16 million post-implementation funding for the International business; in Dec-21, £9.6 million further support to the International business in respect of its banking facility; and a total of £2.5 million relating to the exercise of put options during the year.

⁽²⁾ Brait's equity and shareholder funding participation was diluted to 70.6% post Virgin Active's GBP88.4 million capital raise. A further dilution to 67.4% is expected when the amalgamation of Kauai and Nū chains of healthy fast casual restaurants, which remains subject to regulatory approvals, is concluded.

⁽³⁾ Pursuant to Virgin Active's capital raise in March 2022, amounts invested include £16.2 million equity subscription and R760 million capitalisation of the VASA shareholder commitment in exchange for shares in Virgin Active.

Year in review



Virgin Active continued to be **significantly impacted by lockdown measures due to Coronavirus**, with gyms being closed for prolonged periods.

All gyms are now open but the business continues to be impacted by **work from home trends**



Restructuring of the VA Europe business complete providing a **solid recovery and growth platform**

Total cumulative cash benefit of c.£134m, with contributions from all stakeholders

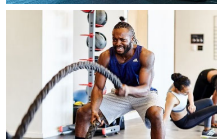


Appointment of a **new CEO** to replace the retiring founder Matthew Bucknall

Dean Kowarski

Appointed a **new MD** for Virgin Active South Africa

Jessica Spira



Total members at 75% of December 2019 levels
Total Active members (May 2022) of
847k

12% growth year-to-date

Significant opportunities for the businesses to **improve membership engagement, enhance digital and data strategies**

Virgin Active South Africa to acquire the Real Foods nutrition assets for £28.6m

Nutrition and exercise are key drivers of health and wellness – amalgamation of Real Foods assets will **expedite Virgin Active's strategic transition to a wellness themed business**

£88.4m Capital raise at the Brait NAV

1. £88.4m of additional capital raised at the Brait NAV from existing (£20m) and new shareholders (£68m)

2. R950m VASA shareholder guarantee capitalised by existing shareholders

Provides capital for liquidity and to drive new growth initiatives

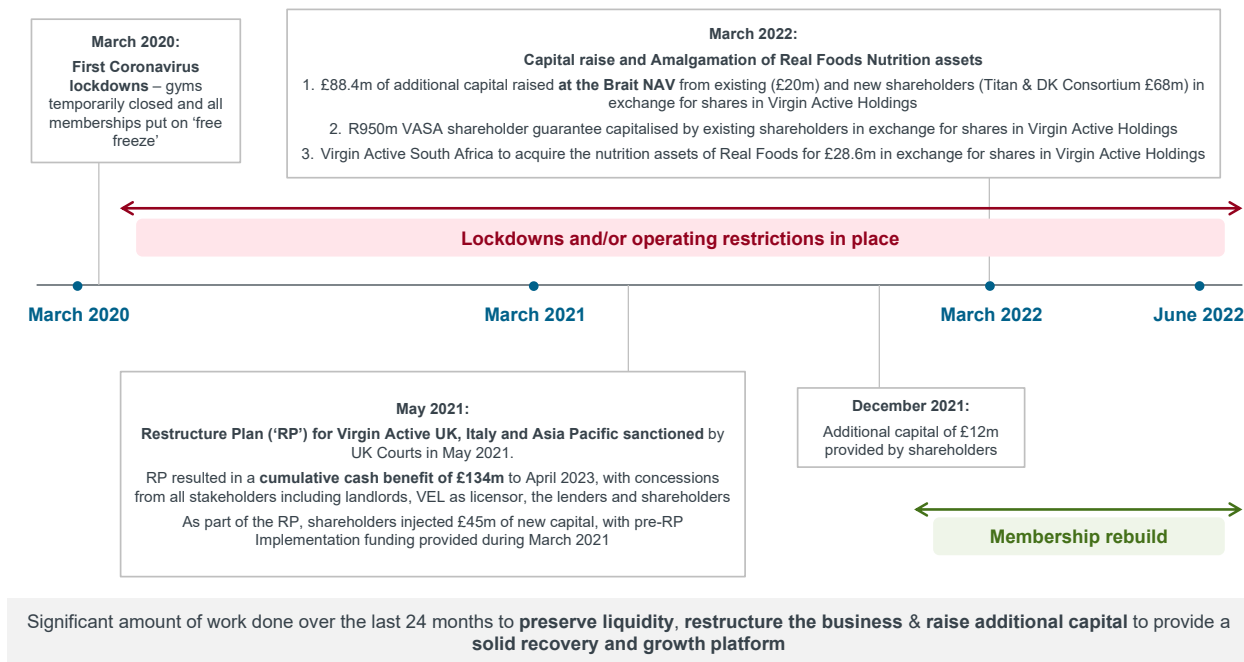
Brait NAV of R8.3bn – 3.9% growth on H12022

flat on a like-for-like basis **and underpinned by the recent capital raise** which was concluded at the Brait 30 September 2021 Enterprise Value

¹⁾ Growth reflects Active members in May 2022 vs Active members in December 2021

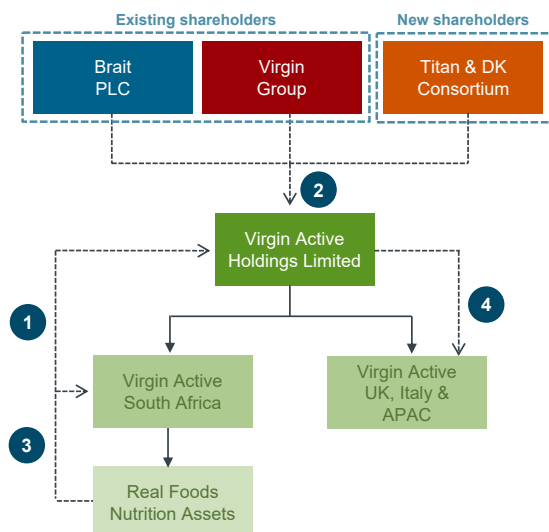


Actions taken to stabilise the business



Capital raise and Amalgamation with Real Foods Nutrition: March 2022

All share transactions were based on the Brait 30 September 2021 Enterprise Value for Virgin Active of £949m



Transaction steps

- Existing shareholders capitalise the current R950m shareholder guarantee in exchange for shares in Virgin Active Holdings Limited
- Existing (£20.2m) and new shareholders (Titan and DK Consortium £68.2m) inject capital to acquire shares in Virgin Active Holdings Limited
- Virgin Active South Africa ('VASA') acquires the nutritional assets of Real Foods for £28.6m in exchange for shares in Virgin Active Holdings Limited
- Virgin Active Holdings Limited injects £30m into Virgin Active UK, Italy & APAC and £10m into VASA for liquidity and growth purposes

Ownership structure (pre and post transaction)

	Current / pre-money	Phase I		Phase II
		VASA Capitalisation	Subscription	
Change in value		+\$46.3m	+\$88.4m	+\$28.6m
Equity value	£470.8m	£517.2m	£605.6m	£634.1m
Brait	80.1%	79.9%	70.6%	67.4%
Virgin Group	19.7%	19.7%	17.4%	16.6%
Management	0.2%	0.4%	0.2%	0.2%
Titan	-	-	8.3%	7.9%
DK consortium	-	-	3.6%	7.9%



Capital raise and Amalgamation with Real Foods Nutrition: March 2022

The transaction will expedite Virgin Active's turnaround and its strategic transition to a wellness themed business



CAPITAL RAISE: £88.4m

- Emerging into a post COVID world has provided significant opportunities for the businesses to **improve membership engagement, enhance digital and data strategies and to expedite Virgin Active's growth by leveraging its global footprint**
- In addition to providing **liquidity to support growth**, the capital will be used to:
 - **Rejuvenate the estate where required**
 - Invest in sales and marketing to **drive sales and improve the acquisition channels**
 - Continue the investment in the **product offering and facilities to drive penetration and reduce churn**
 - Invest in **digital and technology**



AMALGAMATION OF REAL FOODS NUTRITION ASSETS

- Nutrition and exercise are **key drivers of health and wellness**, which, if effectively integrated into the customer value proposition, have the potential to improve Virgin Active's acquisition, retention and customer lifetime value
- Kauai and Nū are currently the **exclusive provider of in-club food** and beverage services in VASA clubs under a long-term contract and **nutrition already forms part of VASA's strategic plans**
- Rationale for the acquisition is based on:
 - i. The **standalone investment case** for the Nutrition Business
 - ii. The potential for Virgin Active and the Real Foods to **value enhance** each other's businesses
 - iii. **Capital markets perception through creation of a holistic wellness business**

VALUE ENHANCEMENT OPPORTUNITIES:

- **Promoting cross selling** of product
- **Integrating** combined exercise and nutritional advice and plans
- Improving **customer engagement** through a **shared data strategy**
- Combining nutrition and fitness will **assist members in achieving their wellness / health goals faster & more effectively**. Results drive **increased usage & reduced terminations**

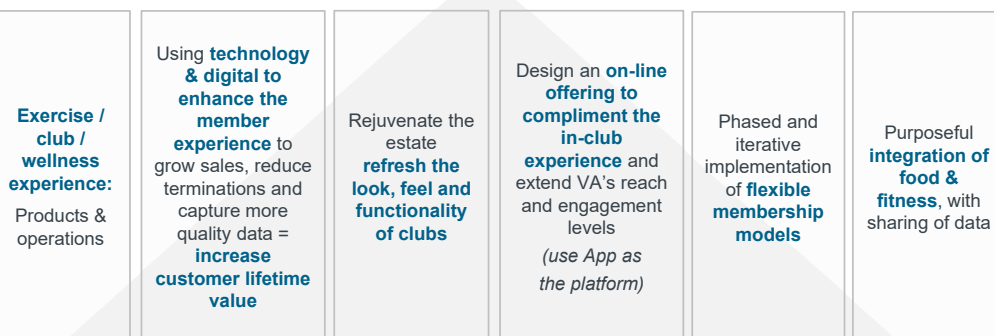
Real Foods can support VASA members achieving their health and fitness goals through the provision of nutritional advice, plans and meals as part of a broader nutritional strategy

Virgin Active strategy

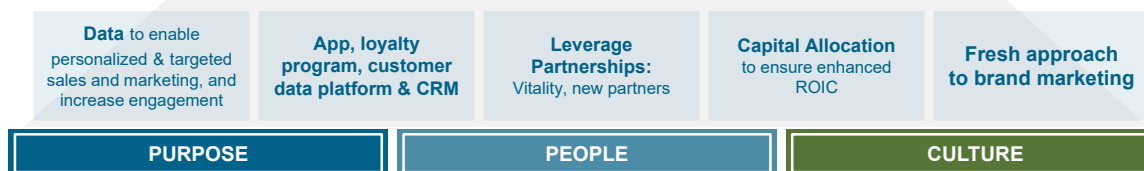
Vision:

Grow EBITDA to >£200m through expansion into the broader wellness space offering experiences and services to members in a personal way and driving communities within Virgin Active clubs

Strategic Levers:



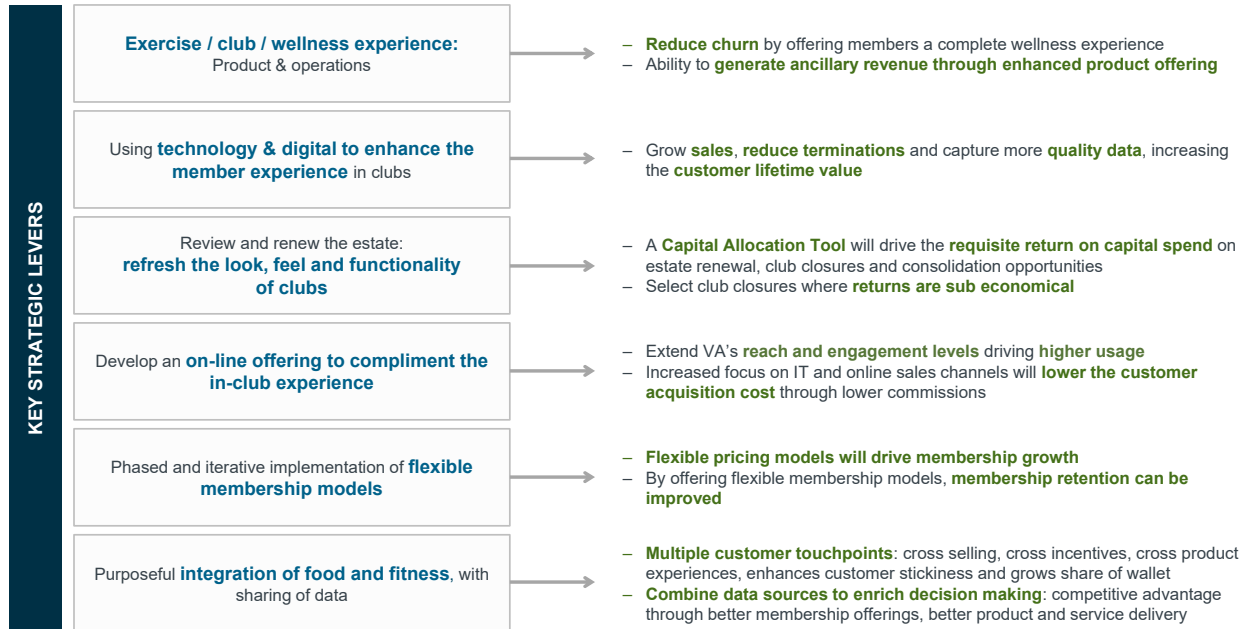
Enablers:



Virgin Active's vision aligns with the **key industry trends** and the business has the **ability leverage its existing platform and footprint** to ensure that it is a **sector winner**



Strategy outcomes for the business



Summarised financial information

Summarised income statement (Results in £m; actual reported currency)	Dec-21 Unaudited ⁽¹⁾ Pre-IFRS 16	Dec-20 Audited Post-IFRS 16	Dec-20 Audited Pre-IFRS 16	Dec-19 Audited	Dec-18 Audited	Dec-17 Restated ⁽⁴⁾
Revenue – continuing operations	291	296	296	602	587	580
% growth	(1)%	(51)%	(51)%	3%	1%	13%
Total Revenue	291	296	296	602	587	620
Revenue: Discontinued operations	-	-	-	-	-	(40)
EBITDA – continuing operations	(19)	76	(17)	142	137	143
% margin	nmf	26%	nmf	24%	23%	25%
Total EBITDA	(19)	76	(17)	142	137	148
EBITDA: Discontinued operations	-	-	-	-	-	(5)
Depreciation expense	(41)	(121)	(47)	(48)	(44)	(44)
Amortisation expense	(6)	(6)	(6)	(6)	(6)	(16)
EBIT	(66)	(51)	(70)	88	87	83
% margin	nmf	Nmf	nmf	15%	15%	14%
Net bank debt interest charge	(61)	(112)	(33)	(44)	(38)	(46)
Shareholder funding interest ⁽²⁾	-	-	-	-	-	-
Exceptional items ⁽³⁾	10	(421)	(167)	(13)	(27)	(17)
EBT	(117)	(584)	(270)	31	22	20
Tax	2	18	18	(22)	(6)	(7)
PAT, continuing operations	(115)	(565)	(252)	9	16	13
PAT, discontinued operations ⁽⁵⁾	-	-	-	-	-	54
PAT	(115)	(565)	(252)	9	16	67

(1) December 2021 figures are unaudited; (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; (3) Exceptional items for 2021 include non-cash rent adjustment £(4)m, Non-recurring items £10m, loss on disposal of fixed assets £(3)m and impairment reversal £7m. Exceptional costs for 2020 post IFRS 16 include impairment of £(402)m, non-recurring items £(20)m and profit on disposal of fixed assets £1m. Exceptional items for 2020 pre IFRS 16 include an impairment of £(139)m, non-recurring items of £(25)m, non-cash rent adjustment of £(2)m and loss on disposal of fixed assets of £(1)m; (4) 2017 results are presented on a continuing operations basis (excluding 12 Iberian clubs sold to Holmes Place in October 2017 and 14 clubs sold to David Lloyd in May 2017) (5) Majority of PAT from discontinued operations represents the gain realised from the proceeds received on sale of the discontinued operations less cost of assets sold



Summarised financial information

Summarised cash flow statement ⁽¹⁾ (Results in £m, actual reported currency)	Dec-21 Unaudited Pre-IFRS 16	Dec-20 Audited Post-IFRS 16	Dec-20 Audited Pre-IFRS 16	Dec-19 Audited	Dec-18 Audited	Dec-17 Audited
Cash flow from operations % EBITDA	(33.7) <i>nmf</i>	114.8 <i>nmf</i>	37.5 <i>nmf</i>	132.3 <i>94%</i>	129.2 <i>94%</i>	132.9 <i>93%</i>
Maintenance and head office capex	(14.4)	(18.2)	(18.2)	(46.1)	(53.5)	(42.9)
Operating cash flow % EBITDA	(48.1) <i>nmf</i>	96.6 <i>Nmf</i>	19.3 <i>nmf</i>	86.2 <i>61%</i>	75.7 <i>55%</i>	90.1 <i>63%</i>
Investments - new clubs, acquisitions and premiumisation	(1.9)	(4.2)	(4.2)	(30.5)	(31.4)	(23.1)
Non-recurring capex	-	-	-	-	-	-
Net exceptional, one off items and proceeds on disposal of assets	-	(5.5)	(5.5)	(5.9)	(22.4)	54.7
Operating cash flow post capex % EBITDA	(50.0) <i>nmf</i>	86.9 <i>nmf</i>	9.6 <i>nmf</i>	49.8 <i>35%</i>	21.9 <i>16%</i>	121.7 <i>85%</i>
Interest paid	(34.3)	(109.5)	(32.2)	(34.3)	(34.0)	(41.8)
Tax paid	(5.1)	(6.5)	(6.5)	(8.0)	(8.7)	(10.9)
Operating cash flow post capex, tax and interest paid % EBITDA	(89.4) <i>nmf</i>	(29.1) <i>nmf</i>	(29.1) <i>nmf</i>	7.5 <i>5%</i>	(20.8) <i>(15%)</i>	69.0 <i>48%</i>
Shareholder funding receipts / (repayments)	58.1	19.7	19.7	(42.0)	(25.0)	-
Operating cash flow post shareholder funding repayments % EBITDA	(31.2) <i>nmf</i>	(9.4) <i>nmf</i>	(9.4) <i>nmf</i>	(34.5) <i>(24%)</i>	(45.8) <i>(33%)</i>	69.0 <i>48%</i>

(1) The audited figures are from the Virgin Active operating company's financial results; December 2021 figures are unaudited

Summarised financial information

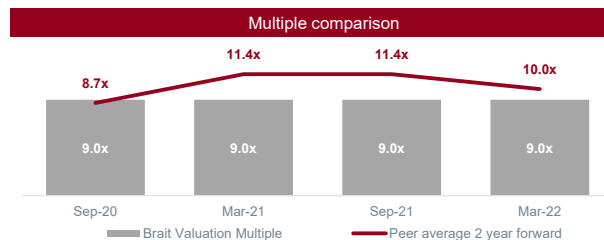
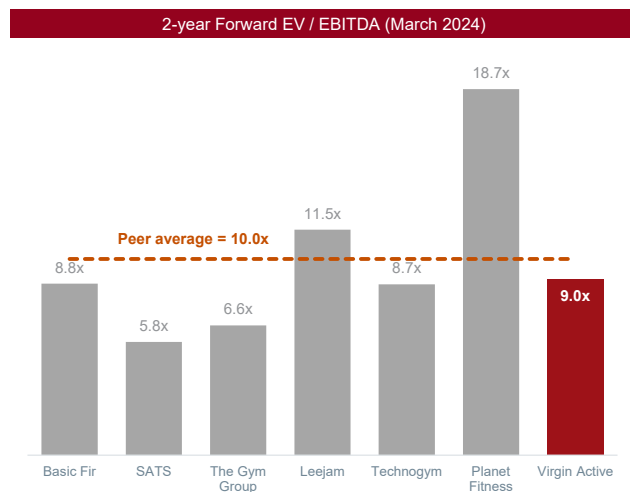
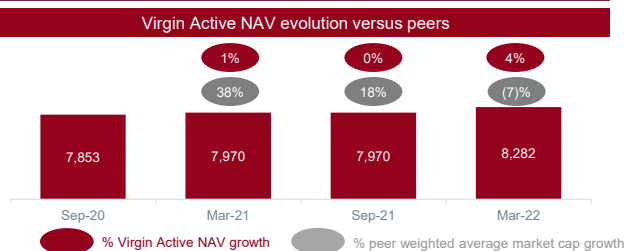
Summarised balance sheet ⁽¹⁾ (Results in £m, actual reported currency rates)	Dec-21 Unaudited Pre-IFRS 16	Dec-20 Audited Post-IFRS 16	Dec-20 Audited Pre-IFRS 16	Dec-19 Audited	Dec-18 Audited	Dec-17 Audited
Total Assets	671	1,524	758	923	912	939
Property and equipment	299	1,083	334	399	390	370
Goodwill and intangibles	232	252	253	374	381	399
Current assets	48	41	40	36	37	36
Cash	46	77	77	56	52	86
Other	45	72	54	58	52	48
Total Liabilities	808	1,940	792	733	690	712
Trade creditors	42	42	42	21	26	23
Current liabilities	85	101	103	107	89	88
Interest bearing bank debt	515	455	455	437	400	404
Finance leases	2	1,272	12	13	14	19
Other	163	70	180	155	161	177
Shareholders' Equity	(137)	(415)	(34)	190	222	227

⁽¹⁾ The audited 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; December 2021 figures are unaudited



Virgin active valuation

Virgin Active carrying value			
£'m	31-Mar-21	30-Sep-21	31-Mar-22
Maintainable EBITDA	105	105	110
EV/EBITDA multiple	9.0x	9.0x	9.0x
Enterprise value	949	949	991
Less: actual net third party debt	(397)	(422)	(353)
Less: debt adjustment	(58)	(34)	(27)
Shareholder value	494	493	610
Less: senior shareholder funding	(25)	(48)	(49)
Residual equity value	469	445	561
Less: shareholder funding	(469)	(445)	-
Surplus equity value post shareholder funding	-	-	561
<i>Brait's junior s/h funding participation %</i>	<i>80.0%</i>	<i>80.0%</i>	<i>70.6%</i>
Shareholder funding value	20	38	35
<i>Brait's effective s/h funding or equity participation %</i>	<i>79.4%</i>	<i>79.8%</i>	<i>70.6%</i>
Equity value	372	355	396
Carrying value (£m) for Brait's investment	392	393	431
<i>Closing GBP/ZAR exchange rate</i>	<i>R20.34</i>	<i>R20.26</i>	<i>R19.23</i>
Carrying value (Rm) for Brait's investment	7,970	7,970	8,282



NEW LOOK

8.3 NEW LOOK

12 months ended 25 March 2022 (FY2022)



Revenue
£875m
+58% YoY

EBITDA⁽¹⁾
£25m

+£59m on FY2021 loss of £34m

Cash⁽²⁾
£84m
In line with prior year



Net debt
£79m
Down from £86m on prior

Retail
Significantly impacted by
Omicron over the festive period,
as well as global supply chain
issues

Online⁽³⁾
Strong performance, up 46% on
pre-Covid levels and now
represents 30% of total revenue



Market share⁽⁴⁾
Number 1 for women's dresses
and denim clothing among the
key 18-44 year-old market
segment

UK concession stores
Promising initial results through
the partnership with Asda.
Exploring further growth
opportunities through this avenue

FY2023 YTD trading
Positive start to FY2023 trading,
with the business performing
ahead of budget on a revenue and
gross profit basis

Source: Management Accounts, Management Information

(1) EBITDA reported on a pre-IFRS16 basis (2) Includes c. GBP8m of restricted cash, which can only be utilised for the benefit of employees (3) Refers to New Look's own site e-commerce and excludes 3rd party e-commerce (4) Based on Kantar Worldpanel Womenswear 24we data to 3-Apr-22 18-44 year-old

NEW LOOK

Strategy for New Look

Two fundamental challenges that the business needs to address

1

Revenue mix

Determining the optimal balance of revenue through the current 3 channels (store footprint, concessionary stores and online)

2

Distribution centre ("DC")

Distribution centre originally designed for a store network and requires further investment to service an increasingly omni-channel business model

New Look's approach to address the challenges and outperform in the sector

Omni-channel offering

"Own stores"

Limit the number of "own stores" in select locations. These also need to be able to serve the other channels

UK concession stores

Additional physical presence (over and above own stores) through concession sites on a partner model

Online

Build new business around online platform, with distribution through "direct to home" and "click and collect"

Cost and DC

Cost

Leverage the business' brand from a substantially lower cost base

DC

Improve the operational capacity and flexibility

NEW LOOK

In the process of planning store exit strategy for unprofitable stores, to be executed over next 2 years

NEW LOOK

Exploring further growth opportunities through this avenue in FY2023

NEW LOOK

Continuing to drive online sales, building on the platform created over the last 2 years

NEW LOOK

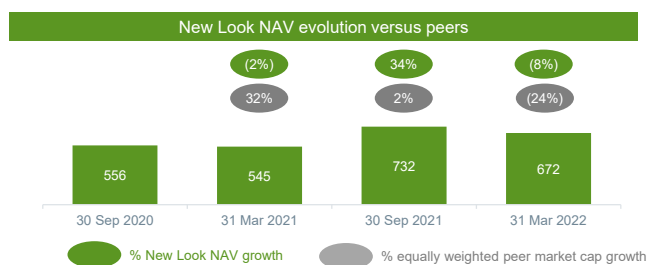
Significant cost reductions and efficiencies undertaken by management, eliminating, simplifying and automating processes and tasks

NEW LOOK

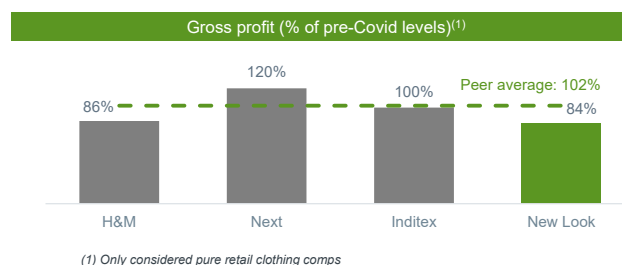
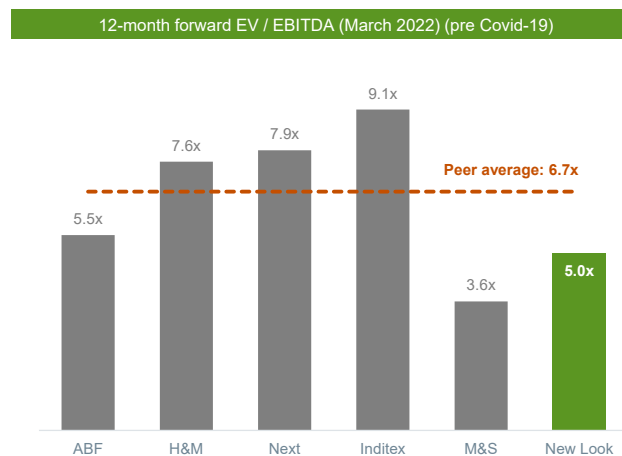
Interrogating methods to reduce and optimize SKU count, given the need for additional e-commerce capacity

NEW LOOK

New Look carrying value			
£'m	30-Mar-21	30-Sep-21	31-Mar-22
Maintainable EBITDA	59	55	55
EV/EBITDA multiple	4.0x	5.0x	5.0x
Enterprise value	236	275	275
Less: net third party debt	(86)	(71)	(79)
Shareholder value	150	204	197
Less: PIK facility	(45)	(48)	(52)
Less: senior shareholder funding	(40)	(40)	(40)
Equity value	65	115	104
<i>Brait's PIK facility / reinstated SSN %</i>	<i>18.3%</i>	<i>18.3%</i>	<i>18.3%</i>
Shareholder funding value	15	16	17
<i>Brait's equity participation %</i>	<i>17.4%</i>	<i>17.4%</i>	<i>17.4%</i>
Equity value	11	20	18
Carrying value (£m) for Brait's investment	27	36	35
<i>Closing GBP/ZAR exchange rate</i>	<i>R20.34</i>	<i>R20.26</i>	<i>R19.23</i>
Carrying value (Rm) for Brait's investment	545	732	672



New Look valuation



Notes

[illegible]

A black and white photograph of a forest path. The path is on the left, leading into a dense forest of tall evergreen trees. The ground is covered in dry leaves and pine needles. A semi-transparent teal rectangle is centered over the image, containing the word "GOVERNANCE" in white, bold, sans-serif capital letters.

GOVERNANCE

SHAREHOLDERS

Brait places a high premium on the quality of its relationships with its individual and institutional shareholders. The Company has a policy of active communication with its shareholders. All shareholders receive a copy of the Group's Integrated Annual Report as well as having an open invitation to the Group's presentation of its annual and interim results as advertised on its website. The Group is committed to regular dialogue and transparency in its relations with shareholders, and provides individual shareholders with regular and interactive information.

The Brait website, www.brait.com, provides a helpful source of information about the Group and facilitates access to the portfolio investment websites. Its practical structure allows quick access to information on the Group, its activities, latest news and the Brait share price. The site also provides access to all the Group's main publications such as annual and interim reports, press releases and information letters to shareholders.

All shareholders are invited to the Company's annual general meeting ("AGM") which is held in August each year in Mauritius. Shareholders who cannot attend are allowed to vote in absentia through proxies. Agendas and resolutions for the AGM are communicated at least 14 days before the meeting. A holder of shares in the Company holding not less than 10 (ten) percent of the voting issued share capital of Brait may:

- (a) request Brait to include items on the agenda of the AGM, provided that each item is accompanied by a justification or a draft resolution to be adopted at the AGM; and
- (b) table draft resolutions for items included in the agenda of the AGM.

Provided that with respect to the request to put items on the agenda of the AGM or table draft resolutions, these shall be submitted to Brait in hard copy form or in electronic form at least 7 (seven) days before the date set for the AGM and it shall be authenticated by the person or persons making it. In the event that such a request or resolution is received after the lapse of the 7 day time limit set out above, Brait shall not be obliged to entertain any requests by such holders of ordinary shares. The Chairman undertakes to respond to questions asked at the AGM except where the answer might seriously harm the Group, its shareholders or its personnel. Brait posts the results of votes of the AGM on its website and on the Luxembourg Stock Exchange ("LuxSE"), the JSE Stock Exchange News Service ("SENS") and on the website of the SEM soon after each meeting.

Key stakeholders are identified as groups or individuals with an interest in what we do or the ability to influence our activities. Mutual trust and understanding with all of our stakeholders is essential and we seek to ensure that our interactions are continuous and effective.

Stakeholder	Type of interaction	Discussion items
Shareholders and analysts	Annual General Meetings One-on-one meetings with analysts and investors Investor conferences and road shows Announcements through the LuxSE, JSE and SEM Interim and final results presentations Group website Integrated Annual Report <i>Ad hoc</i> communications and addressing investor and analyst queries	Group NAV and performance Portfolio investment performance Investment process Share price performance Future prospects Balance sheet management
Portfolio investments	Representation on boards, audit and risk committees Attending executive team meetings Attending planning/strategy sessions Site visits	Financial performance Budgets and strategies Remuneration Health and safety Succession planning Risk management Environmental, social and governance Corporate finance matters (funding and deal activity)
Funding providers	Regular meetings with bankers post trading updates ensure an informed understanding of the Group and investment portfolio	Group NAV and performance Future prospects Portfolio investment performance
Authorities and regulators	Directors in the jurisdictions the Group operates in lead the engagement process with respective authorities and regulators	Compliance requirements
Community	Brait Foundation Portfolio investment initiatives	ESG initiatives

10.1 BOARD PROFILE

The Board is committed to business integrity, transparency and sustainability in all its activities to ensure that all the entities within the Group are managed ethically and responsibly

The current members of the Board are as follows:

Richard Anthony Nelson (74)[†] **Independent Non-Executive Chairman**

Date appointed: 13 August 2020

Qualifications: MA (Honours) in Economics and Law from Christ's College, Cambridge

Anthony is a former British politician and banker. After leaving the Government and Parliament in 1997, Anthony joined Schroder Salomon Smith Barney as a Managing Director and was appointed Vice Chairman of Citigroup 2000 – 08. He was Chairman of Southern Water Plc 2002 – 04 and Chairman of Gateway to London, a public private partnership engaged in the regeneration of East London, 2002 – 08. Anthony was also a Governor of the Institute of Financial Services; a Governor of the International Chamber of Commerce UK and a Director of TheCityUK. As Minister of Trade and Industry 1995 – 97, Anthony was responsible for trade policy, promotion and regulation of the insurance industry. As Economic Secretary and Minister of State at H.M Treasury 1992 – 95, Anthony was responsible for supervision of the UK financial and banking system. Anthony started his career with N.M. Rothschild and Sons as an asset manager and research analyst

James Murray Grant (62)[†] **Independent Non-Executive Director**

Date appointed: 13 August 2020

Qualifications: Qualifications: Master of Business Administration (London Business School), BSc Honours in Civil & Structural Engineering (Edinburgh University)

Murray is the CEO of Cregneash Holdings Ltd, London. He is also a non-executive director of AP Moller Capital and Time Partners Ltd. Prior to joining Cregneash in 2019, Murray was the Managing Director, Intermediated Equity, of CDC Group Plc, London, managing the team responsible for the organisation's investments in private equity funds across Africa, South Asia, Latin America, China and South East Asia. Murray joined CDC in 2015 from Actis LLP, where he was a founder partner, following its spin-out from CDC in 2004, with responsibility for development of its Africa business and the Africa team. Murray has held a broad portfolio of board positions ranging from financial institutions to resource-based businesses and has a long history of working and investing in Africa.

Michael Paul Dabrowski (45)^{}** **Independent Non-Executive Director**

Date appointed: 18 May 2021

Qualifications: BBusSc (Fin) (Hons) (University of Cape Town), Post Graduate Diploma in Accounting (University of Cape Town), MBA (Distinction) (UCT Graduate School of Business), Chartered Accountant (South Africa), Chartered Global Management Accountant and an Associate member of the Chartered Institute of Management Accountants

Michael is an executive director of Stonehage Fleming (Mauritius) Limited a position that he has held since 2017. He leads a team responsible for the effective delivery of fiduciary and corporate services to a diverse client base. Prior to joining Stonehage Fleming, Michael was COO of fund manager Afena Capital (12 years) during which he helped establish that firm and its then Botswana subsidiary. He started his career at KPMG's Johannesburg office where his focus was short-term insurance, stockbroking and banking. Michael has experience working in South Africa, Botswana, the UK and Mauritius and is a non-executive director of a number of private companies. Michael resides permanently in Mauritius.

Yoza Jekwa (46)^{*} **Non-Executive Director**

Date of appointment: 13 August 2020

Qualifications: MBChB (Medical degree) and MBA (Finance focus) from the University of the Witwatersrand

Yoza joined Mergence Investment Managers in November 2019 as Joint Managing Director. She has 15 years investment banking experience as originator and structurer of acquisition financing/investments for mid to large cap corporates in South Africa, Sub Saharan Africa and Europe, as a dealmaker within RMB and as a Principal in Acquisition and Leverage Finance at Nedbank. She is a former independent non-executive director and Chair of the Investment Committee at Ascendis Health Limited, that had been overseeing the deleveraging of its balance sheet. She is also an independent non-executive director on the board of Northam Platinum. Yoza is actively involved in various outreach and social responsibility programmes.

Pierre George Joubert (57)**
Independent Non-Executive Director

Date appointed: 13 August 2020

Qualifications: Bachelor of Commerce (University of Cape Town), CA(SA)

Pierre is the CEO of Universal Partners Ltd, an investment holding company listed on the Stock Exchange of Mauritius and the AltX board of the JSE, with an investment focus on Europe and the UK. Prior to joining Universal Partners in 2016, he was the chief investment officer of the Richmark Group of companies. Previously he spent 13 years at Rand Merchant Bank ("RMB") fulfilling various roles including senior transactor in the Corporate Finance division, head of the Equities and co-head of the Global Markets divisions. Pierre is a member of the RMB investment committee, a position he has held for 19 years. He is also a non-executive director of Homechoice International Plc. Previously, Pierre held various executive positions at Connection Group Holdings Ltd including that of CEO of Connection Group for four years, leading the successful turnaround of the business that culminated in the group being bought by JD Group Ltd. Pierre resides permanently in Mauritius.

Hermanus Roelof Willem Troskie (52)*
Independent Non-Executive Director

Date appointed: 27 July 2005

Qualifications: BJuris (Cum Laude), LLB, LLM

Mr Troskie is the CEO of Corporate, Legal and Tax Advisory at Stonehage Fleming, the international family office. He has extensive experience in the areas of international corporate structuring, cross-border financing and capital markets, with a particular interest in integrated structuring for entrepreneurs and their businesses. Mr Troskie is a non-executive director of a number of private and public companies, including Tradehold Limited and Ardagh Metal Packaging S.A. He qualified as a South African Attorney in 1997, and as a Solicitor of the Senior Courts of England and Wales in 2001. Mr Troskie is based in Luxembourg.

Paul Johannes Roelofse (44)*
Non-Executive Director

Date appointed: 13 August 2020

Qualifications: B.Acc (Cum Laude), B.Acc (Hons) University of Stellenbosch, CA(SA), CFA.

Paul co-founded Oryx Partners in October 2019, which manages Dr Christo Wiese's family office and serves as a strategic business partner of the Wiese family. Paul served as Dr Wiese's alternate director on the Brait board from 2 October 2019 to 13 August 2020, when he was appointed as a director. Prior to Oryx Partners, Paul spent 17 years at RMB, where he led a number of pioneering transactions, serving on the RMB Investment Banking Board from 2009 until he resigned in 2019. Paul headed RMB's global Corporate Finance business from 2009 to 2015. Paul is a Dealmaker of the Year Award winner from Dealmakers magazine.

Dr Christoffel Hendrik Wiese (80)*
Non-Executive Director

Date appointed: 4 May 2011

Qualifications: BA LLB D.Com (h.c.) University of Stellenbosch, South Africa, D.Comm (Bus. Management) (h.c.) Nkhoma University, Malawi
D. Tech: Marketing, Cape Peninsula University of Technology

Dr Wiese is a significant shareholder in a range of businesses throughout the world. He holds significant stakes in Brait, Shoprite Holdings Limited (Africa's largest fast-moving consumer goods retail company), Tradehold Ltd (UK based property investment company) and Invicta Holdings Ltd. During 2015, Dr Wiese was awarded the Lifetime Achievement Award at the Sunday Times Top 100 Companies Awards; the All-Africa Business Leaders Awards, as well as being inducted into the World Retail Hall of Fame.

Nationality

* South African

‡ Dutch

† British

** Resident in Mauritius

The Board has the format of a European style investment vehicle, which is made up exclusively of non-executive directors that oversee the Group's strategy and investment management function

10.2 GOVERNANCE STRUCTURES

Principles

Good corporate governance is integral to Brait and incorporates sound business principles and best practice. The Board recognises the need to conduct the business with integrity and according to generally accepted and best international corporate practices. While compliance with formal standards is important, emphasis is placed on effectiveness, particularly in relation to the business of Brait, with substance prevailing over form.

Matters reserved for the Board include:

- Approval of the Group's overall strategy, forecasts and annual operating budget.
- Approval of the Group's (including BIH) interim and annual financial statements and changes to the Group's accounting policies or practices.
- Regular reviews of the Group capital structure and efficiency. This includes approval of changes relating to the capital structure of the Group or its regulated status.
- Manage, supervise, implement and execute the Company's treasury and funding related matters.
- Approval of the appointment and removal of the Group's contracted investment advisor, including an annual review of performance and compliance with the advisory agreement.
- Approval of major changes in the nature of business operations or investment strategy.
- Approval of investments and divestments.
- Approval of portfolio company valuations at each reporting date as recommended by the Audit and Risk Committee.
- Regular reviews of the performance and plans for each portfolio company.
- Approval of share buyback program & bonus share issue/cash dividend policy and declarations, if applicable.
- Review of the adequacy of internal control systems; and
- Appointments to the Board and determination of terms of appointment of directors.

Organisational structure, policies and objectives

The Board is structured as a European style investment vehicle which is made up exclusively of Non-Executive Directors who are ultimately responsible for the strategic and investment functions of the Group. The Board serves as the investment committee for the Group and has the final say on all investment and treasury related decisions. The Board is specifically responsible for approving the Group investment strategy and setting the acceptable level of risk together with key policies. In addition, it ensures that its obligations towards its stakeholders are understood and met, reporting to stakeholders on how it has fulfilled its responsibilities

Pursuant to the Shareholder approvals from the Extraordinary General Meeting held in Malta on 30 October 2020, Brait's transfer of registered office from Malta to Mauritius (the "Redomiciliation") concluded on 13 September 2021. The Company's registration number is 183309 GBC, and was awarded its Global Business License under Section 72(6) of the Mauritian Financial Services Act on 19 October 2021

In December 2021, to provide runway to execute its stated monetisation strategy, Brait raised R3 billion capital by way of Rights Offer to Shareholders to subscribe for exchangeable bonds issued by its wholly owned subsidiary, BIH, due 3 December 2024 and exchangeable into Brait ordinary shares

(the “BIH Exchangeable Bonds”). The BIH Exchangeable Bonds are dual listed on the JSE and SEM. BIH is licensed as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2015.

Group investments are made by BIH's wholly owned subsidiary BML. BML is licensed as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2015. BML has its own investment team. Authority has been delegated from the Board to BML to identify, evaluate and recommend to it (the Board) for final approval on any investment related decisions. BML, in turn, has an investment advisory and administrative service agreement with EPE in terms of which EPE is mandated to perform certain advisory services for BML. See section 6 (Investment Advisor) for details on EPE and the investment advisory agreement. The Board, together with the assistance of BML and EPE, are focused on strategies for the Group's portfolio of investments to realise value from the portfolio over the medium term and return capital to shareholders. In addition, Brait continues to re-evaluate costs and efficiencies within the overall Group structure.

Compliance, legislation and regulation

As a provider of financial services, Brait operates in highly regulated environments. Accordingly, regulatory and legislative compliance over the conduct of business, as well as maintaining good working relationships with the regulators in the various jurisdictions the Group has operations, are of utmost importance to the Group.

Responsibility for compliance oversight falls within the Group's risk management framework and functions independently, with a direct reporting line to the Chairman of the Audit and Risk Committee.

On 3 July 2016, Regulations (EU) No 596/214 of the European Parliament and of the Council of 16 April 2014 on market abuse (“MAR”) came into effect. By virtue of its listing on the LuxSE, the Company is subject to the provisions of MAR. The MAR imposes three main obligations on issuers:

- control and disclosure of inside information;
- establishment and maintenance of insider lists; and
- notifications of managers' transactions and related trading restrictions during closed periods.

Risk management and internal control

Whilst the responsibility for the Group's risk management, including its systems of internal financial and operational control is that of the Board, this is specifically monitored by the Audit and Risk Committee. The foundation for the Group's internal control process is found in its governance principles, which incorporate ethical behaviour, compliance with legislation and sound accounting practice.

The control systems include clearly defined lines of accountability and delegation of authority, and provide for full reporting and analysis against approved budgets. The Board is responsible for determining the adequacy, extent and operation of these systems. In this regard, the Board is of the opinion that Brait's existing systems provide reasonable assurance that its assets are protected against material loss or unauthorised use and transactions are properly authorised and documented.

Brait has representation on the boards of its portfolio companies. This includes representation on the various board committees, including audit and risk, remuneration and nomination committees.

The management of risks is detailed in section 11 of this Integrated Annual Report.

Board confirms compliance with all 8 principles of the National Code of Corporate Governance for Mauritius (the “Code”)

External audit

The Group's external auditor is PricewaterhouseCoopers Mauritius. Their independence is recognised and reviewed by the Audit and Risk Committee on a regular basis. The Audit and Risk Committee meets with the external auditor to review their scope, budgets and other matters arising. The external auditor participates in the Audit and Risk Committee meetings and has unrestricted access to the Chairman of the Audit and Risk Committee.

As a result of the Board's consideration of the duplication of functions with the presence of robust governance and internal control structures within the Group as well as a reducing investment portfolio, the Group operates without an internal audit function.

All business and support units, including significant enterprise-wide related processes, are subject to stringent internal controls. Material or significant control weaknesses and planned corrective action by BML are reported to the Audit and Risk Committee.

These issues are monitored to ensure that the necessary corrective action has been implemented.

The portfolio investment companies have separate reporting processes for their internal and external auditors. Brait is represented on all portfolio company audit and risk committees. These Brait representatives provide regular feedback to the Brait Audit and Risk Committee on any material matters raised at the portfolio company.

Business integrity and conduct

The Group subscribes to a corporate ethos which requires the adoption of highest personal ethical standards in dealing with all stakeholders in the conduct of the Group's affairs.

The principles to which each individual subscribes include integrity, openness, accountability, impartiality and honesty and are embedded in the Code of Conduct.

Brait maintains a zero-tolerance approach to unethical or dishonest behaviour. The Board believes that there has been no material non-adherence to these principles, within the Company, during the year under review.

In accordance with Brait's policies, no donations were made to any political parties, by any of the companies within the Group, during the year under review.

BOARD OF DIRECTORS

Corporate Governance Charter

As stated above, Brait is structured as a European style investment vehicle which is made up exclusively of Non-Executive Directors. The Board is headed by an independent non-executive Chairman.

The Board retains the main authority and function of overseeing the Company's strategy and investment management functions, including making the final decision on all investment related activities.

Brait is governed by its Corporate Governance Charter which describes the duties and responsibilities of the Board and its committees. Following its Redomiciliation, Brait is required to comply with the National Code of Corporate Governance for Mauritius (the “Code”). Given Brait's primary listing on the LuxSE, the Company also strives to comply with The Ten Principles of Corporate Governance of the LuxSE.

Where there are no conflicts with its primary listing requirements of the LuxSE and/or Mauritian law, Brait remains committed to complying with the relevant corporate governance frameworks for its respective exchanges or jurisdictions. The Code employs an 'apply-and-explain' methodology and its 8 principles are as follows:

Principle 1: Governance Structure

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

Principle 2: The Structure of the board and Its Committees

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

Principle 3: Director Appointment Procedures

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

Principle 4: Director Duties, Remuneration and Performance

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

Principle 5: Risk Governance and Internal Control

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

Principle 6: Reporting with Integrity

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

Principle 7: Audit

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

Principle 8: Relations with Shareholders and Other Key Stakeholders

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

Power and obligations of the Board

The Board has full power to perform all such acts as are necessary or useful to further the objects of the Group. To carry out its responsibilities regarding strategy and general policy, the Board:

- Is responsible for approving the Group strategy, setting the accepting level of risk for the Company, together with key policies, and should prepare (or cause to be prepared) the annual financial statements, budgets and periodic accounts;
- Has the widest power to carry out any acts of management or of disposition that shall interest the Company. All that is not expressly reserved for the Shareholders in general meeting by law or by the Company's Constitution is intra vires for the Board;
- Defines and delegates specific responsibility and authority to the advisory and service providers contracted by the Company;
- Ensures that its obligations towards its Shareholders are understood and met, and reports to the Shareholders on how it has fulfilled its responsibilities; and
- Gives proper consideration to its staff policy and code of business ethics. The Company has a Code of Conduct which has been approved by the Board and circulated to all staff and its advisors.

In instances where a Director is unable to attend a Board/Committee meeting and has shared their views on the documentation circulated in advance of the meeting with the director to whom they have given their proxy, they are deemed to have attended such meeting.

Appointment of directors

Even though, in terms of the Constitution, the directors' terms of office may be for a period of up to six years from the date of appointment, the term of office of the current directors expires at the forthcoming AGM and they shall all be nominated for re-election for a period expiring at next year's AGM.

All directors must be willing and able to fulfil their duties. Before each meeting, each director receives a Board pack with requisite supporting information for all key decisions to be made. All directors are expected to engage in constructive and critical discussion of the strategy and key policies to ensure no single director or group of directors dominates decision-making.

The Board elects a Chairman whose principal function is to preside over meetings of the Board and ensure optimal decision-making and good governance. His duties include the following:

- The appointment, monitoring and evaluation of the Board and directors;
- Determining, with input from other directors, an annual plan for the Board; and
- Ensuring that all directors play a constructive role and initiating their removal in cases of non-performance or unsuitability.

Skills and training of directors

Directors are elected on the basis of their abilities and the contribution they can make to the administration of the Company. Criteria for selection include the following:

- Entrepreneurial flair;
- Strategic, analytical and communication skills;
- An ability to appreciate the wider business perspective;
- Honesty and integrity in personal and business dealings;
- Readiness to objectively challenge and critique in the best interests of the Company;
- Ability to devote sufficient time to carrying out their duties and responsibilities effectively;
- Willingness to commit to good governance; and
- Does not have any conflict of interest with the Company and maintains his/her independence from the Company.

In order to acquire a thorough understanding of the Group, directors undertake an induction process which includes obtaining an understanding of the operations of the Group's investment companies, familiarisation with the functions of the Company, Board and various committees as well as an introduction to the external auditors and contracted investment advisor.

Directors have ongoing education to keep them abreast of relevant legislation and regulatory changes in order to be able to make effective decisions.

Evaluation of the performance of the Board

The Chairman is responsible for the Board's self-evaluation process. This includes an assessment of the balance of skills, experience and knowledge of the Board members. A similar evaluation is carried out by each committee of the Board. In addition to the self-assessment process, the evaluation of the Audit and Risk Committee includes comments and assessments of the committee members' performance from BML and the Advisor.

The results of the above assessments continue to show a high degree of satisfaction with the operation of the Board and its committees.

Evaluation of the performance of the contracted investment advisor

The Audit and Risk Committee is responsible for the annual evaluation of the Advisor. To discharge this responsibility, the Audit and Risk Committee receives a formal assessment from BML. These annual assessments evaluate performance in terms of the advisory services contract during the contract term.

Board meeting attendance

Non-executive directors	Date of appointment	Number of meetings attended during the year	Attendance record
RA Nelson (Chairman)	13 August 2020	7/7	100%
MP Dabrowski ⁽¹⁾	18 May 2021	5/5	100%
JM Grant	13 August 2020	7/7	100%
Y Jekwa	13 August 2020	7/7	100%
PG Joubert	13 August 2020	7/7	100%
Dr LL Porter ⁽¹⁾	28 May 2013	2/2	100%
PJ Roelofse ⁽²⁾	13 August 2020	6/6	100%
HRW Troskie	27 July 2005	7/7	100%
Dr CH Wiese ⁽²⁾	4 May 2011	6/6	100%

⁽¹⁾ With effect from 18 May 2021, pursuant to the Redomiciliation, Dr LL Porter (resident in Malta) resigned from the Board, with Mr MP Dabrowski (resident in Mauritius) appointed by the Board as a replacement Independent Non-executive Director and member of the ESG committee.

⁽²⁾ In the interests of good corporate governance, Dr Wiese and Mr Roelofse recused themselves from all the deliberations and decisions taken at the Brait Board meeting with regards to the Virgin Active capital raise and amalgamation of the Real Foods nutrition assets.

Company Secretarial Services

The Stonehage Fleming group⁽³⁾ of companies is contracted to perform the function of the Company Secretary, listing agent, registrar and transfer agent. They are responsible for:

- Ensuring compliance with all Board procedures;
- Ensuring that the directors have access to the advice and services of the Company Secretary;
- Assisting with the director induction and training programmes;
- Assisting with the appointment of directors;
- Guiding the Board on the duties of directors and good governance;
- Ensuring that Board and committee charters are kept up to date;
- Circulating Board papers; and
- Circulating minutes of Board and committee meetings.

BOARD COMMITTEES

The Company is committed to upholding the highest standards of corporate governance. The Board is responsible to Shareholders for the overall management of the Group. Certain responsibilities of the Board have been delegated to Board committees to assist and enable the Board to properly discharge its duties and responsibilities. These committees operate under written terms of reference confirmed by the Board and comprise the Audit and Risk Committee, a Remuneration and Nominations Committee, and the Environmental, Social and Governance (“ESG”) Committee.

Ad hoc committees are also mandated to attend to specific business matters from time to time. The existence of these committees does not reduce the overall responsibility of the Board and, therefore, all committees must report and make recommendations to the Board. The chairman of each committee is free to obtain independent external professional advice in the carrying out of their duties as and when required.

⁽³⁾ On 1 February 2022, Stonehage Fleming acquired the private client and corporate services business of Maitland International Holdings plc; from that date the Group is serviced by entities of the Stonehage Fleming group.

Audit and Risk Committee

The Audit and Risk Committee's primary objective is to provide the Board with additional assurance regarding the quality and reliability of the financial and risk management information used by the directors and to assist them in the discharge of their duties. The Audit and Risk Committee has a minimum of three members.

Membership and meeting attendance

Members	Date of appointment	Independent	Number of meetings attended during the year	Attendance record
PG Joubert (Chairman)	13 August 2020	Yes	3/3	100%
JM Grant	13 August 2020	Yes	3/3	100%
HRW Troskie	20 May 2008	Yes	3/3	100%

Responsibilities in terms of the Charter of the Audit and Risk Committee include:

- Reviewing the Group's (including BIH) interim and annual financial statements and changes in the Group's accounting policies or practices;
- Approval of announcements released on the website of the LuxSE, the JSE and SEM;
- Providing satisfaction to the Board of the effectiveness of the internal control environment of the Group, ensuring that adequate and appropriate financial and operating controls are in place;
- Reviewing the scope of the external audit, audit fee budgets and any other matters;
- Reviewing the recommendations of BML on the valuations of portfolio investments, including the benchmarking of those valuations in the context of prevailing market conditions;
- Providing satisfaction to the Board of the performance of the Advisor, as well as consideration of BML's formal assessment in this regard;
- Reviewing and update of the audit committee charter and corporate governance charter;
- Reviewing the Group's risk assessment and mitigating factors;
- Reviewing the Group's cash flow forecast and going concern considerations;
- Reviewing the Integrated Annual Report for the Group and BIH Annual Financial Statements;
- Reviewing related party services;
- Reviewing and approving internal controls, risk and compliance policies, reports and findings.
- Ensuring that significant business, financial and other risks have been identified and are being managed.
- Regular monitoring of available Group borrowing facilities and covenant compliance; and
- Regular monitoring of cash balances, currency exposures and their placement with investment grade institutions.

The Audit and Risk Committee presented its conclusion on the above matters to the Board and advised the Board that it considered the Integrated Annual report and accounts, taken as a whole, to be fair, balanced and providing the information necessary for shareholders to assess the Group's performance, business model and strategy.

External audit

Issues relating to accounting, auditing, internal control and financial reporting matters are discussed with the Group's external auditors at meetings convened on a periodic basis. While ensuring that their independence is maintained at all times, the external auditors are afforded unrestricted access to the Audit and Risk Committee.

The external auditors meet privately with and have unrestricted access to the Audit and Risk Committee, ensuring that their independence is maintained at all times

The Audit and Risk Committee monitors the Company's policy for non-audit services to ensure that the provision of such services by the external auditors does not impair the auditors' independence or objectivity. In order to safeguard the auditor's independence and objectivity, the Audit and Risk Committee is required to approve all non-audit work undertaken by the auditor, for the Company and its subsidiaries in advance.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee has a charter and is primarily responsible for the remuneration strategy for the Group and meets regularly to consider annual reviews, remuneration issues, incentives and policy matters. The Committee is also responsible for adopting a formal and transparent procedure for the appointment of new directors, including interviewing potential candidates. Final decisions on nominations are taken by the Board.

The Remuneration and Nomination Committee may use the services of external consultants in carrying out its duties.

The Remuneration and Nomination Committee facilitates the annual completion of independence self-assessment questionnaires by each Non-Executive Director. The Committee reviews the responses and reports to the Board on each Director's independence for the Board's consideration. Furthermore, the Board is of the opinion that independence is a matter of a director's character and attitude of mind and is not compromised after any particular length of service. The Board is therefore satisfied with the independence of Mr HRW Troskie who has served on the Board for more than 12 years.

Directors' fees are based on an assessment of each directors' time commitment, responsibilities, skills and experience in rendering their services on the Board as committee members.

The Remuneration and Nomination Committee has a minimum of three members.

Membership and meeting attendance

Members	Date of appointment	Independent	Number of meetings attended during the year	Attendance record
HRW Troskie (Chairman)	13 August 2020	Yes	3/3	100%
PG Joubert	13 August 2020	Yes	3/3	100%
Y Jekwa	13 August 2020	No	3/3	100%

Responsibilities in terms of the Charter of the Remuneration and Nomination Committee include:

- Supervision and review of the affairs of the Board and committee composition;
- Recommendation of new directors.
- Leadership and Board evaluations.
- Review the independence self-assessments performed annually by each director and report to the Board as appropriate.
- Reviewing the directors' and staff remuneration based on time, responsibilities, skills and experience; and
- Reviewing the policies and remuneration for key personnel at portfolio investments to ensure adequate retention and performance that is aligned with the Group's strategy.

Retention of key personnel

Retention of key personnel is an increasingly more complex and demanding challenge. Remuneration practices and policies are constantly reviewed to ensure they remain competitive, entrench a high performance culture across the business, and align performance and reward across the Group.

ESG Committee

Brait and its portfolio companies have a long-standing commitment to doing business responsibly. The ESG Committee provides the Board with additional assurance regarding the environmental and social risks facing the Company and the practices by which these risks are managed and mitigated. The committee strives to comply with the broader vision of its responsibilities in terms of the ESG recommendations outlined in the LuxSE's Guide to ESG reporting. The ESG Committee comprises at least three directors.

Membership and meeting attendance

Members	Date of appointment	Independent	Number of meetings attended	Attendance record
JM Grant (Chairman)	13 August 2020	Yes	2/2	100%
MP Dabrowski	18 May 2021	Yes	2/2	100%
Y Jekwa	13 August 2020	No	2/2	100%

Responsibilities in terms of the Charter of the ESG Committee include:

- Defining the Group's corporate and social obligations and the creation of appropriate policies and measures.
- Providing satisfaction to the Board that the Group's responsibilities to environmental, social and governance related aspects, as defined by the ESG policies, are adequately implemented, measured and publicized.
- Identifying, analysing, evaluating and monitoring the social, political, environmental and public policy trends, issues and concerns which could affect the Company's business activities or performance; and
- Monitoring the Group's engagement with external stakeholders and other interested parties.

Non-executive directors' fees

Non-executive directors do not have service agreements. Letters of appointment confirm the terms and conditions of their service. Remuneration packages of the directors are agreed and determined by the Remuneration Committee.

At the AGM held on 5 August 2021, shareholders approved a maximum aggregate amount of compensation for the Board of £400 000, which was unchanged from the previous year approval at the 2020 AGM for the Board then constituted. This approved level of compensation takes into consideration directors' time commitments, responsibilities, skills and experiences in rendering their services.

As set out in the Notice of the AGM (page 143 resolution 2(b)) to be held on 4 August 2022, a maximum aggregate amount of compensation, subject to the effect of the £/R exchange rate, of £412 000 is proposed for the financial year ending 31 March 2023, representing a 3% increase from FY2022 maximum aggregate amount.

	2022 Total fees ⁽¹⁾ GBP'000	2021 Total fees ⁽¹⁾ GBP'000
RA Nelson (Chairman)	60	38
MP Dabrowski ⁽²⁾	23	–
JM Grant	60	38
Y Jekwa	49	30
PG Joubert	60	38
Dr LL Porter ⁽²⁾	5	35
PJ Roelofse	39	24
HRW Troskie ⁽³⁾	60	64
Dr CH Wiese	39	70
	395	337
PJ Moleketi ⁽⁴⁾	–	55
CS Seabrooke ⁽⁴⁾	–	41
JC Botts ⁽⁴⁾	–	29
AS Jacobs ^{(3) (4)}	–	26
Total	395	488

⁽¹⁾ Fees paid to the Chairman and non-executive directors for their services in those capacities on the Board and Board Committees of the Company.

⁽²⁾ With effect from 18 May 2021, pursuant to the Redomiciliation, Dr LL Porter (resident in Malta) resigned from the Board, with Mr MP Dabrowski (resident in Mauritius) appointed by the Board as a replacement Independent Non-executive Director and member of the ESG committee.

⁽³⁾ In addition to their roles as non-executive directors on the Brait PLC Board, Mr Jacobs and Mr Troskie both served as non-executive directors on the board of the subsidiary company BML. For these additional services, Mr Troskie received an additional £1 400 (FY2021: Mr Jacobs received an additional £8 556 and Mr Troskie an additional £12 524) paid by BML. With effect from 15 June 2021 Mr Troskie resigned from the BML board.

⁽⁴⁾ Did not stand for re-election at the AGM held on 13 August 2020 and resigned with effect from that date.

10.3 CODE OF SHARE DEALING

The Board has adopted a code for directors' dealing in ordinary shares. The Board is responsible for taking all proper and reasonable steps to ensure compliance with the code.

The Group operates strict closed periods during which no dealing is allowed in Brait shares. Written notice of closed periods is sent to all directors, employees, and the contracted investment advisor. Closed period notices are also circulated to key executives of the Group's major portfolio companies. The closed periods operate:

- Between the end of the interim and final reporting periods until the release of the Group's results; and
- During any period when trading under a cautionary announcement.

Directors are similarly restricted relative to any listed portfolio investments that the Group may hold from time to time.

On 3 July 2016, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("MAR") came into effect. The Group maintains a register of notified transactions. All persons are required to notify the Company Secretary in advance of any transaction in any form of Company securities whether concluded on any of its listed stock exchanges or off-market or whether transacting in any derivative involving Company securities, whether listed or unlisted. In terms of the MAR, persons discharging managerial responsibilities ("PDMR's") and closely associated persons ("CAP's") are required to inform the competent authority of any transactions involving the securities of the issuer. Transactions by PDMR's and CAP's involving Brait shares are reported to the Malta Financial Services Authority in Malta and the Commission de Surveillance du Secteur Financier in Luxembourg within 3 business days following such transaction. Such transactions are disclosed to the public in terms of the MAR by means of an announcement which is published on the LuxSE website, the Brait website, the JSE and SEM within three business days of the transaction involving the PDMR or CAP taking place. Furthermore, details of directors' dealings in Brait shares are disclosed to the Board and to the public through its Integrated Annual Report.

Directors' dealings in Brait shares for the year under review

Number of shares							
Opening balance: 31 March 2021				Net transactions during the year ⁽¹⁾ Purchases/ (Sales)	Closing balance : 31 March 2022		
Director	Direct Beneficial	Indirect Beneficial	Total		Direct Beneficial	Indirect Beneficial	Total
RA Nelson	—	—	—	—	—	—	—
MP Dabrowski ⁽²⁾	—	—	—	—	—	—	—
JM Grant	—	—	—	—	—	—	—
Y Jekwa	—	—	—	—	—	—	—
PG Joubert	—	—	—	—	—	—	—
Dr LL Porter	—	—	—	—	—	—	—
PJ Roelofse ⁽³⁾	—	—	—	—	—	—	—
HRW Troskie	134 350	—	134 350	—	134 350	—	134 350
Dr CH Wiese ⁽⁴⁾	—	340 047 532	340 047 532	—	—	340 047 532	340 047 532
Total	134 350	340 047 532	340 181 882	—	134 350	340 047 532	340 181 882

⁽¹⁾ The table above is prepared in terms of the requirements of the Luxembourg Stock Exchange and does not include trades by closely associated persons (CAP's) reported to the market in terms of the MAR.

⁽²⁾ With effect from 18 May 2021, pursuant to the Redomiciliation, Dr LL Porter (resident in Malta) resigned from the Board, with Mr MP Dabrowski (resident in Mauritius) appointed by the Board as a replacement Independent Non-executive Director and member of the ESG committee.

⁽³⁾ Mr Roelofse is a director of Opstaan Beleggings Pty Ltd and a trustee of the trust that ultimately controls it. Opstaan Beleggings Pty Ltd holds 21 122 Brait shares.

⁽⁴⁾ Dr Wiese's indirect beneficial shareholding is held through the Titan group of companies. CAP's of Dr Wiese at 31 March 2022 held 32 823 537 shares (31 March 2021: 32 823 537). Dr Wiese also has 55 545 single stock futures with a nominal exposure to 5 574 000 Brait ordinary shares.

Directors' dealings in BIH Exchangeable Bonds for the year under review:

Number of BIH Exchangeable Bonds							
Opening balance: 31 March 2021				Net transactions during the year Purchases/ (Sales)	Closing balance : 31 March 2022		
Director	Direct Beneficial	Indirect Beneficial	Total		Direct Beneficial	Indirect Beneficial	Total
RA Nelson	–	–	–	–	–	–	–
MP Dabrowski	–	–	–	–	–	–	–
JM Grant	–	–	–	–	–	–	–
Y Jekwa	–	–	–	–	–	–	–
PG Joubert	–	–	–	–	–	–	–
Dr LL Porter	–	–	–	–	–	–	–
PJ Roelofse	–	–	–	–	–	–	–
HRW Troskie	–	–	–	–	–	–	–
Dr CH Wiese ⁽¹⁾	–	–	–	1 516 492	–	1 516 492	1 516 492
Total	–	–	–	1 516 492	–	1 516 492	1 516 492

⁽¹⁾ Dr Wiese's indirect beneficial holding in BIH Exchangeable Bonds is held through the Titan group of companies.

OVERVIEW

The Board is composed entirely of non-executive directors and has the independent investment committee function for the Group to approve all investment related decisions. The Board is charged with the responsibility for implementing and maintaining a risk management strategy governing the Group's investment function and related processes.

Risk management is the process of avoiding unacceptable losses, namely those losses that are not planned for. Risk management does not mean risk avoidance, but rather is the process of extracting optimum reward from an acceptable risk exposure whilst minimising cost.

A systematic framework is designed to ensure that risk management considerations are appropriately understood, controlled and integrated into decision-making.

Best practice recommends that the purpose of a formalised risk management framework (setting out appropriate policies, controls and procedures) is to provide a set of directives and guidelines to regulate the activities of the Group and to resolve potential conflicts of interest between stakeholders. In addition, a formalised risk management framework serves as a reference for the Advisor to understand the Board's requirements and how their own activities relate to the entire operation. Sound policies ensure that transactions are executed in accordance with the terms of the Board's authorisation and that the Advisor's actions are consistent at all times.

The Board is ultimately responsible for any financial loss or reduction in shareholder value. It is therefore responsible for recognising all risks to which the Group is exposed and ensuring that the requisite culture, practices, policies and systems are in place. To achieve this, the Board has closely defined the duties and responsibilities of the significant structural elements of the Group's risk management systems and processes on the one hand, and risk monitoring on the other.

Certain functions are delegated to the Audit and Risk Committee. See page 53.

RISK MANAGEMENT FRAMEWORK

The Brait Risk Management Framework (RMF) is depicted graphically below:

- Capital allocation
- Business strategy and financial plans
- Performance measures
- Risk identification and assessment
- Risk aggregation
- Risk ranking
- Investors and analysts
- Capital providers
- Regulators
- Clear accountability and risk responsibility
- Risk policies



The four primary objectives of Brait's RMF are:

- Strategy – high-level goals, aligned with and supporting the organisation's mission;
- Operations – effective and efficient use of resources;
- Financial reporting – reliability of operational and financial reporting; and
- Compliance – compliance with applicable laws and regulations.

The RMF contains or references to the following risk management elements:

- Risk management strategy and objectives;
- Responsibilities and delegations of authority;
- Committees responsible for the oversight and monitoring of risk;
- Risk management and control policies;
- Recruitment, training and succession planning; and
- Business continuity (continuation plans established to address disruption to normal business operations).

The individual components of the RMF are tailored for the requirements of each business function, and are directed towards each key step in Brait's risk management cycle.

RISK STRATEGY, OBJECTIVES AND APPETITE

Generally, the business planning process is conducted annually in March, setting out strategic priorities and considerations for the next financial year, as well as articulating longer term objectives and targets in terms of inter alia performance, quality of assets and capital utilisation. This business planning process is managed contemporaneously with the annual budgeting exercise, ensuring that operational and financial goals are appropriately aligned and subjected to rigorous scrutiny, reasonability testing and scenario analysis.

As part of the risk strategy and business planning process, determination is made of:

- Capital to be placed at risk as a result of investment activities;
- Responsibility for the active management of financial risk arising from each investment;
- Policies regarding the extent of risk exposures which may be assumed; and
- Policies regarding the instruments that may be used.

Individual objectives for each investment are defined, including where relevant:

- Funding;
- Investment; and
- Hedging.

The Board has established a set of risk limits to control the extent of risk exposures arising from investment activities. The nature of the risk exposures are adequately understood and policies considered appropriate given the expertise of the contracted investment advisor and the extent of other risk exposures.

RISK REGISTER

The risk management requirements and relevant investment and accounting processes and activities are assessed to determine their materiality and risk to the operation. This is achieved through the Risk Register, which is submitted to the Audit and Risk Committee.

The Risk Register addresses the following key components of the RMF (and the risk management cycle):

- Risk/event identification classified according to key risk areas for Brait, and where applicable, consider risks/events identified in the portfolio companies which may impact these key risk areas;
- Risk assessment (involving the quantification of a severity rating);
- Risk response through mitigating factors and controls;
- Control activities (involving the assessment of the effectiveness of identified controls and mitigating factors, resulting in the quantification of the residual risk exposure); and
- Information and communication (including the identification of the risk owner).

BRAIT RISK MANAGEMENT CYCLE

Monitoring:

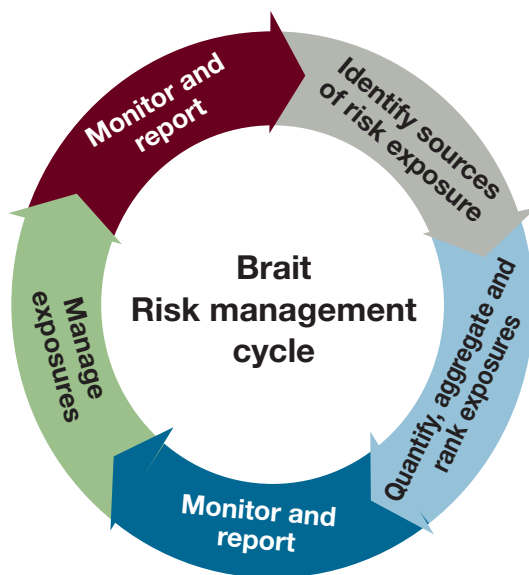
- Investment regular reporting
- Compliance function reviews
- External audit reviews

Reporting:

- To Board, Audit and Risk Committee, regulators, investors

Risk management tools include:

- Independence (segregation) of key steps (measurement, management and monitoring/reporting)
- Internal control framework
- Risk limits and delegation of authority framework
- Independent evaluation

**Risk exposures identified according to following framework:**

- Business model risks
- Macro-environment risks
- Stakeholder risks
- Financial risks
- Legal and regulatory risks
- Compliance risks
- Taxation risks
- Investment asset risks

Risk management tools include:

- Policy and procedure framework
- System and process documentation
- Security and access controls (physical and logical)
- Disaster Recovery Plan and Business Continuity Plan
- Segregation of duties
- Financial controls (including reconciliations)
- Fraud prevention

Inherent risk rating = Business impact (severity rating) x likelihood (probability rating)
Residual risk = inherent risk rating – control/mitigant effectiveness

IMPACT OF COVID PANDEMIC

In calendar years 2020 and 2021, the first and second waves of the Covid pandemic had a material impact on both Virgin Active and New Look. The respective management teams, together with Brait's Advisor, EPE, responded with appropriate measures to preserve liquidity and reduce operating expenses, including measures to defer and/or reduce rental expenses, progress online strategies, as well as access the various government support initiatives.

As a result of the significant impact of Covid, Virgin Active required significant shareholder capital contributions. Brait funded its 80% share of these contributions utilising the BML RCF. This necessitated Brait's December 2021 Capital Raise of R3.0 billion, which also facilitated the refinancing of the BML RCF and has provided runway to execute Brait's strategy of unlocking value to shareholders through the realisation of portfolio companies in the next 3 years.

As set out in the investment advisor (section 7) and investment portfolio sections (section 8) of Brait's Integrated Annual Report, during FY22 Virgin Active:

- Completed its Restructuring Plan and debt refinancings in May/June 2021;
- Raised GBP88.4 million (R1.8 billion) of new capital at Brait's valuation; and
- Formulated a revised strategy, which is being implemented under a new management team (Virgin Active CEO, CFO and VASA MD).

Since the start of the calendar year, Virgin Active has recorded strong growth in the membership base 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's completion of its comprehensive recapitalisation in November 2020 has provided the funding and operational flexibility to execute on its strategy. Although New Look was impacted by Omicron over the festive period, as well as global supply chain issues, the business has recorded a recovery in operating performance since the beginning of the calendar year accompanied by a good start to FY2023.

KEY RISKS

The Group's key business risks and responses are summarised as:

Context	Risk description and response
Access to liquidity is key to the Group's business model:	
Liquidity	• Insufficient capital for investments, working capital and inability to meet current and future obligations ◦ The Group has available credit facilities with banks and also actively pursues various capital raising mechanisms. ◦ The R3.0 billion Capital Raise concluded in December 2021 by way of issuance of the BIH Exchangeable Bonds due 3 December 2024, which facilitated the refinancing of the BML RCF with a facility limit of R3.0 billion and term date of 30 June 2024, has provided runway to execute Brait's strategy of unlocking value to shareholders through the realisation of portfolio companies in the next 3 years. ◦ Cash generated in excess of portfolio company's needs is monitored with a view to distribute to the Group ◦ Regular interaction with the Group's bankers ensures strong working relationships across the Group and portfolio. ◦ Cash flow forecasts are regularly monitored across the Group ◦ Covenants embedded within the banking facilities and long-term debt are monitored on an ongoing basis for compliance, and form part of the regular stress tests. ◦ The Board monitors optimal gearing levels both at Group and portfolio company levels. Stress testing ensures early detection should any concerns arise. ◦ Specific focus on reduction of debt levels and serviceability from maintainable free cash flow.
Growth in NAV drives the Group's business model:	
Group NAV	• Underperformance by portfolio companies ◦ Consideration is given to appropriate gearing levels for each portfolio company based on sustainable EBITDA and cash flow conversion. ◦ The Group is represented on portfolio company boards and interact frequently with their line management teams to ensure concerns are identified early, enabling preventative actions to be taken. ◦ Performance across the portfolio companies is regularly monitored through engagement with underlying management teams, latest management accounts and comparisons to budget. ◦ The Board receives regular feedback on portfolio companies from the Advisor. • Exchange rate fluctuations ◦ The Group continuously monitors its currency exposures, entering into hedging strategies where necessary • Key risks identified at the portfolio company level ◦ The Group assesses and continually monitors the key risks identified by each portfolio company ensuring these are appropriately addressed. ◦ Active involvement across the portfolio companies allow for early identification and appropriate management of any perceived risks. • Economic outlook ◦ Economic outlook is continually monitored and discussed with respective management teams and key stakeholders to ensure portfolio companies are as well placed as possible to navigate challenging market conditions as a result of events such as the Covid pandemic, the Ukraine/Russia conflict and rising global inflation,

Context	Risk description and response
The proper alignment of IT systems which support business processes and procedures to deal with disaster recovery with the least amount of interruption:	
Systems and data protection	• Inadequate IT system processes and procedures to deal with disaster recovery ◦ Disaster recovery plans are in place at the Group level. ◦ Servers appropriately backed up to the Group's independent disaster recovery site. ◦ IT security reviews are conducted across the Group. • Insufficient protection from malicious IT attacks ◦ Independent cybersecurity advisors provide regular assessments to ensure the appropriateness of systems in place to safeguard security and protection of data. ◦ Servers are segmented with users having unique passwords with multifactor authentication measures. ◦ Users are provided with appropriate access to specific databases, in order to limit any system breach to that segment of data only. ◦ Regular communication to all users with warnings of latest hack attempts and modus operandi. ◦ The management of VASA have completed the recommissioning of the IT platform that was significantly impacted by the ransomware attack in April 2021.
The Group's ability to manage compliance with all relevant legislation across the jurisdictions it operates in:	
Legislation	• Non-compliance with legislation, tax and exchange controls ◦ The Group retains legal advisors in the various jurisdictions it operates in ◦ Tax advisors in the various jurisdictions assist the Group identify and mitigate tax risks, including transactional and operational tax compliance, legislative changes in tax, court decisions of tax rulings and country tax risk. ◦ Meetings are held with Regulators and Authorised Dealers regarding exchange control rulings obtained and the impact on the Group's transactions. • Non-compliance with stock exchange requirements ◦ The Group utilises external service providers to assist with the compliance of the various requirements for the Group's ordinary share listings on the LuxSE (Group's primary listing) and JSE (Group's secondary listing), as well as the dual listings of the 2024 Convertible Bonds (Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange and the SEM) and the BIH Exchangeable Bonds (JSE and SEM). ◦ Closed period notices are circulated to all directors, employees, the contracted investment advisor and key executives of the Group's major portfolio companies when required (see 10.3 code of share dealing on page 57). The Group monitors the businesses it is invested in to commit to compliance in all its forms with anti-bribery, anti-fraud and anti-money laundering laws applicable to them

Context	Risk description and response
	Alignment is a key investment thesis for the Group and a major contributor to addressing reliance on directors/ individuals:
People	• Loss of key individuals at Group level, portfolio company level and in professional advisors ◦ The Remuneration and Nomination Committee reviews the appropriateness of the Board's membership and remuneration. ◦ Key management at portfolio company level are aligned with the Group's interests through sizeable shareholdings in the respective companies they work for. ◦ Portfolio companies have succession plans in place. Where appropriate these are monitored and managed by either the board or the relevant committees at portfolio company level. ◦ The Group has long-term contracts with professional advisors, which include key man clauses. ◦ Short-term engagements include a team from the advisors and are not negotiated with any one individual.
	Effective financial controls maintenance ensures safeguarding of assets and early response to any emerging risks:
Financial	• Financial risk management ◦ This is fully detailed in the annual financial statements from page 134. ◦ The Group's external audit plan covers key systems and controls on rolling basis, with findings reported to the Audit and Risk Committee. • Portfolio company level ◦ Representation on portfolio company audit and risk committees, with internal audit function encouraged across the portfolio companies.

The Board is comfortable with the level of combined assurance obtained from the Audit and Risk committee, the external auditors and the contracted Investment Advisor relative to the Group's key risks and its control environment. The Group is also reliant on the risk management operations of its portfolio companies and manages risk through representation on the portfolio company's boards.

Nothing has come to the attention of the Board that has caused it to believe that Brait's systems of internal controls and risk management are not effective.

SUSTAINABILITY

Following the transfer of Brait's registered office from Malta to Mauritius, which concluded on 13 September 2021, Brait is required to comply with the National Code of Corporate Governance for Mauritius (the "Code"). From an ESG perspective, Brait is cognizant of its responsibilities in terms of Principle 6: Reporting with Integrity of the Code. Given Brait's primary listing on the LuxSE, Brait also strives to comply with the Fourth Edition – Revised Version of "The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange" (the "Principles") as published in December 2017. From a sustainability perspective, Principle 9 outlines the expectations regarding Corporate Social Responsibility ("CSR"). In striving to comply with Principle 9 of the Principles, Brait acknowledges that it is not sufficient to focus solely on the bottom line, but also to recognise the importance of building and sustaining long-term reciprocal relationships with all stakeholders. Direct stakeholders are shareholders, clients, investors, employees, suppliers, government and regulators. Indirect stakeholders include the communities and the environments in which Brait and its portfolio companies ("PCs") operate. Brait also strives to comply with the broader responsibilities of the Environmental, Social and Governance ("ESG") recommendations outlined in the Luxembourg Stock Exchange's 'Guide to ESG Reporting' released in October 2019.

Brait continues to engage and work with its PCs, moving from pure ESG compliance to value add and positive impact creation. Additionally, through the annual ESG data collection process led by Brait's contracted advisor, EPE, Brait and the PCs understand the main interactions of the business activities on ESG and make targets and recommendations for improving ESG performance. Information presented in this report is the result of that engagement. Brait reports annually on the significant initiatives focused on by each of the PCs in which Brait has a significant shareholding, as well as projects supported by BML and the Brait Foundation.

The ESG responsibilities relevant to Brait and its PCs are inherent in the strategies and operations of each company. Brait also supports various voluntary social projects through the Brait Foundation and BML sponsorship programmes. Brait continues to focus on enhanced accountability for ESG performance indicators at the PCs and on greater uniformity and intensity of ESG reporting metrics through continued engagement with each PC.

HOW IS ESG MANAGED?

Responsibility for ESG has been delegated by the Board to the ESG Committee, with the chairman of the ESG Committee reporting directly to the Board. The ESG Committee has established terms of reference and meets at least once per year, with additional meetings called as required from time to time, to review progress of any ESG initiatives across the Group and where relevant, to agree activities to support relevant programmes undertaken by PCs. EPE, as advisor to Brait, has a dedicated ESG team which assists with the implementation of a robust and systematic approach to ESG across Brait's PCs.

Brait integrates ESG aspects in its strategy for the creation of long-term value. Brait's philosophy is to invest in companies that offer long-term growth potential and look for responsible management in businesses which take account of their stakeholders' interests, treat their employees fairly and respect the environment.

The management teams of Brait's PCs pride themselves on their respective ESG programmes, which have been a key focus for many years, and for which they take responsibility for setting and executing on. Brait's annual ESG report considers the Sustainable Development recommendations in respect of Principle 6: Reporting with Integrity of the Code, with a focus on the various jurisdictions in which Brait and its PCs operate. ESG for Brait and its PCs is defined broadly and encompasses environmental and social initiatives, in keeping with the Luxembourg Stock Exchange's Principle 9 and Guide to ESG Reporting.

The ESG Committee serves as the framework for collating information from each PC's respective ESG reporting lines.

To achieve its commitment to sustainability, the ESG Committee focuses on:

- Compliance with country-specific regulations governing the protection of the environment, labour, occupational health and safety and business practices;
- Ensuring that PCs have appropriate reporting lines and policies in place to deal with the identification, management and reporting of ESG risks and opportunities;
- Appropriate assessment of ESG risks and opportunities, forming part of due diligence when considering potential acquisition opportunities, and ensuring that necessary monitoring procedures are implemented post acquisition.

ESG AT PORTFOLIO COMPANIES: KEY AREAS OF FOCUS

Brait and its PCs have a long-standing commitment to doing business responsibly, with a vision to create long-term value for Brait and its PCs and society in general. For each PC, ESG has a particular meaning which relates to that company's operations and impacts. As the Group is predominantly consumer facing, the following areas have been identified as key for Brait and its PCs (these are largely based on the UN Sustainable Development Goals (UN SDGs) and are specific to each company):

- People:
 - *health and well-being*
 - *quality education*
 - *addressing poverty and hunger*
 - *inequality; and*
- Responsible consumption and production:
 - *minimising the impact on marine and land resources; and*
 - *climate change.*

The significant impact of the Covid pandemic on the global economy and on the markets, and more recently, the rising costs of living for consumers, has not detracted from the inherent DNA of the companies to do “business right” from an ESG perspective. The safety of staff and customers has been a top priority for both Brait and its PCs whilst navigating through the uncertainties and disruptions caused by the pandemic during the 2021 and 2022 financial years.

VIRGIN ACTIVE

Impact of the Covid Pandemic

Virgin Active's value "#LiveHappilyEverActive" has been the cornerstone of its "Be Active. Be Safe." response to the Covid pandemic. Virgin Active gyms (including South Africa, Italy, the UK, Australia, Thailand and Singapore) were closed for extended periods as part of each country's lockdown initiatives to limit the spread of Covid. The welfare of Virgin Active's people and their future job security has been a top priority, as has been the health and safety of its members, during periods of club closures and once clubs were re-opened.

Virgin Active implemented measures within its clubs to allow its members to safely social distance, sanitise regularly and reap the benefits of an active lifestyle. Hospital-grade cleaning protocols for sanitisation and disinfection were applied, and although indoors, all the clubs have fresh filtered air circulated on high frequency for increased ventilation. The club staff were health screened throughout the day, protected and well prepared.

Good health and well-being

Virgin Active strives to provide customers with a combination of a leading physical experience and a world class digital offering. Virgin Active believes "in doing good and giving back" by "giving back to local communities and helping young people to love being active". Virgin Active commits to treating its members with care, respect and attention, and to welcoming everyone, irrespective of age and fitness level. Virgin Active has always believed in making exercise accessible for everyone, anytime, anywhere, and this has included rolling out digital content. Virgin Active South Africa's Virgin Active Online provides its members with 400+ online workouts from top instructors around the world and on demand classes.

Virgin Active UK's OnlinePLUS provides members with on-demand content wherever and whenever they want, tailored workouts with My Plan and a club pass to visit a club every month. Virgin Active UK's My Plan allows members to set goals, pick a plan and get going with a personal programme on its app.

Virgin Active Italy continues to improve its digital offering Revolution, driven initially by the emerging need during the global lockdown of staying home but staying active. The digital platform virginactiverevolution.com for online exercise has been enhanced with new features in Spring 2022 and is now also available as an iOS and Android app. Virgin Active Revolution currently features a library of 2 500 workouts on-demand and 50 new live-streaming classes per week and allows Virgin Active Italy to stay close to its members by finding new ways to remove barriers and by encouraging members to stay active in the long term.

Asia Pacific's online offering includes wellbeing and fitness content filmed from Thailand, Singapore and Australia every week. In the last 12 months the Asia Pacific business also launched the 'Active Minds' podcast reaching thousands of listeners worldwide with monthly interviews with wellness experts across various fields from nutrition, stress management and sleep to financial and relationship health.



Quality education

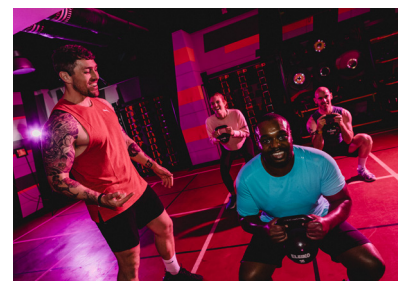
Virgin Active South Africa has resumed all learning interventions within the business, adopting a hybrid learning model given the ongoing Covid risk. Its core learning interventions focus on management and leadership development for the next 18 months as well as operational learning interventions. Programmes such as Pro-Active HOD (Head of Department development), Learn to Fly (club General Manager development) are currently underway along with investment into learning programmes generally. Virgin Active South Africa's learnership programmes focus on fitness learnerships, affording internal and external learners who have limited access to learning resources an opportunity to qualify with an entry level fitness qualification. The external learnerships are provided in partnership with local sector and education training authority (SETA) and an external training provider.

Virgin Active UK has now launched the VA Academy, training both team members and the wider public via its first set of commercial offerings. The Academy aims to be the gold standard training provider in the fitness and leisure industry. Courses that have already gone live include swim, lifeguard, first aid, mental health first aid and a Virgin Active accredited personal trainer diploma, with a nutrition diploma being the next focus. Virgin Active UK's junior management skills "Evolve" and lifeguard apprenticeship programmes are underway and the group is in the process of launching a maintenance and engineering apprenticeship to assist in a very competitive recruitment landscape. Since launching its mental health first aider course in 2021, Virgin Active UK has now trained more than 100 mental health first aiders across its clubs.

Virgin Active Italy continues with development programmes dedicated to future club General Managers and potential General Managers. In addition, a training process is underway which will be completed at the beginning of 2023 which aims to strengthen corporate values and club General Managers' skills. The complete development of the new People Platform is expected by the end of 2022, which will allow Virgin Active Italy employees and collaborators to experience a new way of learning, new opportunities to interact within communities and the digitisation of the current performance evaluation process.

Reduced inequality

Virgin Active is committed to fairness, equality and inclusion at all levels of the business and employs a diverse workforce. In South Africa, Virgin Active supports employment equity guidelines, issued by the government, which encourage the appointment and advancement of previously disadvantaged individuals. Virgin Active South Africa aspires to achieve 50% female representation across middle to senior management levels within the business and has measures in place to ensure females are given the opportunity to grow within the organisation. Over 55% of Virgin Active Asia Pacific's management teams are female.



Virgin Active UK also targets a 50% female representation across the business, with the intent to achieve this representation across all management levels. Virgin Active UK has committed to a holistic Diversity, Equality & Inclusion (DEI) strategy led by the Executive Team with six focus areas: Gender, Age and Life stage, Ethnicity, Disability, LGBTQ+ and Social Equality. In late 2021 the UK executive team underwent DEI training, and subsequently renewed its DEI strategy and agenda. For the 2021 Gender Pay Gap reporting year, Virgin Active UK has again seen a reduction in its gender pay gap and expects to see further improvements in 2022, as operations normalise following the Covid pandemic. Virgin Active UK is proud to have been approved to take part in London PRIDE 2022 on 2 July, as part of the 50th anniversary PRIDE celebrations, the focus of which is 'Allyship', with a number of Virgin Active team members taking part in the parade and showing Virgin Active UK's allyship for the LGBTQIA+ community.

Virgin Active's social responsibility initiatives focus on uplifting people (through health and wellbeing, education and reducing poverty, hunger and inequality) and reducing its impact on the environment (through responsible consumption by reducing carbon emissions).

Responsible consumption and production

Virgin Active believes in being a "Force for Good" and is "committed to people, plant and profit in everything we do, helping the communities around our clubs thrive". Virgin Active has always prided itself on being a sustainable and environmentally aware organisation and is committed to reducing water and waste across all its properties. Following the recent capital restructure of Virgin Active, the shareholders have committed to reviewing the group's ESG strategy as a board agenda item and to working towards implementation of an ESG roadmap for the business; this will be a key focus for EPE in its advisory role in the coming year.

Virgin Active aims to work in partnership with its suppliers to meet sustainability challenges and to ensure that they, and their suppliers, work to the same standards and principles and share the same objectives to address sustainability impacts with responsible procurement. To ensure visibility of what is happening across its supply chain, Virgin Active has developed a Supplier Code of Conduct which it requires each supplier to confirm their agreement to and compliance with. Virgin Active uses the Code to build a more focused and targeted approach to identify sustainability risks and opportunities in its supply chain. The Supplier Code of Conduct outlines a set of sustainability principles that suppliers are expected to follow, covering three main areas:

- Human rights and labour practices
- Environmental management
- Business ethics

Each Virgin Active territory has an Environmental and Social Management System and a Health and Safety Policy in place, and Emergency Response and Preparedness Procedures are in place, as part of the group's commitment to its environmental and social responsibilities.

Climate change

Virgin Active aims to reduce carbon emissions through reducing its own greenhouse gas emissions and those within its supply chain as much as practicably possible. Virgin Active's goal is to reduce net carbon emissions over time, and continuously strives to reduce its carbon footprint by testing new innovations and technologies to reduce the environmental impact of its clubs.

PREMIER

Premier has an established sustainability vision encompassing its 13 bakeries, 7 wheat mills, 3 maize mills, 3 manufacturing plants, 25 distribution depots and UK sales office, spread across 3 pillars, its people, our planet and its communities. Its sustainability vision is also outlined on its website, <https://www.premierfmcg.com/sustainability>.

Good health and well-being

UNICEF estimates that roughly 1 in 10 girls in Sub-Saharan Africa miss school because of their periods each year. In the UK, up to 1 in 14 girls miss school because they cannot afford access to products. It is estimated that 30% of South African girls do not go to school whilst they are menstruating because they cannot afford the sanitary products. Premier's Lil-lets is tackling this challenge head on through various business and CSR initiatives that both provide support for young women and address the root cause issues of barriers to girls' access to education.

In collaboration with Imbumba Foundation, the Caring4Girls initiative provides health education on puberty and adolescence to demystify menstrual related myths and break down societal taboos and the distribution of sanitary materials to adolescent girls in South Africa. Lil-lets in South Africa committed to matching in-store purchases of its sanitary pads collected by the Dis-Chem Foundation's Million of Comforts Campaign. 8 757 868 pads were collected through the Millions of Comfort Campaign with Lil-lets being the most popular brand donated by customers and 1 831 889 sanitary pads were collected in the drop-off bins placed in 160 Dis-Chem pharmacies across South Africa, which will be doubled through the brand match.

Lil-lets in South Africa launched the #Lil-lets Talk Platform www.lil-letstalk.co.za in January 2021 which provides a safe environment where consumers can ask questions and receive answers from trained responders and learn from shared experiences. Lil-lets has utilised technology to support, educate and empower woman whilst embracing their privacy since social barriers often inhibit open conversations about menstrual hygiene. Every question asked and answered on the platform results in a donation of Lil-lets Maxi Pads to various South African non-profit organisations as part of the Lil-lets Making a Difference initiative. The Ask One, We Donate One drive saw the donation of over 13 920 packs of pads during the year, keeping an average of 2 700 schoolgirls in school for a 6-month period.

In addition to the above initiatives, as part of the corporate CSR initiatives, Lil-lets in South Africa donated more than 3.6 million packs of sanitary pads to those in need, which equates to an average of 36 million individual pads and keeping an average of 500 000 girls in school fulltime for a year.

Lil-lets in the UK, in conjunction with Brook (a leading charity for young people's sexual health and wellbeing) and PHS (a leading provider of hygiene services and products across all business sectors), launched new educational lesson plans and programmes in July 2021, to help schools teach about periods with accurate knowledge and confidence. Lil-lets lesson plans have been created in line with Key Stage 3 government statutory guidance and PSHE Association guidance and include the basics on periods and puberty. They aim to open the dialogue around periods and the shame and stigma sometimes associated with them. The lesson plans are tailored to be accessible to boys and girls from years 4 to 9 in a gender-neutral format, and are free to download across Lil-lets, PHS and Brooks websites. To facilitate learners having access to sanitary products regardless of their circumstances, Lil-lets supported the PHS Group to tender for the Department of Education's (DfE) scheme



for England to provide free period products so that learners do not miss out on their education. The scheme commenced in January 2020 offering a range of 8 Lil-lets products alongside competitor brands, plus a sustainable offer from smaller suppliers of reusables, to schools and colleges. According to the DfE blog, in 2020, 76% of secondary schools, 79% of post 16 years organisations and 41% of primary schools had ordered products. In total, during the first year of the scheme 16 698 orders had been placed.

Quality education

Premier invests in various skill development initiatives including CEO bursaries, study assistance, management and supervisory development programmes, on-the job training, apprenticeships and learnerships. The group's internal training initiatives benefitted 1 700 employees in the 2022 financial year ending in March 2022, while the external training initiatives benefitted more than 1 300 employees. The Plant Baking Learnership Programme and the Stores and Warehousing Learnership Programme were closed out during the year and Plant Baking (NQF L2), Packing operations (NQF L3), Confectionary Manufacturing (NQF L3) and Manufacturing Excellence Programme (Manufacturing Management NQF L5) Learnership Programmes are currently in the implementation phase. Premier currently has 46 learners participating in various apprenticeship programmes and R1.3 million in Study Assistance and CEO Bursaries were approved during FY2022.

Poverty and hunger

Premier focused on living its value of "Doing What is Right" with its core business activities and CSR actions, split across 3 pillars of Nutrition, Education (early learning is part of the education pillar) and Community. To impact as many people as possible from children to impoverished families to old age homes, Premier FMCG has chosen to partner with over 700 charities to make a difference across South Africa and within the communities of its manufacturing, bakery, and depot sites.

Premier strives to deliver on its purpose of "our people and products making a difference in the everyday lives of our consumers" to realise the WHO 2030 goal of #ZeroHunger. Premier donated 599 tons of Impala Special Maize Meal, providing 2 396 160 meals, to Food Forward during FY2022 (R3.0 million). Food Forward operates through its 9 depots compiling and distributing grocery hampers throughout the country. They secure edible surplus food from farmers, manufacturers, wholesalers and retailers for redistribution to 2 225 verified community organisations across the country that collectively reach more than 875 725 vulnerable people daily. Premier donated a further 599 tons of Impala Special Maize Meal, providing 2 396 160 meals, to Gift of the Givers (R3.0 million). Gift of the Givers operates throughout South Africa and Africa offering food, medical support for disaster reliefs and communities in need. 599 tons of Impala and 2 585 cases of Mageu meals, equating to 2 397 792 meals, were donated to SA Harvest (R3.0 million). SA Harvest rescues and redistributes quality, nourishing surplus food to a wide range of beneficiary organisations which feed vulnerable people on a daily basis. They also develop sustainable programmes within communities that will ensure food sovereignty in the long term.

Premier donated R166 000 of maize to the Africa Children Feeding Scheme ("ACFS"). ACFS is a community education and feeding scheme operating with a central depot in Gauteng. The centre acts as a community hub, providing early childhood development programmes and a range of support services for families.



Premier delivered 1 330 741 loaves of bread to 700 charities across South Africa, Lesotho, and Eswatini valued at R11.2 million providing 7 397 064 meals during the year.

Premier's Snowflake co-sponsored the Bake-for-Profit initiative, a course designed to teach both baking and business skills (sponsorship of R75 000). The course covers basic baking skills including recipe costings, financial management, presentation of basic business plans, identifying business opportunities, stock control, food safety and hygiene. Each student registered on the programme received Snowflake branded learning material, sponsored Snowflake flour and baking powder and baking kits. The FY2022 course had a 95% completion rate, with 56% of graduates becoming self-employed and 32% continuing to bake part-time after finding employment.

Premier's Mister Bread Launched the Yondla Ikamva Holiday Camp through road shows across 7 schools and advertised on local radio stations. 400 learners applied to attend a 2-day camp. Children were taught to improve their numeracy, entrepreneurship and business skills at the camp. Premier contributed training and course content, and donated 1 730 loaves of bread, maize and Mageu during the camp, amounting to a total spend of R500 000.

Premier's Manhattan Confectionery donated 753 cases of sweets to the Santa Shoe Box project, a project which gifted 63 099 shoeboxes of essential items and treats to children in need during FY2022.

Blue Ribbon partnered with the Gauteng Radio Station Hot FM's Hot Cares initiative in the Johannesburg area and donated over 23 320 loaves of bread during FY2022 providing 191 880 meals.

Premier's subsidiary CIM, a leading food producer in Mozambique, supported 3 refugee camps in Pemba, Namialo and Montepuez with product donations of maize to the value of R89 000.

Premier Lesotho partnered with Lesotho Metropolitan Insurance to deliver food parcels to struggling communities in Roma, Mafateng, Maseru, Leribe and Semonkong during World Hunger Month in October 2021. Each food parcel consisted of 12,5kg Iwisa Maize Meal, 5 Loaves of Blue-Ribbon Classic Brown bread, 10kg Snowflake flour, 5kg beans, 5kg peas and 5 packets of different vegetable seeds.

Premier's eSwatini Bakery believes "Charity begins at home" and that they need to earn the right to operate within their communities. When COVID swept across Eswatini, the bakery embarked on a project to make a difference. By partnering with initiatives like Donate A Bread (a campaign started by a Local Musician), Mpatheni High School, Driven Ardent Youth, Diaper Solutions Organisation, and 13 other charities, Eswatini Bakery has been able to donate over 60 000 loaves of bread since May 2020. Eswatini Bakery continues to invest in communities in need in the interest of realising WHO's 2030 goal of #ZeroHunger.

Premier FMCG believes that knowledge is power which is why Super Sun partnered with Food & Trees for Africa which focuses on food security, urban greening and environmental sustainability and sponsored 3 food gardens for 9 schools and the community. The food gardens continue to produce nutritious and filling meals for the school children.



Reduced inequality

Premier's workforce is diverse in terms of race, gender and origin and it commits to cementing a strong and effective organisational culture through the development of a shared set of common values ("The Premier Way") rooted in dignity and equality of all people. 17% of employees are currently women due to the manual nature of many of the roles within the millbake environment, although automation in the bakeries will help address this in future. Roles have been identified for female employees in the various operational sites for future recruitment and social and ethics meetings are held biannually. Premier has implemented a Training & Development Policy, Grievance Policy, Code of Conduct and HR Policy all explained through a comprehensive Employee Guide handbook.

Responsible consumption and production

Premier's sustainability vision is to "earn the right to operate in our communities by being mindful of our responsibility to society and the planet". Premier had set aside capital expenditure of R9.5 million for ESG initiatives for calendar year 2021. The company has a designated Environmental Management team to implement their Environmental Management system.

Premier has invested in improved and/or alternative energy sources such as solar power, alternative fuels, new transport fleets, improved route management and improved technologies to reduce the energy required to produce and distribute their products while continuing to grow the business. The pilot solar power project completed at the Potchefstroom Bakery during the 2019 financial year involved the installation of 900 solar panels on the bakery roof and saved 409 MWh during the 2022 financial year, resulting in the prevention of 441 tonnes of CO₂ equivalent being emitted into the environment. The Potchefstroom Bakery was also used as a pilot site to convert from liquid fuel to gas. The gas is received in Tube trucks designed to transport and store on site; installation started in January 2021 and was commissioned in April 2021. Not only are benefits being seen in reduced fuel costs (with the unit saving equivalent to 3 cents per loaf), the Bakery has improved combustion efficiency by 10%, increased the life span of equipment and noticeably reduced soot emissions as a result of more efficient combustion process. Similar conversion activities are being investigated across the business, with Waltloo bakery conversion process currently underway.

Premier recognises that recycling is crucial to sustainability and supports a reduce, re-use and recycle philosophy in its manufacturing facilities and offices. 98% of Premier FMCG's packaging is recyclable, and Premier is aligned with the Extended Producer Responsibility (EPR) of 2021 to meet the 5-year National Environmental Management Waste Act targets and has completed its 5-year objective within bakeries to realise the National Environmental Management Waste Act levels. On secondary packaging like corrugates and shrink wrap, Premier incorporates post-consumer material that has been recycled, and all its bread crates are made from 100% recycled plastic. Together with reduced polymer in its bread bags, Premier is saving 123 tons of plastic per year. Since plastic is not the only material that impacts our planet, Premier's Dove and Lil-lets brands have replaced over 160 tons of cotton used in their products to certified organic cotton. Premier FMCG will continue to focus on sustainable development goals to transform our world through responsible consumption and production, climate action, life on land, and life below water to build a circular recycling economy.



*over 98% of
Premier FMCG's
packaging
is recyclable.*



For FY2022, Premier's waste management efforts encouraged the following savings: 3 187 MWh in electricity, preventing 3 442 tonnes of CO₂ equivalent being emitted into the environment, 23 837 kilolitres reduction in water usage and an equivalent 15 505 trees saved and 37 600m³ reduction in landfill space used. On a site-by-site basis Premier continues to tackle waste handling, for example over the course of calendar year 2021, the effluent at Swaziland had increased such that the charges for waste handling were significant. The bakery installed a bio reactor plant in November 2021 to treat the effluent water with stages of chemical dosing. Since December 2021, the waste effluent being discharged to the local council has reduced significantly, with associated charges reducing by 85%.

Premier also promotes a safe working environment and a healthier lifestyle for all employees through their integrated Risk Management Programme. This programme considers all the relevant risks associated with a production environment which can impact employees. Premier sites showed improvement with the Risk Management Programme during FY22 reviews, which in turn resulted in increased productivity and increased employee morale. One of the key areas which Premier focused on in the last year was to maintain and/or improve on star ratings (next level of Risk Management Programme scoring), which 93% of Premier sites were able to achieve.

Premier has also demonstrated best practice by implementing numerous risk management measures and certifications such as FSSC 22000 (Food Safety Management), ISO 9001 (QMS), Marsh 6 Star H&S, GOTS (textile processing standard for organic fibres), ICCO (sustainable cocoa sourcing), Polyco EPR and Fibre Circle (EPR), in line with the IFC Performance Standards (Assessment and Management of Environmental and Social Risks and Impacts).

Climate change

Premier has focused on various initiatives such as upgrading of technologies, consolidation of plants, installation of occupancy sensors and replacement of lights with LED alternatives to drive a reduction in power consumption in its manufacturing units for many years. For FY2022, these ongoing initiatives saw it only using 6.1% more energy, 1.9% more stationary combustion fuels and gases and 3.9% more mobile combustion fuels during the year, despite the 6.6% increase in its production volumes from the prior financial year.



NEW LOOK

New Look launched its refreshed sustainability strategy at the end of 2021 calendar year, “Kind to our Core” which is formed around 4 pillars: Responsible Business, Responsible and Circular Product, Inclusive Culture and Positive Local Impact. Positive Local Impact is the overriding focus and informs all that New Look does. Responsible & Circular Product drives New Look’s commitment to reduce its social and environmental impact and play its part in wider industry transformational change and Inclusive Culture ensures that New Look embraces difference and welcomes everyone.

New Look’s 2022 Sustainability Strategy Refresh report can be accessed on https://www.newlookgroup.com/sites/default/files/attachments/pdf/new-look_sustainability-report_2021-final_for_directors.pdf and its ESG and Sustainability initiatives and goals are also comprehensively detailed on its website, <https://www.newlookgroup.com/sustainability/sustainability-new-look>.

Reduced inequality

New Look recognises that modern slavery is a global issue and that no economy or industry is immune and has committed to doing all that it can to ensure that there is no modern slavery or human trafficking in its value chain or any part of its business. New Look’s core responsibility is to have visibility of the groups that are at greater risk of modern slavery, and to ensure that they are protected. Its Modern Slavery Working Group includes representatives from all areas of the business to lead its work on this agenda in terms of its published Modern Slavery Statement. New Look issued its Xinjiang Uyghur Autonomous Region Sourcing policy and committed to the Call to Action to End Uyghur Forced Labour in 2021 in line with its commitment to end forced labour in the Xinjiang region in China.

New Look recognises that inclusion and diversity are key to who it is as an organisation and as a brand with mass appeal. They value a diverse workforce that inspires everyone to realise their potential and have recently appointed a Director Sponsor for EDI; launched a new colleague forum and an online hub and created a new Diversity and Inclusion roadmap and project plan, focusing on recruitment, growth, brand and culture. New Look signed up to Business in the Community’s Race at Work Charter and the Halo Code to promise members of the Black community that they have the “freedom and security to wear all afro-hairstyles without restriction or judgement”. New Look extended its partnerships with Retail Week’s Be Inspired programme to help drive inclusivity and support colleagues’ career aspirations; and renewed its commitment to The Prince’s Trust to support more young people into a career in retail.

86% of New Look’s employees are women and 45% of its Operational Directors are women. New Look employees benefitted from 1 729 days of training in 2020.



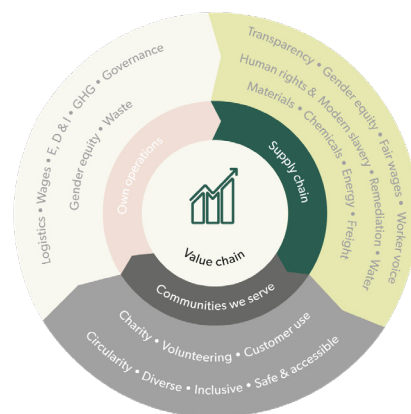
Responsible consumption and production

New Look regards sustainability as a journey, not just a goal, and aims to minimise the negative impacts it has on the planet whilst amplifying the positive impacts it has on the people and communities who make its products. New Look's updated Sustainability Strategy, "Kind to Our Core", is a key pillar in its 3-year business strategy and is its refreshed sustainability vision, complete with guiding principles, targets and transparent Key Performance Indicators (KPIs). It aligns with industry-recognised benchmarks and addresses upcoming legislative and regulatory change, allowing its progress to be measured, compared and reported.

New Look conducted a materiality review and risk assessment of its environmental and social impact, through its Environmental and Social Management System (ESMS), to highlight its salient social and environmental risks, its ability to influence and in turn, its strategic priorities. Their methodology was based on a cross section of assured indexes, including: the European Bank for Reconstruction and Development (EBRD), the Organisation for Economic Co-Operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, the Higg Material Sustainability Index, the Climate Change Performance Index, the ITUC Global Rights Index and Sedex's Supplier Risk Assessment Tool. New Look then mapped its own data and information onto these indexes, to further evaluate its risk assessments and priorities through the lens of severity of harm and likelihood. The mapping of salient risks showed that there are several areas of high social and environmental risk that New Look can directly influence such as purchasing practices, raw materials and working conditions. Within areas deemed medium risk, New Look still has a high ability to influence, for example in its own operations and how transparent its supply chains are. This mapping also identified some high-risk issues such as freight and water use where New Look's ability to influence and change is limited, so New Look is exploring how best to work collaboratively, where possible, to increase its influence in these areas. These materiality outcomes helped formulate and guide where New Look is as a business today, and how to prioritise its resources to reduce its social and environmental impacts going forward. New Look has committed to regularly reviewing these risks and to make changes as needed to continue its progress. A separate materiality review was conducted to identify priorities within the people focused aspects of its operations, its employees and customers, and New Look's opportunity to influence in these aspects, to drive its Sustainability strategy.

New Look has set some challenging targets for the uptake of fibres which will have a smaller environmental impact than their conventional counterparts:

- 100% responsible sourced cotton by 2022
- 100% traceable and responsible viscose by 2023
- 50% recycled synthetics with recycled content by FY2024
- 50% reduction in conventional Polyurethane (PU) Footwear and Accessories by FY2024



To achieve these goals, New Look has created a set of preferred fibre sources enabling it to monitor its progress, embed key requirements into its policies and standards and report on its progress towards these targets. Its preferred alternatives to conventional cotton are Better Cotton (The Better Cotton Initiative, BCI), organic cotton (certified under the Organic Content Standard and/or the Global Organic Textile Standard) and recycled cotton (certified under the Recycled Content Standard and/or Global Recycled Standard). New Look has made significant progress with its Sustainability journey given that 55% of its clothing for the Autumn/Winter 2021 season had sustainable attributes in comparison to 2% of its clothing in 2018 having sustainable attributes.

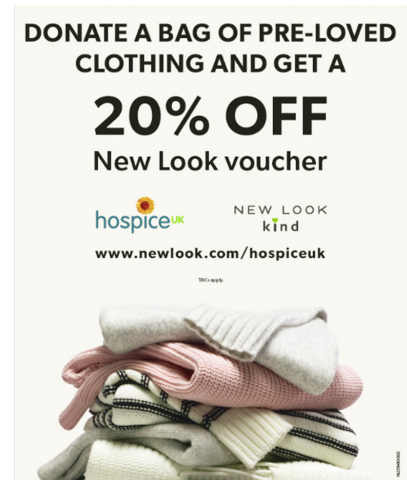
New Look has a zero-tolerance policy towards forced labour and it is not permitted anywhere in its value chain. New Look has banned cotton from Uzbekistan, Turkmenistan and Xinjiang Autonomous Ugyhur Region due to risk of forced labour in those countries.

New Look is committed to increase the use of recycled synthetics, their largest fibre group, in acknowledgement of the impact that polyester and its production have on the environment; particularly on climate change and microplastics release. New Look has signed the Changing Markets Foundation's Roadmap for Sustainable Viscose to demonstrate its commitment to working towards 100% of its viscose being responsibly sourced without any negative implications for the deforestation of endangered forests; and viscose production processes that are safe and clean for the people and communities in the sourcing countries.

New Look's "Kind to Our Core" strategy has also contemplated Palm Oil and Mica, although both materials have very limited use in their products. All the palm oil used in New Look goods must be RSPO certified. New Look has mapped its value chain and have banned the use of Mica mineral coming from India due to the risk of child labour in the mining process.

New Look has a dedicated animal welfare policy setting the standards for accepted products that are by-products of the meat/food industry. It stands against animal testing and was the first high street retailer to partner with The Vegan Society and launch a wide range of vegan friendly shoes, bags and accessories bearing The Vegan Society's Trademark. 90% of New Look's non-leather footwear and bags are currently Vegan.

The New Look KIND label will be used to identify products that have better environmental sustainability attributes than their conventional counterparts. The New Look Clevercare symbol on New Look clothes was introduced as a way for New Look customers to implement simple actions to improve their impact on the environment when caring for their clothes, such as lowering the washing machine temperature. New look understands that small collective actions like this can lead to significant water and energy savings.



New Look aims to reduce consumption through minimising packaging and improving processes within its operations to enable responsible re-use and recycling, as part of its commitment to the implementation of circular systems (a circular economy represents a new system to design, make, and re-use products, moving away from the conventional 'Take-Make-Waste' cycle). New Look is looking at circularity in terms of its products, packaging, customer use and end of life, with the aim of reducing its waste, increasing longevity, improving processes and enabling reuse, resale and recycle across all materials within its operations.

New Look has committed to several significant circularity targets for its products – to provide circular design training for all its designers by FY22, to reduce the GHG footprint of its products by 50% (aggregate) by 2030, to reduce the water footprint of its products by 30% (aggregate) by 2030, for 80% of its factories and associated sites (Tiers 1 & 2), measured by volume, to have measured and set targets to reduce water consumption by FY23, to gather Tier 1 manufacturing GHG data from top suppliers for 80% of its products by FY23 and to initiate environmental programmes with Tier 1 and 2 suppliers to accelerate their decarbonisation activities to 2025 (and beyond).

New Look's ambitious target is for 100% of its packaging to be sustainably sourced or to have recycled content by FY2023. New Look has also committed to reduce its total tonnage of packaging year on year against the FY21/22 baseline and to increase the amount of packaging recycled and remade into new packaging against the FY21/22 baseline. Plastics accumulated from products in stores and the distribution centre are sent to a recycling centre, where they are processed and reused to make the retailer's E-commerce bags (30% recycled material) and in-store carrier bags (80% recycled material). New Look is working towards increasing the recycled content of its plastic bags to 100% with its carrier bag supplier as well as aiming to reduce the number of plastic bags it puts into the market and will be encouraging shoppers to bring their own bags and to design a collection of New Look bags which could be reused multiple times. New Look's hangers are made with 98% recycled material and are either reused or recycled from its own operations.

New Look recently became partner level members of Textiles 2030, a new voluntary agreement overseen by the Waste and Resources Action Programme (WRAP). The goal of the initiative is to accelerate the fashion and textiles industry to move towards a circular economy within the UK. As partner members, New Look will be involved in implementing change, achieving global impacts, and demonstrating leadership across the three pathways: design for circularity, implement circular business models and close the loop on materials. Progress will be reported annually to achieve carbon and water use reductions within textile production.

New Look's understanding that increasing the lifespan of each piece of clothing is at the core of creating a circular economy within the fashion industry, prompted the launch of a take-back scheme with Hospice UK, which provides its customers with the opportunity to donate their pre-loved clothes to a Hospice UK store, receiving a 20% New Look discount voucher for each bag of pre loved clothing donated. New Look also has a long standing collaboration with UK charity New Life which entails the donation of any returned garments that are not fit to go back into distribution so that they can be resold by New Life, thereby ensuring that the garments do not enter the waste stream. In FY20 New Look donated an estimated 224 tons of stock, which helped raise over £884 000 for New Life charity.



Climate change

New Look identified Climate Change as one of the five pillars of its Sustainability Strategy and set ambitious targets to calculate and report on scope 1 and 2 carbon emissions, to reduce energy consumption by 10% and to switch to renewable energy. New Look appointed a dedicated energy team at the beginning of 2019 to undertake the significant work of reducing its energy consumption in its stores, warehouse and offices, including the installation of smart meters and Building Management Systems (BMS) across its property portfolio. The transition of New Look's energy supplies to renewables was completed in April 2019, with the exception of a handful of stores in locations that are unable to supply renewable energy. 98% of New Look's stores, offices and warehouses are now run on fully renewable electricity and over half are using building management systems, improving energy performance and reducing carbon footprint.

New Look calculated and reported its scope 1 & 2 carbon emissions and engaged with One Carbon World, a not-for-profit organisation partnered with the United Nations, to offset its remaining emissions with the requisite carbon credits from two verified schemes, the United Nations carbon credit platform and The Guanare Forest Plantation Project. New Look has been Carbon Neutral in its own operations since 2019 and acknowledges that most of its carbon emissions come from its indirect operations and has committed to report on its scope 3 emissions this year. New Look became the first global fashion retailer in October 2019 to achieve both Carbon Neutral Gold Standard and UN Climate Neutral Now Participation for offsetting its scope 1 & 2 emissions and has continued to offset its emissions 3 years in a row. The Carbon Neutral Gold Standard recognises that New Look has officially offset all direct emissions through verified schemes. The UN Climate Neutral Now Participation means New Look has joined a group of around 150 prestigious organisations in the world who have become global resource partners with the UN to tackle climate change.

In addition, New Look accepts that the fiber production, yarn preparation, and dyeing and finishing processes within its supply chain have big impacts on the environment since these processes contribute to a significant proportion of energy, water and carbon impacts. 35% of its Tier 1 and Tier 2 suppliers have completed the Higg Index Facilities Environmental Module ("Higg FEM") which requires suppliers to upload their standardised environmental data on water and energy use as well as other pertinent information covering Environmental Management Systems, Energy, Water, Wastewater, Air Emissions, Waste and Chemicals. The target is for 80% of tier 1 and tier 2 facilities to complete the Higg FEM by 2023. 100% of New Look's suppliers are screened for ESG risks, processes and management.

The fashion industry uses a huge amount of water during processing, increasing demand from freshwater sources and impacting local environments and communities. In conjunction with its New Look Kind range, New Look is working to reduce its water consumption throughout the business. New Look has begun to monitor and report its water usage in its direct operations, using 54 935 m³ in FY20/21.

New Look became a signatory of the BRC Climate Action Roadmap in 2020, which aims to support the industry to reach Net Zero by 2040 by working with industry experts to create best practice guidance across 5 pathways; data collection, operations, logistics, raw materials and embedding better choices, which encompass the full scope of a retailer's emissions. In addition, New Look joined the Sustainable Apparel Coalition (SAC) in 2019, utilising the suite of tools from the Higg Index to determine the environmental and social impacts of its business and products.

BRAIT Quality education

The Brait Foundation, Brait's primary social initiative, was established in July 2000 to provide better opportunities to previously disadvantaged communities primarily in South Africa, largely through education and specifically focussing on foundation level maths and literacy. The Brait Foundation takes a long-term view on a limited number of projects in the territories and areas it has selected to focus on. Brait also supports causes in Mauritius where it is domiciled, which is particularly relevant to the CSR pillar of the Sustainable Development narrative reporting envisaged by Principle 6: Reporting with Integrity of The National Code of Corporate Governance for Mauritius (2016).

In South Africa, the Brait Foundation continued to support:

- The Tomorrow Trust** – a non-profit organisation focused on the educational needs of orphans and vulnerable children, providing them nutritious meals, transport to and from hosting schools, course material and stationery. The Holiday School programme is one of the programmes run by the Tomorrow Trust which Brait has chosen to support. It focusses on numeracy and literacy support for primary school children outside of normal school hours. In addition, the programme provides nutritious meals and the use of the semi-private ("Model C") or private schools which have partnered with the Trust in providing access to their facilities. VASSI assessments, a Mathematics Proficiency Assessment, and ESSi assessments, an English reading and spelling proficiency test, were performed in February 2021 and again in November 2021 on the junior learners who are part of the Tomorrow Trust Holiday and Saturday School Programme and demonstrated significant and very encouraging improvement. The Brait Foundation contributed R300 000 in FY2022.
- COUNT** – a non-profit organisation involved in numeracy programmes throughout South Africa. Brait and other funders have collaborated with COUNT to support a Family Maths Programme which now extends to 22 rural primary schools in KZN South Africa. This initiative aims to provide caregivers and family members the opportunity to play an active and vital role in helping to inspire young children to develop as mathematical thinkers and problem solvers. The Brait Foundation provided support of R300 000 during the year.



- Gadra** – a well-established NGO based in the Eastern Cape of South Africa aimed at improving educational practices in the public primary schools in the Grahamstown area, with a particular focus on improving literacy levels. Brait, in conjunction with COUNT, committed to support Gadra in a project to improve literacy in 6 public primary schools in Grahamstown in 2021. This support also extended to assisting parents at five schools to take responsibility for the educational development of their children during periods of home-schooling. The Brait Foundation contributed R300 000 in FY2022.
- Realema Teacher Intern Programme** – Realema is a teacher intern programme (founded in 2013) that offers support to prospective teachers during their final year at high school and throughout their long-distance university studies and internships. The Brait Foundation has chosen to support this programme which offers holistic financial, academic and life skill support via full bursaries to selected candidates from Masibambane College in Orange Farm, to study for a teacher's degree at UNISA, while gathering work experience via an internship at top schools in Johannesburg. The aim is that the selected candidates become well-trained and qualified teachers who will be able to return to their communities as passionate teachers and leaders. The Brait Foundation's contribution of R300 000 contributed to Realema supporting 43 interns during 2021 (35 interns supported in 2020, and 48 interns will be supported in 2022) spread across 13 partner schools and 11 feeder schools. Realema's 33 alumni in 2021 were all offered teaching posts, consistent with Realema's 10 alumni in 2020 also all being offered teaching posts. Realema's direct impact since 2013 has been 33 teacher posts being offered to its 33 alumni, 246 internship annual bursaries and 403 candidate enrichment beneficiaries.
- Salvazione Preparatory School** – started in 1991 to accommodate learners from Slovo Park informal settlement in Johannesburg who were unable to attend local schools due to their dire financial and personal circumstances. The Brait Foundation contributed R300 000 during the year to assist the school to cater for just under 250 learners from Grade R to Grade 7 and to provide a daily feeding scheme for all learners. The school's new Foundation Phase building and integrated play area were completed during the year, allowing more space for the Senior Phase who remain in the original building.



- The Alexandra Education Committee (AEC)** –provides bursaries, additional educational and psychosocial support for high-school education at quality high schools for academically promising learners from low-income families in Alexandra, Johannesburg. All AEC bursars (from Grade 8 to Matric) attend extra lessons each Saturday in the essential gateway subjects. In addition, the AEC has a Saturday programme for Grade 7 learners from primary schools in Alexandra to prepare them for high school. To address the demands of online learning during the pandemic lockdowns, coding classes have been added to the Saturday School programme for the younger grades, and AEC has started providing data (R45,000 spend to date) and a device to its bursars (in excess of R360 000 spend thus far). Through education, it seeks to empower the next generation to create and embrace lasting positive changes for their community – AEC had 222 bursars from grade 8 to 12 in 2021, up from the 196 in 2020, who attended a number of different state and private schools. AEC's Class of 2021 overcame the obstacles of education in the midst of the Covid pandemic and achieved a 100% pass rate in the IEB and NSC matric exams, with 24 of the 28 matric pupils achieving a university entrance and 52 subject A's being achieved. The Brait Foundation continued its support of AEC with a contribution of R300 000 to AEC in FY2022.

In Mauritius, Brait provided financial assistance to:

- The Mauritian Barbarians** – The Mauritian Barbarian concept was first established in 2014 when a team of Mauritian U18 7's rugby players travelled to Dubai to participate in the Emirates Dubai 7's tournament. Part of the focus of the Mauritian Barbarians is to identify and develop rugby talent across all sectors, including socially vulnerable and disadvantaged communities in Mauritius, to grow existing talent and to prepare aspiring rugby players to represent their clubs and potentially their country. Brait provided support of MUR90 000 during FY2022.
- Angel Special School and Welfare Association** – Brait contributed MUR196 650 during the year to the Angel Special School and Welfare Association which welcomes a maximum of 45 children and young adults with special needs and disabilities supported by a pool of 13 teaching and non-teaching staff including the paramedical team. The objective of the NGO is to help the children and young adults in their intellectual and social development through appropriate supervision in the therapy and training centre located in Rivière-des-Anguilles and in its two schools in the south of Mauritius, at Rivière des Anguilles and Chemin Grenier. The association utilises corporate sponsorships and support from the Mauritian Government to provide several services and activities for its pupils to provide the best possible program for happy and comfortable children and young adults in a rapidly changing society:
 - Transport facilities, lunch and uniform
 - Educational program
 - Therapy sessions (speech therapy, occupational therapy, hydro sessions and physiotherapy)
 - Arts and crafts (embroidery, jewellery making, basketry, fabric painting)
 - Gardening and cooking



Reduced inequality

Brait recognises the importance of transparency, ethical compliance and reduced inequality. The Nomination and Remuneration Committee is chaired by an independent Non-Executive Director, with Brait representatives included on the respective underlying portfolio companies' Nomination and Remuneration Committees.

Cybersecurity

Ever-escalating cyber risk exposure on the back of accelerated advances in technology, digital landscapes and interconnectedness have prompted a radically elevated focus on cybersecurity risk management. Brait recognises the importance of compliance, where applicable across the Group, with the EU's General Data Protection Regulation ("GDPR"), as well as South Africa's data protection law (Protection of Personal Information Act ("POPI Act")). Brait's advisor, EPE, reports to the ESG Committee on Brait's cybersecurity policies, procedures and plans, with regular assessments by independent cybersecurity advisors ensuring the appropriateness of systems in place to safeguard security and protection of data. This includes continued focus on enhancing third party/supplier practices; evolving the Group's approach to digitalisation and working from home in a 'new normal' context; ensuring the resilience of critical systems, platforms and infrastructures and continuing to drive employee awareness about potential cyber-related threats.

SHARE ANALYSIS

Distribution of shareholders at 31 March 2022	Number of shareholders	%	Number of shares	%
Range of shareownings				
1 – 1 000	7 004	64.86	1 343 941	0.10
1 001 – 10 000	2 528	23.41	9 333 223	0.71
10 001 – 100 000	927	8.58	29 983 230	2.27
100 001 – 1 000 000	228	2.11	76 716 468	5.81
More than 1 000 000	112	1.04	1 202 935 392	91.11
Total	10 799	100.00	1 320 312 254	100.00

The analysis of shareownings above includes the underlying beneficial shareowners in nominee companies.

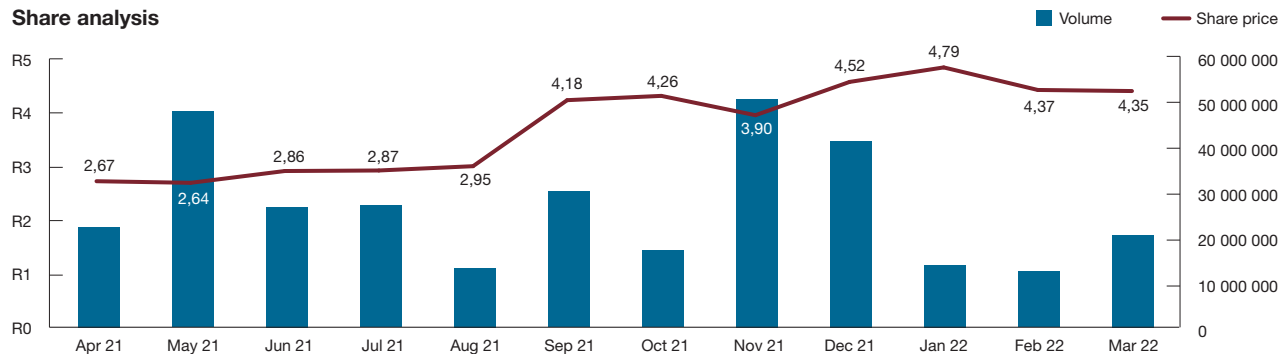
Shareholder spread

To the best knowledge of the directors and after reasonable enquiry, as at 31 March 2022, the spread of shareholders holding more than 5% of the Company, is as follows:

Investment managers	Number of shares	%
Ninety One Plc	144 275 213	10.93
Public Investment Corporation (PIC)	136 540 282	10.34
Allan Gray	113 083 587	8.56
Mergence Investment Managers Pty Ltd	98 080 235	7.43
Camissa Asset Management (Pty) Ltd	87 340 704	6.62
Total	579 320 021	43.88

Beneficial owners holding	Number of shares	%
Titan ⁽¹⁾	372 871 069	28.24
Government Employees Pension Fund (GEPF)	185 041 626	14.01
Ethos Fund VII	87 606 060	6.64
Ethos Capital	75 090 910	5.69
Total	720 609 665	54.58

⁽¹⁾ Dr Wiese's beneficial shareholding in Brait is held indirectly through the Titan group of companies (Titan). The total shown of 372 871 069 represents the 340 047 532 shares held by Titan, together with the 32 823 537 shares held by Closely Associated Persons of Dr Wiese. Dr Wiese also has 55 545 single stock futures with a nominal exposure to 5 574 000 Brait ordinary shares.

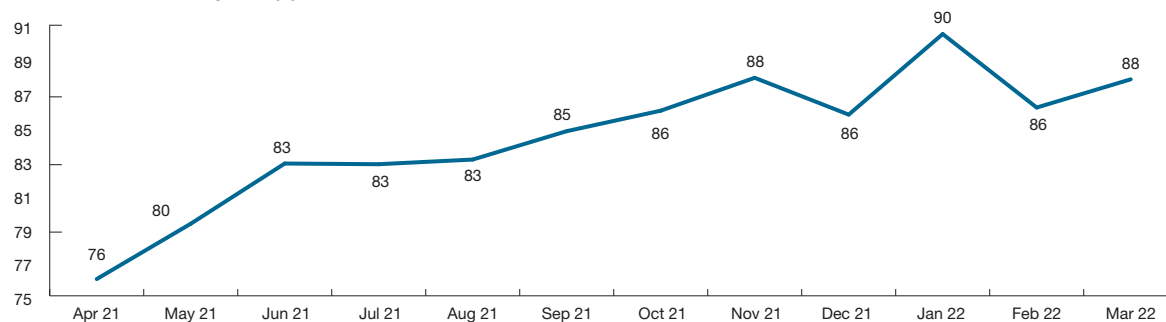
Share analysis

Performance on the JSE Limited* for the years ended 31 March		2022	2021	2020	2019	2018
Price performance						
Traded prices (South African cents per share)						
– year-end closing price		435	261	375	2 400	3 610
– high		510	438	2 529	4 358	8 795
– low		240	230	274	2 385	3 425
– weighted average price per share traded		355	321	1 245	3 697	5 329
Volume performance						
Number of shares in issue	('000)	1 320 312	1 319 993	1 374 084	525 599	525 599
Volume of shares traded	('000)	323 222	520 061	352 713	233 752	408 175
Number of transactions		59 164	115 071	169 034	228 089	475 148
Volume traded as percentage of shares in issue	%	24	39	26	44	78
Number of shareholders (at 31 March)		10 799	10 738	9 656	11 823	20 027
Value performance						
Value of shares traded						
– ZAR	million	1 148	1 669	4 392	8 641	21 876
Market capitalisation at 31 March						
– ZAR	million	5 743	3 445	5 153	12 614	18 974

* The performance on the JSE Limited has been analysed as this is the most liquid exchange on which Brait's shares trade.

Brait convertible bond quoted price (listed on the Open Market segment of the Frankfurt Stock Exchange)

2024 Convertible bond price (£)



Updated information can be found at www.brait.com or contact us at invest@brait.com

FY2023	June	FY2022 Annual results presentation BIH FY2022 AFS publication 2024 Convertible Bond coupon payment BIH Exchangeable Bond coupon payment
	July	Publication of the FY2022 Integrated Annual Report
	August	FY2022 Annual general meeting
	November	Interim FY2023 results presentation BIH FY2023 Interim results presentation
	December	2024 Convertible Bond coupon payment BIH Exchangeable Bond coupon payment
	March	Financial year-end – 31 March 2023
FY2024	June	FY2023 Annual results presentation BIH FY2023 AFS publication 2024 Convertible Bond coupon payment BIH Exchangeable Bond coupon payment
	July	Publication of the FY2023 Integrated Annual Report
	August	FY2023 Annual General Meeting

A black and white photograph of a forest path. The path is made of dirt and is covered with fallen leaves, leading from the foreground into the distance. On the left side of the path, there are several large, mature trees with thick trunks. The right side of the path is bordered by a dense line of trees. A semi-transparent teal rectangular box is centered over the middle of the image, containing the text 'ANNUAL FINANCIAL STATEMENTS' in white, bold, sans-serif capital letters.

ANNUAL FINANCIAL STATEMENTS

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Directors' responsibilities and approval

for the year ended 31 March 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the auditor's statement on their responsibilities as set out in their report on page 102, is made with a view to distinguish for Shareholders the respective responsibilities of the Directors and auditors in relation to the financial statements.

The Directors are responsible for the preparation, integrity and objectivity of the financial statements that fairly present the state of affairs of Brait PLC and its subsidiaries (the Group) at the end of the financial year and the net income and cash flows for the year, and other information contained in this report.

To enable the Directors to meet these responsibilities:

- the Board sets standards for systems of internal control and accounting and information systems aimed at providing reasonable assurance that assets are safeguarded and the risk of error, fraud or loss is reduced in a cost-effective manner. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties; and
- the Audit and Risk Committee, together with the external auditors, play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure. The Audit and Risk Committee is satisfied that the external auditors are independent.
- To the best of their knowledge and belief, the Directors confirm:
- the financial statements of the Company presented in this Annual Report are established in conformity with International Financial Reporting Standards (IFRS) as adopted in the European Union and give a true and fair view of the assets, liabilities, financial position and loss of the Company;
- the Integrated Annual Report includes a fair review of the development and performance of the business and position of the Company, together with the description of the principal risks and uncertainties faced by the Company; and
- they are satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the year under review.

The Company consistently adopts appropriate and recognised accounting policies and these are supported by reasonable and prudent judgements and estimates on a consistent basis.

The Directors have no reason to believe that the Company will not be a going concern in the year ahead, based on forecasts and available cash resources. These financial statements have accordingly been prepared on that basis. The external auditors concur with this statement.

It is the responsibility of the independent external auditors to report on the financial statements. Their report to the members of the Company is set out on page 97.

APPROVAL OF FINANCIAL STATEMENTS

The Directors' report and the financial statements, which appear on pages 105 to 138, were approved by the Board on 21 June 2022, respectively, and are signed on its behalf by:



RA Nelson
Chairman



HRW Troskie
Director

Directors' report

The Board hereby reports to Shareholders on the audited financial statements for the financial year ended 31 March 2022.

Brait is an investment holding company with its ordinary shares primary listed on the Euro MTF market of the Luxembourg Stock Exchange and secondary listed is on the exchange operated by the JSE Limited. Following the transfer in September 2021 of Brait's registered office from Malta to Mauritius (the "Redomiciliation"), the dual listing of Brait's Convertible Bonds and BIH Exchangeable Bonds on the Official Market of the Stock Exchange of Mauritius ("SEM") completed on 30 November 2021 and 11 May 2022 respectively. The 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.

As at financial year end, the Group's portfolio of investments comprised:

- A controlling equity and shareholder funding investment in Premier (49% of total assets; FY21: 45%), a leading South African FMCG manufacturer offering branded and private label solutions;
- A controlling equity and shareholder funding investment in Virgin Active (44% of total assets; FY21: 48%), one of the leading international health club operators, and
- A minority equity and shareholder funding investment in New Look (4% of total assets; FY21: 3%), a UK based multichannel fashion brand, operating in the value segment of the clothing, footwear and accessories market ; and the
- Other investments portfolio (2% of total assets; unchanged from FY21), which includes Brait's remaining private equity fund investments, mostly comprising Brait's interest in the Brait IV private equity fund's remaining minority stake in Consol, the largest manufacturer of glass packaging products on the African continent, which has been realised post reporting date.

A review of the results and the operations is included in the Chairman's Statement, with the Report of the Advisor, EPE, setting out a detailed discussion on the performance of each of the Group's investments, as well as the Group's funding position and available cash and facilities. The Integrated Annual Report sets out separate reports on Governance and Risk Management. The financial statements and accompanying notes for the year ended 31 March 2022 on are set out on pages 105 to 138.

FINANCIAL OVERVIEW AND PERFORMANCE OF THE INVESTMENT PORTFOLIO

The Group's reported NAV per share at 31 March 2022 is R8.37 compared to R7.90 at 31 March 2021, representing a 5.9% increase.

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 Redomiciliation), the Board has elected to solely present the Group's results in SA Rand.
- Following the issuance of the BIH Exchangeable Bonds, BIH was reclassified as an Investment Entity under IFRS10, resulting in the Group's exemption from consolidation with effect from 1 October 2021. BIH has since been measured at Fair Value Through Profit and Loss (FVTPL) as opposed to the "look-through" consolidation method applied in the previous financial years. According to IFRS, the change in BIH's Investment entity status is applied prospectively, with no requirement to restate comparatives.

The R3 billion capital raised from the December 2021 issuance of JSE listed BIH Exchangeable Bonds ("December 2021 Capital Raise") has provided Brait the requisite runway to execute its stated monetisation strategy over the medium term. The net proceeds raised were applied to partially repaying BML RCF, facilitating its amendment and extension to 30 June 2024 with facility limit of R3.0 billion.

Recently, Brait was awarded 2nd place in the inaugural Intellidex Investor Relations Mid Cap awards

In terms of current year performance for the Group's portfolio of active investments:

- Premier continued its 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
 - Completed IPO readiness plans with a view to proceeding with JSE listing in Q3 2022, market conditions permitting

- Virgin Active had a significant year:
 - Completing its Restructuring Plan and debt refinance, raising of GBP88.4 million (R1.8 billion) of new capital 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 754 000 active members as at 31 December 2021 to 847 000 active members currently with a significant reduction of the members on freeze
 - Amalgamation of Kauai and Nü chains of healthy fast casual restaurants remains subject to regulatory approvals
 - The capital raise and the Real Foods transaction 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 on operating performance since the beginning of the calendar year with a decent start to FY23

STRATEGY AND RECENT DISPOSALS

In line with the Board's strategy focused on maximising value through the realisation of the existing portfolio companies over the medium term, Brait concluded the post year end sale of its investment in Consol, held through its remaining Brait IV private equity fund, at a 16% premium to Brait's September 2021 valuation, representing the carrying value at the date of announcing the transaction.

GROUP FUNDING POSITION

As previously announced, post the December 2021 Capital Raise, Brait's committed revolving credit facility, secured by the assets of BML (the BML RCF), 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 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 interest accrual of R0.3 billion.
- The drawn balance at reporting date was R2.478 billion. Including the closing cash balance of R83 million, available liquidity at reporting date was R615 million.
- As discussed above, Brait received R402 million of proceeds from the realisation of its Brait IV investment in Consol. This results in available liquidity, post balance sheet date, of R1.017 billion.
- 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 2024 Convertible Bonds and BIH Exchangeable Bonds, with Tangible NAV referenced to Brait's net asset value.

Directors' report continued

GOVERNANCE MATTERS

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:

- Following the Redomiciliation, the dual listing of Brait's 2024 Convertible Bonds and BIH Exchangeable Bonds on the Official Market of the Stock Exchange of Mauritius ("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.
- 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 a 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.

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.

UNISSUED SECURITIES

The Notice of the FY22 AGM included in Shareholder Communication section of the Integrated Annual Report ("FY22 AGM Notice") includes an ordinary resolution to renew the authority to place the unissued ordinary shares of the Company under the control of the Board in terms of the provisions of the Company's Constitution ("Constitution"). In terms of the authority given by Shareholders at the FY21 AGM, which expires upon the lapse of fifteen months from the 5 August 2021 date the AGM was held, the Board is limited to issuing unissued securities, whether for cash or otherwise, to 10% of the Company's issued ordinary share capital.

RENEWAL OF AUTHORITY FOR THE REPURCHASE OF SECURITIES

The conditions relating to the repurchase by the Company of its own securities are governed by the Constitution of the Company, the Mauritius Companies Act 2001 and the Mauritius Securities Act 2005. The Board will seek such authority from the Shareholders in a general meeting. Currently, the Board has received the authority, by special resolution of the Shareholders at the last AGM, to acquire up to 10% of the issued shares of the Company, until 31 October 2023 or, if sooner, at the end of the AGM of the Company to be held in 2023.

On the basis this authority is renewed by Shareholders, the Board will be required, in accordance with the Mauritius Companies Act 2001 and the Mauritius Securities Act 2005, to first announce to the market the terms of a new buyback programme before acquiring any issued shares of the Company under this authority.

DIRECTORS' INTERESTS IN BRAIT ORDINARY SHARES

According to information available to the Company, after reasonable enquiry, the aggregate interests of the Directors at the date of this report, including the holdings of ordinary shares and share entitlements, are detailed in the Governance Report in the Integrated Annual Report.

INSURANCE AND DIRECTORS' INDEMNITY

The Group maintains a comprehensive insurance programme, providing Group cover under professional indemnity, directors' and officers' liability.

DIRECTORS' EMOLUMENTS

An analysis of the Board's remuneration is disclosed in the Remuneration and Nominations Committee section in the Integrated Annual Report.

DIRECTORS' INTEREST IN CONTRACTS

The Group maintains a register of directors' interests. Other than as disclosed in the financial statements, during the financial year no contracts were entered into in which Directors of the Company had an interest and which significantly affected the business of the Group.

CORPORATE GOVERNANCE

Full details regarding the Company's commitment to, and its compliance with, appropriate international corporate governance practices are set out in the Integrated Annual Report.

AUDITORS

PricewaterhouseCoopers have expressed their willingness to continue in office subject to the completion of engagement acceptance and continuance processes. The Resolution pertaining to the appointment of the Group's auditors and authorising the Audit and Risk Committee to set their remuneration is included in the FY22 AGM Notice.

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.

Approved by the Board and signed on its behalf on 21 June 2022 by:



RA Nelson
Chairman



HRW Troskie
Director

Independent auditor's report

to the shareholders of Brait p.l.c.

Report on the Audit of the Consolidated Financial Statements

OUR OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Brait p.l.c. (the "Company") and its subsidiaries (together the "Group") as at 31 March 2022, and of their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

The Company's consolidated financial statements set out on pages 105 to 138 comprise:

- the consolidated statement of financial position as at 31 March 2022;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report

to the shareholders of Brait p.l.c.

BASIS FOR OPINION CONTINUED

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the “IESBA Code”). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of unlisted investments The Group’s shareholding in unlisted investments of R13.8 billion represents a substantial portion of its total assets (approximately 99.5%). The valuation of the Group’s unlisted investment portfolio was considered to be a matter of most significance to our current year audit due to the degree of estimation and judgement applied in determining the value of unlisted investments. The Group has utilised the maintainable earnings multiple model as its primary valuation technique to value its unlisted investment portfolio.	In our assessment of the Group’s determination of the fair value of unlisted investments, we assessed the assumptions and inputs used in the respective valuations. • Our audit procedures included the following: • We evaluated the design and implementation of key controls over the Group’s investment valuation process; • We assessed whether the final valuations of unlisted portfolio companies, and related inputs used in their determination were appropriately approved by the Board of Directors, through our attendance of the Group Audit and Risk Committee meetings. The valuations were appropriately approved;

Independent auditor's report continued

to the shareholders of Brait p.l.c.

KEY AUDIT MATTERS CONTINUED

Key audit matter	How our audit addressed the key audit matter
Maintainable earnings are determined with reference to prior year audited EBITDA per portfolio company and to 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, they will usually be used as the maintainable earnings for valuation purposes. The model is dependent on the identification of an Enterprise Value (EV)/EBITDA multiple for each portfolio company which is derived from the latest available financial information from an appropriate group of comparable quoted companies, and adjusted for points of difference. Further detail on the Group's fair value measurement policy is disclosed within note 1.8.3 of the consolidated financial statements and the valuation assumptions and disclosures of material unlisted investments are included in note 3 and note 19.4 of the consolidated financial statements.	• We obtained an understanding of the methodology used and found that the Group's primary valuation technique is aligned with appropriate industry guidance (International Private Equity and Venture Capital Valuation Guidelines); • We performed an independent analysis and identification of appropriate comparable companies for each portfolio investment, and evaluated the consistency of the peer group used by the directors; The peer groups used are consistent and comparable to the portfolio companies. • We performed an independent assessment of the inputs used in the EV/EBITDA multiple determined for each portfolio investment, including a calculation of the fair value of equity and debt and comparative peer EBITDA values derived from independent third party sources. We focussed on this area since the outputs of these valuation models are highly sensitive to changes in inputs, which are inherently judgmental in nature. Based on our work performed, we accepted the inputs used by the directors;

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Independent auditor's report continued

to the shareholders of Brait p.l.c.

KEY AUDIT MATTERS CONTINUED

Key audit matter	How our audit addressed the key audit matter
	• We assessed the impact of COVID-19 on the EV/EBITDA multiple and maintainable EBITDA of the portfolio companies. An independent analysis was performed on the assessment made by the directors by considering market data obtained from independent third-party sources. There were no material differences between our assessment and the assessment made by the directors. • We assessed the application of the methodology applied in the determination of blended EBITDA for non-coterminous portfolio company year-ends, by performing an independent analysis on the directors assessment by using results as at • 31 March 2022 obtained from third party sources. The methodology applied is appropriate and consistent with prior years. • We performed a sensitivity analysis of the valuations to changes in key inputs and noted no material impact; • We tested the mathematical accuracy of the underlying valuation calculations and noted no material exceptions.

Independent auditor's report continued

to the shareholders of Brait p.l.c.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Annual Financial Statements" but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "2022 Integrated Annual Report for the year ended 31 March 2022", which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent auditor's report continued

to the shareholders of Brait p.l.c.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report continued

to the shareholders of Brait p.l.c.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters.

We confirm that:

- (a) we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor and tax advisors of the Company and some of its subsidiaries;
- (b) we have obtained all the information and explanations we have required; and
- (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

OTHER MATTER

This report, including the opinion, has been prepared for and only for the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers

21 June 2022



Olivier Rey, licensed by FRC

Consolidated statement of financial position

as at 31 March 2022

	Notes	Audited 31 March 2022 R'm	Audited 31 March 2021 R'm
ASSETS			
Non-current assets		13 795	16 450
Investments	3	13 795	16 450
Current assets		2	266
Accounts receivable		–	53
Cash and cash equivalents	4	2	213
Total assets		13 797	16 716
EQUITY AND LIABILITIES			
Ordinary shareholders equity and reserves	2	11 053	10 432
Stated capital		9 924	9 924
Foreign currency translation reserve		(1 825)	(1 194)
Reserve for BIH Exchangeable Bonds due 2024		675	–
Reserve for 2024 Convertible Bonds		361	361
Retained earnings		1 918	1 341
Non-current liabilities		2 667	6 166
2024 Convertible Bonds due 2024	6	2 667	2 749
Borrowings	7	–	3 417
Current liabilities		77	118
Accounts payable and other liabilities	8	77	118
Total equity and liabilities		13 797	16 716

Consolidated statement of comprehensive income

for the year ended 31 March 2022

	Notes	Audited 31 March 2022 R'm	Audited 31 March 2021 R'm
Investment valuation gain	9	961	1 280
Finance income	10	112	260
Other investment income		12	14
Foreign exchange loss		(6)	(304)
Profit		1 079	1 250
Operating expenses	11	(86)	(160)
Other expenses		(2)	(3)
Profit		991	1 087
Finance costs	12	(414)	(617)
Profit before taxation		577	470
Taxation		–	(24)
Profit for the year		577	446
Other comprehensive loss			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Translation adjustments		(631)	(924)
Total comprehensive loss for the year		(54)	(478)
Earnings per share (cents) – basic and diluted	13	44	34

Consolidated statement of changes in equity

for the year ended 31 March 2022

	Total equity and reserves R'm	Retained earnings R'm	Foreign currency translation reserve R'm	Exchangeable Bond reserve R'm	2024 Convertible Bond reserve R'm	Stated capital R'm
Ordinary shareholders balance at 31 March 2020	10 910	527	(270)	–	729	9 924
Net translation adjustments	(924)	–	(924)	–	–	–
Redemption of 2.75% Convertible Bond due 2020 – transfer to retained earnings	–	368	–	–	(368)	–
Profit for the year	446	446	–	–	–	–
Ordinary shareholders balance at 31 March 2021	10 432	1 341	(1 194)	–	361	9 924
Net translation adjustments	(631)	–	(631)	–	–	–
Equity reserve for issue of BIH Exchangeable Bonds due 2024	675	–	–	675	–	–
Profit for the year	577	577	–	–	–	–
Ordinary shareholders balance at 31 March 2022	11 053	1 918	(1 825)	675	361	9 924

Consolidated statement of cash flows

for the year ended 31 March 2022

	Notes	Audited 31 March 2022 R'm	Audited 31 March 2021 R'm
Cash flows from operating activities:			
Investment proceeds received	14	234	3 012
Other investment income received		–	5
Interest income received on cash balances		–	7
Operating expenses paid		(114)	(152)
Other expenses paid		(3)	(3)
Taxation paid		(1)	(24)
Operating cash flow before purchase of investments		116	2 845
Investment related cash flows	15	(509)	(955)
Net cash (used in)/generated in operating activities		(393)	1 890
Borrowing Facility: drawdowns	7	549	1 334
Borrowing Facility: repayments	7	(140)	(2 660)
Borrowing Facility: raising and commitment fee payments		–	(74)
Borrowing Facility: interest payments		(5)	(159)
2020 and 2024 Convertible Bonds: coupon payments		(200)	(248)
2020 Bonds: repurchases		–	(796)
2020 Bonds: redemption		–	(2 877)
Net cash generated/(used in) from financing activities		204	(5 480)
Net decrease in cash and cash equivalents		(189)	(3 590)
Effects of exchange rate changes on cash and cash equivalents		(22)	(84)
Cash and cash equivalents at beginning of year		213	3 887
Cash and cash equivalents at end of year	4	2	213

Notes to the consolidated financial statements

for the year ended 31 March 2022

1. ACCOUNTING POLICIES

1.1 Basis for preparation

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, on the going concern principle, using the historical cost basis, except where otherwise indicated. The accounting policies and methods of computation are consistent with those applied in the consolidated financial statements for the year ended 31 March 2021, except for the changes to Brait Investment Holdings Limited's ("BIH", formerly Brait Malta Limited) Investment Entity status and presentation currencies as explained below.

The Group's subsidiaries have one of three functional currencies: Pound Sterling (£/GBP), SA Rand (R/ZAR) or US Dollar (US\$/USD). Following the transfer of the Company's registered office from Malta to Mauritius (the "Redomiciliation"), the current year's financial statements are prepared using the SA Rand (R/ZAR) as its presentation currency (previously the SA Rand (R/ZAR) and Euro (€/EUR)). In previous years, the Group was required, in terms of Malta country law, to have the Euro as a presentation currency.

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

	2022		2021	
	Closing	Average	Closing	Average
GBP/ZAR	19.2329	20.2802	20.3422	21.3393
USD/ZAR	14.6312	14.8506	14.7660	16.3574

1.2 Convertible and exchangeable bonds

Convertible bonds issued by the Company are convertible into Brait ordinary shares by bondholders in terms of their conversion rights in accordance with the terms and conditions of the convertible bonds. Convertible bonds are accounted for as compound financial instruments. The liability component is initially recognised as the present value of the future coupon and principal payments. The discount rate used for this calculation is the market rate, on the date the convertible bonds are issued, for similar liabilities that do not have the equity conversion component (vanilla bonds). The equity component represents the excess of the proceeds received on issuance, less the value of the liability component recognised for each of the instruments respectively.

Subsequent to its initial recognition, the liability component is measured at amortised cost using the effective interest rate method.

The Exchangeable Bonds issued by BIH are exchangeable into Brait ordinary shares at the holder's election, which results in an equity reserve at a Brait level as Brait will settle the bond in a fixed number of its own shares.

The conversion and exchange options classified as equity (convertible bonds reserve and BIH Exchangeable Bonds reserve) will remain in equity until the conversion/exchange options are exercised for each bond respectively, in which case, the balance recognised in the reserve will be transferred to stated capital. Should the conversion/exchange options remain unexercised at maturity date, or the convertible and exchangeable bonds are repurchased by the Company, the balance recognised in the relevant reserve will be transferred to retained earnings. No gain or loss is recognised in the statement of comprehensive income on conversion/exchange or expiry of the conversion/exchange options.

1. ACCOUNTING POLICIES CONTINUED**1.3 Principles of consolidation****Change in Investment Entity status of BIH**

According to IFRS 10 Consolidated Financial Statements an investment entity is an entity that:

- Obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measures and evaluates the performance of substantially all its investments on a fair value basis.

IFRS 10 lists typical characteristics of an investment entity as i) it has more than one investment, ii) it has more than one investor, iii) it has investors that are not related parties of the entity, and iv) it has ownership interests in the form of equity or similar interests. The Company strongly demonstrates these characteristics.

Historically, BIH's main activities were deemed to support the investment activities of the Company and therefore, the criteria to be classified as an "investment entity" under IFRS 10 were not satisfied. As such, BIH was historically consolidated within the Group and the Group's results were prepared on a "look-through" consolidation basis until 30 September 2021.

Following its redomiciliation from Malta to Mauritius in September 2021, a number of significant changes were effected in BIH, which included, amongst others:

- BIH's conversion to a public company; and
- The Company's fully committed and underwritten R3 billion capital raise through the Exchangeable Bonds issued by BIH (the "BIH Exchangeable Bonds"). The BIH Exchangeable Bonds were listed on the Main Board of the JSE and on the Official Market of the SEM, with effect from 14 December 2021 and 11 May 2022, respectively.

Based on the above, BIH was reclassified as an investment entity under IFRS10, resulting in the Group's exemption from consolidation with effect from 1 October 2021. BIH has since been measured at Fair Value Through Profit and Loss (FVTPL) as opposed to the "look-through" consolidation method applied in the previous financial years. According to IFRS, the change in BIH's Investment entity status is applied prospectively, with no requirement to restate comparatives. The change has no impact on the Group's key reporting metric, NAV per share.

Accounting for subsidiaries and associates which applied prior to the classification of BIH as an Investment Entity

Given the nature of the Group's operations, all investments (including portfolio investments) are accounted for at FVTPL in terms of IFRS 9 Financial Instruments, irrespective of whether they are subsidiaries or associates as explained below.

Subsidiaries are entities that the Group controls by being exposed to, or having rights to, variable returns from its involvement with that entity and where the Group has the ability to affect those returns through its power over the entity.

The Group subsidiaries consist of entities that:

- hold portfolio investments;
- provide services to third parties and related companies; and
- do both (i) and (ii).

Subsidiaries classified as (i) or (iii) are classified as Investment Entities under IFRS 10. Investment Entities are exempt from consolidation and measured at FVTPL in terms of IFRS 9. Changes in fair value, primarily driven by revaluation of portfolio investments, are recognised in profit or loss in the period of change.

Subsidiaries classified as (ii) are not Investment Entities and continue to be consolidated ("Consolidated Subsidiaries"). As stated above, during the current financial year BIH has been reclassified as an investment entity under IFRS 10 on a prospective basis and is no longer consolidated as part of the Group but accounted for as an investment at FVTPL.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

1. ACCOUNTING POLICIES CONTINUED

1.3 Principles of consolidation continued

Where the Group does not have control, but has significant influence over a portfolio investment, such entities are classified as associates. This treatment is permitted by IAS 28 Investment in associates and joint ventures, which allows investments that are held by investment entities to be recognised and measured as at FVTPL and accounted for in accordance with IFRS 9 and IFRS 13, with changes in fair value recognised in the statement of comprehensive income in the period of the change.

Basis of consolidation for Consolidated Subsidiaries which applied prior to the classification of BIH as an Investment Entity

On acquisition date, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values. Any excess of acquisition cost over fair value of the identifiable net assets acquired is recognised as goodwill.

Any shortfall in the acquisition cost below the fair value of the identifiable net assets acquired (ie discount) is credited to the statement of comprehensive income in the period of acquisition. Minority shareholders are stated at their proportion of the fair value of the assets and liabilities recognised.

The results of Consolidated Subsidiaries acquired or disposed of during the period are included in the statement of comprehensive income from their effective date of acquisition up to their effective date of disposal. Where necessary, adjustments are made to the financial statements of Consolidated Subsidiaries to align their policies with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Use of estimates, judgements and assumptions

In preparing the financial statements, the directors are required to exercise their judgement in the process of applying the Group's accounting policies, making of estimates, judgements and assumptions that affect reported income, expenses, assets and liabilities and disclosure of contingent assets and liabilities.

Judgement is primarily exercised by the directors in assessing the fair valuation of unlisted investments held by the Group, which includes (where applicable) the assessment of the recoverability of shareholder funding advances.

Other areas of judgement relate to the classification of financial assets and liabilities into their relevant categories and in determining their appropriate measurement and disclosure.

A change in accounting estimate is defined as an adjustment to the carrying value of an asset or liability that results from new developments or information. Changes in accounting estimates are recognised in the statement of comprehensive income during the period in which the change is made.

Segmental reporting

The Group has only one operating segment being that of an investment holding company. All segment information can be obtained through inspection of the consolidated financial statements.

1.4 Translation of financial statements of entities into the presentation currencies

The Company, and its main operating subsidiaries BIH and BML use Pound Sterling as their functional currency. As stated above, following the Redomiciliation, the Group's current year financial statements are prepared using the SA Rand (R/ZAR) as its presentation currency. Assets and liabilities of these entities are translated into the Group's presentation currency of SA Rand at closing exchange rates. Capital and reserves are translated at historical rates. Income statement items are translated at the average exchange rates for the period.

On disposal of these entities, such translation differences are recognised in the statement of comprehensive income as part of the gain or loss on disposal.

1. ACCOUNTING POLICIES CONTINUED**1.5 Foreign currency assets and liabilities**

In preparing the financial statements of the Consolidated Subsidiaries, transactions in currencies other than the entity's functional currency, are recorded at the exchange rates prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currency are translated at the closing exchange rates, with differences reflected as foreign exchange Gains/Losses in the statement of comprehensive income. Non-monetary items carried at fair value that are denominated in foreign currency are translated at the exchange rates prevailing when the fair value was determined. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

For the purpose of presenting the Group financial statements, assets and liabilities are translated into Pound Sterling and ZAR presentation currencies at the closing exchange rates. Income and expenses are translated at the average exchange rates. The resulting translation differences are reflected as Foreign Currency Translation Reserve ("FCTR"). The FCTR is primarily driven by translating the Group's Pound Sterling denominated portfolio company carrying values, cash holdings and 2024 Convertible Bonds, into the Group's SA Rand presentation currency.

1.6 Revenue recognition**1.6.1 Investment gains/(losses)**

Investment gains/(losses) are recognised as earned/(incurred). This relates to the fair value gains/(losses) on the Group's investments (including portfolio investments) in the functional currency of the entity holding the investments.

The fair value is determined per IFRS 13 Fair Value Measurement (see details under Financial Instruments note).

1.6.2 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. Interest income includes interest accrued on amortised cost shareholder funding. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

1.6.3 Dividend income

Dividend income is recognised on the date the right to receive payment is established, gross of any foreign withholding taxes. Dividend income includes accrued interest on amortised cost shareholder funding when the contractual terms of the funding results in the receipt of a dividend.

1.6.4 Fee income

Fee income is recognised as the services are provided by the Group.

1.7 Taxation

Taxation comprises income tax and withholding taxes on foreign income earned.

Income tax for the year comprises current and deferred tax. Current income tax is the expected tax payable on the taxable income for the year generated in each of the jurisdictions in which the Group has operations, using respective tax rates enacted at the statement of financial position date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided for on the comprehensive basis, using the statement of financial position liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates substantially enacted at the statement of financial position date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

The Group may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included in tax expense in the statement of comprehensive income.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

1. ACCOUNTING POLICIES CONTINUED

1.8 Financial instruments

Financial instruments include all financial assets, financial liabilities and equity instruments including derivative instruments.

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument. All transactions, including regular way purchases and sales, are recognised at fair value on trade date.

1.8.1 Classification

Financial instruments are measured in terms of IFRS 9 and the financial instruments are classified into the following categories:

- Financial assets designated at FVTPL – investments and FY21 shareholder funding for Virgin Active and New Look;
- Financial assets at amortised cost – FY21 shareholder funding for Premier, cash and cash equivalents and accounts receivable; or
- Financial liabilities at amortised cost – convertible bonds, borrowings and accounts payable.

The classification of financial assets is on the basis of the business model for managing the financial assets with the objective to hold financial assets in order to collect contractual cash flows or hold to collect contractual cash flows and selling the financial assets. In the case of debt instruments, an assessment of the instrument's contractual term was performed to determine whether the terms give rise on specified dates to cash flows that are solely payments of principal and interest (referred to as SPPI) of the principal amount outstanding and whether there is an accounting mismatch.

1.8.2 Effective interest method (applicable to debt instruments)

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability or a shorter period where appropriate.

Interest income/expense is recognised on an effective interest basis for instruments other than those designated as FVTPL.

1.8.3 Financial instruments as FVTPL

Financial assets or financial liabilities are classified as FVTPL where the financial asset is either held for trading or it is designated as FVTPL.

A financial liability, other than a financial liability held at amortised cost or FVTPL by default, may be designated as FVTPL upon initial recognition if it forms part of a contract containing one or more embedded derivatives and IFRS 9 permits the entire combined contract (liability) to be designated as FVTPL.

The Group designates the majority of its financial asset investments as FVTPL as the Group is managed on a fair value basis, with any resultant gain or loss recognised in investment gains. Fair Value is determined in accordance with IFRS 13. Statement of financial position items carried at fair value include investments in equity instruments and shareholder funding instruments.

1. ACCOUNTING POLICIES CONTINUED**1.8 Financial instruments continued****1.8.3 Financial instruments as FVTPL continued**

The Group applies a number of methodologies to determine and assess the reasonableness of the fair value, which may include the following:

- Earnings multiple;
- Recent transaction prices;
- Net asset value;
- Discounted cash flow; or
- Price to book multiple.

Where applicable, listed investments are held at closing share prices at period end. Where the listed investment is either thinly traded and/or the market is inactive, the valuation applied to determine the carrying value is based on the applicable unlisted investment methodology set out below.

The primary valuation model utilised for valuing unlisted portfolio investments is the maintainable earnings multiple model.

- Maintainable earnings are generally determined with reference to the mix of prior year audited numbers and forecasts for future periods after adjusting both for non-recurring income/expenditure or abnormal economic conditions if applicable. If the forecasts are higher than the prior year earnings, as the year progresses the weighting is increased towards the portfolio company's forecast. If the forecasts are lower, the forecasted future earnings will usually be used as the maintainable earnings for valuation purposes. For portfolio companies that have been significantly impacted by the Covid pandemic, maintainable earnings are based on a look-through to a medium term 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 of its existing portfolio companies over the medium term, the primary reference measure generally considered at reporting date is the average spot multiple of the comparable quoted companies included as peers, which is adjusted for points of difference, where required, to the portfolio company being valued. 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. No control premium or minority discount adjustments are considered. The resulting valuation multiple is applied to the maintainable EBITDA to calculate the Enterprise Value ("EV") for the portfolio investment.
- That EV is then adjusted by net cash/debt to calculate net EV to which the Company's percentage holding is applied to calculate the Company's carrying value. Net cash/debt may be adjusted for the estimated effect of working capital and cost deferrals, where applicable.
- The equity valuation takes consideration of the portfolio investment's net debt/cash on hand per its latest available financial results. Where appropriate, alternative methodologies such as the Price to book or Discounted cash flow valuation models are applied.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

1. ACCOUNTING POLICIES CONTINUED

1.8 Financial instruments continued

1.8.3 Financial instruments as FVTPL continued

Shareholder funding instruments may be designated FVTPL at inception where they have distinguishing characteristics. Some of these characteristics include:

- the fact that the shareholder funding is linked/stapled to equity instruments in a portfolio company;
- their rate is not referenced to normal market related rates, but is agreed between Brait and the investee; and
- in the event of exit, the funding cannot be settled other than at cost plus accrued interest, i.e. trade restrictions.

1.8.4 Cash, loans and receivables

The statement of financial position includes accounts receivable and shareholder funding which are recognised initially at the amount of consideration that is unconditional. Except for shareholder funding designated to FVTPL, these financial assets are measured at amortised cost using the effective interest method, less any expected credit losses.

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.8.5 Impairment of financial assets

The expected credit losses associated with its debt instruments carried at amortised cost are assessed on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The carrying amount of the financial asset is reduced by the expected credit loss directly only when all legal avenues have been exhausted and there is no possibility of an additional recovery. Changes in the carrying amount and subsequent recoveries of amounts previously written off are recognised in the statement of comprehensive income.

For financial assets carried at amortised cost, the expected credit loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

1.8.6 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1.8.7 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

1. ACCOUNTING POLICIES CONTINUED**1.8 Financial instruments continued****1.8.8 Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity, after deducting all its liabilities, and the Group has no obligation to deliver either cash or any other financial asset to the holder. Equity instruments issued by the Group are recorded at the proceeds received, net of issue costs.

Cumulative, non-participating preference shares with no fixed maturity, having no fixed repayment profile are treated as equity instruments.

1.8.9 Financial guarantee contract liabilities, contingent liabilities and commitments

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with the expected credit loss model under IFRS 9; and
- the amount initially recognised, less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

A contingent liability is disclosed in the notes to the financial statement where the obligation is only possible and not probable, in accordance with IAS 37.

1.8.10 Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value plus any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

1.8.11 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

A substantial debt modification or a debt exchange with substantially different terms is accounted for as an extinguishment of the original financial liability. This results in de-recognition of the original loan and the recognition of a new financial liability at its fair value. This results in a direct impact on the statement of comprehensive income due to the difference between the carrying amount of the original financial liability and the fair value of the new financial liability (taking also into account any cash consideration paid or non-cash assets transferred). A change is substantial if one of the two following tests are met:

- Quantitative test: the net present value of the cash flows under the new terms discounted at the original effective interest rate is at least 10% different from the carrying amount of the original debt.
- Qualitative test: A significant change in the terms and conditions that is so fundamental that immediate de-recognition is required with no additional quantitative analysis.

1.8.12 Derivative financial instruments

The Group may enter into a variety of derivative financial instruments to manage its exposure to financial risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each statement of financial position date. The resulting gain or loss is recognised in the statement of comprehensive income immediately, unless the derivative is designated as a hedging instrument and effective as such, in which case the timing of the recognition in the statement of comprehensive income depends on the nature of the hedge relationship. The Group has not designated any derivatives as part of an IFRS 9 hedging relationship.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

1. ACCOUNTING POLICIES CONTINUED

1.9 Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

1.10 Finance costs

All finance costs are recognised in the statement of comprehensive income in the period in which they are incurred.

1.11 Related-party transactions

All related-party transactions are, unless otherwise disclosed, at arm's-length and are in the normal course of business.

1.12 Adoption of new and revised standards and interpretations

There are no standards, amendments to standards or interpretations issued by IASB and the IFRS Interpretations Committee (IFRIC) of the IASB that are effective for annual reporting periods commencing on 1 April 2021 that have a material effect on the financial statements.

1.13 Standards, interpretations and amendments applicable to the Group not yet effective

At the date of authorisation of these financial statements, the following standards were in issue but not yet effective for the annual periods commencing on or after the specified dates. The Directors do not believe that the below-mentioned standards have a material impact on the financial statements. Except for IFRS 17 Insurance contracts, these standards have been endorsed by the EU:

- IFRS 16 Leases (amendments effective for annual periods beginning on or after 1 June 2021);
- IFRS 3 Business combinations (amendments effective for annual periods beginning on or after 1 January 2022);
- IAS 16 Property, Plant and Equipment (amendments effective for annual periods beginning on or after 1 January 2022);
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (amendments effective for annual periods beginning on or after 1 January 2022);
- IAS 1 Presentation of financial statements (amendments effective for annual periods beginning on or after 1 January 2023);
- IFRS 17 Insurance contracts (issued May 2017 and effective for annual periods beginning on or after 1 January 2023); and
- IAS 12 Income taxes (issued May 2021 and effective for annual periods beginning on or after 1 January 2023).

These standards will be adopted when they become applicable.

	Notes	2022 R'm	2021 R'm
2. NET ASSET VALUE PER SHARE			
Ordinary shareholders equity and reserves		11 053	10 432
Ordinary shares in issue (m)	5	1 320.3	1 320.0
Net asset value per share (cents)		837	790

	Notes	2022 R'm	2021 R'm
3. INVESTMENTS			
The issuance of the BIH Exchangeable Bonds resulted in BIH's classification changing to that of an Investment Entity, and consequent exemption from consolidation for the Group with effect from 1 October 2021. Amounts relating to Group companies, being the Borrowings (BML RCF), the BIH Exchangeable Bonds as well as subsidiary net working capital, that were historically consolidated on a "look-through" basis and presented on the face of the statement of financial position now form part of Investments. According to IFRS, the change in BIH's Investment entity status is applied prospectively, with no requirement to restate comparatives.			
BIH Investment in Brait Mauritius Limited ("BML")		16 213	16 450
Premier	3.1	9 266	7 597
Virgin Active	3.2	8 282	7 970
New Look	3.3	672	545
Other investments	3.4	437	338
BML net working capital		34	–
Borrowings (BML RCF)	3.5	(2 478)	–
BIH net working capital		(42)	–
BIH Exchangeable Bonds due 2024	3.6	(2 376)	–
Investments		13 795	16 450

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

	2022 R'm	2021 R'm
3. INVESTMENTS CONTINUED		
3.1 Premier⁽¹⁾		
Maintainable EBITDA ⁽²⁾	1 505	1 152
EV/EBITDA multiple ⁽³⁾	7.6x	8.0x
Enterprise value	11 488	9 216
Less: net third party debt at valuation date ⁽⁴⁾	(2 008)	(1 489)
Equity value	9 480	7 727
Less: shareholder funding at valuation date ⁽⁵⁾	(3 282)	(3 212)
Surplus equity value post shareholder funding	6 198	4 515
Brait's shareholder funding participation	100%	100%
Shareholder funding value	3 282	3 212
Brait's participation percentage for equity value ⁽⁶⁾	96.5%	97.1%
Equity value	5 984	4 385
Brait's carrying value (ZAR'm) for its investment in Premier	9 266	7 597

⁽¹⁾ Metrics for FY22 on a post IFRS16 basis. FY21 on a pre IFRS16 basis.

⁽²⁾ FY22 Maintainable EBITDA of R1,505 million is based on Premier's Last Twelve Months ("LTM") EBITDA.

⁽³⁾ The primary reference measure considered at reporting date is the peer group average spot multiple of 7.7x.

⁽⁴⁾ FY 22 Net third party debt is adjusted to exclude R371 million mostly in respect of capital expenditure on the recently commissioned Pretoria mill and bakery.

⁽⁵⁾ Shareholder funding comprises a combination of preference share capital and loan funding from Brait. The rate on the preference shares of prime less 2% and the rate on the shareholder loan funding of prime plus 2% are both unchanged from the prior year. Both instruments are unsecured with no fixed terms of repayment. 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.

⁽⁶⁾ Brait's shareholding in Premier is 98.5%. Brait's equity value participation at 31 March 2022 is 96.5% (31 March 2021: 97.1%), the decline is a result of the dilutionary impact of the management incentive scheme put in place in FY21. The value of this scheme will be measured at each reporting date.

	2022 £'m	2021 £'m
3 INVESTMENTS CONTINUED		
3.2 Virgin Active⁽¹⁾		
Maintainable EBITDA ⁽²⁾	110.1	105.4
EV/EBITDA multiple ⁽³⁾	9.0x	9.0x
Enterprise value	990.7	948.5
Less: net third party debt ⁽⁴⁾	(380.4)	(455.0)
Equity value	610.4	493.5
Less: senior shareholder funding ⁽⁵⁾	(49.4)	(25.0)
Residual equity value	561.0	468.5
Less: shareholder funding (capped at equity value) ⁽⁶⁾	–	(468.5)
Surplus equity value	561.0	–
Brait's shareholder funding participation^(7,8)	–	79.4%
Shareholder funding value	–	371.8
Brait's senior shareholder funding participation⁽⁵⁾	70.6%	72.1%
Senior shareholder funding value	34.9	20.0
Brait's participation for surplus equity value^(7,8)	70.6%	72.1%
Surplus equity value	395.8	–
Carrying value (GBP'm) for Brait's investment in Virgin Active	430.7	391.8
Closing GBP/ZAR exchange rate (R)	19.23	20.34
Carrying value (ZAR'm) for Brait's investment in Virgin Active (R'm)	8 282	7 970

⁽¹⁾ Metrics on a pre IFRS16 basis.

⁽²⁾ Maintainable EBITDA based on look-through to a 2-year forward estimate sustainable level of GBP110.1 million, which represents a 23% reduction to the GBP142 million actual EBITDA actual EBITDA achieved in its pre-Covid affected financial year ended 31 December 2019.

⁽³⁾ 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.

⁽⁴⁾ 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 cost deferred during the lockdowns (March-21 net debt of GBP455 million used, which included a GBP58 million normalisation adjustment).

⁽⁵⁾ The GBP denominated senior shareholder funding bears no interest (FY21: LIBOR +4.25% plus 0.75% PIK), is unsecured with no fixed repayment terms and matures on 30 June 2025.

⁽⁶⁾ At 31 March 2021 the GBP denominated shareholder funding bore interest at a fixed rate of 10%, was unsecured, with no fixed repayment terms and was to mature on 16 July 2025.

⁽⁷⁾ Post the GBP88.4 million capital raise, Brait's equity and shareholder funding participation decreased to 70.6% (FY21: 79.4%).

⁽⁸⁾ In previous years Brait entered into a series of put option agreements with the Virgin Active management team based on Brait's fair value of Virgin Active at the exercise date and as a result, do not expose Brait to fair value risk.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

	2022 £'m	2021 £'m
3 INVESTMENTS CONTINUED		
3.3 New Look⁽¹⁾		
Maintainable EBITDA ⁽²⁾	55.0	59.0
EV/EBITDA multiple ⁽³⁾	5.0x	4.0x
Enterprise value	275.0	236.0
Less: net debt ⁽⁴⁾	(78.5)	(86.0)
Equity value of New Look	196.5	150.0
Shareholder funding ⁽⁵⁾	(92.4)	(84.6)
Surplus equity value	104.1	65.4
Brait's shareholder funding participation	18.3%	18.3%
Shareholder funding value	16.9	15.4
Brait's shareholding in New Look⁽⁶⁾	17.4%	17.4%
Surplus equity value	18.1	11.4
Carrying value (GBP'm) for Brait's investment in New Look	35.0	26.8
Closing GBP/ZAR exchange rate (R)	19.23	20.34
Carrying value (ZAR'm) for its investment in New Look (R'm)	672	545

⁽¹⁾ Metrics on a pre IFRS16 basis.

⁽²⁾ Maintainable EBITDA is based on a look-through to a 1-year forward sustainable level of GBP55.0 million. This represents a 30% discount to the GBP78.6 million actual pre-IFRS 16 EBITDA achieved by New Look for its 39 weeks ended 28 December 2019, as reported in its last Q3FY20 investor presentation to bond holders.

⁽³⁾ The 1-year forward multiple applied of 5.0x represents a 25% discount to the peer average forward multiple of 6.7x.

⁽⁴⁾ 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.

⁽⁵⁾ Shareholder funding comprises: (i) the GBP40 million (Brait's pro rata share: GBP7.3 million) non-interest bearing shareholder loan issued on 16 October 2020 to SSN bond holders in exchange for cancellation of the SSNs and 20% of New Look's share capital; (ii) GBP40 million (Brait's pro rata share: GBP7.3 million) of new money in the form of a payment in kind ("PIK" facility), issued at a 5% discount, accruing interest at 16.5% per annum, for which the new money providers received 80% of New Look's share capital. The shareholder loan is unsecured, with no fixed repayment terms and matures in November 2029. The PIK facility is secured, with no fixed repayment terms and matures in November 2027.

⁽⁶⁾ Brait's pro-rata SSN holding (18.3%) in the PIK facility, receiving 14.6% shareholding, in addition to the 3.7% shareholding received in exchange for its SSN holding. Brait's resulting 18.3% shareholding is diluted to 17.4% as a result of the New Look management incentive plan.

	2022 R'm	2021 R'm
3. INVESTMENTS CONTINUED		
3.4 Other investments		
Carrying value at reporting date comprises Brait's remaining private equity fund investments, mostly relating to Brait IV's investment in Consol, the largest manufacturer of glass packaging in Africa.	437	338
3.5 Borrowings (BML RCF)		
The issuance of the BIH Exchangeable Bonds resulted in BIH's classification changing to that of an Investment Entity, and consequent exemption from consolidation for the Group with effect from 1 October 2021. Borrowings (BML RCF) that were historically consolidated are now presented within Investments.		
Transfer from borrowings (refer note 7)	3 970	
Interest accrual	103	
Foreign currency translation	–	
Net repayments of borrowings	(1 494)	
Drawdowns	1 448	
Capital repayments ⁽¹⁾	(2 942)	
Interest repayments	(101)	
Closing balance	2 478	

Post the December 2021 Capital Raise, Brait's committed revolving credit facility, secured by the assets of BML (the BML RCF), was amended to have a facility limit of R3 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.

⁽¹⁾ Includes R2,934 million of net proceeds from the issuance of the BIH Exchangeable Bonds.

3.6 BIH Exchangeable Bonds (5% due 2024)

Brait concluded a R3 billion capital raise during December 2021 ("December 2021 Capital Raise") by way of renounceable Rights Offer to its shareholders, or their renounees, to subscribe for 5.00 per cent senior unsecured BIH 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 2022 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"). The exchange price is R4.37 (representing a 5% discount to the 5-business day VWAP of a Brait ordinary share price prior to the announcement of the launch of the BIH Exchangeable Bonds). Using the exchange price of R4.37, holders are entitled as at 31 March 2022 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 BIH Exchange Shares (at prevailing market value) and cash totalling the Principal amount in value.

Consequently, BIH has recognised a liability of R3.0 billion reduced by equity reserve of R0.7 billion, at reporting date for its obligation to settle with the bondholders.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

	2022 R'm	2021 R'm
3. INVESTMENTS CONTINUED		
3.6 BIH Exchangeable Bonds (5% due 2024) continued		
Reconciliation of the movements for the year:		
R3 billion BIH Exchangeable Bonds issued 22 December 2021	3 000	
IFRS equity component allocated to BIH Exchangeable Bond reserve	(675)	
Increase of liability component in terms of IAS 32 over the three-year bond term	52	
1 396 BIH Exchangeable Bonds exchanged into Brait ordinary shares	(1)	
Closing balance	2 376	
4. CASH AND CASH EQUIVALENTS⁽¹⁾		
Balances with banks	2	213
– ZAR cash	1	178
– USD cash	–	12
– GBP cash	1	23

⁽¹⁾ Following BIH's classification as an Investment Entity, FY22 reported cash of R2 million relates to the Company. Cash held by subsidiaries, namely BML and BIH, amounting to R81 million (of which R75 million is held in ZAR) is presented within Investments (refer note 3).

5. STATED CAPITAL

Pursuant to the Redomiciliation concluded during the year, share capital and premium have been converted into stated capital to comply with the Mauritian Companies Act. At 31 March 2021, the Company had 1 320 312 254 issued ordinary shares of no par value (31 March 2021: 1 319 992 804 issued ordinary shares at par value of €0.22 per share).

At the Extraordinary General Meeting held on 22 December 2021, Shareholder approval was obtained for the allocation and potential issue from the exchange rights of the BIH Exchangeable Bonds. Following the exchange 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 2020	1 374 084 063	9 924
Share capital		4 157
Share premium		5 767
Treasury shares cancelled	(54 091 259)	
31 March 2021	1 319 992 804	9 924
Share capital		3 927
Share premium		5 997
BIH Exchange shares issued ⁽¹⁾	319 450	–
31 March 2022	1 320 312 254	9 924
Stated capital ⁽²⁾		9 924
	1 320 312 254	

⁽¹⁾ Shares issued as a result of the exchange of 1 396 BIH Exchangeable Bonds into Brait ordinary shares (refer note 3.6).

⁽²⁾ The Company's stated capital as at 31 March 2022 represents the aggregate of share capital and share premium.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

	2022 R'm	2021 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.		
Following the Redomiciliation, the dual listing of Brait's Convertible Bonds on the SEM completed on 30 November 2021.		
In accordance with IAS 32 (Financial Instruments: Presentation), the liability component for the 2024 Convertible Bonds is measured at reporting date as GBP139 million (FY21: GBP135 million). The carrying amount approximates the fair value.		
Reconciliation of the movements for the year:		
Opening balance	2 749	2 925
Increase of liability component in terms of IAS 32 over the five-year bond term	72	69
Foreign currency translation reserve	(154)	(245)
Closing balance	2 667	2 749

	2022 R'm	2021 R'm
7. BORROWINGS		
Opening balance	3 417	4 602
Interest accrual	149	300
Net drawdown of borrowings	409	(1 326)
Drawdowns	549	1 334
Capital repayments	(140)	(2 660)
Interest repayments	(5)	(159)
Transfer to Investments (note 3) ⁽¹⁾	(3 970)	–
Closing balance	–	3 417
Refer to note 3.5 for further details on the BML RCF. Due to the change in the investment entity status of BIH with effect from 1 October 2021, the BML RCF balance of R2,478 million as at 31 March 2022 is disclosed in note 3.5.		
8. ACCOUNTS PAYABLE AND OTHER LIABILITIES⁽¹⁾		
Accounts payable at reporting date includes the £3.1 million coupon accrual on the 2024 Convertible Bonds	77	118
9. INVESTMENT GAINS		
Investment gains ⁽¹⁾	961	1 280
10. FINANCE INCOME⁽¹⁾		
Premier shareholder funding (interest income)	243	253
Other interest income	2	7
Total finance income earned for the year	245	260
Post 1 October 2021 amounts recognised in investment gains (refer note 9)	(133)	–
	112	260

⁽¹⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investments (assets and liabilities) and Investment gains (Income and expenses).

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

	2022 R'm	2021 R'm
11. OPERATING EXPENSES		
Directors fees	15	17
Corporate advisory fees ⁽¹⁾	121	114
Insurance	17	10
Professional fees ⁽²⁾	5	5
Travel and accommodation	3	–
Other operating expenses	9	9
External audit fees	6	5
Total operating expenses incurred for the year	176	160
Post 1 October 2021 amounts recognised in investment gains (refer note 9) ⁽³⁾	(90)	–
	86	160
12. FINANCE COST		
BML RCF:		
– Interest expense	248	289
– Raising and commitment fees	27	16
2024 Convertible Bonds:		
– Coupon	198	243
– Increase of liability component in terms of IAS 32 over the five-year bond term	72	69
BIH Exchangeable Bonds⁽⁴⁾:		
– Coupon	42	
– Increase of liability component in terms of IAS 32 over the five-year bond term	52	
– Issue cost	66	
Total finance costs incurred for the year	705	617
Post 1 October 2021 amounts recognised in investment gains (refer note 9) ⁽³⁾	(291)	–
	414	617
13. HEADLINE EARNINGS RECONCILIATION		
Earnings and headline earnings	577	446
Weighted average ordinary shares in issue (m) – basic	1 320	1 320
Earnings and Headline earnings per share (cents) – basic and diluted ⁽⁴⁾	44	34

⁽¹⁾ Ethos Private Equity Proprietary Limited ("EPE") was appointed as the contracted advisor to BML effective 1 March 2020. The fee comprises (i) advisory fee of R91 million, unchanged from FY21; and (ii) short term incentive award of R30 million (FY21: R23 million), based on the Board's annual, pre-determined key performance indicators set for EPE in terms of executing on Brait's stated strategy.

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

⁽³⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investment Gains..

⁽⁴⁾ Based on the reported NAV of R8.37 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.

	2022 R'm	2021 R'm
14. INVESTMENT PROCEEDS RECEIVED		
Investment proceeds received comprise of:		
Iceland	–	2 349
Premier	173	237
Other investments	61	426
Total investment proceeds received	234	3 012
15. INVESTMENT RELATED CASH FLOWS⁽¹⁾		
Cash flows with portfolio companies ⁽²⁾	(1 682)	(955)
BML RCF:		
– Net capital repayments (refer note 3.5)	(1 494)	–
– Interest repayments (refer note 3.5)	(101)	–
– Raising and commitment fee payments	(29)	–
BIH Exchangeable Bonds:		
– Issue proceeds raised (refer note 3.6)	3 000	–
– Issue costs paid	(66)	–
BML Operating costs	(73)	–
BML Withholding taxes	(16)	–
Cash held by BML reclassified due to change in BIH Investment Entity status	(51)	–
Other	3	–
Investment related cash flows	(509)	(955)

⁽¹⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investment related cash flows.

⁽²⁾ FY22 relates to Virgin Active: (i) aggregate shareholder funding advanced as follows: In Jun-21, the £16m post-implementation funding for the International business; in Dec-21, £9.6m further support to the International business in respect of its banking facility; and in Mar-22, pursuant to Virgin Active's capital raise, a £16.2m equity subscription and R760m capitalisation of the VASA shareholder commitment in exchange for shares in Virgin Active; and (ii) a total of £2.5m relating to the exercise of put options during the year. FY21 relates to: (i) Virgin Active (£36m in shareholder loans; and £1.2m exercise of put options in Aug-20) and (ii) New Look (£7.3m capital injection in Nov-20).

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

16. RELATED PARTY TRANSACTIONS

During the year, Brait PLC entered into the following transactions (included in profit from operations) with related parties:

- Pursuant to the December 2021 Capital Raise, the following contracts were entered into in the ordinary course of business during the current financial year:
 - On or about 22 November 2021 the Company obtained irrevocable commitments of R2,059 million from Shareholders, with R847 million obtained from Titan⁽¹⁾, R370 million from Ethos⁽²⁾, as well as R842 million from other major institutional shareholders. In this regard, the Company agreed to pay each such shareholder a commission of 1% of the aggregate number of BIH Exchangeable Bonds taken up by each such party multiplied by the R1 000 price per BIH Exchangeable Bond. Together with applicable value added or similar tax, Ethos received commission of R3.7 million, with Titan receiving R8.5 million.
 - In addition, on 22 November 2022 Rand Merchant Bank, a division of FirstRand Bank Limited ("RMB"), Titan and Ethos Private Equity Proprietary Limited ("EPE")⁽³⁾ (together, the "Underwriters") entered into an underwriting agreement with Brait and BIH to underwrite the BIH Exchangeable Bonds not taken up in terms of the December 2021 Capital Raise up to a collective maximum underwriting commitment of R941 million. In this regard, the Company agreed to pay the Underwriters a commission of 1% of the aggregate number of BIH Exchangeable Bonds taken up by each such party multiplied by the R1 000 price per BIH Exchangeable Bond. Together with applicable value added or similar tax, EPE received commission of R0.5 million, with Titan and RMB receiving R4.5 million each.
- As announced to the market on 4 March 2022, Virgin Active concluded binding agreements that gave effect to a capital raise from third parties and existing investors totalling GBP88.4 million. As its contribution to this capital raise, Titan injected GBP50.0 million to subscribe for equity in Virgin Active at the same post money valuation agreed with third party investors. The post money valuation was based on the Virgin Active Enterprise Value, as per Brait's NAV as at 30 September 2021, using the updated net debt position as at 31 December 2021.

	2022 R'm	2021 R'm
Profit from operations include:		
Non-executive directors' fees	(15)	(17)
Corporate advisory fees ⁽³⁾	(121)	(114)
Professional fees – Stonehage Fleming ⁽⁴⁾	(3)	(1)

⁽¹⁾ Titan refers to Titan Financial Services Proprietary Limited and its related entities. Dr CH Wiese, a director and significant shareholder of Brait, is a director and indirect beneficiary of Titan.

⁽²⁾ Ethos refers to EPE Direct Investments GP Proprietary Limited and Ethos Fund VII GP (SA) Proprietary Limited which are affiliated to EPE. These entities collectively own 12.3% of Brait's ordinary shares and 12.3% of the BIH Exchangeable Bonds.

⁽³⁾ EPE was appointed as the contracted advisor to BML effective 1 March 2020. EPE owns 1.2% of the BIH Exchangeable Bonds.

⁽⁴⁾ HRW Troskie is a director and shareholder of Brait as well as a director and shareholder of certain Stonehage Fleming group entities. On 1 February 2022, Stonehage Fleming acquired the private client and corporate services business of Maitland International Holdings plc; from that date the Group is serviced by entities of the Stonehage Fleming group.

	2022 R'm	2021 R'm
17. CONTINGENT LIABILITIES AND COMMITMENTS		
17.1 Commitments		
2024 Convertible Bond commitments	3 448	3 844
– Coupon payment due within one year	188	198
– Coupon payments due between one and five years ⁽¹⁾	375	595
– Principal settlement due within five years ⁽¹⁾	2 885	3 051
<i>⁽¹⁾ The coupon payments for the current twelve months reporting period reflect the semi-annual coupons of 6.5% payable in arrears over the remaining term of the 2024 Convertible Bonds. The principal settlement amounts are payable in the event that the respective bondholders have not exercised their conversion rights.</i>		
Private equity funding commitments	–	9
Total commitments	3 448	3 853

17.2 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.

17.3 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.

18. NON-ADJUSTING POST BALANCE SHEET EVENTS

As announced to the market on 4 May 2022, the Stock Exchange of Mauritius (“SEM”) granted approval on 2 May 2022 for the dual listing of the BIH Exchangeable Bonds on the Official Market of the SEM with effect from 11 May 2022.

On 29 April 2022, all conditions and regulatory approvals related to Ardagh Group S.A’s acquisition of 100% of the ordinary shares of Consol for an equity value of R10.1 billion were fulfilled. Brait’s share of R402 million proceeds, reflects the carrying value used at reporting date (16% premium to the September 2021 carrying value).

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

19. FINANCIAL ASSETS AND LIABILITIES

19.1 Sector analysis for investments

	2022 R'm	2021 R'm
Portfolio companies:		
Consumer services – fitness	–	7 970
Consumer goods – food products	–	7 597
Consumer services – apparel retailer	–	545
Other Investments	–	338
Investment in BIH ⁽¹⁾	13 795	–
Investments	13 795	16 450

⁽¹⁾ As a result of the change in the investment entity status of the BIH during the year, balances relating to Group companies that were previously consolidated are presented within Investments (refer note 3).

19.2 Portfolio investment shareholding analysis

	2022	2021
Shareholding in the <20% range		Other investments New Look
Shareholding in the >25% range	Investment in BIH	Virgin Active Premier

19. FINANCIAL ASSETS AND LIABILITIES CONTINUED**19.3 Categories of financial assets and liabilities**

Financial assets and liabilities are measured on an ongoing basis either at fair value or at amortised cost. The summary of significant accounting policies describes how the classes of financial instruments are measured. The following table analyses the carrying amounts of the financial assets and liabilities by category as defined in IFRS 9.

	2022 R'm	2021 R'm
Financial assets designated at fair value through profit or loss ^(1,3)	13 795	13 238
Financial assets at amortised cost	–	3 265
Shareholder funding ^(1,2)	–	3 212
Accounts receivable	–	53
Financial liabilities at amortised cost	(2 744)	(6 284)
2024 Convertible Bonds	(2 667)	(2 749)
Borrowings ⁽³⁾	–	(3 417)
Accounts payable	(77)	(118)
Change in fair value recognised in the statement of comprehensive income	961	1 280
Designated fair valued through profit or loss	961	1 280

⁽¹⁾ FY21, investments of R16,450 million reflected on the statement of financial position comprises: (i) financial assets designated at fair value through profit and loss of R13,238 million; and (ii) shareholder funding of R3,212 million.

⁽²⁾ FY21 shareholder funding of R3,212 million represented Brait's shareholder loan in Premier.

⁽³⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investments (Refer note 3).

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

19. FINANCIAL ASSETS AND LIABILITIES CONTINUED

19.4 Fair value hierarchy

IFRS 13 provides a hierarchy that classifies inputs employed to determine fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset 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 their fair value of the underlying assets and liabilities (FY21: maintainable earnings multiples method).

	Investment Level 3 R'm	Total R'm
Investments designated as fair value through profit or loss⁽¹⁾		
2022		
Investment in BIH	13 795	13 795
Investments at fair value	13 795	13 795
2021		
Premier ⁽²⁾	4 385	4 385
Virgin Active	7 970	7 970
New Look	545	545
Other investments	338	338
Investments at fair value	13 238	13 238

⁽¹⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investment related cash flows.

⁽²⁾ Excludes shareholder funding amounting to R3,212 million.

20. FINANCIAL RISK MANAGEMENT

The overall governance structure and high level policies relating to the manner in which Brait manages the risk it is exposed to have been described in the Governance Report on see <http://brait.investoreports.com/about-us/corporate-governance/>. IFRS 7 requires more detail regarding the processes and procedures utilised to measure various risk categories, namely market risk, credit risk and liquidity risk.

20.1 Capital Management

The Group policy is to maintain a strong capital base so as to maintain investor and market confidence as part of its stated strategy which is focused on maximising value through the realisation of its existing portfolio companies over the medium term and returning capital to shareholders.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capitalisation of the Group has been considered in the context of its existing cash and near cash resources, its current debt levels, Convertible and BIH Exchangeable Bonds funding and associated obligations. The result of this consideration is that Brait is regarded as appropriately capitalised at this time. For the current year no cash dividend has been declared as the Board has resolved to reduce debt within the Group and only declaring a dividend by way of bonus shares is not tax effective to some shareholder jurisdictions. This will continue to be reviewed by the Board. There are no regulatory capital requirements.

20.2 Market Risk

Market risk is the potential change in the value of a financial instrument resulting from changes in market conditions or market parameters such as equity prices, exchange rates or interest rates. The risk of a decrease in the value of the portfolio can be measured by the susceptibility of that portfolio to movements in the overall market conditions or any of the investment specific parameters.

Brait is exposed to three primary types of market risk, namely equity risk, interest rate risk and currency risk. These risks are monitored by the Board. The specific risk management objectives, policies and procedures relating to each type of market risk is described, and the impact on the statement of comprehensive income (SOCl)/statement of changes in equity (SOCE) is disclosed in the sections below:

20.2.1 Equity risk management

Equity risk is the potential change in the value of a financial instrument resulting from changes in market conditions. The valuation of unquoted investments depend upon a combination of market factors and the performance of the underlying asset. The Group does not hedge the price risk inherent in the portfolio but manages investment performance risk on an investment-specific basis.

Brait is exposed to equity risk through its investment in the underlying portfolio companies.

Brait's predominant exposure to equity risk is related to the sensitivities of movements in the fair value of its Investments, within which the portfolio investments are held. The valuation multiple applied in determining the fair value of Brait's portfolio investments is referenced to 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 sustainable level, peer average forward average forward multiples for the corresponding forward period are used as the reference measure.

The table that follows sets out an analysis of the Group's investment's sensitivity to equity price variability by analysing the impact of a change in the valuation multiple applied on the fair value of its investments.

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

20. FINANCIAL RISK MANAGEMENT CONTINUED

20.2 Market Risk continued

20.2.1 Equity risk management continued

	Carrying value exposed to equity risk R'm	Reasonable possible change in valuation multiple R'm	Pre-tax SOCI/ SOCE impact R'm
Investments exposed to equity risk			
2022			
Investment in BIH	13 795	±1.0x	±3 009
2021			
Premier	7 597	±1.0x	±1 119
Virgin Active	7 970	±1.0x	±1 701
New Look	545	±1.0x	±210

20.2.2 Interest rate risk management

Interest rate risk refers to the impact on future cash flows and earnings of interest rates re-pricing either at different points in time or on a different basis on assets and liabilities. The Group assesses interest rate risk at different levels depending on where the risk arises. Where appropriate, interest rate risk profiles are matched in order to reduce the impact of interest rate volatility and to match the estimated yield of the underlying portfolio company investments to borrowings used to fund those investments. This is done where it is considered appropriate and may be achieved through either fixed rate funding or interest rate derivative instruments.

Shareholder funding, other than funding designated at fair value through profit or loss, is carried at amortised cost. The amortised cost valuation for Premier shareholder funding approximates fair value as these loans are variable at market related rates. Until the change in BIH's Investment Equity status (refer note 1.3), shareholder funding in Virgin Active and New Look had been designated at fair value through profit and loss at inception and due to its distinguishing characteristics, cost plus accrued interest is representative of its fair value. Therefore the fixed rate of 10% compounded annually has no impact on Brait's future cash flows or earnings from repricing of interest rates.

The 2024 Convertible Bonds are accounted for as compound financial instruments. They carry a fixed coupon of 6.5% per annum, payable semiannually in arrears. The fair value of the liability component is initially recognised as the present value of the future coupon and principal payments. The discount rate used is a market rate for similar liabilities that do not have the equity conversion component. Subsequent to initial recognition, the liability component is measured at amortised cost using the discount rate at initial recognition of 9.77%.

Until the change in BIH's Investment Entity status, the Brait Group's borrowings bore interest at a variable rate linked to the 3-month JIBAR.

20. FINANCIAL RISK MANAGEMENT CONTINUED**20.2 Market Risk** continued**20.2.2 Interest rate risk management** continued

Investments exposed to interest rate risk	Carrying value exposed to interest rate risk	Index to which interest rate is linked	Reasonable possible change in interest rate	Pre-tax SOCI/ SOCE impact
2022⁽¹⁾				
Cash and cash equivalents ⁽²⁾	2			–
– GBP	1	Base rate (UK)	0.025%	–
– ZAR	1	Prime (SA)	1%	–
– USD	–	Base rate (US)	0.025%	–
Total financial assets	2			–
2021				
Premier	3 212	Prime (SA)	1%	32
Cash and cash equivalents	213			2
– GBP	23	Base rate (UK)	0.025%	–
– ZAR	178	Prime (SA)	1%	2
– USD	12	Base rate (US)	0.025%	–
Total financial assets	3 425			34
Borrowings ⁽¹⁾	3 417	Jibar	1%	34
Total financial liabilities	3 417			34

⁽¹⁾ As a result of the change in the investment entity status of the BIH during the year, balances relating to Group companies that were previously consolidated are presented within Investments (refer note 3).

⁽²⁾ As at 31 March 2022, cash balances amounting to R81 million (of which R75 million is held in ZAR) are presented within Investments (refer note 3).

Notes to the consolidated financial statements continued

for the year ended 31 March 2022

20. FINANCIAL RISK MANAGEMENT CONTINUED

20.2 Market Risk continued

20.2.3 Foreign exchange rate risk management

The Group's financial statements are prepared using the SA Rand as its presentation currency.

The Group's subsidiaries have one of three functional currencies: Pound Sterling (£/GBP), SA Rand or USD (US\$). The holding company, Brait PLC, and its main operating subsidiaries use Pound Sterling as their functional currency. Brait's predominant exposure to foreign exchange rate fluctuations is related to the sensitivities of movements in the presentation value of its investments as a result of using the SA Rand as its presentation currency.

Brait does not seek to hedge the carrying value of foreign investments but will consider hedging strategies for cash flows denominated in foreign currencies that are deemed significant for the Group. Investment portfolio companies that enter into transactions denominated in foreign currencies as part of the normal course of operations hedge these as appropriate.

The Group's primary investments are Pound Sterling and SA Rand denominated.

20.3 Credit risk

Credit and counterparty risk refers to the effects on future cash flows and earnings of borrowers defaulting on their obligations. This also covers trading counterparties, issuers of instruments held by the Group or as collateral. Such risk arises primarily from lending and investment activities as well as from the settlement of financial market transactions.

These exposures are managed through prudent credit exposure limits, constantly measuring current credit exposures, estimating maximum potential credit exposures that may arise over the duration of a transaction, and responding quickly when corrective action needs to be taken.

The Group's assets are predominantly unsecured investments in unlisted companies. The Group considers the overall risk exposure of the investment as a whole, therefore significant changes in a particular sector or unexpected increases in interest rates could increase the credit risk inherent in the investment. This risk is mitigated through portfolio diversification and active management.

Unless otherwise indicated, the maximum exposure to credit risk is the carrying value of the investment. Given the nature of the risk in loans to investee companies, no additional collateral is taken against the credit risk exposures.

The Group's remaining financial assets are mainly in the form of deposits spread over reputable banks.

20. FINANCIAL RISK MANAGEMENT CONTINUED**20.4 Liquidity Risk**

Liquidity risk arises in the general funding of the Group's activities when there are mismatches between the sizes and maturities of assets and liabilities. The liquidity risk refers to the ability of the Group to meet its financial obligations as they fall due. Please see note 3 – investments, note 6 – Convertible Bonds (6.50% due 2024), note 7 – Borrowings and note 17 – Contingent liabilities and commitments for maturity profile details.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The liquidity position and forecast liquidity requirements are based on anticipated changes in the statement of financial position. These are tested against various different stress scenarios. The scenarios are used to identify consequences of market rate changes (including extreme but remote changes) and the Group's cash position is evaluated and adjusted accordingly.

	Next 12 months R'm	1 to 2 years R'm	2 to 5 years R'm	Total R'm
2022⁽¹⁾				
Trade payables	77	–	–	77
Convertible Bonds (6.5% due 2024)	–	–	2 667	2 667
Convertible Bond Coupons	188	188	188	564
2021				
Trade payables	118	–	–	118
Borrowings	–	3 417	–	3 417
Convertible Bonds (6.5% due 2024)	–	–	2 749	2 749
Convertible Bond Coupons	198	198	397	793

⁽¹⁾ Following BIH's classification as an Investment Entity and consequent exemption from consolidation for the Group with effect from 1 October 2021, amounts relating to group companies that were historically consolidated are now presented within Investments (refer note 3).

Liquidity will be addressed through Group cash resources, and through the use of proceeds received on investments realised.

2024 CONVERTIBLE BONDS

The GBP150 million 6.50 per cent convertible bonds due on 4 December 2024 issued by the Company, listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange and SEM. The 2024 Convertible Bonds have a conversion price at Reporting Date of GBP0.5219.

DECEMBER 2021 CAPITAL RAISE

The R3 billion capital raise during December 2021 by way of renounceable rights offer to Brait shareholders, or their renouncees, to subscribe for the BIH Exchangeable Bonds.

BIH

Refers to Brait Investment Holdings Limited, a public company and wholly owned subsidiary of Brait PLC incorporated in accordance with the laws of Mauritius under registration number: 183308 GBC. BIH is licensed as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2015.

BIH EXCHANGEABLE BONDS

The 5.00 per cent exchangeable bonds due on 3 December 2024, issued by BIH, dual listed on the JSE and SEM and exchangeable at the holders election during their term at an exchange price of R4.37.

BML

Brait Mauritius Limited, registration number C60342 C1/GBL, a company incorporated under the laws of Mauritius and wholly owned subsidiary of BIH. BML is licenced as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2015.

BML RCF

The committed revolving credit facility of Brait Mauritius Limited, secured on a senior basis by the assets of BML with a term to 30 June 2024.

BOARD

The board of Directors of the Company.

BRAIT PLC OR COMPANY

Brait PLC, a public company registered in accordance with the laws of Mauritius under registration number: 183309 GBC. Brait PLC is licensed as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2015.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, deposits held with banks and investments in money market securities.

CLOSING PRICE

The closing market price of a Brait share on the LuxSE and JSE exchanges at the Group's financial year-end.

DIRECTORS

The directors of the Company as at Reporting Date.

EARNINGS PER SHARE

Basic attributable earnings divided by the weighted average number of shares in issue, less the number of treasury shares, expressed in cents.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

EFFECTIVE TAX RATE (%)

The effective tax rate is the direct taxation charge per the income statement expressed as a percentage of profit before taxation.

ENTERPRISE VALUE

The measure of a company's total value equal to its equity value plus net debt.

EPE OR INVESTMENT ADVISOR OR ADVISOR

Ethos Private Equity Proprietary Limited, registration number 2004/003984/07, an authorised financial services provider incorporated under the laws of South Africa and with its registered address at 35 Fricker Road, Illovo, Johannesburg, 2196. EPE has an investment advisory and administration contract with BML effective from 1 March 2020

ETHOS CAPITAL

EPE Capital Partners Limited, registration number C138883 C1/GBL, a company incorporated under the laws of Mauritius and holding a Category One Global Business Licence issued by the Financial Services Commission of Mauritius and with its registered address at c/o Ocorian (Mauritius) Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius. Ethos Capital holds its shareholding in Brait through EPE Direct Investments GP Proprietary Limited.

EURO MTF MARKET

The Multilateral Trading Facility (as defined in the Markets in Financial Instruments Directive) operated by the LuxSE

EV/EBITDA MULTIPLE

The valuation multiple applied to EBITDA in order to derive the enterprise value of the business

GBP, POUND, POUND STERLING or £

The lawful currency of the United Kingdom of Great Britain and Northern Ireland

GROUP/BRAIT/COMPANY

Brait PLC and its subsidiaries from time to time

JSE

The securities exchange, licensed under the Financial Markets Act, operated by JSE Limited, registration number 2005/022939/06, a public company duly incorporated in accordance with the laws of South Africa

LENDERS

FirstRand Bank Limited (trading through its Rand Merchant Bank division ("RMB") and The Standard Bank of South Africa Limited, the joint lending banks for the BML RCF

LUXSE

The Luxembourg Stock Exchange

NET ASSET VALUE (NAV) PER SHARE

Ordinary shareholders' funds divided by the number of outstanding ordinary shares

OFFER PRICE

The R6.60 price at which the Company issued the 848,484,848 new shares pursuant to the Equity Capital Raise concluded during February 2020

OUTSTANDING ORDINARY SHARES

Ordinary shares in issue less ordinary (treasury) shares held for the vested benefit of the Group

REPORTING DATE

31 March 2022

WEIGHTED AVERAGE SHARES IN ISSUE

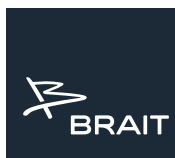
The number of outstanding ordinary shares in issue at the beginning of the year, plus ordinary shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the Group

ZAR, RAND or R

The lawful currency of South Africa and the Group's presentation currency

A photograph of a forest path with a blue rectangular overlay in the center. The overlay contains the text 'SHAREHOLDER COMMUNICATION' in white, bold, sans-serif capital letters. The background shows a dirt path covered in fallen leaves, flanked by dense foliage and tall trees with thin trunks. Sunlight filters through the canopy, creating a dappled light effect on the ground.

SHAREHOLDER COMMUNICATION



BRAIT PLC

(Registered in Mauritius as a Public Limited Company) (Registration No. 183309 GBC)
 (Registered address: c/o Stonehage Fleming (Mauritius), Suite 420, 4th Floor, Barkly Wharf Le Caudan Waterfront, Port Louis, Mauritius)
 Issuer code: Brait ISIN: LU0011857645
 Share code: BAT Bond code: WKN: A2SBSU ISIN: XS2088760157
 LEI code: 549300VB8GBX4UO7WG59
 ("Brait" or the "Company")

Notice is hereby given to all the holders of ordinary shares ("Ordinary Shareholders"), directors and auditors of Brait of the annual general meeting ("AGM") of the Company to be held at 10h30 MUT on 4 August 2022 at 4th Floor, The Axis, 26 Bank Street, Ebene 72201, Mauritius to consider and, if deemed appropriate, approve the following resolutions

AGENDA

ORDINARY BUSINESS

1. Accounts

That the audited accounts for the financial year ended 31 March 2022 and directors' and auditor's reports thereon be received and adopted.

2. Directors

(a) That the following directors be re-elected for a period expiring at next year's AGM:

2.1 Mr RA Nelson

2.2 Mr MP Dabrowski

2.3 Mr JM Grant

2.4 Ms Y Jekwa

2.5 Mr PG Joubert

2.6 Mr PJ Roelofse

2.7 Mr HRW Troskie

2.8 Dr CH Wiese

(b) That a maximum aggregate amount of compensation of GBP412,000, representing an inflationary increase of 3% on the 2022 maximum aggregate amount of GBP400,000, subject to the effects of the £/R exchange rate, be approved for the Directors re-elected further to Resolution 2(a) for serving on the board of directors ("Board") and on the relevant committees in respect of the period up to the date of the AGM of the Company to be held in 2023. The proposed compensation takes into account Directors' time commitments, responsibilities, skills and experience in rendering their services.

3. Auditors

That the appointment of PricewaterhouseCoopers Mauritius as auditors of the Company be approved, and that the Board be hereby authorised to fix their remuneration.

SPECIAL BUSINESS

4. Renewal of the Board's Authority to issue ordinary shares

Purpose

It is proposed that the Board's authority to issue Shares ("Shares" and each a "Share") be renewed.

Proposal

That in accordance with the Company's Constitution, the Board be hereby authorised to exercise the power of the Company to issue Shares in the Company up to the amount of the authorised but unissued share capital of the Company for the time being, and that the Board may offer, issue, grant rights or options over, or otherwise dispose of Shares to such persons on such terms and in such manner as they think fit, whether for cash or otherwise, subject to the following limitations:

- i. that the authority given under this ordinary resolution will expire upon the lapse of 15 (fifteen) months from the date of the AGM of 4 August 2022 but shall be renewable for further periods (which may be periods of less than but not more than 5 (five) years each) by resolution of the general meeting of the shareholders from time to time;
- ii. that a paid press announcement giving details, including the impact on net asset value and earnings per Share, be published at the time of any such issue of, or grant of options or rights over, Shares;
- iii. that in aggregate in any one year the nominal value of Shares represented by such issue(s) or grant of options or rights may not exceed 10 (ten) percent of the aggregate nominal value of the Company's issued ordinary share capital; and
- iv. that, in determining the price at which such an issue of Shares (including pursuant to a future exercise of options or rights) will be made in terms of this authority, the maximum discount permitted will be 10 (ten) percent of the volume-weighted average price of the Shares as determined over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed by the directors on all securities exchanges on which the Shares are listed and have traded during that period.

5. Renewal of the Company's authority to purchase its own shares subject to various limitations

Purpose

The Board proposes that the authority of the Company to make market purchases of its own ordinary shares be renewed. As at the date of this notice of the AGM, there is no current intention to repurchase ordinary shares. However, the Board believes that it is nevertheless desirable for this general authority to be available to provide flexibility in the management of the Company's capital resources in the future.

Proposal

That the Company be and is generally and unconditionally authorised, pursuant to section 52 of the Mauritius Companies Act 2001 ("Companies Act") and article 14.1.2 of the constitution of the Company, to make market purchases of its own ordinary shares on such terms and in such manner as the directors shall determine, provided that:

- i. the Shares to be purchased are fully paid up;
- ii. the maximum aggregate nominal value of the Shares authorised to be purchased shall not exceed 10 (ten) percent of the aggregate nominal value of the Company's issued share capital at any point in time;
- iii. the maximum price which may be paid for each Share shall be 5 (five) percent above the volume weighted average price for a Share on the securities exchange on which the Shares are purchased for the five business days immediately before the day on which the purchase is made (in each case exclusive of expenses); and
- iv. all conditions and limitations imposed by the Companies Act are adhered to.

That this authority (unless previously revoked, varied or renewed) shall expire on 30 October 2023 or, if sooner, at the end of the AGM of the Company to be held in 2023.

NOTES

Any Ordinary Shareholder may, in writing, appoint a proxy, who need not be an Ordinary Shareholder, to represent him/her at the AGM. Any company, being an Ordinary Shareholder, may execute a form of proxy under the hand of a duly authorised officer. The instrument appointing a proxy together with evidence of the authority of the person by whom the proxy is signed (except in the case of a proxy signed by the Ordinary Shareholder), shall be deposited at the registered office of the Company, 24 (twenty-four) hours before the time for the holding of the AGM or its adjournment (as the case may be) at which the person named in such instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of 12 (twelve) months from the date of its execution. Any Ordinary Shareholder may, instead of sending the proxy form to the registered office, send the proxy form (completed in accordance with its instructions) to the appropriate transfer agent, 48 (forty-eight) hours prior to the AGM in order that the transfer agents may be able to send the proxy form on his/her behalf to the registered office 24 (twenty-four) hours before the time for the holding of the AGM.

The following dates are applicable to all Ordinary Shareholders. This notice is being sent to the Ordinary Shareholders on the register of members of the Company as at Friday, 8 July 2022. Ordinary Shareholders registered on the register of members as at Friday, 29 July 2022 ("Record Date") shall have the right to participate in and vote at the AGM. Accordingly, the last day to trade for Ordinary Shareholders in order to be able to participate in and vote at the AGM is Tuesday, 26 July 2022. Any change to an entry on the register of members after the Record Date shall be disregarded in determining the right of any person to attend and vote at the AGM.

A form of proxy is enclosed with this notice, the completion of which will not preclude an Ordinary Shareholder from attending and voting at the AGM in person to the exclusion of any proxy appointed.

Resolutions 1 to 4 are to be proposed as ordinary resolutions and Resolution 5 is to be proposed as a special resolution.

Ordinary resolutions may be passed at the AGM by a simple majority representing more than 50 (fifty) percent of the voting rights attached to shares represented and entitled to vote at the AGM. Special resolutions require a 75 (seventy five) percent majority by nominal value of shares represented at the AGM and entitled to vote and at least 51 percent in nominal value of all the shares entitled to vote at the AGM.

The quorum requirement in relation to both ordinary resolutions and special resolutions is at least two members holding shares granting the right to vote in the Company who are present or represented at the AGM.

By order of the Board,



Company Secretary

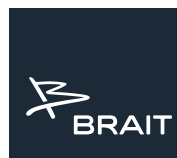
8 July 2022

Registrar and Transfer Agent
Luxembourg
Stonehage Fleming Corporate Services Luxembourg S.A.
58, rue Charles Martel,
Luxembourg
L-2134

Registrar and Transfer Agent
South Africa
S.A. Computershare Investor Services (Proprietary) Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2096

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



BRAIT PLC

(Registered in Mauritius as a Public Limited Company) (Registration No. 183309 GBC)
Listed in Luxembourg and South Africa ("Brait" or the "Company")

Form of Proxy for use by certificated Brait holders of ordinary shares and "own-name" dematerialised Brait holders of ordinary shares only at the annual general meeting on 4 August 2022 at 10h30 MUT

For use only:

- by holders of certificated shares of the Company; and
- holders of dematerialised shares in the Company held through a Central Securities Depository Participant ("CSDP") or broker and who have selected "own name" registration;
- at the annual general meeting of the Company to be held at 10h30 MUT on Thursday, 4 August 2022, at 4th Floor, The Axis, 26 Bank Street, Ebene 72201, Mauritius or at any adjournment thereof ("AGM").

If you are a Brait shareholder entitled to attend and vote at the AGM, you can appoint a proxy or proxies to attend, vote and speak in your stead. A proxy need not be a shareholder of the Company.

If you are a Brait shareholder and have dematerialised your share certificates through a CSDP (and have not selected "own name" registration in the sub-register maintained by a CSDP), do not complete this form of proxy (blue) but instruct your CSDP to issue you with the necessary letter of representation to attend the AGM, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with them.

I/We _____ (full names in block letters) of (address)

being a holder/s of _____ shares in the Company, hereby appoint (see note ii)

1. _____ or (or failing him/her)

2. _____ or (or failing him/her)

3. the Chairman of the Company or failing him/her the Chairman of the AGM, as my/our proxy to attend, speak, and on a poll to vote or abstain from voting on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary or special resolution to be proposed thereat and at any adjournment thereof.

	Number of votes (one per share)		
	In favour	Against	Abstain
Resolution number 1 Receipt and approval of audited accounts for the financial year ended 31 March 2022 and directors' and auditor's reports thereon			
Resolution number 2 (a) Re-election of directors			
2.1 Mr RA Nelson			
2.2 Mr MP Dabrowski			
2.3 Mr JM Grant			
2.4 Ms Y Jekwa			
2.5 Mr PG Joubert			
2.6 Mr PJ Roelofse			
2.7 Mr HRW Troskie			
2.8 Dr CH Wiese			
Resolution number 2 (b) Approval of non-executive director compensation in respect of the period up to the date of the AGM of the Company to be held in 2023			
Resolution number 3 Appointment of auditors			
Resolution number 4 Renewal of the Board's authority to issue ordinary shares			
Resolution number 5 Renewal of the Company's authority to purchase its own shares subject to various limitations			

Note: Please indicate with an "x" in the spaces above how you wish your votes to be cast.

Signed at _____ this _____ day of _____ 2022

Signature: _____

NOTES TO THE PROXY

- i. The following dates are applicable to all Ordinary Shareholders. This notice is being sent to the Ordinary Shareholders on the register of members of the Company as at Friday, 8 July 2022. Ordinary Shareholders registered on the register of members as at Friday, 29 July 2022 ("Record Date") shall have the right to participate in and vote at the AGM. Accordingly, the last day to trade for Ordinary Shareholders in order to be able to participate in and vote at the AGM is Tuesday, 26 July 2022. Any change to an entry on the register of members after the Record Date shall be disregarded in determining the right of any person to attend and vote at the AGM.
- ii. An Ordinary Shareholder entitled to vote may appoint a proxy to attend and vote instead of him/her using the enclosed Form of Proxy. The appointed proxy need not be an Ordinary Shareholder. To be valid, the Form of Proxy must be signed and must reach the Company Secretary at c/o Stonehage Fleming (Mauritius) Corporate Services Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius by not later than Wednesday, 3 August 2022 at 10h30 MUT.
- iii. Should you not wish to send the duly-completed Form of Proxy directly to the Company Secretary you may send it to the appropriate transfer agent:
 - for the Luxembourg share register: Stonehage Fleming Corporate Services Luxembourg S.A., 58, rue Charles Martel, Luxembourg, L-2134, Tel: +352 402 505 401, Fax: +352 402 505 66; or
 - for the South African share register: Computershare Investor Services (Pty) Limited Private Bag X9000, Saxonwold, 2132, South Africa Tel: +27 11 370 5000, Fax: +27 11 668 5238, Email: proxy@computershare.co.zaby not later than Tuesday 2 August 2022 at 10h30 MUT, in order to enable the transfer agent to send it on your behalf for receipt by the Company Secretary by not later than Wednesday, 3 August 2022 at 10h30 MUT.
- iv. In order to participate in and to vote at the AGM, an Ordinary Shareholder or his/her proxy is to present his/her identity card or other means of identification. In the case of an Ordinary Shareholder being a body corporate, association of persons, foundation or other body of persons, a representative thereof will only be eligible to attend and be admitted to the AGM, and to vote there at, if a form of proxy has been (a) duly executed in his/her favour by the competent organ of the entity which he/she represents, and (b) submitted to the Company Secretary in accordance with the procedures set out under (ii) above.
- v. A holder of shares in the Company holding not less than 10 (ten) percent of the voting issued share capital of the Company may:
 - (a) request the Company to include items on the agenda of the AGM, provided that each item is accompanied by a justification or a draft resolution to be adopted at the AGM; and
 - (b) table draft resolutions for items included in the agenda of the AGM.Provided that with respect to the request to put items on the agenda of the AGM or table draft resolutions, these shall be submitted to the Company in hard copy form or in electronic form at least 7 (seven) days before the date set for the AGM and it shall be authenticated by the person or persons making it. In the event that such a request or resolution is received after the lapse of the 7-day time limit set out above, the Company shall not be obliged to entertain any requests by such holders of ordinary shares.
- vi. In the case of ordinary shares held jointly by several persons, the person who had been nominated by the joint holders to be the registered holder of such shares shall be entitled to attend and vote at the AGM. In the event that the joint holders failed to nominate such person, the first named joint holder on the register of members of the Company shall be entitled to attend and vote at the AGM.
- vii. An Ordinary Shareholder who is a minor may be represented at the AGM by his/her legal guardian who will be required to present his/her identity card.
- viii. Admission to the AGM will commence one hour before the advertised and appointed time.
- ix. The following information is also made available to the Ordinary Shareholders on www.brait.com in the Investor Relations section:
 - (a) a copy of this notice;
 - (b) the total number of shares and voting rights at the date of the notice;
 - (c) the documents to be submitted to the AGM; and
 - (d) the proxy forms.

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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

COMPANY SECRETARY

Stonehage Fleming

Suite 420, 4th Floor, Barkly Wharf

Le Caudan Waterfront, Port Louis

Mauritius Tel: 230 213 9334

LUXSE LISTING AGENT

Harney Westwood & Riegels SARL

56, rue Charles Martel

L-2134 Luxembourg

Tel: +352 2786 7102

LUXEMBOURG REGISTRAR AND TRANSFER AGENT

Stonehage Fleming

58, rue Charles Martel

L-2134 Luxembourg

Tel: +352 402 5051

SOUTH AFRICAN TRANSFER SECRETARIES

Computershare Investor Services Pty Ltd

Rosebank Towers, 15 Biermann Avenue

Rosebank, Johannesburg, 2196,

South Africa

Tel: +27 11 370 5000

JSE SPONSOR

Rand Merchant Bank

(A division of FirstRand Bank Limited)

1 Merchant Place, Corner Fredman Drive

and Rivonia Road, Sandton, 2196,

South Africa

INDEPENDENT AUDITORS

PricewaterhouseCoopers

REGISTERED OFFICE

C/o Stonehage Fleming

Suite 420, 4th Floor, Barkly Wharf

Le Caudan Waterfront, Port Louis

Mauritius

Tel: +230 213 6909

ADVISOR

Ethos Private Equity (Pty) Ltd

35 Fricker Road, Illovo

Johannesburg, 2196

South Africa

Tel: +27 11 328 7400

INVESTOR RELATIONS

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www.brait.com