



LISTING PARTICULARS

in relation to the listing of the £150,000,000 6.5% p.a. Convertible Bonds due 4 December 2024 issued by Brait PLC (formerly Brait S.E.), on the Official Market of the Stock Exchange of Mauritius Ltd

LEC/I/02/2021

These Listing Particulars are issued by Brait PLC in relation to the listing on the Official Market of the SEM, by way of an introduction, of the Convertible Bonds as further described in this document.

These Listing Particulars have been prepared in compliance with the Listing Rules of the Stock Exchange of Mauritius Ltd and the Mauritius Securities Act 2005 and contain relevant information relating to the Official Listing of such Bonds on the Official Market of the SEM.

Neither these Listing Particulars nor any information contained herein relating to the Bonds may be treated as a prospectus for the purposes of the Mauritius Securities Act 2005 or be released to the public. Accordingly, nothing in this document shall be construed as an offer to the public in Mauritius or elsewhere.

The circulation and distribution of these Listing Particulars in certain jurisdictions may be restricted by law. Persons who may come into possession of these Listing Particulars are required to inform themselves of, and to observe, any such restrictions. These Listing Particulars do not constitute an offer to sell, or a solicitation of an offer to buy, a security in any jurisdiction in which it is unlawful to make such an offer or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. This document is not meant to be redistributed, reproduced, or used, in whole or in part, for any other purpose.

An application has been made to the SEM for the listing of the Bonds on the Official Market of the SEM.



Brait P.L.C

Registered by continuation in the Republic of Mauritius

Registration number: 183309

Having its registered address at c/o Maitland (Mauritius) Limited, Suite 420, 4th Floor,
Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius

Share code: BAT ISIN (ordinary shares): LU0011857645

Bond code (Frankfurt Stock Exchange): WKN: A2SBSU ISIN: XS2088760157

LEI: 549300VB8GBX4UO7WG59

(“**Brait PLC**” or “**Brait**” or the “**Company**” or the “**Issuer**”)

LISTING PARTICULARS

Brait is an investment holding company focused on realising growth and value creation from its existing portfolio of sizeable, unlisted businesses operating in the broad consumer sector. Brait’s ordinary shares are primarily listed on the Euro MTF market of the Luxembourg Stock Exchange, with a secondary listing on the JSE. Brait’s Convertible Bonds are currently listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange.

The attention of readers is drawn to section 3, which contains a summary definition of all key terms used in these Listing Particulars.

For a full appreciation of these Listing Particulars, the document should be read in its entirety. If you are in any doubt about the contents of this document you may consult an independent qualified person who may advise you accordingly.

This document does not constitute an invitation to the public to subscribe for Bonds or shares in Brait.

A copy of these Listing Particulars is available in English only, accompanied by the documents referred to under “Documentation available for inspection” as set out in section 8 of these Listing Particulars.

These Listing Particulars are issued in compliance with the Mauritius Securities Act 2005 for the purpose of giving information relating to Brait, and pursuant to the SEM Listing Rules governing the listing of the Convertible Bonds on the Official Market of the SEM.

The directors, whose names appear on page 26, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in these

Listing Particulars and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no facts the omission of which would make any statement herein misleading.

The distribution of these Listing Particulars is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of these Listing Particulars are advised to consult their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. These Listing Particulars may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

Certain information contained herein has been obtained from industry sources and other published sources prepared by third parties. The Board has not independently verified and cannot assure the accuracy of any data obtained from such sources. While such sources are believed to be reliable, neither the Company nor its Directors assumes any responsibility for the accuracy of such information.

These Listing Particulars do not purport to be all-inclusive or to contain all the information that a prospective investor may desire in evaluating the Issuer.

Furthermore, nothing in these Listing Particulars shall be construed as a recommendation by the Issuer that any recipient thereof should invest in the Bonds.

FORWARD-LOOKING STATEMENTS

These Listing Particulars contains forward looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include statements relating to:

- the Company's investment and operating strategies;
- the amount and nature of, and potential for, future development of the Company's business;
- various investment opportunities that the Company may pursue;
- the prospective financial information regarding the Company;
- the regulatory environment relating to the Company;
- changes in political, economic, legal and social conditions and risks in any selected markets in which the Company will invest; and
- other factors beyond the Company's control.

In some cases, forward looking statements are identified by such terminology as "may," "will," "should," "could," "would," "expect," "intend," "plan," "anticipate," "going forward," "ought to," "seek," "project," "forecast," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other comparable terminology. Such statements reflect the current views of the Company with respect to future events, operations, results, liquidity and capital resources and are not guarantees of future performance and some of which may not materialise or may change. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it cannot assure prospective investors that

those expectations will prove to be correct, and such investors are cautioned not to place undue reliance on such statements.

In addition, unanticipated events may adversely affect the actual results the Company achieves. Important factors that could cause actual results to differ materially from expectations are disclosed under the section entitled "Risk Factors" in these Listing Particulars. Except as required by law, the Company undertakes no obligation to update or otherwise revise any forward-looking statements contained in these Listing Particulars, whether as a result of new information, future events or otherwise after the date of these Listing Particulars. All forward looking statements contained in these Listing Particulars are qualified by reference to the cautionary statements set forth in this section.

Neither the LEC nor the SEM nor the FSC assumes any responsibility for the contents of these Listing Particulars. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in these Listing Particulars and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

Permission was granted by the LEC on 16 November 2021 in respect of the listing of the Convertible Bonds on the Official Market of the SEM by way of an introduction.

The Convertible Bonds will be listed on the Official Market of the SEM on 30 November 2021. For the time being, the directors of the Company do not anticipate that an active secondary market will develop in the Convertible Bonds on the Official Market of the SEM although the Convertible Bonds are currently traded on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange. Whenever the Company decides to allow dealings in its Convertible Bonds to take place, those dealings must be done on the SEM as per the provisions of Rule 3.A of the Stock Exchange (Conduct of Trading Operations) Rules 2001. All dealings that take place on the SEM shall be cleared and settled through the Central Depository & Settlement Co. Ltd as per Section 3(3) of the Securities (Central Depository, Clearing and Settlement) Act 1996.

Any bondholder wishing to transfer its Convertible Bonds from the SEM to the Frankfurt Stock Exchange or vice-versa, should contact the Registrar (Elavon Financial Services DAC) who will arrange for such transfer(s) between the Exchanges.

No Convertible Bonds are or shall be available in whole or in part to the public.

A copy of these Listing Particulars is available for inspection at the registered office of Brait PLC, at c/o Maitland (Mauritius) Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius for a period of 10 business days starting from the date of issue of these Listing Particulars.

A copy of these Listing Particulars has been filed with the FSC.

Date of issue of this Listing Particulars: 16 November 2021

CORPORATE INFORMATION AND FUNCTIONARIES

Registered office and postal address of the Company

c/o Maitland (Mauritius) Limited, Suite 420, 4th Floor, Barkly Wharf
Le Caudan Waterfront
Port Louis, Mauritius

Subsidiary Office

Brait Mauritius Limited
c/o Maitland (Mauritius) Limited
Suite 420, 4th Floor, Barkly Wharf
Le Caudan Waterfront
Port Louis, Mauritius

Mauritian Transaction Advisor and SEM Authorised Representative & Sponsor

Perigeum Capital Ltd
Level 3, Alexander House
35 Cybercity, Ebene, 72201
Mauritius

Mauritian Legal Adviser

Eversheds Sutherland
2nd Floor, 246 Edith Cavell Court
Port Louis 11302, Mauritius

Luxembourg Registrar and Transfer Agent

Maitland Luxembourg SA
58, rue Charles Martel
L-2134 Luxembourg

South African Transfer Secretaries

Computershare Investor Services Pty Ltd
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg, 2196, South Africa

Company Secretary

Maitland (Mauritius) Limited
Suite 420, 4th Floor, Barkly Wharf
Le Caudan Waterfront
Port Louis, Mauritius

Auditors

PricewaterhouseCoopers
PwC Centre, Avenue de Telfair,
Telfair 80829, Moka, Mauritius

Investment Advisor

Ethos Private Equity (Pty) Ltd
35 Fricker Road, Illovo
Johannesburg, 2196
South Africa

LUXSE Listing Agent

Harney Westwood & Riegels S.à r.l
56, rue Charles Martel
L-2134 Luxembourg

JSE Sponsor

Rand Merchant Bank
(A division of FirstRand Bank Limited)
1 Merchant Place, Corner Fredman Drive
and Rivonia Road, Sandton, 2196,
South Africa

Bankers

Standard Bank (Mauritius) Limited
9th Floor, Tower A, CyberCity
Ebene
Mauritius

First National Bank, a division of FirstRand Bank Limited
1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Johannesburg, 2196
South Africa

FUNCTIONARIES - IN RELATION TO THE CONVERTIBLE BONDS

Principal Paying, Transfer and Conversion Agent

Elavon Financial Services DAC
Cherrywood Business Park,
Building 8, Loughlinstown, Dublin,
D18 W319, Ireland

Registrar

Elavon Financial Services DAC
Cherrywood Business Park,
Building 8, Loughlinstown, Dublin,
D18 W319, Ireland

Calculation Agent

Conv-Ex Advisors Limited Building 8,
30 Crown Place, London EC2A 4EB, UK

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1 STATEMENT BY THE DIRECTORS

The definitions set out in section 3 (Glossary of Terms) of these Listing Particulars have, where appropriate, been used in this section.

The Directors, whose names appear in Section 5.3 of these Listing Particulars,

- (i) accept responsibility for the contents or completeness of these Listing Particulars;
- (ii) declare that, to the best of their knowledge and belief, and after making reasonable enquiries, these Listing Particulars complies with the Listing Rules of the SEM and the Mauritius Securities Act 2005, the information contained in these Listing Particulars is in accordance with facts and these Listing Particulars make no omission likely to affect the import of such information;
- (iii) declare that information sourced from a third party have been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading;
- (iv) declare that any forecasts, estimates or projections of the Issuer provided in these Listing Particulars have been made after due and careful enquiry;
- (v) declare that no change in the nature of the business of the Company is being contemplated following the subsequent listing of the Bonds on the Official Market of the SEM; and
- (vi) declare that there have been no material changes in the financial position or trading position of the Company since the last audited accounts.

The Directors, after having made due and careful enquiry, are of the opinion that the working capital available to the Issuer will be sufficient to satisfy its present requirement, for at least twelve months from the date of issue of these Listing Particulars.

APPROVAL BY DIRECTORS

Approved by the board of directors of the Company on 18 October 2021 and signed on its behalf by:

Pierre George Joubert

Michael Paul Dabrowski

Director

Director

.....

.....

2 SALIENT FEATURES OF THE BONDS

On 4 December 2019, Brait issued £150 million unconditional, unsubordinated and unsecured Convertible Bonds with a five year maturity. The Bonds were 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 arrear in equal instalments. The initial conversion price of £0.9375 per ordinary share represented a 25% premium to the VWAP of Brait's ordinary shares listed on the JSE Limited between open and close of trading on 27 November 2019, converted at the prevailing ZAR:GBP spot rate at the time of pricing.

In the event that the Bondholders have not exercised their conversion rights in accordance with the Terms and Conditions of the Bonds (and the Bonds have not otherwise been previously purchased, cancelled or redeemed), the Bonds will be redeemed at their principal amount in cash by the Issuer on maturity, being 4 December 2024.

The information disclosed in this section are a summary of the salient features of the Bonds and is qualified by the other provisions of these Listing Particulars (including the long term Terms and Conditions of the Bonds set out in Appendix 1). The Terms and Conditions of the Bonds are as submitted to the Frankfurt Stock Exchange in January 2020 in connection with the application for listing of the Bonds on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange, are disclosed in Appendix 1.

Capitalised terms used but not defined in the table below shall have the meanings given to them in the Terms and Conditions of the Bonds set out in Appendix 1 of these Listing Particulars.

Issuer and Security Codes	Brait PLC (formerly Brait S.E.); WKN: A2SBSU; ISIN: XS2088760157
Securities	GBP denominated convertible bonds, convertible into new and/or existing (as determined by the Issuer) Ordinary Shares.
Ordinary Shares	Ordinary Shares of the Issuer (Bloomberg ticker: BAT SJ; Reuters: BAT J.J).
Form of Bonds	Registered.
Status of the Bonds	The Bonds constitute direct, unconditional, unsubordinated and (subject to the Negative Pledge as described in the Terms and Conditions of the Bonds) unsecured obligations of Brait ranking equally among themselves and at least equally with all other existing and future unsecured and unsubordinated obligations of Brait, save for such obligations as may be preferred by provisions of law that are both of mandatory and of general application.
Issue Size	£150 million.
Denomination	£100,000 per Bond.
Coupon	Fixed rate of 6.50% per annum, payable semi-annually in arrear in equal instalments on 4 June and 4 December, commencing on 4 June 2020.

Maturity Date	4 December 2024 (5 year term).
Pricing Date	27 November 2019.
Issue Date	4 December 2019.
Conversion Premium	25% above the Reference Share Price.
Reference Share Price	£0.75 (equivalent to R14.24) per Ordinary Share, being the VWAP of an Ordinary Share on the JSE between open and close of trading on 27 November 2019, converted at the prevailing ZAR:GBP spot rate at the time of pricing on 27 November 2019.
Conversion Rights	Each Bond (after the Issuer has given a Physical Settlement Notice and where the relevant Conversion Date falls on or after the Physical Settlement Date) will (unless previously redeemed, cash settled or purchased and cancelled) be convertible at the option of the Bondholder into Ordinary Shares during the Conversion Period.
Conversion Period	Conversion Rights may be exercised at the option of Bondholders from and including the Physical Settlement Date to and including 20 November 2024 (10 th dealing day immediately preceding the Maturity Date) or, if the Bonds are to be redeemed prior to the Maturity Date, to and including the 10 th dealing day immediately prior to the date fixed for such redemption.
Conversion Price	£0.5219 (£0.9375 at time of pricing, adjusted to £0.6569 for the rights issue of 795,454,545 Ordinary Shares to Shareholders of record on 31 January 2020 and further reset on 16 March 2020 following settlement of the Rights Offer in accordance with the Terms and Conditions), and subject to further adjustment pursuant to the anti-dilution and adjustment provisions provided in the Terms and Conditions at Condition 6(b).
Conversion Ratio	191,607 Ordinary Shares per Bond (106,667.67 at the time of pricing on 27 November 2019), 287,411,381 Ordinary Shares in total ⁽¹⁾ (21.8% of Brait's current issued share capital excluding treasury shares).
Additional Interest Amount	If the Issuer declares a Special Dividend to Shareholders, no adjustment shall be made to the Conversion Price in respect thereof and instead Brait shall (following the application of the investor put provisions described under "Investor Put following a Special Dividend" below) pay to Bondholders in respect of each Bond an equivalent amount in sterling determined by reference to the Fair Market Value per Ordinary Share of

	such Special Dividend and the number of Ordinary Shares underlying such Bond at the prevailing Conversion Price, as set out in Condition 5(d) (<i>Additional Interest Amounts</i>).
Investor Put following a Relevant Event	Upon the occurrence of a Change of Control, a De-Listing Event or a Free Float Event (each a “ Relevant Event ”), the holder of a Bond shall have the right exercisable at any time during the Relevant Event Period to require the Issuer to redeem such Bond at its principal amount, together with accrued and unpaid interest to, but excluding, the Relevant Event Put Date, as described in Condition 7(f) (<i>Redemption at the Option of Bondholders Upon a Relevant Event</i>).
Investor Put following a Special Dividend	<p>If the Issuer intends to declare a Special Dividend to Shareholders, the Issuer (by way of Proposed Special Dividend Notice to Bondholders) shall invite Bondholders to tender their Bonds for repurchase up to the Proposed Special Dividend Amount at a price per Bond equal to its principal amount together with accrued and unpaid interest to, but excluding, the Special Dividend Put Date, as described in Condition 7(h) (<i>Redemption at the Option of Bondholders Following a Special Dividend</i>).</p> <p>“Special Dividend” means any cash Dividend (or portion thereof) declared, announced, paid or made by the Brait to Shareholders directly or indirectly out of the proceeds of any sale or disposal by the Issuer or any of its Subsidiaries of any Investment.</p>
Issuer Clean-up Call	<p>The Issuer may redeem the Bonds, in whole but not in part, at their principal amount, together with accrued and unpaid interest at any time if 85% or more of the aggregate principal amount of the Bonds originally issued have been previously redeemed, cash settled, converted or purchased and cancelled, as described in Condition 7(b) (<i>Redemption at the Option of the Issuer</i>).</p> <p>Each holder may within the Conversion Period elect to exercise its Conversion Rights after having received such redemption notice.</p>
Tax Call/ Gross-up	The Issuer has a tax (gross-up) call at the principal amount of the Bonds together with accrued and unpaid interest to, but excluding, the date fixed for redemption (subject to Bondholders’ right not to be so redeemed and

	to receive, thereafter, net payments on the Bonds), as described in Condition 7(c) (<i>Redemption for Taxation Reasons</i>). The tax gross-up is applicable in the event of withholding or deduction for Mauritian taxation, subject to customary exemptions.
Anti-Dilution Protection	Standard anti-dilution provisions with adjustments to the conversion price, dealing with, <i>inter alia</i> , share consolidations, share splits, capital distributions, rights issues, bonus issues, and ordinary dividends paid in accordance with the Terms and Conditions.
Dividend Protection	The Conversion Price will be adjusted for any dividend paid other than Special Dividends (as further described under “Additional Interest Amounts” above).
Negative Pledge	For Relevant Indebtedness of the Issuer and its Material Subsidiaries (which excludes Investee Companies), as set out in Condition 2 (<i>Negative Pledge</i>).
Cross Acceleration	In respect of any indebtedness in respect of the Issuer and its Material Subsidiaries (which excludes Investee Companies), subject to an aggregate threshold, as set out in Condition 10 (<i>Events of Default</i>).
Financial Covenant	Brait’s “Tangible NAV / Net Debt” ⁽²⁾ ratio shall not be less than 200% so long as any of the Bonds remain outstanding, as set out in Condition 2(b) (<i>Financial Covenant</i>).
Events of Default	In respect of the Issuer and its Material Subsidiaries (which excludes Investee Companies), as set out in Condition 10 (<i>Events of Default</i>).
Listing Exchange	Listed on 29 January 2020 on the Open Market (<i>Freiverkehr</i>) segment of the Frankfurt Stock Exchange.
Governing Law	English Law.

(1) £150 million / €0.5219 conversion price applied to 1,500 Bonds in issue

(2) Per the Terms and Conditions: (i) Tangible NAV based on Brait’s reported NAV; (ii) Net Debt defined as excluding, *inter alia*, any convertible or exchangeable bonds in issue, including the Bonds

3 GLOSSARY OF TERMS

In these Listing Particulars, capitalised terms not otherwise defined in these Listing Particulars shall have the corresponding meaning set out in this table, unless the context otherwise requires.

“Act”	The Companies Act No.15 of 2001 as may be amended from time to time.
“Advisor” or “Investment Advisor”	Refers to EPE, with the investment advisory and administration contract with BML effective from 1 March 2020.
“BML”	Brait Mauritius Limited, registration number C60342 C1/GBL, a company incorporated under the laws of Mauritius. BML is licenced as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2005.
“BML RCF”	The committed revolving credit facility of Brait Mauritius Limited.
“Board”	the Board of Directors of the Issuer for the time being.
“Bonds” or “Convertible Bonds”	The GBP150 million 6.50% convertible bonds due on 4 December 2024 issued by the Company, currently listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange and having a conversion price at the Last Reporting Date of GBP0.5219.
“Bondholder”	The holders of the Bonds.
“Brait Malta”	means Brait Malta Limited, a wholly owned subsidiary of Brait PLC incorporated in accordance with the laws of Mauritius and with its registered address at c/o Maitland (Mauritius) Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius.
“Brait PLC” or the “Company” or “Brait”	Brait PLC, registration number 183309, a company registered by continuation under the laws of Mauritius and holding a Global Business Licence issued by the Mauritian Financial Services Commission and with its registered address at c/o Maitland (Mauritius) Limited, Suite 420, 4th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius.
“Business Day”	Means any day (other than a Saturday, Sunday or public holiday) on which commercial banks settle payments in Mauritius.
“Constitution”	Means the constitution of the Company dated 30 October 2020 as may be amended from time to time.

“Directors”	The directors of the Company as at the date of these Listing Particulars.
“EBITDA”	Earnings before interest, tax, depreciation and amortisation.
“EPE”	Ethos Private Equity Proprietary Limited, registration number 2004/003984/07, a company incorporated under the laws of South Africa and with its registered address at 35 Fricker Road, Illovo, Johannesburg, 2196.
“Ethos Capital”	EPE Capital Partners Limited, registration number C138883 C1/GBL, a company incorporated under the laws of Mauritius and holding Global Business Licence issued by the Mauritian Financial Services Commission and with its registered address at c/o Ocorian (Mauritius) Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius.
“Ethos Fund VII”	Ethos Fund VII GP (SA) Proprietary Limited, in its capacity as the ultimate General Partner of Ethos Fund VII (A) and Ethos Fund VII (B) and with its registered address at 35 Fricker Road, Illovo, Sandton, 2196, South Africa.
“EUR” or “Euro” or “€”	The lawful currency of the European Union.
“EURO MTF Market”	The Multilateral Trading Facility (as defined in the Markets in Financial Instruments Directive) operated by the LuxSE.
“FSC”	Mauritian Financial Services Commission
“GBP” or “Pound” or “Pound Sterling” or “£”	The lawful currency of the United Kingdom of Great Britain and Northern Ireland
“Group”	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.
“Listing Particulars”	these Listing Particulars and its annexures.
“LUXSE”	The Luxembourg Stock Exchange.
“Mauritius”	The Republic of Mauritius.
“Net Asset Value (NAV) per Share”	Ordinary shareholders’ funds divided by the number of outstanding Brait PLC issued ordinary shares.
“Official Market”	The Official List of the Stock Exchange of Mauritius Ltd

“p.a.”	Per Annum
“Reporting Date” or “Last Reporting Date”	31 March 2021
“SEM”	The Stock Exchange of Mauritius Ltd.
“SEM Listing”	The anticipated admission to listing of the Bonds on the Official Market of the SEM.
“Terms and Conditions”	and The Terms and Conditions of the Bonds as submitted to the Frankfurt Stock Exchange in January 2020 in connection with the application for listing of the Bonds on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange and as contained in Appendix 1.
“Treasury Shares”	Brait PLC ordinary shares held by the Group for the vested benefit of the Group
“VASA”	The Virgin Active South Africa business
“ZAR” or “Rand” or “R”	The lawful currency of South Africa

In these Listing Particulars, unless there is something in the subject or context inconsistent with such construction:

- (a) Words importing the singular number only shall include the plural number and vice versa;
- (b) Words importing the masculine gender only shall include the feminine gender;
- (c) Words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;
- (d) References to statutes, enactments, regulations and to articles or sections of enactments shall include references to any modifications or re-enactments thereof for the time being in force;
- (e) The reference to a Section is to a section of these Listing Particulars;
- (f) The references to any Condition are to that Condition of the Terms and Conditions;
- (g) Any reference to days (other than a reference to Business Days), months or years will be a reference to calendar days, months or years, as the case may be;
- (h) Where any term is defined within a particular Condition, that term shall bear the meaning ascribed to it in that Condition wherever it is used in the Terms and Conditions; and
- (i) Headings and sub-headings in the Terms and Conditions are inserted for convenience only.

4 THE COMPANY

4.1 Company Overview

Brait PLC, formerly Brait SE, is an investment holding company initially incorporated under the laws of Luxembourg on 17 June 1976. At an Extraordinary General Meeting held on 22 August 2011, the Board approved a resolution to merge the Company with a Maltese subsidiary- Brait Malta p.l.c., to convert the company into a European Company (Societas Europaea) and to change the domiciliation from Luxembourg to Malta. The Company was accordingly registered by the Registrar of Companies in Malta as a European public limited liability company (Societas Europaea) on 20 November 2011 by way of transfer to its office in Malta.

At an Extraordinary General Meeting held on 30 October 2020, Shareholders approved the transfer of the Company's registered office from Malta to Mauritius, where the Company's main investment subsidiary, Brait Mauritius Limited, is domiciled. The effective date of the redomiciliation to Mauritius is 13 September 2021, being the date on which the Company was struck off the Register of Companies in Malta.

The Company invests in various sectors, including Consumer services-apparel retailer, Consumer services-fitness, Consumer goods-food products, Consumer goods-food retailers, Consumer goods-furnishings and Other. The Company's current investment portfolio includes Virgin Active, Premier, New Look, and Consol.

Brait PLC's primary listing (ordinary shares) since 1998 has been held on the Luxembourg Stock Exchange (the Euro MTF Market from November 2011), with a secondary listing on the JSE. The Company also has issued Convertible Bonds which are listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange since 29 January 2020. The Company's Convertible Bonds will now be listed on the Official Market of the SEM as a dual primary listing on 30 November 2021.

4.2 Brait Mauritius Limited

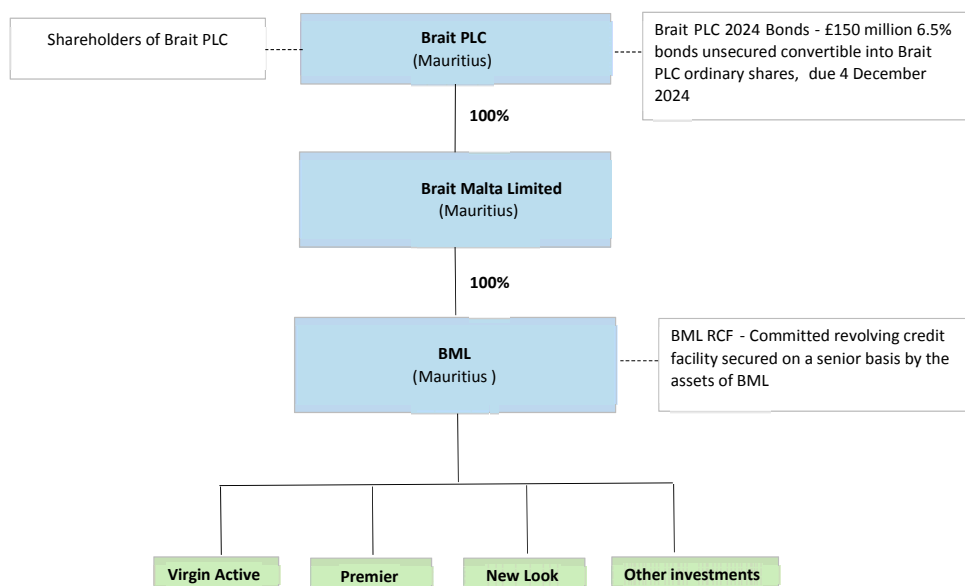
The Group's investments are made through Brait Mauritius Limited, a wholly owned subsidiary of Brait PLC.

Authority has been delegated by the Brait PLC Board to BML to identify, evaluate and recommend any investment related decisions. The Brait PLC Board concludes all investment related decisions.

BML acts as the main investment company for Brait PLC and its subsidiaries and is the legal and beneficial owner of the Group's investments. BML is responsible for managing the investments. BML is licenced by the Mauritian Financial Services Commission as a registered investment advisor in accordance with the provisions of section 30 of the Mauritius Securities Act of 2005.

BML has engaged EPE to act as the contracted Investment Advisor to BML and to provide services as determined in accordance with the advisory agreement entered into between the parties with effect from 1 March 2020. The services provided by EPE are non-discretionary and EPE has no authority or power to take any management or investment decision or bind BML. EPE is separately owned and independent of the Group.

4.3 Group Structure Chart



4.4 Investment Strategy of Brait PLC

Historically, the strategy of Brait had been that of a strategic long term investment holding company, which sought to drive growth in NAV and value creation via its portfolio of sizeable, unlisted businesses in the broad consumer sector, reviewing its portfolio for realization opportunities and taking into consideration liquidity requirements.

Since February 2020, the Board's strategy has focused on maximising value through the realisation of its existing portfolio companies over the medium term and returning capital to shareholders. The Board, assisted by BML and its contracted investment advisor, EPE continues to 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; with the exception of Brait having agreed in June 2021 to provide its proportionate 80% share of a total R750m shareholder guarantee to the Virgin Active South Africa (“VASA”) lending banks as part of the restructuring and extension of the VASA debt facilities. Brait’s R600m share of the guarantee will be reserved from the existing available undrawn BML RCF.
- Brait may hold short-term investments, debt instruments and increased levels of cash depending on market conditions and other circumstances.

4.5 Investment Advisor

Since 1 March 2020, EPE has been the contracted Investment Advisor to BML. EPE has a 35-year history of generating realised returns for investors, leveraging its execution capability and exit track record to execute the Company’s stated strategy. BML has an investment services agreement detailing the terms by which EPE provides BML with investment advisory and administration services on a non-discretionary basis.

EPE Capital Partners Limited and Ethos Fund VII, affiliates of EPE, collectively own 12.3% of Brait at the Last Reporting Date and remain strategic equity partners of the Company.

The Board, with the assistance of EPE, remain focused on strategies for Brait’s portfolio companies to realise value from the portfolio over the next five years and return capital to Brait shareholders.

Key Principles of the Investment Services Agreement between BML and EPE

- Three-year tenor, with an annual renewal thereafter at an initial cost of R100 million per annum, with inflation linked increases;
- EPE provides accounting, administration, corporate finance, investment advisory, investor relations and general corporate secretarial services to BML;
- 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.
- As a result of the impact of Coronavirus and in line with the principles above:
 - EPE’s advisory fees were voluntarily reduced by 25% for the first quarter of FY2021, resulting in savings of R6 million.
 - EPE voluntarily agreed to reduce its advisory fee for calendar year 2021 from c.R105 million to R90 million, of which R4 million relates to FY2021.

To align the interests of Brait shareholders and EPE in terms of value creation:

- The Board has approved an annual Short-Term Incentive (“STI”) for EPE based on predetermined 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 FY2021 of R23 million. As set out above, EPE voluntarily reduced its advisory fees by a total of R21 million (of which R10 million is applicable to FY2021, resulting in total fees to the Advisor in FY2021 of 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 the interests of EPE with those of Shareholders in delivering on Brait’s strategy of realizing value from the portfolio 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 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. As at Last 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. Over the last 35 years the firm has had 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 Continent’s leading alternative asset investors.

The diversification strategy has led to the launch of new Artificial Intelligence, Mezzanine and Mid-Market Funds as well as the listing of Ethos Capital.

EPE’s investment activities are led by highly experienced private equity and mezzanine teams, comprising more than 20 partners throughout the firm. 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

4.6 Investment Portfolio

As at the date of these Listing Particulars, the investment portfolio of the Company comprises the following:-



Virgin Active is one of the leading international health club operators. The company's ambition is to become the world's most loved exercise brand, inspiring people to lead an active life through offering outstanding exercise experiences to people whoever and wherever they are. Virgin Active strives to provide customers with a combination of a leading physical experience and a world class digital offering.

At 31 March 2021, Brait's effective economic interest in Virgin Active was 79.4%, which is equivalent to 48% of Brait's total assets.



Founded in 1820 as a traditional milling & baking business, Premier has invested in its facilities and made corporate acquisitions, expanding its portfolio to become a leading FMCG player offering branded and private label solutions.

The business has strong heritage brands in bread, maize meal, wheat flour, feminine hygiene and sugar confectionary. Premier serves all channels to the market and operates through a wide footprint across South Africa, Eswatini, Lesotho and Mozambique with a Lil-lets sales office in the UK. In South Africa, its fleet of around 850 bakery trucks make 33,000 bread deliveries a day. Premier produces c.575 million loaves of bread per annum with significant exposure to the informal market which accounts for c.70% of sales volumes.

At 31 March 2021, Brait's effective shareholding in Premier was 97.1%, which is equivalent to 45% of Brait's total assets.

NEW LOOK

New Look is a UK multichannel fashion brand, offering exciting, on-trend, value-fashion with a broad appeal for women and teenage girls (and including an online men's range). Significant progress has been made on the Company's strategy to deliver financial and operational stability.

At 31 March 2021, Brait's effective (undiluted) shareholding in New Look was 18.3%, which is equivalent to 3% of Brait's total assets.

4.7 Group Funding Position

As at the Last Reporting Date, Brait had R954 million available undrawn facilities on its BML RCF (term of 28 February 2023), being the facility of R4,371 million less amount drawn of R3,417 million. Together with cash on hand, this resulted in total liquidity of R1,167 million at balance sheet reporting date.

Following the English Court sanctioning of the Virgin Active UK Restructuring Plan, Brait, drawing on its BML RCF, advanced its pro-rata 80% share (GBP16m) of the total GBP20 million Post-Implementation Facility to Virgin Active UK on 12 May 2021, resulting in a drawn balance on the BML RCF of R3,665 million as at this date.

In June 2021:

- Brait has signed a term sheet with its Lenders and is in the process of concluding the requisite legal agreements to increase the limit of its BML RCF from the current amount of R4.4 billion to R5 billion. With effect from 1 July 2022, the limit on the BML RCF will revert to a maximum of R4 billion for the remaining tenure to 28 February 2023. The initial interest margin on the increased facility is the three-month JIBAR plus 5%, with additional pricing ratchets to apply depending on the level drawn. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of BML.
- Brait agreed to provide its pro-rata 80% share (R600m) of a total R750m guarantee to VASA's lending banks as part of the restructuring and extension of the existing VASA debt facilities. Such amount will be reserved from the available BML RCF.

This results in Brait's available liquidity, post balance sheet date, of R831 million. Brait remains focused on de-gearing and continues to assess a number of liquidity options.

4.8 Share Capital

The Company has issued ordinary share capital of ZAR9,924 million represented by 1 319 992 804 shares of €0.22 par value each.

The Company has reserved, for the allocation and potential issue from conversion on maturity of the Convertible Bonds, 287 411 381 ordinary shares in terms of its obligation to the holders of the Bonds.

The Company has 20 000 000 authorised but unissued preference share capital.

R'm	Number of shares in issue	Issued ordinary share capital	Number of shares in issue	€'m
4 476	525 599 215	31 March 2019	525 599 215	508
1 152		Share capital		116
3 324		Share premium		392
5 448	848 484 848	Rights Offer and specific issue of shares	848 484 848	339
9 924	1 374 084 063	31 March 2020	1 374 084 063	847
4 157		Share capital		303
5 767		Share premium		544
9 924	1 374 084 063	31 March 2021	1 374 084 063	847
3 927		Share capital		290
5 997		Share premium		557
	(54 091 259)	Treasury shares cancelled	(54 091 259)	
	1 319 992 804		1 319 992 804	

Rights attached to Ordinary Shares

Ordinary shares rank *pari passu* in all respects as regards dividends and participations in assets on a winding up of the Company.

The holders of the Ordinary Shares have the right to receive notice of, attend and vote at meetings. Each ordinary share entitles the holder to one (1) vote.

Shareholder Analysis

	Shareholders Number	%	Shares held Number	%
Distribution of shareholders at 31 March 2021				
Range of shareownings				
1 – 1,000	6 269	58.38	1 413 265	0.11
1,001 – 10,000	2 969	27.65	10 884 278	0.82
10,001 – 100,000	1 137	10.59	36 214 039	2.74
100,001 – 1,000,000	259	2.41	86 724 405	6.57
more than 1,000,000	104	0.97	1 184 756 817	89.76
Total	10 738	100.00	1 319 992 804	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 the Last Reporting Date, the spread of shareholders holding more than 5% of the Company, was as follows:

Investment managers

	Shares held Number	%
Public Investment Corporation (PIC)	140 101 332	10.61
Ninety One Plc	131 999 280	10.00
Mergence Investment Managers Pty Ltd	122 651 012	9.29
Allan Gray	89 913 523	6.81
Kagiso Asset Management (Pty) Ltd	77 123 947	5.84
Total	561 789 094	42.55

	Shares held No. of Shares	%
Beneficial owners holding		
Dr CH Wiese ⁽¹⁾	372 871 069	28.25
Government Employees Pension Fund (GEPF)	203 422 287	15.41
Ethos Fund VII	87 606 060	6.64
Ethos Capital	75 090 910	5.69
Total	738 990 326	55.99

- (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 Performance on the JSE

Performance on the JSE Limited* for the years ended 31 March	2021	2020	2019	2018	2017
Price performance					
Traded prices (South African cents per share)					
– year-end closing price	261	375	2 400	3 610	7 820
– high	438	2 529	4 358	8 795	17 056
– low	230	274	2 385	3 425	7 362
– weighted average price per share traded	321	1 245	3 697	5 329	10 531
Volume performance					
Number of shares in issue ('000)	1 319 993	1 374 084	525 599	525 599	521 012
Volume of shares traded ('000)	520 061	352 713	233 752	408 175	386 814
Number of transactions	115 071	169 034	228 089	475 148	973 862
Volume traded as % of shares in issue	39	26	44	78	74
Number of shareholders (at 31 March)	10 738	9 656	11 823	20 027	20 679
Value performance					
Value of shares traded					
– ZARm	1 669	4 392	8 641	21 876	40 736
Market capitalisation at 31 March (m)					
– ZARm	3 445	5 153	12 614	18 974	40 743

Liquidity rating of securities

Brait's shares have a class one maximum liquidity rating on the JSE Limited

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

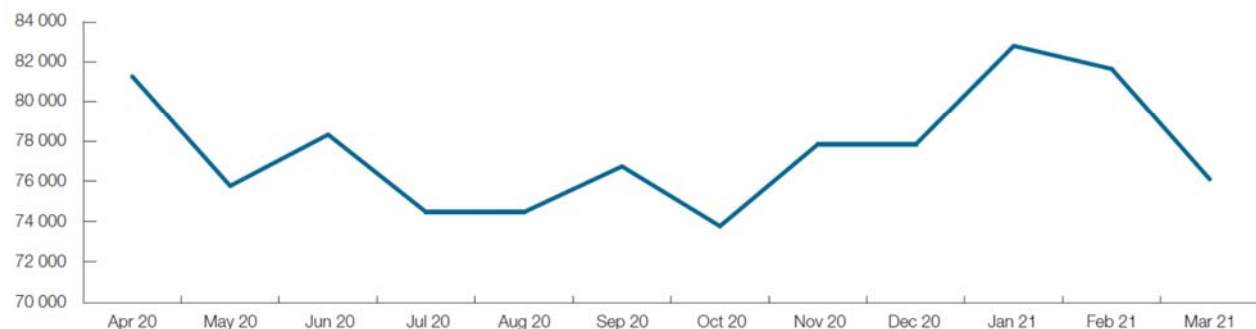
4.9 Convertible Bonds

On 4 December 2019, Brait received £150 million from the issuance of its five year unsubordinated, unsecured Convertible Bonds. The Bonds are currently 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.

Performance of the Bonds on the Frankfurt Stock Exchange

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

2024 Convertible bond price (£)



The Bonds will also be listed on the Official Market of the SEM as from 30 November 2021.

Rationale for the SEM Listing

Brait Plc through its 100% owned subsidiary, Brait Mauritius Limited (BML), is present in Mauritius since 1998. BML is the investment arm of Brait and holds all the investments made by the Group. BML has offices in Mauritius and employs 2 fulltime executive directors supported by other staff. As part of cost rationalization and simplification of the group structure, Brait Plc has decided to re-domicile from Malta to Mauritius and is duly licensed by the FSC as an investment holding company with a Global Business licence.

In addition to the conditions specific to operating in its so-called Global Business sector, Mauritius has a wide network of tax treaties and investment protection agreements with African countries, in addition to bilateral economic cooperation agreements. Mauritius ease of doing business, recognised good governance, well-developed banking system, absence of foreign exchange control, forward-looking legislation and quality of professional services are the main drivers having positioned the country as a preferred platform for investment and trade with Africa.

For these reasons, Brait plc has taken the decision to request for a listing of the Convertible Bonds on SEM. This will further enhance its presence in Mauritius and boost its place of effective management.

4.10 Material contracts

As at the Last Reporting Date, there were no contracts (other than those entered in the ordinary course of business of the Company) entered into within the two years preceding the date of issue of these Listing Particulars by the Company: (i) which is or may be material or (ii) which contain any provisions under which the Company has any obligations or entitlements which are, or may be material.

4.11 Other information

4.11.1 Independent Auditors

PricewaterhouseCoopers (Malta) was the statutory auditors for the Company and the Group for the financial year ended 31 March 2021 and PricewaterhouseCoopers (Mauritius) has been appointed as the statutory auditors for the financial year ending 31 March 2022.

4.11.2 Mauritian Transaction Advisor

The Company has appointed Perigeum Capital Ltd (“Perigeum Capital”) as its Mauritian transaction advisor. Perigeum Capital holds an Investment Advisor (Corporate Finance Advisory) license issued by the FSC in February 2017. It has been in existence since 2016 and is a corporate finance house which is geared towards providing businesses with the professional representation and insight they need to execute successful transactions within the precincts of their individual corporate objectives and beyond.

Perigeum Capital shall handle the listing application process with the SEM. Perigeum has also been engaged as the SEM authorised representative and sponsor of Brait PLC and will advise the Company and its directors on compliance with ongoing SEM listing obligations.

4.11.3 Company Secretary

The Board leverages off the existing operations within Maitland (Mauritius) Limited, its duly appointed Company Secretary.

Maitland (Mauritius) Limited is licensed by the FSC to provide a comprehensive range of fiduciary services to international businesses.

5 MANAGEMENT OF THE COMPANY

5.1 The Board of Directors

The Board of Directors is the link between the Company and its stakeholders and Board members are collectively responsible to lead and control the Company to enable it to attain its strategic objectives. In discharging its duties, the Board shall be guided by the interests of the Company and its business and shall take into account the interests of its stakeholders. The Board is ultimately accountable to the shareholders of the Company. The broad responsibilities of the Board are to:

- Set the Company's vision, mission and values;
- Determine the strategy and policy of the Company to achieve those objectives;
- Monitor and evaluate the implementation of strategies, policies and performance measurements thereof;
- Exercise leadership, enterprise, integrity and judgment in directing the Company;
- Identify and assess key risk areas of the business and ensure measures are taken to mitigate those risks;
- Ensure that effective internal control systems are in place to safeguard the Company's assets;
- Ensure compliance with laws and regulations, including risk management and corporate governance practices and disclosure requirements;
- Assess the internal and external audit functions;
- Approve the annual report and interim financial statements of the Company;
- Ensure adoption of good corporate governance practices;
- Ensure effective communication with shareholders, bondholders and other stakeholders;
- Together with the Company's advisors, review any legal or tax matters that could have a significant impact on the Company's business;
- Review executive management reports detailing the accuracy and overall effectiveness of the Company's risk management function and its implementation by management, and reports on internal control and any recommendations, and confirm that appropriate action has been taken;

- Review the risk philosophy, strategy and policies and ensure compliance with such policies, and with the overall risk profile of the Company;
- Monitor procedures to deal with and review the disclosure of information to shareholders and bondholders and ensure that reports to shareholders and bondholders as required are submitted on a timely basis.

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.

5.2 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.

Pursuant to the reconstituted Board approved by Shareholders at the Annual General Meeting held on 13 August 2020, the Board committees were reconstituted to comprise the Audit and Risk Committee, a combined Remuneration and Nominations Committee, and the Corporate Social Responsibility Committee, the latter subsequently changed to the Environmental, Social and Governance ("ESG") Committee. Up to 13 August 2020, these committees comprised the Audit and Risk Committee, the Treasury Committee, the Remuneration Committee, the Nominations Committee and the Corporate Social Responsibility 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.

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.

Remuneration and Nomination Committee

Pursuant to the reconstitution stated above, the Remuneration and Nomination Committees were combined into a single committee, namely the Remuneration and Nomination committee. The individual committees' responsibilities were assumed by the combined committee. 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.

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.

Environmental, Social and Governance Committee

During the year, the CSR Committee was changed to the Environmental, Social and Governance (“ESG”) committee to recognise the committee’s 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.

The composition of the various Board Committees are set out below:-

Audit and Risk Committee	Remuneration and Nomination Committee	ESG Committee
Pierre George Joubert (Chairman)	Hermanus Roelof Willem Troskie (Chairman)	James Murray Grant (Chairman)
James Murray Grant	Pierre George Joubert	Michael Paul Dabrowski
Hermanus Roelof Willem Troskie	Yoza Jekwa	Yoza Jekwa

5.3 List of Directors and their profile

The Board currently consists of 8 members, namely:

Surname	Name	Age	Business Address	Title	Current Occupation
Nelson	Richard Anthony	73	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Independent Non-Executive Chairman
Dabrowski	Michael Paul	44	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Independent Non-Executive Director
Grant	James Murray	61	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Independent Non-Executive Director

Jekwa	Yoza	45	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Non-Executive Director
Joubert	Pierre George	56	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Independent Non-Executive Director
Roelofse	Paul Johannes	43	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Non-Executive Director
Troskie	Hermanus Roelof Willem	51	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Mr.	Independent Non-Executive Director
Wiese	Christoffel Hendrik	79	Suite 420, Barkly Wharf, Le Caudan Waterfront, Port Louis	Dr.	Non-Executive Director

The Directors of Brait PLC have not:

- any unspent convictions in relation to indictable offences;
- any bankruptcies or individual voluntary arrangements;
- any receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or any class of its creditors of any company where they were a director at the time of or within the twelve months preceding such events;
- any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where they were a partner at the time of or within the twelve months preceding such events;
- been involved in any receiverships of any asset or of a partnership of which they were a partner at the time of or within the twelve months preceding such events; and
- any public criticisms by statutory or regulatory authorities (including recognised professional bodies), and have never been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

1) **Richard Anthony Nelson**

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 analysis.

2) Michael Paul Dabrowski

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 Maitland (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 Maitland, 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 KPMGs 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.

3) James Murray Grant

Date appointed: 13 August 2020

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.

4) Yoza Jekwa

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 Principle 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.

5) Pierre George Joubert

Date appointed: 13 August 2020

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

Pierre is the CEO of Universal Partners, an investment holding company listed on the Stock Exchange of Mauritius and the Alt X 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 18 years. He is also a member of the Ashburton Private Equity Fund 1 investment committee and 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.

6) Paul Johannes Roelofse

Date appointed: 13 August 2020

Qualifications: B.Acc (Cum Laude) degree and B.Acc (Hons) degree from the University of Stellenbosch, CA(SA) and CFA charterholder

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.

7) Hermanus Roelof Willem Troskie

Date appointed: 27 July 2005

Qualifications: BJuris, LLB, LLM

Herman is the deputy chief executive officer of Maitland, a global advisory and administration firm. Herman is based in Luxembourg and has extensive experience in the areas of capital markets and corporate governance, with a particular interest in integrated structuring for entrepreneurs and their businesses. He is a non-executive director of a number of public and private companies, including Tradehold Limited and Ardagh Group S.A. He is a solicitor of the Senior Courts of England and Wales.

8) Dr. Christoffel Hendrik Wiese

Date appointed: 04 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, 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.

5.4 Directors' interests in the share capital

The following table shows the interests of the Directors in the share capital of the Company as at the Last Reporting Date.

Directors	Net Transactions during the year ¹	Direct holding	Indirect holding
RA Nelson	-	-	-
PG Joubert	-	-	-
Y Jekwa	-	-	-
JM Grant	-	-	-
PJ Roelofse ²	-	-	-
Dr LL Porter ⁴	-	-	-
HRW Troskie	-	134 350	-
Dr. CH Wiese ³	20 235 924	-	340 047 532
Total	20 235 924	134 350	340 047 532

1. The table above does not include trades by closely associated persons (CAP's) reported to the market in terms of the MAR;
2. 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;
3. CAP's of Dr Wiese at 31 March 2021 held 32,823,537 shares (31 March 2020: 32,823,537). Dr Wiese also has 55 545 single stock futures with a nominal exposure to 5 574 000 Brait ordinary shares.
4. With effect from 18 May 2021, pursuant to the transfer of registered address from Malta to Mauritius, Dr LL Porter (resident in Malta) resigned from the Board, with Mr MP Dabrowski (resident in Mauritius) appointed by the Board as replacement Independent Non-Executive Director.

5.5 List of directorships

Appendix 5 lists the companies and partnerships of which each director of the Company is currently a director or partner as well as the companies and partnerships of which each director of the Company was a director or partner over the five years preceding these Listing Particulars.

5.6 Conflicts of Interests

- A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.
- For the purposes of above, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry into the transaction or disclosure, of the

interest, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

- A director of the Company having a material interest in a transaction entered into or to be entered by the Company shall not vote on a matter relating to the transaction in which he or his associates have a material interest and shall not be counted among the directors present at the meeting for the purposes of a quorum.
- The Company maintains a director's interests register pursuant to the Act and ensures that it is updated regularly.
- All Directors are required to notify the Company Secretary in writing of their direct and indirect interests in Brait PLC.
- Directors, becoming aware of the fact that they are interested in a transaction or proposed transaction with the Company, disclose this to the Board and cause this information to be entered in the interests register.

5.7 Remuneration and benefits (Non-Executive Directors)

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.

Pursuant to Brait's focus on cost savings, aggregate compensation for directors decreased to £488 000 for FY2021, a significant decrease on FY2020 compensation for directors. In accordance with the shareholder approval obtained at the AGM held on 13 August 2020, the reconstituted Board's compensation was £337 000 for FY2021. This approved level of compensation takes into consideration directors' time commitments, responsibilities, skills and experiences in rendering their services.

An unchanged maximum aggregate amount of compensation, subject to the effect of the £/R exchange rate, of £400 000 is proposed for the financial year ending 31 March 2022. This is in line with the mandate obtained from Shareholders at the AGM held on 13 August 2020.

	2021 Total Fees ¹ GBP'000	2020 Total Fees ¹ GBP'000
RA Nelson (Chairman) ²	38	-
PG Joubert ²	38	-
JM Grant ²	38	-
Y Jekwa ²	30	-
PJ Roelofse ²	24	-
HRW Troskie ³	64	85
Dr LL Porter ⁵	35	42
Dr CH Wiese	70	152
	337	279
PJ Moleketi ⁴	55	179
CS Seabrooke ⁴	41	134
JC Botts ⁴	29	94

AS Jacobs ^{3,4}	26	85
Total	488	771

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. Appointed at the AGM held on 13 August 2020.
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 Jacobs received an additional £8 556 (FY2020: £14 720) and Mr Troskie received an additional £12 524 (FY2020: £14 722) paid by BML.
4. Did not stand for re-election at the AGM held on 13 August 2020 and resigned with effect from that date.
5. With effect from 18 May 2021, pursuant to the transfer of registered address from Malta to Mauritius, Dr LL Porter (resident in Malta) resigned from the Board, with Mr MP Dabrowski (resident in Mauritius) appointed by the Board as replacement Independent Non-Executive Director.

6 RISK FACTORS

General

The risk factors which are considered by the board to be material are described in this section. However, these factors should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. The operations of the Company may be adversely impacted by additional risks not presently known to the board or that the latter currently considers being immaterial.

The Board will have the responsibility of identifying and managing the risks but can delegate such to responsibility for supervising risk management processes and activities to the Company's Audit and Risk Committee. The Committee will provide assistance to the Board in fulfilling its oversight responsibilities for the financial reporting process, risk management, the system of internal control, the audit process, and the Company's process for monitoring compliance with laws and regulations.

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

Context	Risk description & Response
Liquidity	Access to facilities is key to the Group's business model and ensuring prompt response to investment opportunities:
	<p>➤ Insufficient capital for investments, working capital and inability to meet current and future obligations</p> <ul style="list-style-type: none"> ▪ The Group has available credit facilities with banks and also actively pursues various capital raising mechanisms. ▪ As at 18 June 2021, Brait has signed a term sheet with its Lenders and is in the process of concluding the requisite legal agreements to increase the limit of its BML RCF from the current amount of R4.4 billion to R5 billion. With effect from 1 July 2022, the limit reverts to a maximum of R4 billion for the remaining tenure to 28 February 2023. ▪ 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 ensure strong working relationships across the Group and portfolio. Discussions are held with the senior credit executives of the Lenders post the interim and final results presentations in order to facilitate a good understanding of the Group's operations. ▪ 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.
Group NAV	Growth in NAV drives the Group's business model:
	➤ Underperformance by portfolio companies

	<ul style="list-style-type: none"> ▪ Thorough due diligence and analytical assessments are completed by the Group on all investments considered by the Board. ▪ 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 latest management accounts and comparisons to budget. ▪ The Group receives feedback on portfolio companies from BML on at least a quarterly basis. <p>➤ Exchange rate fluctuations</p> <ul style="list-style-type: none"> ▪ The Group continuously monitors its currency exposures, entering into hedging strategies where necessary. <p>➤ Key risks identified at the portfolio company level</p> <ul style="list-style-type: none"> ▪ 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. <p>➤ Economic outlook</p> <ul style="list-style-type: none"> ▪ Economic outlook is continually monitored and discussed with respective management teams to ensure portfolio companies are well placed. ▪ Portfolio company management teams have proactively implemented plans to address the unprecedented impact of the Coronavirus, with a focus on health and safety of customers, reducing costs, preserving cash and maximising liquidity to manage through this difficult period. Engagement with key stakeholders continues across the portfolio to ensure appropriate actions are instituted given the changed operating environment.
Systems and data protection	The proper alignment of IT systems which support business processes and procedures to deal with disaster recovery with the least amount of interruption:
	<p>➤ Inadequate IT system processes and procedures to deal with disaster recovery</p> <ul style="list-style-type: none"> ▪ 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 within the group. <p>➤ Insufficient protection from malicious IT attacks</p>

	<ul style="list-style-type: none"> ▪ 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.
People	Alignment is a key investment thesis for the Group and a major contributor to addressing reliance on directors/individuals:
	<ul style="list-style-type: none"> ➤ Loss of key individuals at Group level, portfolio company level and in professional advisors <ul style="list-style-type: none"> ▪ 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.
Legislation	The Group’s ability to manage compliance with all relevant legislation across the jurisdictions it operates
	<ul style="list-style-type: none"> ➤ Non-compliance with stock exchange requirements <ul style="list-style-type: none"> ▪ The Group utilises external service providers to assist with the compliance of the various requirements for the Group’s listing on the Luxembourg Stock Exchange (Group’s primary listing) and Johannesburg Stock Exchange (Group’s secondary listing). ▪ 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. ➤ Non-compliance with legislation, tax and exchange control <ul style="list-style-type: none"> ▪ The Group has retained legal advisors in the various jurisdictions it operates. ▪ 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. ▪ 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.

Financial	Effective financial controls maintenance ensures safeguarding of assets and early response to any emerging risks:
	<p>➤ Financial Risk Management</p> <p>i. <u>Capital Management</u></p> <p>The Group policy is to maintain a strong capital base so as to maintain investor and market confidence and to sustain the future development of the business.</p> <p>The Group's objectives when managing capital are to:</p> <ul style="list-style-type: none"> • 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. <p>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 Brait has been considered in the context of its existing cash and near cash resources, its current debt levels, Convertible Bonds funding and associated obligations. For the current year no cash dividend has been declared as the Board has resolved to reduce debt at the Brait level 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.</p> <p>ii. <u>Market Risk</u></p> <p>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.</p> <p>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 (SOCI)/ statement of changes in equity (SOCE) is disclosed in the sections below:</p> <p>a. Equity Risk Management</p> <p>Equity risk is the potential change in the value of a financial instrument resulting from changes in market conditions. The valuation of unquoted investments depends upon a combination of market factors and the performance of the underlying asset. The</p>

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 portfolio companies.

Brait's predominant exposure to equity risk is related to the sensitivities of movements in the fair value of its investments. The valuation multiple applied in determining the fair value of Brait's investments is generally 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. The three year trailing average peer multiple at reporting date is also considered. Where maintainable earnings are based on a post Coronavirus sustainable level, peer average forward multiples for the corresponding forward period are used as the reference measure.

b. 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 those designated at fair value through profit or loss, are carried at amortised cost. The amortised cost valuation for Premier shareholder funding approximates fair value as these loans are variable at market related rates. Shareholder funding in Virgin Active has 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 semi-annually 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%.

c. Foreign exchange rate risk management

The Group's financial statements are prepared using both the Euro and Rand as its presentation currencies. The Group's subsidiaries have one of three functional currencies: GBP (£/GBP), SA Rand or USD (US\$). The holding company, Brait PLC, and its main operating subsidiaries use GBP 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 both the Euro and Rand as its presentation currencies.

Brait does not seek to hedge the carrying value of foreign investments but will consider hedging strategies for cash flows denominated in foreign currencies 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 GBP and Rand denominated.

iii. 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.

iv. 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.

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.

Liquidity will be settled through cash on hand, and through the use of proceeds received on investments realised.

- 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 / Investment risks**

- **The Company may be unable to implement its strategy**

In 2020, the Board resolved to adopt a new strategy for the Company to focus on maximising value through the realisation of the Company's existing Portfolio Companies over a five year period and returning capital to Shareholders. However, there can be no assurance that it will be able to divest all or a part of its interest in the Portfolio Companies or achieve its targeted returns for the Portfolio Companies in that period of time or at all.

Moreover, in executing its strategy, the Company intends to continue to pursue policies for each Portfolio Company that mitigate the Company's investment risk. These policies include, but are not limited to, seeking to ensure that the investment and capital expenditure initiatives of its Portfolio Companies are carefully monitored and aligned with the stated strategic objectives of those businesses; continuing to ensure that these companies maintain strong, experienced and aligned management teams; and maintaining, together with EPE, representation on the boards of each Portfolio Company (including audit and risk committees). However, there can be no assurance that the Company will be successful in achieving these goals.

The Company's inability to implement its strategy could have a material adverse effect on the Company's business, financial results, NAV or the value of the Rights and the Exchangeable Bonds.

▪ **The Company's investments are limited in number**

The Company currently holds investments in three major Portfolio Companies and, as part of its strategy, intends to divest its interests in these companies over the next five years. As a result, its NAV may be subject to greater volatility by the unfavourable performance of any single investment, particularly as the size of its investment portfolio declines. In addition, as the Portfolio Companies operate in the broader consumer sector, their financial performance will be susceptible to fluctuations in value resulting from adverse economic and business conditions that affect the sector generally, such as levels of disposable consumer income, inflation, taxation policies and competition, as well as those in particular that affect the retail clothing market in the case of New Look, the South African fast moving consumer goods manufacturing sector in the case of Premier, and the health, fitness and wellbeing market in the case of Virgin Active, any of which could have a material adverse effect on the Company's business, financial results, NAV or the value of the Rights and the Exchangeable Bonds.

▪ **Impact of the Covid-19 Pandemic on our Portfolio Companies**

Our results of operations may be negatively impacted by the Coronavirus outbreak. Various governments in the jurisdictions in which our portfolio companies have, and continue to, take a number of measures to contain the spread of Coronavirus. These measures have, in certain instances, adversely impacted our Portfolio Companies. In particular, we set out below the impact of governmental measures taken in response to the COVID-19 pandemic on Virgin Active and New Look:

- *Virgin Active*

Virgin Active's operates within the territories of the United Kingdom, Asia Pacific (Australia, Thailand, and Singapore) and Southern Africa. A vast majority of clubs in the Asia Pacific closing their operations and expected reopen from August 2021 with memberships on freeze. In respect of the United Kingdom, three City of London clubs have been closed permanently with members transferred to nearby clubs to reduce exposure to changing working patterns, this has reduced the number of City of London clubs from 9 to 6. Clubs within Italy reopened in May 2021 having been closed since October 2020 and are subject to restrictions including proof of vaccination. In respect of Southern Africa clubs

have been operating with capacity restrictions as a result of the third-wave lockdowns, resulting in an increased number of members on freeze, termination in line with expectations however new sales impacted by governmental restrictions and a higher number of members have chosen to keep their membership on freeze than expected.

- *New Look*

New Look is a UK based multichannel fashion brand, operating in the value segment of the clothing, footwear and accessories market. New Look has been significantly impacted by COVID-19 given the omnichannel nature of the business. During the United Kingdom lockdown periods stores were required to be closed which adversely impacted the New Look groups revenue.

The future impact of the Coronavirus outbreak is highly uncertain and cannot be predicted and there is no assurance that the outbreak will not have any further material adverse impact on the future results of the Company and/or its Portfolio Companies. The extent of the impact, if any, will depend on future developments, including actions taken by the relevant authorities to contain the Coronavirus.

▪ **Other measures:**

- Representation on portfolio company audit and risk committees.
- Internal audit function is also encouraged across the portfolio companies.

7 FINANCIAL INFORMATION

7.1 Financial Statements of the Company

The Accountant's Report issued by PwC Malta and which contains the summarised audited financial statements of Brait PLC for the financial years ended 31 March 2019, 31 March 2020 and 31 March 2021 is included as Appendix 4.

7.2 Dividend policy

Brait's ability to return capital to Shareholders pursuant to its stated 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 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 Bonds to tender for repurchase an aggregate principal amount of the Bonds for an amount equal to such proposed special dividend at a price per Bond equal to its principal amount together with accrued interest.

7.3 Analysis of third party borrowings as at Last Reporting Date

As at the Last Reporting Date, the third party borrowings of the Group were as follows:-

2020 R'm	2021 R'm		2021 €'m	2020 €'m
		8. BORROWINGS		
6 511	4 602	Opening Balance	234	400
648	300	Interest accrual	16	39
-	-	Foreign currency translation	25	(49)
(2 239)	(1 326)	Net drawdown of borrowings	(70)	(137)
170	1 334	Drawdowns	70	10
(2 409)	(2 660)	Capital repayments	(140)	(147)
(318)	(159)	Interest repayments	(8)	(19)
4 602	3 417	Closing Balance	197	234

Brait's R4.4 billion facility (31 March 2020: R6.3 billion), with agreed reductions as Brait de gears, is held with FirstRand Bank Limited (trading through its Rand Merchant Bank division) and The Standard Bank of South Africa Limited (the "Lenders") and has a three-year tenure to 28 February 2023 (the "BML RCF"). The BML RCF bears interest at JIBAR plus 4.0% (31 March 2020: JIBAR plus 4.6%) repayable quarterly (with the margin decreasing as utilisation reduces), with a right to rollup these quarterly interest payments. Covenants remain NAV based and have been set with sufficient headroom for short term volatility, with the facility continuing to be secured on a senior basis by the assets of BML, which includes the investments and the cash held by BML.

Following the court sanction of the Virgin Active UK Restructuring Plan on 12 May 2021, Brait has signed a term sheet with the Lenders and is in the final stages of concluding the legal agreements to increase the BML RCF facility limit to R5 billion through to 1 July 2022.

8 ADDITIONAL INFORMATION

8.1 Legal and arbitration proceedings

As far as the Directors are aware, there are no legal or arbitration proceedings, whether active, pending or threatened against or being brought by, the Company or any member of its group which are having or may have a significant effect on the Issuer's financial position.

Virgin Active Europe Restructuring Plan

It should however be noted that three English incorporated members of the Virgin Active group, being Virgin Active Holdings Limited, Virgin Active Limited and Virgin Active Health Clubs Limited announced restructuring plans with certain of their creditors under Part 26A of the UK Companies Act 2006 (together the "Restructuring Plan") on 11 March 2021. The Restructuring Plan is a statutory procedure under English company law which allows a company to agree a compromise or arrangement with its creditors, and for the terms of that compromise or arrangement to bind any non-consenting or opposing minority creditors.

On 12 May 2021, the English Court sanctioned the Virgin Active Europe Restructuring Plan under the provisions of Part 26A of the UK Companies Act 2006.

For more information regarding the Restructuring Plan, reference can be made to the announcement released by the Company on 12 May 2021 relating to the Court sanctioned Restructuring Plan (see Appendix 6).

8.2 Expenses relating to the SEM Listing

An application has been made for the listing of the Bonds on the Official Market of the SEM. The total estimated cost for the listing of the Bonds on the Official Market of the SEM is as follows:

EXPENSES	AMOUNT (USD)
Transaction Advisor	12,000
Legal Adviser	2,000
Application and listing fees payable to the SEM	3,500
Total estimated expenses	17,500

8.3 Payments or benefits in connection with the issue or sale of securities

There have been no commissions, discounts, brokerages or other special terms granted within the two years immediately preceding the issue of these Listing Particulars in connection with the issue or sale of any securities of any member of the Group, and none of the Directors of the Company, promoters or experts have received any such payment or benefit.

8.4 Approvals

The Board resolved to proceed with the listing of the Bonds on the Official Market of the SEM on 18 October 2021.

8.5 Documents available for inspection

Copies of the following documents will be available for inspection at the Company's registered office during business hours from the date of issue of these Listing Particulars for a minimum period of 10 business days:

- (a) The Constitution;
- (b) These Listing Particulars;
- (c) Integrated Annual Report for the financial year ended 31 March 2021; and
- (d) Terms and Conditions relating to the Convertible Bonds.

Appendix 1: Terms and Conditions of the Bonds

THIS DOCUMENT IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED (“MIFID II”); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE “MIFID II PRODUCT GOVERNANCE REQUIREMENTS”), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY “MANUFACTURER” (FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A “DISTRIBUTOR”) SHOULD TAKE INTO CONSIDERATION EACH MANUFACTURER’S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING EACH MANUFACTURER’S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO THE BONDS.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (“EEA”). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC(EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Bonds.

The issue of the £150,000,000 6.5 per cent. Convertible Bonds due 2024 (the “**Bonds**”, which expression shall, unless otherwise indicated, include any Further Bonds (as defined below)) was (save in respect of any Further Bonds) authorised by resolutions of the board of directors of Brait S.E. (the “**Issuer**”) passed on 12 November

2019. The Bonds are constituted by a trust deed dated 4 December 2019 (the “**Trust Deed**”) between the Issuer and U.S. Bank Trustees Limited (the “**Trustee**”, which expression shall include all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Bonds. The statements set out in these terms and conditions (the “**Conditions**”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Bondholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions applicable to them which are contained in the Paying, Transfer and Conversion Agency Agreement dated 4 December 2019 (the “**Agency Agreement**”) relating to the Bonds between the Issuer, the Trustee, Elavon Financial Services DAC (the “**Principal Paying, Transfer and Conversion Agent**”, which expression shall include any successor as principal paying, transfer and conversion agent under the Agency Agreement), the Agents for the time being (such persons, together with the Principal Paying, Transfer and Conversion Agent, being referred to below as the “**Paying, Transfer and Conversion Agents**”, which expression shall include their successors as Agents under the Agency Agreement) and Elavon Financial Services DAC in its capacity as registrar in respect of the Bonds (the “**Registrar**”, which expression shall include any successor as registrar under the Agency Agreement). The Issuer has, in addition, entered into a calculation agency agreement dated 4 December 2019 (the “**Calculation Agency Agreement**”) with Conv-Ex Advisors Limited (the “**Calculation Agent**”, which expression shall include any successor as calculation agent under the Calculation Agency Agreement) whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds.

Copies of each of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement are available for inspection during normal business hours at the registered office for the time being of the Trustee (being at the Closing Date (as defined below) at 125 Old Broad Street, London, EC2N 1AR, United Kingdom), and at the specified offices of the Paying, Transfer and Conversion Agents and the Registrar.

Capitalised terms used but not defined in these Conditions shall have the meanings provided in the Trust Deed, unless, in any case, the context otherwise requires or unless otherwise stated.

1 Form, Denomination, Title and Status

(a) Form and Denomination

The Bonds are in registered form, serially numbered, in principal amounts of £100,000 each.

(b) Title

Title to the Bonds will pass by transfer and registration as described in Condition 4. The holder (as defined below) of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss (or that of the related certificate, as applicable) or anything written on it or the certificate representing it (other than a duly executed transfer thereof)) and no person will be liable for so treating the holder.

(c) Status of the Bonds

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 2(a)) unsecured obligations of the Issuer ranking equally among themselves and at least equally with all other existing and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

2 Covenants

(a) *Negative Pledge*

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of its Material Subsidiaries will, create or have outstanding any Security Interest (other than a Permitted Security), upon the whole or any part of its present or future undertaking, assets, property or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, unless at the same time or prior to the creation of such Security Interest, the Issuer's obligations under the Bonds and the Trust Deed are secured equally and rateably by such Security Interest as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or have the benefit of such other security interest or guarantee or indemnity or other arrangement (whether or not including the giving of security) as either: (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Bondholders; or (ii) shall be approved by an Extraordinary Resolution of the Bondholders.

For the purposes of this Condition 2(a):

"Permitted Security" means:

- (i) any Security Interest in respect of any Relevant Indebtedness ("**Existing Relevant Indebtedness**"), or in respect of any guarantee of or indemnity in respect of any Existing Relevant Indebtedness, given by any Material Subsidiary where the relevant company becomes a Subsidiary after the Closing Date and where such Security Interest exists at the time such company becomes a Subsidiary (provided that (1) such Security Interest was not created in contemplation of that company becoming a Subsidiary and (2) the principal amount secured at the time of that company becoming a Subsidiary is not subsequently increased); and
- (ii) any Security Interest given by any Material Subsidiary in respect of any Relevant Indebtedness, or in respect of any guarantee of or indemnity in respect of any Relevant Indebtedness, where such Relevant Indebtedness ("**New Relevant Indebtedness**") is incurred to refinance Existing Relevant Indebtedness in circumstances where there is an outstanding Security Interest ("**Existing Security Interest**") given by that Material Subsidiary in respect of such Existing Relevant Indebtedness or, as the case may be, in respect of any guarantee or indemnity in respect of such Existing Relevant Indebtedness, provided that (1) the principal amount of the New Relevant Indebtedness is not greater than the principal amount of the Existing Relevant Indebtedness and (2) the Security Interest does not extend to any undertaking, assets, property or revenues, present or future, of that Material Subsidiary which were not subject to the Existing Security Interest.

"Security Interest" means any privilege, hypothec, mortgage, lien, pledge or other charge, encumbrance or any other security interest which grants rights of preference to a creditor over any or all of the assets of the Issuer or a Material Subsidiary.

(b) *Financial Covenant*

For so long as any Bond remains outstanding, the Issuer shall procure at all times that Tangible NAV shall not be less than 200 per cent. of Net Debt.

If, at any time, the Issuer determines, or becomes aware, that Tangible NAV is less than 200 per cent. of Net Debt, it shall promptly (and in any event within 5 business days in Johannesburg following the Issuer determining, or becoming aware of, such fact) notify the Trustee and, in accordance with Condition 17, the Bondholders of such fact, giving details thereof.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee semi-annually and otherwise on request of the Trustee a certificate signed by two of its directors that, as at a specified date (the

“**Certification Date**”), Tangible NAV is not less than 200 per cent. of Net Debt or, if Tangible NAV is less than 200 per cent. of Net Debt, specifying the ratio calculated as at the Certification Date in accordance with this Condition 2(b). The Trustee will be entitled to rely without liability on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the covenant set forth in this Condition 2(b), nor be liable to any person for not so doing.

For the purposes of this Condition 2(b):

“**Borrowings**” means, at any time, the consolidated borrowings of the Group, as determined by reference to the most recent consolidated audited financial statements of the Issuer (produced in accordance with IFRS), and adjusted with reference to the most recently available unaudited interim consolidated financial statements, or (if more recent) the latest management accounts, of the Issuer;

“**Group**” means the Issuer and its consolidated Subsidiaries (excluding Investee Companies);

“**IFRS**” means the International Financial Reporting Standards issued by the International Accounting Standards Board from time to time;

“**Net Debt**” means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of Borrowings at that time, less cash on hand, but excluding:

- (i) any debt represented by convertible or exchangeable bonds (including the Bonds); and
- (ii) any amount of any liability under an acquisition facility or bridge finance facility with an original term of 12 months or less; and

“**Tangible NAV**” means, at any time, the consolidated net asset value of the Group, as determined by reference to the most recent consolidated audited financial statements of Issuer (produced in accordance with IFRS), and adjusted with reference to the most recently available unaudited interim consolidated financial statements, or (if more recent) the latest management accounts, of the Issuer.

3 Definitions

In these Conditions, unless otherwise provided:

“**Additional Cash Settlement Amount**” has the meaning provided in Condition 6(c).

“**Additional Interest Amount**” has the meaning provided in Condition 5(d).

“**Additional Ordinary Shares**” has the meaning provided in Condition 6(c).

“**Applicable Date**” means (i) in the case of a Retroactive Adjustment pursuant to Conditions 6(a)(i), 6(a)(ii), 6(b)(iii), 6(b)(iv), 6(b)(v) or 6(b)(ix), the relevant Ex-Date, (ii) in the case of any other Retroactive Adjustment, the RA Reference Date (as defined below) in respect of such Retroactive Adjustment, (iii) in the case of a Special Dividend, the Ex-Date in respect thereof or (iv) in the case if any Dividend or other entitlement the subject of an Equivalent Amount, the Ex-Date in respect thereof.

“**Bond Market Price**” means, in respect of any dealing day, as determined by an Independent Adviser, the arithmetic average of the Mid-Market Bond Prices in respect of such dealing day from at least three Leading Institutions as such Independent Adviser shall consider appropriate (or such lesser number of such Leading Institutions (if any) as such Independent Adviser is able to obtain a Mid-Market Bond Price from), provided that where such Independent Adviser is able to obtain only one such Mid-Market Bond Price, the Bond Market Price shall be such Mid-Market Bond Price, and provided further that where such Independent Adviser is not able to obtain any Mid-Market Bond Price, the Bond Market Price shall be considered (by such Independent Adviser in making its determination) not to be available in respect of such dealing day.

“**Bondholder**” and “**holder**” mean the person in whose name a Bond is registered in the Register (as defined in Condition 4(a)).

“**business day**” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

“**Cash Settlement Amount**” means, in respect of any exercise of Settlement Rights, an amount (rounded to the nearest whole multiple of £0.01, with £0.005 being rounded upwards) calculated by the Calculation Agent in accordance with the following formula and which shall be payable by the Issuer to a Bondholder in respect of the relevant Reference Shares:

$$CSA = \sum_{n=1}^N \frac{1}{N} \times S \times P_n$$

where:

CSA = the Cash Settlement Amount;

S = the Reference Shares;

P_n = the Volume Weighted Average Price of an Ordinary Share on the nth dealing day of the Cash Settlement Calculation Period, translated into pounds sterling at the Prevailing Rate on such dealing day; and

N = 40, being the number of dealing days in the Cash Settlement Calculation Period,

provided that:

- (a) if any Dividend or other entitlement in respect of the Ordinary Shares is announced, whether on or prior to or after the relevant Settlement Date, in circumstances where the record date or other due date for the establishment of entitlement in respect of such Dividend or other entitlement shall be on or after the relevant Registration Date (and such Dividend or other entitlement is not the subject of an adjustment to the Conversion Price which is in effect on the relevant Settlement Date) and if on any dealing day in the Cash Settlement Calculation Period the Volume Weighted Average Price determined as provided above is based on a price ex-such Dividend or ex-such other entitlement, then such Volume Weighted Average Price shall be increased by an amount equal to the Fair Market Value of any such Dividend or other entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit, all as determined by the Calculation Agent;
- (b) if any Additional Cash Settlement Amount, Additional Interest Amount or Equivalent Amount is due in respect of any exercise of Settlement Rights in respect of which a Cash Settlement Amount is being determined, any Volume Weighted Average Price on any dealing day falling in the relevant Cash Settlement Calculation Period but before the relevant Applicable Date shall:
 - (1) (in the case of an Additional Cash Settlement Amount) be multiplied by the adjustment factor (as determined pursuant to these Conditions) applied to the Conversion Price in respect of the relevant Retroactive Adjustment;
 - (2) (in the case of an Additional Interest Amount) be reduced by an amount equal to the Fair Market Value of the relevant Special Dividend per Ordinary Share as at the Ex-Date in respect of such Special Dividend; or
 - (3) (in the case of an Equivalent Amount) be reduced by an amount equal to the Fair Market Value of the relevant Dividend or other entitlement (or relevant portion thereof) the subject of such Equivalent Amount per Ordinary Share as at the Ex-Date in respect of such Dividend or other entitlement,

all as determined by the Calculation Agent, provided that where such adjustment factor as is referred to in (1) above or Fair Market Value as is referred to in (2) or, as the case may be, (3)

above cannot be determined in accordance with these Conditions before the second London business day before the date on which payment of the Cash Settlement Amount is to be made, the relevant Volume Weighted Average Price as aforesaid shall be adjusted in such manner as determined in good faith to be appropriate by an Independent Adviser no later than such second London business day before such payment date as aforesaid; and

- (c) if any doubt shall arise as to the calculation of the Cash Settlement Amount or if such amount cannot be determined as provided above, the Cash Settlement Amount shall be equal to such amount as is determined in such other manner as an Independent Adviser shall consider in good faith to be appropriate to give the intended result.

“Cash Settlement Calculation Period” means the period of 40 consecutive dealing days commencing on the Cash Settlement Period Commencement Date.

“Cash Settlement Notice” has the meaning provided in Condition 6(a).

“Cash Settlement Period Commencement Date” means the third dealing day following the relevant Settlement Date.

a **“Change of Control”** shall occur if any person and/or persons acting together shall (other than pursuant to an Exempt Newco Scheme and other than any Excluded Persons) (i) own, acquire or control (or have the right to own, acquire or control) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Issuer; or (ii) own, acquire or control (or have the right to own, acquire or control) more than 50 per cent. of the issued Ordinary Shares; or (iii) obtain the power to appoint and/or remove all or a majority of the members of the board of directors of the Issuer.

“Closing Date” means 4 December 2019.

“Closing Price” means, in respect of an Ordinary Share or any Security, Spin-Off Security, option, warrant or other right or asset on any dealing day, the closing price on the Relevant Stock Exchange on such dealing day of an Ordinary Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (setting Last Price, or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Closing Date is BAT SJ Equity HP), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day, provided that:

- (i) if on any such dealing day (for the purpose of this definition, the **“Original Date”**) such price is not available or cannot otherwise be determined as provided above, the Closing Price of an Ordinary Share, Security, option, warrant, or other right or asset, as the case may be, in respect of such dealing day shall be the Closing Price, determined by the Calculation Agent as provided above, on the immediately preceding dealing day on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Closing Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (i); and
- (iii) if the Closing Price cannot be determined as aforesaid, the Closing Price of an Ordinary Share, Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate.

“Companies Act” means the Companies Act, Cap 386 of the Laws of Malta.

“Conversion Date” has the meaning provided in Condition 6(h).

“**Conversion Notice**” has the meaning provided in Condition 6(h).

“**Conversion Period**” has the meaning provided in Condition 6(a).

“**Conversion Price**” has the meaning provided in Condition 6(a).

“**Conversion Right**” has the meaning provided in Condition 6(a).

“**Current Market Price**” means, in respect of an Ordinary Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date, as determined by the Calculation Agent, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to Condition 6(b)(iv) or (vi) in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said five dealing-day period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:
 - (i) if the Ordinary Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of the amount and/or terms of such Dividend or entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
 - (ii) if the Ordinary Shares to be so issued do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (b) for the purpose of determining the Current Market Price of any Ordinary Shares which may be comprised in a Scrip Dividend, if on any of the said five dealing days the Volume Weighted Average Price of the Ordinary Shares shall have been based on a price cum all or part of such Scrip Dividend, the Volume Weighted Average Price of an Ordinary Share on such dealing day or dealing days shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the value (as determined in accordance with paragraph (a) of the definition of “Dividend”) of such Scrip Dividend or part thereof; and
- (c) for any other purpose, if any day during the said five-dealing-day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Ex-Date in respect of such Dividend or entitlement.

“**dealing day**” means a day on which the Relevant Stock Exchange is open for business and on which Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time), provided that, unless otherwise specified, a “dealing day” shall be a dealing day for the Ordinary Shares.

a “**De-Listing Event**” shall occur if:

- (i) at any time the Ordinary Shares are neither listed on the JSE nor admitted to trading on the Luxembourg Stock Exchange, or if both the JSE and the Luxembourg Stock Exchange announce that the Ordinary Shares will cease to be admitted to listing or trading (as applicable) on the respective stock exchange, unless the Ordinary Shares are immediately admitted to trading and/or listing on another internationally recognised, regularly operating and regulated stock exchange; or
- (ii) trading of the Ordinary Shares on each stock exchange on which they are, for the time being, listed and/or admitted to trading is suspended for a period of 10 consecutive dealing days or more (provided that trading of the Ordinary Shares shall not be considered to be suspended on any dealing day on which a general suspension of trading on the relevant stock exchange has occurred or where such suspension is in connection with a scheme of arrangement or merger, amalgamation or consolidation relating to the Issuer).

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (a) where a Scrip Dividend is announced, then the Scrip Dividend in question shall be treated as a cash Dividend of an amount equal to the aggregate value of any property comprised in such Scrip Dividend, where the “value” of any such property shall be determined as follows:
 - (x) in the case of Ordinary Shares comprised in such Scrip Dividend, the Current Market Price of such Ordinary Shares as at the Scrip Dividend Valuation Date;
 - (y) in the case of cash comprised in such Scrip Dividend, the Fair Market Value of such cash as at the Scrip Dividend Valuation Date; and
 - (z) in the case of any other property or assets comprised in such Scrip Dividend, the Fair Market Value of such other property or assets as at the Scrip Dividend Valuation Date.
- (b) where:
 - (i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the issue or delivery of Ordinary Shares and/or other property or assets; or
 - (ii) an issue of Ordinary Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) is announced which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the payment of cash, then:
 - (1) any cash and any property or assets (other than Ordinary Shares) so elected by Shareholders shall be deemed to constitute a cash Dividend in respect of the Ordinary Shares in issue (excluding for this purpose any Ordinary Shares elected by Shareholders and the subject of paragraph (2) below) (any such deemed cash Dividend, an “**Elective**

Scrip Dividend”) in an amount equal to the aggregate value of any such cash and any such property or assets comprised in such Elective Scrip Dividend, where the “value” of any such cash or property or assets shall be determined as:

- (A) in the case of any property or assets (other than cash or Ordinary Shares) so elected by Shareholders, the Fair Market Value (as at the Ex-Date of such Elective Scrip Dividend) of such property or assets so elected by Shareholders; and
 - (B) in the case of any cash amount so elected by Shareholders, the Fair Market Value (as at the Ex-Date of such Elective Scrip Dividend) of the amount of such cash so elected by Shareholders; and,
- (2) the aggregate number of Ordinary Shares (if any) so elected by Shareholders shall be deemed to constitute an issue of Ordinary Shares (and shall not constitute a Dividend) and shall be subject to the provisions of Condition 6(b)(ii) and with an Effective Date for such purposes being deemed to be the date on which the number of Ordinary Shares to be issued is first publicly announced by the Issuer (or, if an adjustment to the Conversion Price pursuant to Condition 6(b)(iii) also falls to be made in respect of the Elective Scrip Dividend by virtue of paragraph (1) above, the date (if different) on which such adjustment becomes effective); any issue of Ordinary Shares falling within Condition 6(b)(i) or 6(b)(ii) shall be disregarded;
- (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (converted, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the Current Market Price of an Ordinary Share:
- (i) on the Specified Share Day; or
 - (ii) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, the date of first public announcement of the terms of such tender offer (and regardless of whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Issuer or, as the case may be, any of its Subsidiaries (converted where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price determined as aforesaid and (ii) the number of Ordinary Shares so purchased, redeemed or bought back;

- (d) if the Issuer or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (d) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to

receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly; and

- (f) where a Dividend in cash is declared which provides for payment by the Issuer in the Relevant Currency (or, in the case of a Scrip Dividend or an Elective Scrip Dividend, an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise), it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend or an Elective Scrip Dividend, an amount in cash) in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend or an Elective Scrip Dividend an amount in cash) in the currency in which it is payable by the Issuer,

and any such determination shall be made in good faith by the Calculation Agent or, where specifically provided, as Independent Adviser and, in either case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“EEA Regulated Market” means a market as defined by Article 4.1 (21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

“EGM” means an extraordinary general meeting of Shareholders.

“equity share capital” means, in relation to any entity, its issued share capital excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specific amount in a distribution.

“Event of Default” has the meaning provided in Condition 10.

“Ex-Date” means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement, unless otherwise defined herein, the first dealing day on which the Ordinary Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Ordinary Shares (or, as the case may be, any depositary or other receipts or certificates representing Ordinary Shares) pursuant to paragraph (d) (or, as the case may be, paragraph (e)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made), and provided that the Ex-Date in respect of a Scrip Dividend or an Elective Scrip Dividend shall be deemed to be the Ex-Date in respect of the relevant Dividend or capitalisation as referred to in the definition of “Scrip Dividend” or, as the case may be, “Elective Scrip Dividend”.

“Exchange Securities” means ordinary shares, units or equivalent of Newco or depositary receipts or certificates representing ordinary shares, units or equivalent of Newco.

“Excluded Person” means the Titan Group of Companies (representing Christo Wiese’s interests in the Issuer), Christo Wiese, the immediate family members of Christo Wiese and/or any person or persons controlled by or controlling the Titan Group of Companies, Christo Wiese or the immediate family members of Christo Wiese.

For this purpose, any Excluded Persons (on the one hand) shall be treated as not acting together with any Investment Team Member and/or any person or persons controlled by any Investment Team Member (on the other hand).

“Exempt Newco Scheme” means a Newco Scheme where, immediately after completion of the relevant Scheme of Arrangement, the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are (1) admitted to trading on the Relevant Stock Exchange or (2) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or Newco may determine.

“**Extraordinary Resolution**” has the meaning provided in the Trust Deed.

“**Fair Bond Value**” means, as determined by an Independent Adviser, the arithmetic average (rounded to the nearest whole multiple of £0.01, with £0.005 being rounded upwards) of (A) the Bond Market Price on each dealing day falling in the Fair Bond Value Calculation Period and on which such Bond Market Price is available, subject to such Bond Market Price being available in respect of a minimum of three dealing days in such period, or (B) (where (A) does not apply) in respect of each dealing day comprised in the Fair Bond Value Calculation Period, (i) the Bond Market Price on such dealing day (if any) or (ii) (if no such Bond Market Price is available in respect of any such dealing day) the fair mid-market value on such dealing day (as determined by such Independent Adviser on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate) per £100,000 in principal amount of the Bonds (as at the close of business on such dealing day and using a reference price for the Ordinary Share equal to the closing price of the Ordinary Share on such dealing day).

“**Fair Bond Value Calculation Period**” means the period of ten consecutive dealing days commencing on the fifth dealing day following the date on which the Fair Bond Value Redemption Notice is given to the Bondholders in accordance with Condition 7(d).

“**Fair Bond Value Redemption Date**” has the meaning set forth in Condition 7(d).

“**Fair Bond Value Redemption Notice**” has the meaning provided in Condition 7(d).

“**Fair Bond Value Redemption Price**” means an amount equal to the greater of (i) 102 per cent. of the principal amount of the Bonds and (ii) 102 per cent. of the Fair Bond Value.

“**Fair Market Value**” means, on any date (the “**FMV Date**”):

- (i) in the case of a Dividend which is or is treated as being in cash, the amount of such cash Dividend, as determined in good faith by the Calculation Agent;
- (ii) in the case of any other cash amount, the amount of such cash, as determined in good faith by the Calculation Agent;
- (iii) in the case of Securities (including Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined in good faith by the Calculation Agent or an Independent Adviser), the arithmetic mean of:
 - (a) in the case of Ordinary Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose proviso (ii) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Ordinary Shares or such other Securities or Spin-Off Securities; and
 - (b) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both (a) and (b) during the period of five dealing days on the Relevant Stock Exchange for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the “**Adjusted FMV Date**”) which falls on the first such dealing day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (iv) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined in good faith by the Calculation Agent,

- (iv) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise

provided in paragraph (iii) above to be determined pursuant to this (iv), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined in good faith by the Calculation Agent.

In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“**Final Maturity Date**” means 4 December 2024.

a “**Free Float Event**” shall occur if, for any period of at least 30 consecutive dealing days, the number of Ordinary Shares comprising the Free Float is equal to or less than 25 per cent. of the total number of issued and outstanding Ordinary Shares.

“**Free Float**” means the aggregate number of Ordinary Shares held by persons who, together with any other person or persons with whom they act in concert, hold Ordinary Shares representing less than 5 per cent. of the total number of issued and outstanding Ordinary Shares or held by collective investment undertakings, mutual funds, investment funds, pension funds or social security funds.

“**Further Bonds**” means any further Bonds issued pursuant to Condition 18 and consolidated and forming a single series with the then outstanding Bonds.

“**Independent Adviser**” means an independent adviser with appropriate expertise, which may be the Calculation Agent, appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) approved in writing by the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the liabilities, costs, fees and expenses of such adviser and otherwise in connection with such appointment, as may be appointed by the Trustee (without liability for so doing) following notification thereof to the Issuer, which appointment shall be deemed to be an appointment of the Issuer.

“**Interest Payment Date**” has the meaning provided in Condition 5(a).

“**Interest Period**” has the meaning provided in Condition 5(a).

“**Investee Company**” means:

- (i) each of Virgin Active International Investments Limited, Iceland Topco Limited, New Look Holdings Retail Ltd, Premier Group (Pty) Limited; DGB (Pty) Limited; and Consol Holdings Proprietary Limited;
- (ii) any other company, corporation, body corporate or other entity or body (whether incorporated or unincorporated) including partnerships and collective investment schemes or persons wherever established, incorporated or resident and in or in respect of which an Investment has been acquired or made by the Issuer or any of its Subsidiaries and which is accounted for by the Issuer in its consolidated financial statements at fair value as an investment through profit and loss in accordance with IFRS 9; and
- (iii) any Subsidiary of any such Investee Company under (i) or (ii) above from time to time.

“Investment” means an investment or investments acquired or made by the Issuer or any of its Subsidiaries (either directly or indirectly) including, but not limited to, shares, debentures, convertible loan stock, options, warrants or other securities in and loans (whether secured, unsecured, unsubordinated or subordinated) made to or any participation, interest or commitment in any Investee Company.

“Investment Team Member” means a person who is or was involved in the investing activities of the Issuer and its Subsidiaries from time to time, as a member of the investment team of Brait South Africa Proprietary Limited or Brait Advisory Services UK Limited.

“JSE” means the JSE Limited (Registration Number 2005/022939/06), licensed as an exchange in terms of the Financial Markets Act, 19 of 2012, as amended, of South Africa, or any exchange which operates as a successor exchange to the JSE in terms of the Financial Markets Act, 19 of 2012, as amended, of South Africa.

“Leading Institution” means an investment bank or any other bank or financial institution of recognised standing which is a leading convertible bond dealer in the Euromarkets or a market maker in pricing Euromarket corporate convertible bond issues.

“Long Stop Date” means 4 April 2020.

“Market Price” means the Volume Weighted Average Price of an Ordinary Share on the relevant Reference Date, converted, if not in pounds sterling, into pounds sterling at the Prevailing Rate on the Reference Date, provided that if any Dividend or other entitlement in respect of the Ordinary Shares is announced, whether on or prior to or after the relevant Settlement Date in circumstances where the record date or other due date for the establishment of entitlement in respect of such Dividend or other entitlement shall be on or after the Registration Date and if, on the relevant Reference Date, the Volume Weighted Average Price of an Ordinary Share is based on a price ex-such Dividend or ex-such other entitlement, then such Volume Weighted Average Price shall be increased by an amount equal to the Fair Market Value (converted, if not in pounds sterling, into pounds sterling at the Prevailing Rate on the relevant Reference Date) of such Dividend or other entitlement per Ordinary Share as at the date of the first public announcement of the amount and/or terms of such Dividend or other entitlement (or if that is not a dealing day, the immediately preceding dealing day), as determined in good faith by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit and provided that, for the avoidance of doubt, there shall be no double-counting in respect of any Dividend or entitlement.

“Material Subsidiary” shall mean any Subsidiary of the Issuer (other than an Investee Company):

- (i) whose (a) gross income or (b) total gross assets represent 5 per cent. or more of the consolidated gross income of the Issuer and its Subsidiaries or, as the case may be, consolidated total gross assets of the Issuer and its Subsidiaries, in each case as calculated by reference to the Relevant Accounts of such Subsidiary and the Relevant Accounts of the Issuer provided that (i) in the case of a Subsidiary acquired or an entity which becomes a Subsidiary after the end of the financial period to which the Relevant Accounts of the Issuer relate, the reference to the Relevant Accounts of the Issuer for the purposes of the calculation of the above shall, until the Relevant Accounts of the Issuer are published for the financial period in which the acquisition is made or, as the case may be, in which such entity becomes a Subsidiary, be deemed to be a reference to the Relevant Accounts of the Issuer adjusted in such manner as the Issuer shall in good faith consider appropriate to consolidate the Relevant Accounts of such Subsidiary and the Relevant Accounts of the Issuer; (ii) if, in the case of any Subsidiary, no financial statements are prepared, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be determined on the basis of pro forma financial statements of such Subsidiary prepared by (or on behalf of) the Issuer or such Subsidiary in good faith; (iii) if the Relevant Accounts of any Subsidiary (not being a Subsidiary referred to in (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its Relevant Accounts with the Relevant Accounts of the Issuer and (iv) if the latest Relevant Accounts of any Subsidiary of the Issuer are not prepared on the basis of the same accounting principles, policies

and practices of the latest Relevant Accounts of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on pro forma financial statements of such Subsidiary for the relevant period prepared on the same accounting principles, policies and practices as adopted in the latest Relevant Accounts of the Issuer, or an appropriate restatement or adjustment to the Relevant Accounts of such Subsidiary, in either case prepared by (or on behalf of) the Issuer or such Subsidiary in good faith; or

- (ii) to which is transferred all or substantially all of the business, undertaking and assets of a Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Material Subsidiary, and the transferee Subsidiary shall immediately become a Material Subsidiary under the provisions of this sub-paragraph (ii) (but without prejudice to any subsequent determination pursuant to sub-paragraph (i) above that the transferor has again become, and/or the transferee has subsequently ceased to be, a Material Subsidiary).

A certificate signed by two directors of the Issuer that, in their opinion, a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Trustee and the Bondholders.

“**Mid-Market Bond Price**” means, in respect of any dealing day and any Leading Institution, the average of the prices (per £100,000 in principal amount of the Bonds) provided by such Leading Institution for (x) the purchase by such Leading Institution (bid price), and (y) the purchase from such Leading Institution (ask price), in each case in respect of the Bonds as at the close of business on such dealing day and using a reference price for the Ordinary Share equal to the closing price of the Ordinary Share on such dealing day.

“**Newco Scheme**” means a Scheme of Arrangement:

- (a) which effects the interposition of a limited liability company (“**Newco**”) between the Shareholders immediately prior to the Scheme of Arrangement (the “**Existing Shareholders**”) and the Issuer; or
- (b) pursuant to which Newco acquires all the outstanding Ordinary Shares and shares of one or more other entities in exchange for the issue of Exchange Securities to the Existing Shareholders and the issue of Exchange Securities (and, if applicable, such other consideration) to some or all of the holders of such shares (“**Existing Shares**”) of such other entity or entities (“**Existing Holders**”) immediately prior to the Scheme of Arrangement,

provided that:

- (i) in the case of sub-paragraphs (a) and (b) immediately after the implementation of such Scheme of Arrangement (except for a nominal holding by initial subscribers) all of the shareholders of NewCo are Existing Shareholders and (in the case of sub-paragraph (b) above) Existing Holders;
- (ii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder (or shareholders) of the Issuer;
- (iii) all Subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than (aa) Newco, if Newco is then a Subsidiary of the Issuer; or (bb) any other Subsidiary of the Issuer or Subsidiaries of the Issuer being disposed of or demerged (or similar) in whole or in part for value on an arms’ length basis in connection with the Newco Scheme) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement and at such time the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those Subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement; and
- (iv) no person or persons acting in concert shall, as a result of the Newco Scheme, (i) own, acquire or control (or have the right to own, acquire or control) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of Newco; or (ii) own, acquire or control (or have the right to own, acquire or control) more than 50 per cent. of the issued ordinary shares of Newco; or

(iii) obtain the power to appoint and/or remove all or a majority of the members of the board of directors of Newco.

“**Newco Scheme Modification**” has the meaning provided in Condition 14(a).

“**Offer Period**” has the meaning provided in Condition 7(e).

“**Optional Redemption Date**” has the meaning provided in Condition 7(b).

“**Optional Redemption Notice**” has the meaning provided in Condition 7(b).

“**Ordinary Shares**” means fully paid ordinary shares in the capital of the Issuer with, on the Closing Date, a par value of €0.22 each.

“**Parity Value**” means, in respect of any dealing day, the amount determined in good faith by the Calculation Agent and calculated as follows:

$$PV = N \times VWAP$$

where

$$PV = \text{the Parity Value};$$

$$N = \text{£100,000 divided by the Conversion Price in effect on such dealing day, (or, if the Change of Control Conversion Price would apply in respect of any exercise of Conversion Rights or Settlement Rights in respect of which the Conversion Date or Settlement Date would fall on such dealing day, such Change of Control Conversion Price), provided that if (A) such dealing day falls on or after (i) the Ex-Date in relation to any entitlement in respect of which an adjustment is required to be made to the Conversion Price pursuant to Conditions 6(b)(i), 6(b)(ii), 6(b)(iii), 6(b)(iv), 6(b)(v) or 6(b)(ix) or (ii) the relevant date of first public announcement (as applicable pursuant to Conditions 6(b)(vi), 6(b)(vii) or 6(b)(viii)) in respect of which an adjustment is required to be made to the Conversion Price pursuant to Conditions 6(b)(vi), 6(b)(vii) or 6(b)(viii), and (B) such adjustment is not yet in effect on such dealing day, the Conversion Price in effect on such dealing day shall for the purpose of this definition only be multiplied by the adjustment factor subsequently determined by the Calculation Agent to be applicable in respect of the relevant Conversion Price adjustment; and}$$

$$VWAP = \text{the Volume Weighted Average Price of an Ordinary Share on such dealing day translated, if not in pounds sterling, into pounds sterling at the Prevailing Rate on such dealing day.}$$

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“**Physical Settlement Date**” means the date specified as such in any Physical Settlement Notice, which shall be not earlier than 10 nor later than 20 London business days after the date on which the Physical Settlement Notice is given.

“**Physical Settlement Notice**” has the meaning set forth in Condition 6(a).

“**Prevailing Rate**” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the “**Original Date**”) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such rate cannot be so determined (all as determined in good faith by the Calculation Agent), the Prevailing Rate in respect of the

Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“**Proposed Special Dividend**” has the meaning set forth in Condition 5(c).

“**Proposed Special Dividend Amount**” has the meaning set forth in Condition 5(c).

“**Proposed Special Dividend Notice**” has the meaning set forth in Condition 5(c).

“**Proposed Special Dividend Sterling Amount**” has the meaning set forth in Condition 5(c).

“**R**” or “**Rand**” or “**ZAR**” means the lawful currency of South Africa, being South African Rand, or any successor currency.

“**Recognised Stock Exchange**” means the JSE, the Luxembourg Stock Exchange, an EEA Regulated Market or a stock exchange located in an OECD member State.

“**Record Date**” has the meaning provided in Condition 8(c).

“**Reference Date**” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or, in any such case, if that is not a dealing day, the next following dealing day.

“**Reference Shares**” means, in respect of the exercise of Conversion Rights or Settlement Rights by a Bondholder, the number of Ordinary Shares (rounded down, if necessary, to the nearest whole number) determined in good faith by the Calculation Agent by dividing the principal amount of the Bonds which are the subject of the relevant exercise of Conversion Rights or Settlement Rights by the Conversion Price in effect on the relevant Conversion Date or Settlement Date, except that where the Conversion Date falls on or after the date an adjustment to the Conversion Price takes effect pursuant to Conditions 6(b)(i), 6(b)(ii), 6(b)(iii), 6(b)(iv), 6(b)(v) or 6(b)(ix) in circumstances where the Registration Date falls on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then (provided (in the case of an exercise of Conversion Rights) the Issuer is able to confer the benefit of the relevant consolidation, reclassification, redesignation or subdivision, Dividend, issue or grant (as the case may be) on the relevant Bondholder in respect of the relevant Ordinary Shares to be issued or transferred and delivered to such Bondholder in respect of the relevant exercise of Conversion Rights) the Conversion Price in respect of such exercise shall be such Conversion Price as would have been applicable to such exercise had no such adjustment been made.

“**Registration Date**” means (i) in the case of an exercise of Settlement Rights, the Settlement Date in respect thereof or (ii) in the case of an exercise of Conversion Rights, the date on which the Ordinary Shares (or any Additional Ordinary Shares) to be issued or transferred and delivered to Bondholders pursuant to these Conditions are entered in the securities register of the Issuer and credited to the converting Bondholder as provided in these Conditions.

“**Register**” has the meaning provided in Condition 4(a).

“**Relevant Accounts**” means, at any time:

- (i) in the case of the Issuer, its then latest published audited consolidated financial statements or (if these are more recent) its then latest published unaudited semi-annual consolidated financial statements; and
- (ii) in the case of a Subsidiary of the Issuer, its then latest annual non-consolidated financial statements (audited, if available) or (if these are more recent) its then latest unaudited semi-annual non-consolidated financial statements.

“**Relevant Currency**” means, at any time, the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“**Relevant Date**” means, in respect of any Bond, whichever is the later of:

- (i) the date on which payment in respect of it first becomes due; and
- (ii) if any amount of the money payable is improperly withheld or refused, the earlier of (a) the date on which payment in full of the amount outstanding is made and (b) the day seven days after the Principal Paying, Transfer and Conversion Agent or the Trustee has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

“**Relevant Event**” means:

- (a) a Change of Control; or
- (b) a De-Listing Event; or
- (c) a Free Float Event.

“**Relevant Event Notice**” has the meaning provided in Condition 6(m).

“**Relevant Event Period**” means the period commencing on the occurrence of a Relevant Event and ending 60 days following the Relevant Event or, if later, 60 days following the date on which a Relevant Event Notice is given to Bondholders as required by Condition 6(m).

“**Relevant Event Put Date**” has the meaning provided in Condition 7(f).

“**Relevant Event Put Exercise Notice**” has the meaning provided in Condition 7(f).

“**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities in each case which for the time being are, or are capable of being and are ordinarily, quoted, listed or dealt in or traded on any regulated or unregulated stock exchange or over-the-counter or other securities market or platform;

“**Relevant Page**” means the relevant page on Bloomberg or such other information service provider that displays the relevant information, as determined by the Calculation Agent or an Independent Adviser (as the case may be).

“**Relevant Stock Exchange**” means:

- (i) in respect of the Ordinary Shares, the JSE or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the JSE, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or dealt in, and
- (ii) in respect of any Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where “**principal stock exchange or securities market**” shall mean the stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at the relevant time, then “principal stock exchange or securities market” shall mean that stock exchange or securities market on which such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are then traded as determined by the Calculation Agent (if the Calculation Agent determines that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets.

“**Reset Date**” has the meaning provided in Condition 6(d).

A “**Retroactive Adjustment**” shall occur if (i) the Registration Date in relation to the exercise of Conversion Rights, or, as the case may be, Settlement Rights shall be after the date (the “**RA Reference Date**”) which is the record date in respect of any consolidation, reclassification, redesignation or sub-division as is mentioned in Condition 6(b)(i), or which is the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6(b)(ii), 6(b)(iii), 6(b)(iv), 6(b)(v) or 6(b)(ix), or which is the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6(b)(vi) and 6(b)(vii) or of the terms of any such modification as is mentioned in Condition 6(b)(viii); and (ii) the Conversion Date, or, as the case may be, Settlement Date, falls before the relevant adjustment to the Conversion Price becomes effective under Condition 6(b).

“**Rights Offer**” means the Issuer’s renounceable rights offering of ZAR5,250,000,000 to existing Shareholders, on a *pro rata* basis, to subscribe for Ordinary Shares, with potential additional non pre-emptive subscription by underwriters for up to an additional ZAR350,000,000 as announced by the Issuer on 27 November 2019.

“**Rights Offer Deadline**” means the date falling 20 London business days prior to 18 September 2020 (such date, as of the Closing Date, expected to be 20 August 2020).

“**Rights Offer Non-Completion Notice**” has the meaning provided in Condition 6(n).

“**Rights Offer Put Date**” has the meaning provided in Condition 7(g).

“**Rights Offer Put Exercise Notice**” has the meaning provided in Condition 7(g).

“**Scheme of Arrangement**” means a scheme of arrangement, share for share exchange or analogous procedure.

“**Securities**” means any securities including, without limitation, Ordinary Shares and any other shares in the capital of the Issuer and options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares or any other shares in the capital of the Issuer.

“**Scrip Dividend**” means:

- (i) a Dividend which is to be satisfied, in whole or in part, by the issue or delivery of Ordinary Shares and/or other property or assets; or
- (ii) an issue of Ordinary Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) which is to be satisfied, in whole or in part, by the payment of cash,

and, for the avoidance of doubt, in each case other than an Elective Scrip Dividend.

“**Scrip Dividend Valuation Date**” means the first date on which the Ordinary Shares are traded ex-dividend or ex-the relevant Ordinary Shares or other property or assets on the Relevant Stock Exchange, or, if later, as at the date on which the number of Ordinary Shares, amount of cash or amount of such other property or assets, as the case may be, to be issued and delivered is announced.

“**Settlement Date**” has the meaning provided in Condition 6(h).

“**Settlement Period**” has the meaning provided in Condition 6(a).

“**Settlement Right**” has the meaning provided in Condition 6(a).

“**Share Settlement Condition**” means (i) the approval at a general meeting of the Shareholders of the Shareholder Resolutions or (ii) the Issuer being satisfied that it is entitled to deliver or procure the delivery of Ordinary Shares without the Shareholder Resolutions being granted (including without limitation through the transfer and delivery of Ordinary Shares previously held by the Issuer or its Shareholders) as may be required to be issued or transferred or delivered from time to time to satisfy the exercise of Conversion Rights pursuant to these Conditions.

“**Shareholders**” means the holders of Ordinary Shares.

“**Shareholder Resolutions**” means resolutions in respect of the granting of rights to subscribe for Ordinary Shares and the disapplication of pre-emptive rights in respect thereof to enable the issue of such number of Ordinary Shares as may be required to be issued or transferred or delivered from time to time to satisfy the exercise of Conversion Rights pursuant to these Conditions.

“**Special Dividend**” has the meaning provided in Condition 5(c).

“**Special Dividend Put Date**” has the meaning provided in Condition 5(h).

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a Scheme of Arrangement, Existing Shareholders, as a class (but excluding the issue and allotment of ordinary shares (or depository or other receipts or certificates representing such ordinary shares) by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

“**Spin-Off Securities**” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

“**Successor in Business**” has the meaning provided in Condition 6(o).

“**Subsidiary**” means, in respect of any entity, any undertaking which is for the time being a subsidiary undertaking of that entity within the meaning of Article 2(2) of the Companies Act.

“**Titan Group of Companies**” means Titan Group Investments Proprietary Limited (Registration No. 1979/000777/07) and each of its Subsidiaries from time to time.

“**Tax Redemption Date**” has the meaning provided in Condition 7(c).

“**Tax Redemption Notice**” has the meaning provided in Condition 7(c).

“**Tender Invitation**” has the meaning provided in Condition 7(h).

“**Tender Notice**” has the meaning provided in Condition 7(h).

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, on any dealing day, the volume weighted average price on such dealing day on the Relevant Stock Exchange of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (setting Weighted Average Line or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, or, as the case may be, Spin-Off Security (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Closing Date is BAT SJ Equity HP) if any or, in any such case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day provided that:

- (i) if on any such dealing day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Volume Weighted Average

Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (i); and

- (ii) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate.

“€” and “euro” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

“£” and “pounds sterling” means the lawful currency for the time being of the United Kingdom.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “as a class” or “by way of rights” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price, Market Price, Closing Price or Volume Weighted Average Price, such adjustments (if any) shall be made in good faith and as the Calculation Agent or an Independent Adviser considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purpose of Condition 6 (a), (b), (c), (g) and (h) and Condition 11, (i) references to the “issue” of Ordinary Shares or Ordinary Shares being “issued” shall, if not otherwise expressly specified in these Conditions, include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (ii) Ordinary Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6(b)(iv) and (b)(vi), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “in issue” or “issued” or entitled to receive the relevant Dividend, right or other entitlement.

4 Registration and Transfer of Bonds

(a) Registration

The Issuer will cause a register (the “Register”) to be kept at (and only at) the specified office of the Registrar outside the United Kingdom on which will be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of Bonds.

(b) Transfer

Bonds may, subject to the terms of the Agency Agreement and to Conditions 4(c) and 4(d), be transferred by lodging the relevant Bond (with the form of application for transfer in respect thereof duly executed by the transferor and transferee and duly stamped where applicable) at the specified office of the Registrar or any Paying, Transfer and Conversion Agent.

No transfer of a Bond will be valid unless and until entered on the Register. A Bond may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Registrar will within seven business days, in the place of the specified office of the Registrar, of any duly made application for the transfer of a Bond, register the relevant transfer in the Register and deliver a new Bond to the transferee (and, in the case of a transfer of part only of a Bond, deliver a Bond for the untransferred balance to the transferor) at the specified office of the Registrar or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Bond by uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

(c) *Formalities Free of Charge*

Such transfer will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Registrar (and as initially set out in the Agency Agreement).

(d) *Closed Periods*

Neither the Issuer nor the Registrar will be required to register the transfer of any Bond (i) during the period of 15 days ending on and including the day immediately prior to the Final Maturity Date or any earlier date fixed for redemption of the Bonds pursuant to Condition 7(b), 7(c) or 7(d); (ii) in respect of which a Conversion Notice has been delivered in accordance with Condition 6(h); (iii) in respect of which a Bondholder has exercised its right to require redemption pursuant to Condition 7(f) or 7(g); (iv) in respect of which a Bondholder has tendered for repurchase pursuant to Condition 7(h), other than a Bond which is not subsequently accepted for repurchase and is returned to such Bondholder or (v) during the period of 15 days ending on (and including) any Record Date in respect of any payment of interest on the Bonds.

5 Interest

(a) *Interest Rate*

The Bonds bear interest from (and including) the Closing Date at the rate of 6.5 per cent. per annum calculated by reference to the principal amount thereof and payable semi-annually in arrear in equal instalments on 4 June and 4 December in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 4 June 2020.

The amount of interest payable in respect of a Bond in respect of any period which is shorter than an Interest Period shall be calculated on the basis of the number of days in the relevant period from (and including) the first day of such period to (but excluding) the last day of such period divided by product of (i) the number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Closing Date) to (but excluding) the next Interest Payment Date and (ii) the number of Interest Periods normally ending in any year.

“**Interest Period**” means the period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) *Accrual of Interest*

Each Bond will cease to bear interest (i) where the Conversion Right or Settlement Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or Settlement Date or, if none, the Closing Date (subject in any such case as provided in Condition 6(j)) or (ii) where such Bond is redeemed or repaid pursuant to Condition 7 or Condition 10, from (but excluding) the due date for redemption or repayment thereof unless payment of the

principal in respect of such Bond is improperly withheld or refused, in which event interest will continue to accrue at the rate specified in Condition 5(a) (both before and after judgment) to the Relevant Date.

(c) *Proposed Special Dividend Notice*

If the Issuer intends to declare, announce, make or pay a Special Dividend to Shareholders (the “**Proposed Special Dividend**”), the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 17 (a “**Proposed Special Dividend Notice**”).

The aggregate amount of such Proposed Special Dividend (the “**Proposed Special Dividend Amount**”) shall be specified in the Proposed Special Dividend Notice. If the Proposed Special Dividend is not expressed in pounds sterling by the Issuer in the Proposed Special Dividend Notice, the Proposed Special Dividend Amount shall be translated into pounds sterling at the Prevailing Rate on the third London business day prior to the Special Dividend Put Date (the pounds sterling amount resulting from such translation, or such lower pounds sterling amount as is certified by the Issuer to the Calculation Agent (a “**Currency Translation Certification**”) as being the actual pounds sterling amount received by the Issuer upon conversion of the Proposed Special Dividend Amount into pounds sterling, being the “**Proposed Special Dividend Sterling Amount**”, the determination thereof being made, for the avoidance of doubt, subsequent to the date on which the Proposed Special Dividend Notice is given).

The aggregate amount of any Special Dividend actually paid or made by the Issuer to Shareholders may not exceed the Proposed Special Dividend Amount reduced by an amount equal to the sum of (i) the aggregate principal amount of Bonds required to be repurchased (if any) pursuant to Condition 7(h) on the Special Dividend Put Date (translated into the currency in which the Proposed Special Dividend Amount is expressed in the Proposed Special Dividend Notice at the Prevailing Rate on the third London business day prior to the Special Dividend Put Date (or, if different, such other exchange rate as is implied by the amount certified by the Issuer in the Currency Translation Certification, if any, as being the Proposed Special Dividend Sterling Amount), and (ii) such aggregate Additional Interest Amount (expressed in the currency in which the Proposed Special Dividend Amount is expressed in the Proposed Special Dividend Notice) as is expected (as at the date on which the amount of such Special Dividend is fixed) by the Issuer (in its good faith estimate) to become payable to Bondholders in respect of such Special Dividend pursuant to Condition 5(d).

“**Special Dividend**” means any cash Dividend (or portion thereof) declared, announced, paid or made by the Issuer to Shareholders directly or indirectly out of the proceeds of any sale or disposal by the Issuer or any of its Subsidiaries of any Investment. The Issuer shall notify the amount of any such Special Dividend to the Calculation Agent who shall rely upon the amount of the Special Dividend so notified to it by the Issuer.

(d) *Additional Interest Amounts*

Subject to Condition 7(h) and following the operation of the provisions thereof, if a Special Dividend is declared, announced, paid or made in respect of the Ordinary Shares, then:

- (i) no adjustment shall be made in respect thereof pursuant to Condition 6(b); and
- (ii) the Issuer shall pay an additional interest amount (rounded to the nearest whole multiple of £0.01, with £0.005 being rounded upwards) (an “**Additional Interest Amount**”) in respect of each £100,000 principal amount of Bonds (not repurchased on the Special Dividend Put Date in respect of such Special Dividend), calculated in accordance with the following formula:

$$AIA = A \times B$$

where:

AIA	is the Additional Interest Amount payable in respect of each £100,000 principal amount of Bonds
A	is £100,000 divided by CP
CP	is the Conversion Price in effect on the Ex-Date in respect of the Special Dividend
B	is the portion of the Fair Market Value of the aggregate Special Dividend attributable to one Ordinary Share, with such portion being determined by the Calculation Agent by dividing the Fair Market Value (determined as at the Ex-Date) of the aggregate Special Dividend by the number of Ordinary Shares entitled to receive the Special Dividend (translated to pounds sterling at the Prevailing Rate on such Ex-Date)

An Additional Interest Amount shall be paid in respect of each Bond where the record date or other due date for establishment in respect of the relevant Special Dividend falls on or prior to the Final Maturity Date or any earlier due date for redemption of such Bond, or (in respect of a Bond in respect of which Conversion Rights (or, as the case may be, Settlement Rights) are or shall have been exercised) prior to the relevant Registration Date.

Additional Interest Amounts shall be paid to Bondholders (in the manner described in respect of payments of interest in Condition 8) by not later than the later of (i) the date on which the relevant Special Dividend is to be paid to Shareholders and (ii) the date falling five London business days following the first date on which the Fair Market Value of the relevant Special Dividend is capable of being determined in accordance with these Conditions.

The Issuer will give notice to the Bondholders in accordance with Condition 17 and to the Trustee of any requirement to pay an Additional Interest Amount promptly after the determination thereof. Such notice shall specify the amount of such Additional Interest Amount and the date on which it will be paid.

For the avoidance of doubt, the Additional Interest Amount shall be calculated by reference to the gross amount of the relevant Special Dividend and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

6 Conversion of Bonds

(a) *Conversion Right and Settlement Right*

Subject to and as provided in these Conditions, each Bond shall entitle the holder to require the Issuer to:

- (i) during the Settlement Period, satisfy the exercise of any Settlement Right by making payment or procuring that payment is made to the relevant Bondholder of the Cash Settlement Amount in respect of the relevant Reference Shares (the “**Settlement Right**”); and
- (ii) if the Issuer shall have given a Physical Settlement Notice and in circumstances where the relevant Conversion Date falls on or after the Physical Settlement Date, convert such Bond into new and/or existing Ordinary Shares as determined by the Issuer, credited as fully paid and equal to the Reference Shares in respect of such exercise (a “**Conversion Right**”).

Subject to and as provided in these Conditions, the Settlement Right or, following the giving of a Physical Settlement Notice and in circumstances where the relevant Conversion Date falls on or after the Physical Settlement Date, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided, from (and including):

- (A) in the case of the Settlement Right, the London business day following the Long Stop Date (or, if later, the date on which the Issuer gives the Cash Settlement Notice); or
- (B) in the case of the Conversion Right, the Physical Settlement Date,

in either case, to (and including):

- (i) the date falling 10 London business days prior to the Final Maturity Date or, if such Bond is to be redeemed pursuant to Condition 7(b), 7(c) or 7(d) prior to the Final Maturity Date, the date falling 10 London business days before the date fixed for redemption thereof pursuant to Condition 7(b), 7(c) or 7(d), unless there shall be a default in making payment in respect of such Bond on such Final Maturity Date or such date fixed for redemption, in which event the Conversion Right or Settlement Right shall extend up to (and including) the London business day immediately preceding (x) the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given in accordance with Condition 17 or (y) if earlier, the Final Maturity Date; or
- (ii) in the case of the Settlement Right only, if earlier, the London business day immediately preceding the Physical Settlement Date.

Conversion Rights and Settlement Rights may not be exercised (i) following the giving of notice by the Trustee that the Bonds are immediately due and payable pursuant to Condition 10, (ii) in respect of a Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Bond pursuant to Condition 7(f) or 7(g) or (iii) in respect of a Bond which the relevant Bondholder has tendered for repurchase pursuant to Condition 7(h) (other than a Bond which is not subsequently accepted for repurchase and is returned to such Bondholder).

Save in the circumstances described in Condition 6(j) in respect of any notice given by the Issuer pursuant to Condition 7(b), Conversion Rights or Settlement Rights may not be exercised by a Bondholder in circumstances where the relevant Conversion Date or Settlement Date would fall during the period commencing on the Record Date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive).

The periods during which Settlement Rights or, as appropriate, Conversion Rights may (subject as provided herein) be exercised by a Bondholder are referred to as the “**Settlement Period**” and “**Conversion Period**”, respectively.

The Issuer shall, not later than 5 London business days following the Long Stop Date (or, if the Share Settlement Condition is satisfied prior to the Long Stop Date, not later than 5 London business days following satisfaction of the Share Settlement Condition) give notice to the Bondholders in accordance with Condition 17 and to the Principal Paying, Transfer and Conversion Agent, the Registrar, the Trustee and the Calculation Agent:

- (1) where the Share Settlement Condition has been satisfied, stating that with effect from and including the Physical Settlement Date specified in such notice, Conversion Rights shall be exercisable (such notice, the “**Physical Settlement Notice**”) and Settlement Rights shall no longer be exercisable; or
- (2) where the Share Settlement Condition has not been satisfied, stating that the Share Settlement Condition has not been satisfied and stating if it intends to redeem the Bonds by publishing a Fair Bond Value Redemption Notice in accordance with Condition 7(d) (such notice, the “**Cash Settlement Notice**”).

For the avoidance of doubt, where pursuant to paragraph (2) above the Issuer gives a Cash Settlement Notice stating it does not intend to redeem the Bonds, this shall not prejudice the right of the Issuer to publish a Physical Settlement Notice at a later date if the Share Settlement Condition is met after the

Long-Stop Date. A Physical Settlement Notice may not be delivered after a Fair Bond Value Redemption Notice has been published.

A Bondholder may exercise the Conversion Right in respect of a Bond by delivering such Bond, together with a duly completed Conversion Notice, to the specified office of any Paying, Transfer and Conversion Agent in accordance with Condition 6(h).

Bondholders exercising the Conversion Right shall be required to certify in the Conversion Notice, among other things, that it or, if it is a broker-dealer acting on behalf of a customer, such customer:

- (x) will, on conversion, become the beneficial owner of the Ordinary Shares; and
- (y) is located outside the United States and is not a U.S. person (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended).

Upon the exercise of Settlement Rights by a Bondholder, the Issuer shall make payment to the relevant Bondholder of the relevant Cash Settlement Amount in respect of the Reference Shares by not later than the fifth dealing day following the end of the Cash Settlement Calculation Period (or, if that is not a London business day, the next following London business day) by transfer to a pounds sterling account with a bank in London specified in the relevant Conversion Notice.

Upon exercise of Conversion Rights by a Bondholder, the Issuer shall issue or transfer and deliver to the relevant Bondholder such number of Ordinary Shares as is equal to the Reference Shares.

Subject as provided above and in Condition 6(c), the number of Ordinary Shares to be issued or transferred and delivered on exercise of Conversion Rights shall be determined by the Calculation Agent by dividing the principal amount of the Bonds to be converted by the conversion price (the “**Conversion Price**”) in effect on the relevant Conversion Date.

The initial Conversion Price is £0.9375 per Ordinary Share. The Conversion Price is subject to adjustment in the circumstances described in Condition 6(b).

The Issuer will procure that Ordinary Shares to be issued or transferred and delivered on exercise of Conversion Rights will be issued or transferred and delivered to the relevant Bondholder or his nominee as specified in the relevant Conversion Notice (without any further action being required to be taken by, and, subject to the provisions of Condition 6(h), without any cost or expense to, the relevant Bondholder or the Trustee).

Conversion Rights are not exercisable in respect of any specific Ordinary Shares and no Ordinary Shares have been or will be charged, placed in custody or otherwise set aside to secure or satisfy the obligations of the Issuer and the Issuer in respect of the delivery of Ordinary Shares.

Conversion Rights and Settlement Rights may only be exercised in respect of the whole of the principal amount of a Bond.

Fractions of Ordinary Shares will not be issued or transferred and delivered and no cash payment or other adjustment will be made in lieu thereof. If a Conversion Right in respect of more than one Bond is exercised at any one time such that Ordinary Shares to be issued and delivered in respect of such exercise are to be registered in the same name, the number of Ordinary Shares to be issued and delivered by the Issuer in respect thereof shall be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Ordinary Shares.

(b) *Adjustment of Conversion Price*

Upon the occurrence of any of the events described below, the Conversion Price shall be adjusted by the Calculation Agent (unless otherwise specified) on behalf of the Issuer, as follows:

(i) *Consolidation, reclassification, redesignation or subdivision*

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision affecting the number of Ordinary Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and

B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(i), the date on which the consolidation, reclassification, redesignation or subdivision, as the case may be, takes effect.

(ii) *Capitalisation of profits or reserves*

If and whenever the Issuer shall issue any Ordinary Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Ordinary Shares constituting a Scrip Dividend), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such issue; and

B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(ii), the date of issue of such Ordinary Shares (or, in the case of an issue of Ordinary Shares pursuant to paragraph (b)(2) of the definition of “Dividend”, such other date as is applicable pursuant thereto).

(iii) *Dividends*

(A) If and whenever the Issuer shall declare, announce, make or pay any Dividend (other than a Special Dividend) to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of such Dividend; and
- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(iii)(A), the later of (i) the Ex-Date in respect of such Dividend and (ii) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

- (B) For the purposes of the above, Fair Market Value shall (subject as provided in paragraphs (a) and (b) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Ex-Date in respect of the relevant Dividend.

(iv) *Rights Issue*

If and whenever the Issuer shall issue Ordinary Shares to Shareholders as a class by way of rights, or the Issuer or any of the Issuer’s Subsidiaries or (at the direction or request or pursuant to any arrangements with the Issuer or any of the Issuer’s Subsidiaries) any other company, person or entity shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on such Ex-Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and

C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on such Ex-Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (b)(iv), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(iv), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(iv).

(v) *Issue of Securities to Shareholders*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares and other than an issue of Securities constituting a Scrip Dividend or an Elective Scrip Dividend) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or any Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares and other than a grant of options, warrants or other rights as aforesaid constituting a Scrip Dividend or an Elective Scrip Dividend), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant issue or grant; and

B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(v), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(v).

(vi) *Issue of Ordinary Shares at below Current Market Price*

If and whenever the Issuer shall issue (otherwise than as mentioned in paragraph (b)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Bonds (which term shall for this purpose include any Further Bonds) or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire Ordinary Shares and other than constituting a Scrip Dividend) or if and whenever the Issuer or any of the Issuer's Subsidiaries or (at the direction or request or pursuant to any arrangements with the Issuer or any of the Issuer's Subsidiaries) any other company, person or entity shall issue or grant (otherwise than as mentioned in paragraph (b)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than the Bonds, which term shall for this purpose include any Further Bonds), in each case at a consideration receivable per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of "C" and the proviso below) which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of the first public announcement of the terms of such issue of such Ordinary Shares or the issue or grant of options, warrants or other rights as provided above;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this paragraph (b)(vi), the "**Specified Date**") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (b)(vi), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, in respect of this paragraph (b)(vi), the later of (i) the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(vi).

(vii) *Other issues*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company,

person or entity (otherwise than as mentioned in paragraphs (b)(iv), (b)(v) or (b)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than the Bonds, which term shall for this purpose exclude any Further Bonds and other than an issue of Securities constituting a Scrip Dividend or an Elective Scrip Dividend) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares, and the consideration per Ordinary Share (based, where appropriate, on such a number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition or reclassification or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, purchase of, or rights to otherwise acquire Ordinary Shares which have been issued, purchased or acquired by the Issuer or any of the Issuer’s Subsidiaries (or at the direction or request or pursuant to any arrangements with the Issuer or any of the Issuer’s Subsidiaries) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation,

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this paragraph, the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this paragraph (b)(vii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange,

subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(vii), the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(vii).

(viii) *Modification of rights*

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Bonds, which term shall for this purpose include any Further Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share (based, where appropriate, on such number of Ordinary Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of first public announcement of the terms for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the date of first public announcement of the terms for such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate (but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this paragraph (b)(viii) or paragraph (b)(vii) above),

provided that if on the date of first public announcement of the terms of such modification (as used in this paragraph (b)(viii), the “**Specified Date**”) such number of Ordinary Shares is to be

determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this paragraph (b)(viii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(viii), the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(viii)..

(ix) *Certain arrangements*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Conversion Price falls to be adjusted under paragraphs (b)(ii), (b)(iii), (b)(iv), (b)(v), (b)(vi) or (b)(vii) above or (b)(x) below (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant dealing day)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Ex-Date in respect of the relevant offer; and

B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b)(ix), the later of (i) the Ex-Date in respect of the relevant offer and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (b)(ix).

(x) *Change of Control or Free Float Event*

If a Change of Control or Free Float Event shall occur, then upon any exercise of Conversion Rights or Settlement Rights where the Conversion Date or Settlement Date falls during the Relevant Event Period applicable to such Change of Control or Free Float Event, the Conversion Price, solely for the purpose of such exercise (the “**Change of Control Conversion Price**”), shall be determined by multiplying the Conversion Price in effect on the relevant Conversion Date or Settlement Date by the following fraction:

$$1/(1 + (CP \times c/t))$$

where:

- CP = means 25 per cent. (expressed as a fraction)
- c = means the number of days from and including the date the Change of Control or Free Float Event occurs to but excluding the Final Maturity Date
- t = means the number of days from and including the Closing Date to but excluding the Final Maturity Date.

(xi) *Other adjustments*

If, following consultation with the Calculation Agent, the Issuer determines that an adjustment should be made to the Conversion Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in this paragraph (b) (even if the relevant circumstance is specifically excluded from the operation of paragraphs (b)(i) to (x) above), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser, to determine, in consultation with the Calculation Agent (if different), as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this paragraph (b)(xi) if such Independent Adviser is so requested to make such determination as soon as practicable after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

(xii) *Modifications*

Notwithstanding the foregoing provisions:

- (a) where the events or circumstances giving rise to any adjustment pursuant to this paragraph (b) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that (or if for any other reason), following consultation with the Calculation Agent, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification (if any) shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
- (b) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Adviser, in consultation with the Calculation Agent (if different) to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once;
- (c) other than pursuant to Condition 6(b)(i), no adjustment shall be made that would result in an increase to the Conversion Price.

(xiii) *Calculation of consideration*

For the purpose of any calculation of the consideration receivable or price pursuant to paragraphs (b)(iv), (b)(vi), (b)(vii) and (b)(viii), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;

- (b) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in paragraph (b)(iv) or as at the relevant date of first public announcement referred to in paragraph (b)(vi), (b)(vii) or (b)(viii), as the case may be, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate, all as determined in good faith by the Calculation Agent;
- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be converted by the Calculation Agent into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of paragraph (b)(iv)) or the relevant date of first public announcement (for the purposes of paragraph (b)(vi), (vii) or (viii), as the case may be);
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith;
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity;
- (f) if as part of the same transaction, Ordinary Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Ordinary Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Ordinary Shares so issued; and
- (g) references in these Conditions to “**cash**” shall be construed as cash consideration within the meaning of Section 583(3) of the United Kingdom Companies Act 2008.

(c) *Retroactive Adjustments*

If a Retroactive Adjustment occurs in relation to any exercise of Conversion Rights, the Issuer shall procure that there shall be issued or transferred and delivered to the relevant Bondholder, in accordance with the instructions contained in the relevant Conversion Notice, such additional number of Ordinary Shares (if any) (the “**Additional Ordinary Shares**”) as, together with the Ordinary Shares issued or transferred and delivered on the relevant exercise of Conversion Rights, is equal to the number of Ordinary Shares which would have been required to be issued or transferred and delivered on such exercise if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, all as determined in good faith by the Calculation Agent or an Independent Adviser, provided that if in the case of paragraph (b)(ii), (b)(iii), (b)(iv), (b)(v) or (b)(ix) the relevant Bondholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect of the Ordinary Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Ordinary Shares in relation thereto.

If a Retroactive Adjustment occurs in relation to any exercise of Settlement Rights in circumstances where any dealing day comprised in the Cash Settlement Calculation Period in respect of such exercise of Settlement Rights falls on or after the relevant Applicable Date, the Issuer shall pay to the relevant Bondholder an additional amount (the “**Additional Cash Settlement Amount**”) calculated in good faith by the Calculation Agent and equal to the Market Price of such number of Ordinary Shares (rounded down if necessary to the nearest whole number of Ordinary Shares) (if any) as is equal to that by which the number of Reference Shares would have been increased if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Settlement Date, all as determined in good faith by the Calculation Agent.

The Issuer will pay the Additional Cash Settlement Amount not later than five London business days following the relevant Reference Date by transfer to a pounds sterling account of the payee with a bank in London in accordance with the instructions specified by the relevant Bondholder contained in the relevant Conversion Notice.

(d) *Conversion Price Reset*

Upon the Reset Date (as defined below) the Conversion Price will be adjusted (but only if the Conversion Price so adjusted is lower than the then prevailing Conversion Price) to be equal to the Reset Conversion Price determined in accordance with the following formula:

Max [Average Market Price x (1+Initial Conversion Premium), MRCP]

where:

“**Average Market Price**” means the arithmetic average of the Sterling VWAP on each dealing day in the period of 10 consecutive dealing days starting on (and including) the sixth London business day (or, if such business day is not a dealing day, the immediately following dealing day) following the settlement date of the Rights Offer (the “**Reset Calculation Period**”).

“**Initial Conversion Premium**” means 25 per cent.

“**MRCP**” means, as at the Closing Date, £0.7500, subject to adjustment from time to time on an equivalent basis to any adjustment made to the Conversion Price pursuant to Condition 6(b).

“**Reset Date**” means the fifth London business day following the last day of the Reset Calculation Period.

“**Sterling VWAP**” means, in respect of any dealing day, the Volume Weighted Average Price of an Ordinary Share on such dealing day (translated into pounds sterling at the Prevailing Rate on such dealing day).

Any adjustment to the Conversion Price pursuant to this Condition 6(d) shall become effective as of the Reset Date.

(e) *Decision and Determination of the Calculation Agent or an Independent Adviser*

Adjustments to the Conversion Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or to the extent so specified in the Conditions and upon request from the Issuer by an Independent Adviser.

Adjustments to the Conversion Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Trustee, the Bondholders, the Calculation Agent (in the case of a determination by an Independent Adviser) and the Paying, Transfer and Conversion Agents.

The Calculation Agent may, subject to the provisions of the Calculation Agency Agreement, consult, at the expense of the Issuer, on any matter (including but not limited to, any legal matter), with any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Trustee, the Bondholders or the Agents in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser’s opinion.

The Calculation Agent shall act solely upon request from and exclusively as agent of the Issuer and in accordance with these Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust with, and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent or Independent Adviser (as the case may be) as against, the Trustee, the Bondholders or the Paying, Transfer and Conversion Agents.

If, following consultation between the Issuer and the Calculation Agent, any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Trustee, the Bondholders, the Calculation Agent (if different) and the Trustee, save in the case of manifest error.

(f) *Share or Option Schemes, Dividend Reinvestment Plans*

No adjustment will be made to the Conversion Price where Ordinary Shares or other Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted (i) to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive or non-executive office or the personal service company of any such person), consultants or former consultants, or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to any share or option or incentive scheme or other similar incentive plan (including, but not limited to, any restricted share plan) or (ii) pursuant to any dividend reinvestment plan or similar plan or scheme.

(g) *Rounding Down and Notice of Adjustment to the Conversion Price*

On any adjustment, the resultant Conversion Price, if not an integral multiple of £0.0001, shall be rounded down to the nearest whole multiple of £0.0001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Save for any adjustment required to be made under Condition 6(d), any adjustment not required to be made and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price, including without limitation pursuant to Condition 6(d), shall be given by the Issuer to Bondholders in accordance with Condition 17 and to the Trustee promptly after the determination thereof.

The Conversion Price shall not in any event be reduced to below the nominal or par value of the Ordinary Shares or be reduced so that on conversion of the Bonds, Ordinary Shares would fall to be issued in circumstances not permitted by applicable laws or regulations. The Issuer undertakes that it shall not take any action that would otherwise result in an adjustment to the Conversion Price to below such nominal or par value or any minimum level permitted by applicable laws or regulations or that would otherwise result in Ordinary Shares being required to be issued or transferred and delivered in circumstances not permitted by applicable laws or regulations.

(h) *Procedure for exercise of Conversion Rights and Settlement Rights*

Conversion Rights and Settlement Rights may be exercised by a Bondholder by delivering the relevant Bond to the specified office of any Paying, Transfer and Conversion Agent, during its usual business hours, accompanied by a duly completed and signed notice of exercise of Conversion Rights or, as the case may be, Settlement Rights (a “**Conversion Notice**”) in the form (for the time being current) obtainable from any Paying, Transfer and Conversion Agent. Conversion Rights and Settlement Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying, Transfer and Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If the delivery of the relevant Bond and Conversion Notice as aforesaid is made after 4:00 p.m. in the place of the specified office of the relevant Paying, Transfer and Conversion Agent or on a day which is not a business day in the place of the specified office of the relevant Paying, Transfer and Conversion Agent, such delivery shall be deemed for these Conditions to have been made on the next following such business day.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the relevant Paying, Transfer and Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying, Transfer and Conversion Agents and the relevant Bondholder.

A Conversion Notice, once delivered, shall be irrevocable.

The “**Settlement Date**” or, as the case may be, the “**Conversion Date**”, in respect of a Bond shall be the business day in Johannesburg immediately following the date of the delivery (or deemed delivery) of the relevant Bond and the Conversion Notice as provided in this Condition 6(h), and such Settlement Date, or, as the case may be, Conversion Date, shall be the date on which Settlement Rights, or, as the case may be, Conversion Rights, shall be deemed to be exercised in respect of such Bond for the purpose of these Conditions.

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue and registration and transfer taxes and duties arising on conversion (other than any capital, stamp, issue and registration and transfer taxes and duties payable in Malta or the Republic of South Africa or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction the Issuer is subject or in which the register of Shareholders is maintained in respect of the allotment and issue or transfer and delivery of any Ordinary Shares on such conversion (including any Additional Ordinary Shares), which shall be paid by the Issuer) and such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond, any Ordinary Shares (including any Additional Ordinary Shares) or any interest therein in connection with, or subsequent to, such conversion. For the avoidance of doubt, the Trustee shall not be responsible for monitoring or determining whether such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable to any person for any failure by the Issuer to pay such capital, stamp, issue and registration and transfer taxes and duties.

Ordinary Shares to be issued on exercise of Conversion Rights will be issued in uncertificated form through (i) the securities trading system operated by Strate Proprietary Limited (“**Strate**”), or any successor licensed clearance and settlement facility (applicable to the Ordinary Shares) of Strate or (ii) Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), as directed by the relevant Bondholder in the relevant Conversion Notice, unless, at the relevant time of issue, the Ordinary Shares are not a participating security in the relevant clearing system. The Issuer will procure the delivery of such Ordinary Shares to the Strate, Euroclear or Clearstream, Luxembourg account specified by the relevant Bondholder in the relevant Conversion Notice as soon as possible and in any event within 6 Johannesburg, Brussels or Luxembourg business days, as the case may be, after the relevant Conversion Date (or, in the case of Additional Ordinary Shares, not later than 6 Johannesburg, Brussels or Luxembourg business days, as the case may be, following the Reference Date).

If the Ordinary Shares are not a participating security at the relevant time in the relevant clearing system specified by the relevant Bondholder in the relevant Conversion Notice, the Ordinary Shares to be delivered on exercise of Conversion Rights will be delivered in such a manner as may be in accordance with market practice, and as notified by the Issuer to Bondholders.

Notwithstanding any other provision of these Conditions, a Bondholder exercising a Conversion Right following a Change of Control Conversion Right Amendment (as described in Condition 11(ii)(7)) will be deemed, for the purposes of these Conditions, to have received the Ordinary Shares to be given to it by the Issuer on conversion of its Bonds in the manner provided in these Conditions, and have exchanged such Ordinary Shares for the consideration that it would have received therefor if it has exercised its Conversion Right in respect of such Bonds at the time of the occurrence of the relevant Change of Control.

(i) *Ranking and entitlement in respect of Ordinary Shares issued or transferred and delivered upon the exercise of Conversion Rights and equivalent amount upon exercise of Settlement Rights or Conversion Rights*

- (i) Ordinary Shares (including any Additional Ordinary Shares) issued or transferred and delivered upon the exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Registration Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments where the record date or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.

(ii) If (x) a Dividend (other than a Special Dividend) or other entitlement in respect of the Ordinary Shares is announced, whether prior to, on or after the Conversion Date or Settlement Date in respect of such Bonds and (y) the record date or other due date for establishment or entitlement in respect of such Dividend or other entitlement falls before the relevant Registration Date (other than and to the extent that it results (i) (in the case of an exercise of Conversion Rights) in any adjustment (retroactive or otherwise) to the number of Ordinary Shares to which the relevant converting Bondholder is entitled pursuant to these Conditions or (ii) (in the case of an exercise of Settlement Rights) an Additional Cash Settlement Amount in respect of the relevant exercise of Settlement Rights, the Issuer will (unless (in the case of an exercise of Conversion Rights) it is able to confer on or deliver to the relevant Bondholder an entitlement to receive such Dividend or other entitlement) pay to the relevant converting Bondholder in lieu of such Dividend or distribution or entitlement an amount in pounds sterling (rounded to the nearest whole multiple of £0.01, with £0.005 being rounded upwards) (the “**Equivalent Amount**”) equal to the Fair Market Value of any such Dividend or other entitlement (or relevant portion thereof) (on the Ex-Date in respect thereof, and translated if necessary into pounds sterling at the Prevailing Rate on such Ex-Date) to which such Bondholder would have been entitled had he, on that record date or other due date for establishment of entitlement, been a shareholder of record in respect of such number of Ordinary Shares as is equal to the number of Reference Shares in respect of the relevant exercise of Conversion Rights, or, as the case may be, Settlement Rights and will make the relevant payment of the Equivalent Amount to the relevant Bondholder at the same time that it makes payment of the relevant Dividend or other entitlement to Shareholders generally and in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

(j) *Interest on exercise of Conversion Rights or Settlement Rights*

Save as provided below, no payment or adjustment shall be made on exercise of Conversion Rights or Settlement Rights for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date or Settlement Date relating to such Bonds (or, if such Conversion Date or Settlement Date falls before the first Interest Payment Date, since the Closing Date).

If any notice requiring the redemption of the Bonds is given pursuant to Condition 7(b), 7(c) or 7(d) on or after the fifteenth dealing day prior to a record date or other due date for establishment of entitlement which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) in respect of any Dividend or distribution payable in respect of the Ordinary Shares where such notice specifies a date for redemption falling on or prior to the date which is 21 dealing days after the Record Date in respect of the Interest Payment Date next following such record date or other due date for establishment of entitlement, interest shall accrue at the rate provided in Condition 5(a) on the principal amount of Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the relevant Registration Date falls after such record date or other due date for establishment of entitlement and the relevant Conversion Date or as the case may be, Settlement Date, falls on or prior to the Record Date in respect of the Interest Payment Date next following such record date in respect of such Dividend or distribution, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date or as the case may be, Settlement Date, falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date or as the case may be, Settlement Date, by transfer to a pounds sterling account with a bank in London in accordance with the instructions contained in the relevant Conversion Notice.

(k) *Purchase or Redemption of Ordinary Shares*

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders.

(l) *No Duty to Monitor*

None of the Trustee, the Calculation Agent, the Principal Paying, Transfer and Conversion Agent or the Registrar shall be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price and will not be responsible or liable to any person for any loss arising from any failure by it to do so, nor shall the Trustee or the Calculation Agent be responsible or liable to any person (other than in the case of the Calculation Agent, to the Issuer strictly in accordance with the relevant provisions of the Calculation Agency Agreement) for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment.

(m) *Relevant Event*

Within 14 days following the occurrence of a Relevant Event, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 17 (a “**Relevant Event Notice**”). The Relevant Event Notice shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights or Settlement Rights, as the case may be, as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 7(f).

The Relevant Event Notice shall also specify:

- (i) all information material to Bondholders concerning the Relevant Event;
- (ii) in the case of a Change of Control or Free Float Event, the Conversion Price immediately prior to the occurrence of the relevant Change of Control or Free Float Event and the indicative Change of Control Conversion Price (as defined in Condition 6(b)(x)) applicable on the basis of such Conversion Price (but, for the avoidance of doubt, the actual Change of Control Conversion Price applicable to a particular exercise of Conversion Rights or Settlement Rights will be the Conversion Price as at the relevant Conversion Date or Settlement Date adjusted in accordance with Condition 6(b)(x));
- (iii) the Closing Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Relevant Event Notice;
- (iv) the Relevant Event Period;
- (v) the Relevant Event Put Date in circumstances where Bondholders elect to exercise their right to require redemption of the Bonds; and
- (vi) such other information relating to the Relevant Event as the Trustee may require.

None of the Trustee, the Principal Paying, Transfer and Conversion Agent or the Registrar shall: (a) be required to take any steps to monitor or ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur; or (b) be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(n) *Non-Completion of Rights Offer*

If the Rights Offer is not successfully completed in accordance with its terms (as publicly announced on 27 November 2019) by the Rights Offer Deadline, the Issuer shall, not later than two London business days following the Rights Offer Deadline, give notice thereof to the Trustee and to the Bondholders in accordance with Condition 17 (a “**Rights Offer Non-Completion Notice**”). The Rights Offer Non-

Completion Notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 7(g).

The Rights Offer Non-Completion Notice shall also specify:

- (i) all information material to Bondholders concerning the non-completion of the Rights Offer;
- (ii) the Conversion Price as at the latest practicable date prior to the publication of the Rights Offer Non-Completion Notice;
- (iii) the Closing Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Rights Offer Non-Completion Notice;
- (iv) the last date on which Bondholders may elect to exercise their right to require redemption of the Bonds; and
- (v) such other information relating to the non-completion of the Rights Offer as the Trustee may require.

None of the Trustee, the Principal Paying, Transfer and Conversion Agent or the Registrar shall: (a) be required to take any steps to monitor or ascertain whether non-completion of the Rights Offer or any event which could lead to non-completion of the Rights Offer has occurred or may occur; or (b) be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(o) *Consolidation, Amalgamation and Merger*

Without prejudice to Condition 6(b)(x), in the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than constituting a Change of Control or a consolidation, amalgamation or merger in which the Issuer is the continuing corporation) (a “**Successor in Business**” and a “**Succession in Business**”), the Issuer will forthwith give notice thereof to Bondholders and to the Trustee of such event and will take such steps as shall be required, subject to applicable law and as provided in the Trust Deed (including the execution of a deed supplemental to or amending the Trust Deed):

- (i) to ensure that the Successor in Business is substituted in place of the Issuer as the principal debtor under the Bonds and the Trust Deed;
- (ii) to ensure that each Bond then outstanding will (during the period in which Conversion Rights or Settlement Rights may be exercised) be convertible into the Cash Settlement Amount or, as relevant, equity share capital (or similar) of the Successor in Business on such basis and with a Conversion Price (subject to adjustment as provided in these Conditions) as determined in good faith by an Independent Adviser (each a “**Right Transfer**”); and
- (iii) to ensure that the Trust Deed (as so amended or supplemented if applicable) and the Conditions provide at least the same or equivalent powers, protections, rights and benefits to the Trustee and the Bondholders following the implementation such Succession in Business as they provided to the Trustee and the Bondholders prior to the implementation of the Succession in Business, *mutatis mutandis*.

The satisfaction of the requirements set out in subparagraphs (i), (ii) and (iii) of this Condition 6(o) by the Issuer is herein referred to as a “**Permitted Cessation of Business**”. Notwithstanding any other provision of these Conditions, a Permitted Cessation of Business shall not result in a breach of undertaking, constitute an Event of Default or otherwise result in any breach of any provision of these Conditions or the Trust Deed. Following the occurrence of a Permitted Cessation of Business, references in these Conditions, the Trust Deed and the Agency Agreement to the “Issuer” will be construed as references to the relevant Successor in Business.

At the request of the Issuer, but subject to the Issuer's compliance with the provisions of subparagraph (i) and (ii) of this Condition 6(o), the Trustee shall (at the expense of the Issuer), without the requirement for any consent or approval of the Bondholders, be obliged to concur with the Issuer in effecting any Right Transfer (including, *inter alia*, the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way.

If, following consultation with the Calculation Agent, any doubt shall arise as to how determinations, calculations or adjustments as specifically required to be performed by the Calculation Agent in these Conditions should be performed following any such consolidation, amalgamation or merger, a written opinion of an Independent Adviser in respect thereof shall be conclusive and binding on the Successor in Business, the Issuer, the Trustee, the Bondholders, the Calculation Agent and all other parties, save in the case of manifest error.

The above provisions of this Condition 6(o) will apply, *mutatis mutandis*, to any subsequent consolidations, amalgamations or mergers.

7 Redemption and Purchase

(a) Final Redemption

Unless previously purchased and cancelled, redeemed or converted as herein provided, the Bonds will be redeemed at their principal amount on the Final Maturity Date. The Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 7(b), 7(c) or 7(d), and may only be redeemed at the election of Bondholders prior to the Final Maturity Date in accordance with Condition 7(f) or 7(g).

(b) Redemption at the Option of the Issuer

On giving not less than 30 nor more than 45 days' notice (an "**Optional Redemption Notice**") to the Trustee, the Principal Paying, Transfer and Conversion Agent and the Calculation Agent and to the Bondholders in accordance with Condition 17, the Issuer may elect to redeem all but not some only of the Bonds on the date (the "**Optional Redemption Date**") specified in the Optional Redemption Notice at their principal amount, together with accrued but unpaid interest up to (but excluding) the Optional Redemption Date at any time if, prior to the date the relevant Optional Redemption Notice is given, Conversion Rights and/or Settlement Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued (which shall for this purpose include any Further Bonds).

On the Optional Redemption Date, the Issuer shall redeem the Bonds at their principal amount, together with accrued interest up to (but excluding) the Optional Redemption Date.

(c) Redemption for Taxation Reasons

The Issuer may, at any time, having given not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders redeem (subject to the second following paragraph) all but not some only of the Bonds for the time being outstanding on the date (the "**Tax Redemption Date**") specified in the Tax Redemption Notice at their principal amount, together with accrued but unpaid interest up to (but excluding) the Tax Redemption Date, if the Issuer satisfies the Trustee immediately prior to the giving of the Tax Redemption Notice that (i) the Issuer has or will become obliged to pay additional amounts pursuant to Condition 9 as a result of any change in, or amendment to, the laws or regulations of Malta or any political subdivision or any authority thereof or therein having power to tax,

or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 27 November 2019, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 7(c), the Issuer shall deliver to the Trustee (a) a certificate signed by two directors of the Issuer, stating that the obligation referred to in (i) above has arisen and cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised international standing and addressed to the Issuer (but with disclosure permitted to the Trustee on a non-reliance basis) to the effect that such change or amendment has occurred and that the Issuer has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled to accept without any liability for so doing such certificate and opinion as sufficient evidence of the matters set out in (i) and (ii) above, in which event such certificate shall be conclusive and binding on the Bondholders.

On the Tax Redemption Date the Issuer shall (subject to the next following paragraph) redeem the Bonds at their principal amount, together with accrued but unpaid interest up to (but excluding) the Redemption Date.

If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed pursuant to such Tax Redemption Notice and that the provisions of Condition 9 requiring the Issuer to pay additional amounts shall not apply in respect of any payment of interest to be made in respect of such Bonds by the Issuer which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable by the Issuer in respect thereof pursuant to Condition 9 and payment in respect of all amounts of principal and interest on such Bonds shall be made subject to the deduction or withholding of any taxation in Malta required to be withheld or deducted. To exercise such right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying, Transfer and Conversion Agent, together with the Bond in respect of which the relevant election has been made, a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying, Transfer and Conversion Agent on or before the day falling 10 days prior to the Tax Redemption Date. Any Bond so deposited shall be returned by the relevant Paying, Transfer and Conversion Agent to the relevant Bondholder on the Tax Redemption Date endorsed to reflect the election made by such Bondholder, provided that if the deposited Bond becomes immediately due and payable before that date, the Paying, Transfer and Conversion Agent concerned shall mail the Bond by uninsured post to, and at the risk of, the relevant holder.

References in this Condition 7(c) to Malta shall be deemed also to refer to any jurisdiction in respect of which any undertaking or covenant equivalent to that in Condition 9 is given pursuant to the Trust Deed, (except that as regards such jurisdiction the words “becomes effective on or after 27 November 2019” in Condition 7(c)(i) above shall be replaced with the words “becomes effective after, and has not been announced on or before, the date on which any undertaking or covenant equivalent to that in Condition 9 was given pursuant to the Trust Deed”) and references in this Condition 7(c) to additional amounts payable under Condition 9 shall be deemed also to refer to additional amounts payable under any such undertaking or covenant.

(d) *Redemption due to non-satisfaction of Share Settlement Condition*

The Issuer may (A) at any time after an EGM has been held (at which Shareholder Resolutions have been presented) but the Shareholder Resolutions have not been passed or (B) at any time after the Long Stop Date if the Shareholder Resolutions have not been passed on or before the Long Stop Date, in each case having given not less than 30 nor more than 45 days’ notice to the Principal Paying, Transfer and Conversion Agent, the Trustee and the Bondholders in accordance with Condition 17 (such notice (a

“**Fair Bond Value Redemption Notice**”), redeem all but not some only of the Bonds outstanding on the date (the “**Fair Bond Value Redemption Date**”) falling 15 London business days after the end of the Fair Bond Value Calculation Period at an amount equal to the Fair Bond Value Redemption Price, together with accrued but unpaid interest to (but excluding) the Fair Bond Value Redemption Date.

(e) *Optional Redemption, Tax Redemption and Fair Bond Value Redemption Notices*

The Issuer shall not give an Optional Redemption Notice or a Tax Redemption Notice at any time during a Relevant Event Period or an Offer Period or which specifies a date for redemption falling in a Relevant Event Period or an Offer Period or the period of 21 days following the end of a Relevant Event Period or Offer Period (whether or not the relevant notice was given prior to or during such Relevant Event Period or Offer Period), and any such notice shall be invalid and of no effect (whether or not given prior to the Relevant Event Period or Offer Period) and the relevant redemption shall not be made.

Any Optional Redemption Notice, Tax Redemption Notice or Fair Bond Value Redemption Notice shall be irrevocable. Any such notice shall specify (i) the Optional Redemption Date, the Tax Redemption Date or, as the case may be, the Fair Bond Value Redemption Date, which shall be a London business day; (ii) the Conversion Price, the aggregate principal amount of the Bonds outstanding and the Closing Price of the Ordinary Shares, in each case as at the latest practicable date prior to the publication of the Optional Redemption Notice, the Tax Redemption Notice or, as the case may be, the Fair Bond Value Redemption Notice; and (iii) the last day on which Conversion Rights or Settlement Rights, as applicable, may be exercised by Bondholders.

“**Offer Period**” means (i) any period commencing on the date of the first public announcement of an offer or tender (howsoever described) by any person or persons in respect of all or a majority of the issued and outstanding Ordinary Shares and ending on the date that offer or tender ceases to be open for acceptance or, if earlier, on which that offer or tender lapses or terminates or is withdrawn; or (ii) any period commencing on the date of the first public announcement of a Scheme of Arrangement relating to the acquisition of all or a majority of the issued and outstanding Ordinary Shares and ending on the date such Scheme of Arrangement is or becomes effective or, if earlier, the date such Scheme of Arrangement is cancelled or terminated.

(f) *Redemption at the Option of Bondholders Upon a Relevant Event*

Following the occurrence of a Relevant Event, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Relevant Event Put Date corresponding to such Relevant Event at its principal amount, together with accrued and unpaid interest up to (but excluding) the Relevant Event Put Date. To exercise such right, the holder of the relevant Bond must deliver such Bond to the specified office of any Paying, Transfer and Conversion Agent, together with a duly completed and signed notice of exercise in the form for the time being currently obtainable from the specified office of any Paying, Transfer and Conversion Agent (a “**Relevant Event Put Exercise Notice**”), at any time during the Relevant Event Period. The “**Relevant Event Put Date**” shall be the 10th London business day after the expiry of the Relevant Event Period.

Payment in respect of any such Bond shall be made by transfer to a pounds sterling account with a bank in London in accordance with the instructions contained in the Relevant Event Put Exercise Notice.

A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Relevant Event Put Exercise Notices delivered as aforesaid on the Relevant Event Put Date.

(g) *Redemption at the Option of Bondholders Upon Non-Completion of the Rights Offer*

If the Rights Offer is not successfully completed in accordance with its terms (as publicly announced on 27 November 2019) by the Rights Offer Deadline the holder of each Bond will have the right to require

the Issuer to redeem that Bond on 18 September 2020 (the “**Rights Offer Put Date**”) at its principal amount, together with accrued and unpaid interest up to (but excluding) the Rights Offer Put Date. To exercise such right, the holder of the relevant Bond must deliver such Bond to the specified office of any Paying, Transfer and Conversion Agent, together with a duly completed and signed notice of exercise in the form for the time being currently obtainable from the specified office of any Paying, Transfer and Conversion Agent (a “**Rights Offer Put Exercise Notice**”), by no later than the fifth London business day prior to the Rights Offer Put Date.

Payment in respect of any such Bond shall be made by transfer to a pounds sterling account with a bank in London in accordance with the instructions contained in the Rights Offer Put Exercise Notice.

A Rights Offer Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Rights Offer Put Exercise Notices delivered as aforesaid on the Rights Offer Put Date.

(h) *Redemption at the Option of Bondholders Following a Special Dividend*

If the Issuer shall give a Proposed Special Dividend Notice to Bondholders pursuant to Condition 5(c), then the Issuer shall in such Proposed Special Dividend Notice invite Bondholders (a “**Tender Invitation**”) to tender for repurchase an aggregate principal amount of Bonds up to a maximum amount equal to the Proposed Special Dividend Sterling Amount (or, if lower, the aggregate principal amount of Bonds outstanding on the Special Dividend Put Date), such repurchase to be settled by the Issuer on the Special Dividend Put Date at a price per Bond equal to its principal amount, together with accrued and unpaid interest up to (but excluding) the Special Dividend Put Date.

“**Special Dividend Put Date**” means the date falling 20 London business days following the date of the Proposed Special Dividend Notice.

To tender a Bond for repurchase pursuant to a Tender Invitation, the holder of the relevant Bond must deliver such Bond to the specified office of any Paying, Transfer and Conversion Agent, together with a duly completed and signed notice of tender in the form for the time being currently obtainable from the specified office of any Paying, Transfer and Conversion Agent (a “**Tender Notice**”), by no later than the date falling 5 London business days prior to the Special Dividend Put Date. A Tender Notice, once delivered, shall be irrevocable.

In the event that the total aggregate amount of Bonds which Bondholders tender for repurchase exceeds the Proposed Special Dividend Sterling Amount, the Issuer shall accept for repurchase as aforesaid such proportion of the total number of Bonds the subject of each tender instruction as is equal to the proportion calculated by dividing the Proposed Special Dividend Sterling Amount (translated into pounds sterling as aforesaid) by the aggregate principal amount of Bonds tendered for repurchase, rounded down, in the case of each tender instruction, to the nearest number of Bonds in the principal amount of £100,000.

All Bonds delivered to a Paying, Transfer and Conversion Agent, together with a duly completed and signed Tender Notice, but not accepted for repurchase pursuant to this Condition 7(h), shall be returned to the relevant Bondholder by uninsured mail in accordance with the instructions contained in the Tender Notice.

Payment in respect of any such Bond shall be made by transfer to a pounds sterling account with a bank in London in accordance with the instructions contained in the Tender Notice.

(i) *Purchase*

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading from time to time and subject to compliance with applicable laws and regulations, the Issuer

or any Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price. Such Bonds may be held, resold or reissued or, at the option of the Issuer, surrendered to the Principal Paying, Transfer and Conversion Agent for cancellation.

(j) *Cancellation*

All Bonds which are redeemed or in respect of which Conversion Rights or Settlement Rights are exercised will be cancelled and may not be reissued or resold. Bonds purchased by the Issuer or any Subsidiary of the Issuer may be surrendered to the Principal Paying, Transfer and Conversion Agent for cancellation and, if so surrendered, shall be cancelled.

(k) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail, save that a notice given pursuant to Condition 7(f), 7(g) or 7(h) shall prevail over a notice given pursuant to Condition 7(b) or 7(c) in circumstances where the Relevant Event Put Date, the Rights Offer Put Date or the Special Dividend Put Date falls prior to the Optional Redemption Date or Tax Redemption Date, as the case may be. Any notice given pursuant to Condition 7(d) shall prevail over a notice given pursuant to Condition 7(b), 7(c), 7(f), 7(g) or 7(h).

8 **Payments**

(a) *Principal Amount and Interest*

Payment of the principal amount and interest in respect of the Bonds will be made to the persons shown in the Register at the close of business on the Record Date.

(b) *Other amounts*

Payments of all amounts other than as provided in Condition 8(a) will be made as provided in these Conditions.

(c) *Record Date*

“**Record Date**” means the fifth business day in the place of the specified office of the Registrar, before the due date for the relevant payment.

(d) *Payments*

Each payment in respect of the Bonds pursuant to Conditions 8(a) and (b) will be made by transfer to a pounds sterling account maintained by the payee with a bank in London.

(e) *Payments subject to fiscal laws*

All payments in respect of the Bonds are subject in all cases (i) to any applicable fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“**FATCA**”) or any law implementing an intergovernmental approach to FATCA.

(f) *Delay in payment*

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due as a result of the due date not being a London business day.

(g) *Paying, Transfer and Conversion Agents, etc.*

The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying, Transfer and Conversion Agent or Registrar and appoint additional or other Paying, Transfer and Conversion Agents or another Registrar, provided that the Issuer will (i) maintain a Principal Paying, Transfer and Conversion Agent and (ii) maintain a Registrar with a specified office outside the United Kingdom. Notice of any change in the Paying, Transfer and Conversion Agents or the Registrar or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 17 and to the Trustee.

The Issuer reserves the right, subject to the prior written approval of the Trustee, under the Calculation Agency Agreement at any time to vary or terminate the appointment of the Calculation Agent and appoint another Calculation Agent, provided that they will maintain a Calculation Agent which shall be a financial institution of international repute or a financial adviser with appropriate expertise.

(h) *No charges*

Neither the Registrar nor the Paying, Transfer and Conversion Agents shall make or impose on a Bondholder any charge or commission in relation to any payment, exchange, transfer or conversion in respect of the Bonds.

(i) *Fractions*

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

The Bonds on issue will be represented by a global bond (the “Global Bond”) registered in the name of, and held by a nominee on behalf of, a common depositary for Euroclear and/or Clearstream, Luxembourg. All payments in respect of Bonds represented by the Global Bond will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date of payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

9 **Taxation**

All payments made by or on behalf of the Issuer in respect of the Bonds will be made free and clear of, and without deduction or withholding for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Malta or any political subdivision therein or any authority thereof or therein having power to tax, unless such deduction or withholding is required to be made by law. In the event that any such withholding or deduction is required to be made, the Issuer will pay such additional amounts as will result in the receipt by the Bondholders of the amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amount shall be payable in respect of any Bond to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Malta other than the mere holding of the Bond.

References in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

In accordance with Condition 7(c), the provisions of this Condition 9 requiring the Issuer to pay additional amounts shall not apply in respect of any payments of interest to be made on any Bonds which fall due after a relevant Tax Redemption Date in respect of such Bonds which are subject of a Bondholder election pursuant to Condition 7(c).

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Bonds for, or on account of, any withholding or deduction required pursuant to FATCA (including pursuant to any agreement described in Section 1471(b) of the Code) or any law implementing an intergovernmental approach to FATCA.

10 Events of Default

If any of the following events occurs and is continuing (each an “**Event of Default**”) the Trustee at its discretion may, and if so requested in writing by holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount, together with accrued interest:

- (a) **Non-Payment:** the Issuer fails to pay when due the principal of or interest on any of the Bonds or any other sum due from it under the Bonds or to issue and deliver Ordinary Shares as provided in these Conditions following any exercise of Conversion Rights and such failure continues for a period of 14 days in the case of any payment of interest and for seven days in any other case; or
- (b) **Breach of Other Obligations:** the Issuer (i) does not perform or comply with any one or more of its other obligations under the Bonds or the Trust Deed or (ii) fails to perform or observe any obligation under Condition 11 which would, but for the provisions of applicable law, be a breach thereof and, in any such case of (i) or (ii) above, except where such default is, in the opinion of the Trustee, incapable of remedy, such default continues for 30 days (or such longer period as the Trustee may permit in its sole discretion) after notice thereof shall have been given to the Issuer by the Trustee requiring the same to be remedied;
- (c) **Cross-Acceleration:** (i) any other present or future indebtedness of the Issuer or any Material Subsidiary for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of default (however described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or (iii) any security given by the Issuer or any Material Subsidiary for or in respect of any such indebtedness becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person in relation to all or (in the opinion of the Trustee) any material part of the assets of the Issuer or any Material Subsidiary) and is not discharged or stayed within 90 days; or (iv) the Issuer, or any Material Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any such indebtedness, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds ZAR500,000,000 (or its equivalent in any other currency); or
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part (in the opinion of the Trustee) of the property, assets or revenues of the Issuer or any Material Subsidiary and is not discharged or stayed within 30 days; or
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any Material Subsidiary over all or (in the opinion of the Trustee) any material part of the assets of the Issuer or any Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person in relation to all or (in the opinion of the Trustee) any material part of the assets of the Issuer or any Material Subsidiary) and is not discharged or stayed within 90 days; or

- (f) **Insolvency:** (i) the Issuer or any Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they become due, (ii) the Issuer or any Material Subsidiary stops, suspends or threatens to stop or suspend payment of all or (in the opinion of the Trustee) a material part of (or a particular type of) its debts, or (iii) the Issuer or any Material Subsidiary proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or a particular type of its debts, or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any Material Subsidiary; or
- (g) **Winding-up:** an administrator, liquidator or similar official is appointed, an order is made or an effective resolution passed for the winding-up, liquidation or dissolution or administration of the Issuer or any Material Subsidiary, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations (determined on a consolidated basis), except:
- (A) for the purpose of and followed by a solvent reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved in writing by an Extraordinary Resolution of the Bondholders; or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or
- (B) as a result of a substitution of a Successor in Business in place of the Issuer (or any previous substitute under these Conditions) pursuant to these Conditions following and in respect of a Permitted Cessation of Business; or
- (h) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds or the Trust Deed, as the case may be; or
- (i) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of paragraphs (d), (e), (f) or (g),

provided that in the case of any event as is specified in (1) paragraphs (b), (d), (e), or (f) or (2) (in relation to a Material Subsidiary only) paragraphs (g) or (f)(i) or (3) paragraph (h) (insofar as such analogous event relates to any of the events mentioned in relation to paragraph (b), (d), (e), (f) or, in relation to a Material Subsidiary only, (f)(i) or (g)), the Trustee shall have certified in writing to the Issuer that in its opinion such event is materially prejudicial to the interests of the Bondholders.

11 Undertakings

Whilst any Conversion Right or Settlement Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution or with the prior written approval of the Trustee where, in the Trustee's opinion, it is not materially prejudicial to the interests of the Bondholders to give such approval:

- (i) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
- (1) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Ordinary Shares and the issue to Shareholders of an equal number of Ordinary Shares by way of capitalisation of profits or reserves; or
- (2) pursuant to a Newco Scheme; or
- (3) by the issue of fully paid Ordinary Shares or other Securities to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Ordinary Shares or other Securities on a capitalisation of profits or reserves; or

- (4) by the issue of fully paid Ordinary Shares and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a Dividend in cash; or
- (5) by the issue of fully paid equity share capital (other than Ordinary Shares) to the holders of equity share capital of the same class and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive equity share capital (other than Ordinary Shares); or
- (6) by the issue of Ordinary Shares or any equity share capital to, or for the benefit of, employees or former employees, director or executive holding or formerly holding executive office (including directors holding or formerly holding executive office or non-executive office, consultants or former consultants or the personal service company of any such person) or their spouses or relatives, in each case the Issuer or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to an employee, director or executive share or option or incentive scheme (a “**Permitted Issue**”),

unless, in any such case, (a) the same gives rise (or would, but for the provisions of these Conditions relating to roundings, minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price; or (b) the same constitutes a Dividend or otherwise gives (or, in the case of an issue or payment up of Securities in connection with a Change of Control, will give) rise (or would, but for the provisions of these Conditions relating to roundings, minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price or is (or, in the case of any issue or payment up of Securities in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made;

- (ii) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 11(ii) shall prevent:
 - (1) any consolidation, reclassification or subdivision of the Ordinary Shares or the conversion of an Ordinary Share into stock or vice versa; or
 - (2) any modification of such rights which is not, in the opinion of an Independent Adviser acting in good faith, materially prejudicial to the interests of the Bondholders upon which opinion the Trustee shall be entitled to rely absolutely without liability to any person; or
 - (3) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of these Conditions relating to roundings and minimum adjustments or the carry forward of adjustments or, where comprising Ordinary Shares, the fact that the consideration per Ordinary Share receivable therefor is at least 95 per cent. of the Current Market Price per Ordinary Share, otherwise result, in an adjustment to the Conversion Price; or
 - (4) without prejudice to any rule of law or legislation, the conversion of Ordinary Shares into, or the issue of any Ordinary Shares in, uncertificated form (or the conversion of Ordinary Shares in uncertificated form to certificated form) or the amendment of the Articles of Association of the Issuer to enable title to Securities (including Ordinary Shares) to be evidenced and transferred without a written instrument or any other alteration to the Articles of Association of the Issuer made in connection with the matters described in this Condition 11(ii) or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or
 - (5) any issue of equity share capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer shall have instructed an Independent Adviser to determine in good faith what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to

take account thereof and such Independent Adviser shall have determined in good faith either that no adjustment is required or that an adjustment resulting in a decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly); or

- (6) any alteration to the memorandum of incorporation (or other constitutional document) of the Issuer made in connection with the matters described in this Condition 11 or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or
 - (7) the amendment of the memorandum of incorporation (or other constitutional document) of the Issuer following a Change of Control to ensure that any Bondholder exercising its Conversion Right where the Conversion Date falls on or after the occurrence of a Change of Control will receive the same consideration in respect of any Ordinary Shares required to be issued or transferred and delivered to it in respect of such exercise as it would have received in respect of such Ordinary Shares had it exercised its Conversion Right at the time of the occurrence of the Change of Control and had such Ordinary Shares been entitled to participate in the relevant Scheme of Arrangement or tendered in the relevant offer (a “**Change of Control Conversion Right Amendment**”); or
 - (8) a Permitted Issue;
- (iii) except as part of any employee, director or executive share or option or incentive scheme (or other similar incentive plan (including, but not limited to, any restricted share plan)), procure that no Securities (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) issued without rights to convert into, or exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share at the close of business on the last dealing day preceding the date of the first public announcement of the proposed inclusion of such rights unless the same gives rise (or would, but for the provisions of these Conditions relating to roundings and minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;
- (iv) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, following the exercise of Conversion Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid pursuant to these Conditions;
- (v) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:
- (1) pursuant to the terms of issue of the relevant share capital; or
 - (2) by means of a purchase or redemption of share capital of the Issuer, in each case, to the extent permitted by applicable law; or
 - (3) where the reduction does not involve any distribution of assets to Shareholders; or
 - (4) solely in relation to a change in the currency in which the nominal value of the Ordinary Shares is expressed; or

- (5) a reduction of its share premium account to facilitate the writing off of goodwill arising on consolidation which does not involve the return, either directly or indirectly, of an amount standing to the credit of the share premium account of the Issuer; or
- (6) to create distributable reserves; or
- (7) as provided in paragraph (i) of this Condition 11; or
- (8) pursuant to a Newco Scheme; or
- (9) by way of transfer to reserves as permitted under applicable law; or
- (10) where the reduction is permitted by applicable law and the Trustee is advised in writing by an Independent Adviser, acting as an expert and in good faith, that the interests of the Bondholders will not be materially prejudiced by such reduction; or
- (11) where the reduction is permitted by applicable law and results (or, in the case of a reduction in connection with a Change of Control, will result) in (or would, but for the provisions of these Conditions relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is (or, in the case of a reduction in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Bondholders;

- (vi) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any person or persons acting together) to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice in writing of such offer or scheme to the Trustee and the Bondholders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified offices of the Paying, Transfer and Conversion Agents and, where such an offer or scheme has been recommended by the board of directors of the Issuer, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to the holders of any Ordinary Shares issued during the period of the offer or scheme arising out of the exercise of Conversion Rights and/or to the holders of the Bonds (which like offer or scheme to Bondholders shall entitle Bondholders to receive the same type and amount of consideration they would have received had they held the number of Ordinary Shares to which such Bondholders would be entitled assuming Conversion Rights were exercisable and Bondholders were to exercise such Conversion Rights in the relevant Relevant Event Period);
- (vii) in the event of a Newco Scheme, take (or shall procure that there is taken) all necessary action to ensure that (to the satisfaction of the Trustee) immediately after completion of the Scheme of Arrangement:
 - (1) at the Issuer's option, either (a) Newco is substituted under the Bonds and the Trust Deed as principal obligor in place of the Issuer (with the Issuer providing a guarantee) subject to and as provided in the Trust Deed; or (b) Newco becomes a guarantor under the Bonds and the Trust Deed;
 - (2) such amendments are made to these Conditions and the Trust Deed as are necessary, in the opinion of the Trustee, to ensure that the Bonds may be converted into or exchanged for cash and/or ordinary shares or units or the equivalent in Newco (or depositary or other receipts or

certificates representing ordinary shares or units or the equivalent in Newco) *mutatis mutandis* in accordance with and subject to these Conditions;

- (3) the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalents of Newco) are (A) admitted to trading on the JSE or (B) admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market as determined by Newco; and
- (4) the Trust Deed and the Conditions provide at least the same powers, protections, rights and benefits to the Trustee and the Bondholders following the implementation of such Newco Scheme as they provided to the Trustee and the Bondholders prior to the implementation of the Newco Scheme, *mutatis mutandis*,

and the Trustee shall (at the expense of the Issuer) be obliged to concur in effecting such substitution or grant of such guarantee and in either case making any such amendments, provided that the Trustee shall not be obliged so to concur if, in the opinion of the Trustee, doing so would impose more onerous or additional obligations, responsibilities or duties upon it or expose it to further liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions, the Trust Deed or the Agency Agreement (including any supplemental trust deed or supplemental agency agreement) in any way);

- (viii) use all reasonable endeavours to ensure that the Ordinary Shares issued upon exercise of Conversion Rights will, as soon as is practicable, be admitted to listing and to trading on the Relevant Stock Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in (but so that this undertaking shall not be considered as being breached as a result of a Change of Control (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, including at the request of the person or persons controlling the Issuer as a result of the Change of Control, a delisting of the Ordinary Shares);
- (ix) at all times following the date on which the Physical Settlement Notice is given keep available for issue free from pre-emptive rights out of its authorised but unissued capital sufficient authorised but unissued Ordinary Shares which would, when taken together with any Ordinary Shares for the time being held in treasury and available for transfer and delivery, enable the exercise of Conversion Rights in respect of all the Bonds (including any Further Bonds) then outstanding, and all other rights of subscription and exchange for Ordinary Shares, to be satisfied in full at the current subscription prices or exchange prices;
- (x) make or cause to be made an application for the Bonds to be admitted to trading on the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange (or another internationally recognised, regularly operating, regulated or non-regulated stock exchange or securities market) within 30 days following the Closing Date and to maintain such admission to trading for so long as any of the Bonds remain outstanding, save that if the Issuer is unable to maintain such admission to trading as aforesaid, the Issuer undertakes to use all reasonable endeavours to obtain and maintain a listing and/or admission to trading for the Bonds on such other stock exchange as the Issuer may from time to time determine and as may be approved by the Trustee and the Issuer will forthwith give notice to the Bondholders and the Trustee of any such listing or delisting of the Bonds by any of such stock exchanges;
- (xi) where an Elective Scrip Dividend is announced, the Issuer shall, within 5 Johannesburg business days following the last day on which the relevant election may be made by Shareholders, publicly announce (which may be on the website of the Issuer), as appropriate:
 - (i) the aggregate amount of cash elected by Shareholders (expressed in Rand and determined as provided in paragraph (b)(1)(B) and (g) of the definition of “Dividend”);

- (ii) the aggregate number of Ordinary Shares elected by Shareholders as referred to in paragraph (b)(2) of the definition of “Dividend”; and
 - (iii) the aggregate Fair Market Value of any property or assets (other than cash or Ordinary Shares) elected by Shareholders (determined as provided in paragraph (b)(1)(A) of the definition of “Dividend”);
- (xii) use reasonable endeavours to convene an EGM on or before the Long Stop Date, for the purpose of considering and, if thought fit, passing the Shareholder Resolutions; and
- (xiii) by no later than the Closing Date (i) publish a copy of these Conditions (including a legend regarding the intended target market for the Bonds) on its website and (ii) thereafter (and for so long as any of the Bonds remain outstanding) maintain the availability of these Conditions (as the same may be amended in accordance with their terms) on such website.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee semi-annually and otherwise on request of the Trustee a certificate signed by two of its directors as to there not having occurred an Event of Default or Potential Event of Default (as defined in the Trust Deed) or Relevant Event since the date of the last such certificate or, if such has occurred, as to the details of such event. The Trustee will be entitled to rely without liability on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 11, nor be liable to any person for not so doing.

12 Prescription

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 5 years from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other obligation in respect of the Bonds shall be prescribed and become void unless made within 5 years following the due date for performance of the relevant obligation.

13 Replacement of Bonds

If any Bond is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any Paying, Transfer and Conversion Agent subject to all applicable laws and stock exchange requirements or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Bonds must be surrendered before replacements will be issued.

14 Meetings of Bondholders, Modification and Waiver, Substitution

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if requested in writing by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to change the Final Maturity Date or the dates on which interest is payable in respect of the Bonds, (ii) to modify the circumstances or period in which the Issuer or Bondholders are entitled to redeem the Bonds pursuant to Condition 7(b), (c), (d), (f), (g) or (h), (iii) to reduce or cancel the principal amount of, or interest on, the Bonds or to reduce the amount payable on redemption of the Bonds, (iv)

to modify the basis for calculating the interest payable in respect of the Bonds, (v) to modify the provisions relating to, or cancel, the Conversion Rights or the Settlement Rights (including the periods and/or circumstances in which the Conversion Rights or Settlement Rights may be exercised) or the rights of Bondholders to receive Ordinary Shares and/or the Cash Settlement Amount upon the exercise of Conversion Rights or Settlement Rights pursuant to these Conditions, (other than pursuant to or as a result of any amendments to these Conditions and the Trust Deed made pursuant to and in accordance with the provisions of Condition 6(o) in order to effect a Right Transfer or Condition 11(vii) following (or as part of) a Newco Scheme (“**Newco Scheme Modification**”) and other than a reduction to the Conversion Price), (vi) to increase the Conversion Price (other than in accordance with these Conditions or pursuant to a Newco Scheme Modification), (vii) to change the currency of the Bonds or any payment in respect of the Bonds, (viii) to change the governing law of the Bonds, the Trust Deed or the Agency Agreement (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 14(c)) or (ix) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed by the Bondholders shall be binding on all of the Bondholders (whether or not they were present at any meeting at which such resolution was passed and whether or not they voted on such resolution).

The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held by or on behalf of the holder(s) of not less than 75 per cent. of the persons eligible to vote at such meeting, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds for the time being outstanding (which may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders) or (iii) consents given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holder(s) of not less than 75 per cent. in principal amount of the Bonds for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Bondholders passed at a meeting of Bondholders duly convened and held.

No consent or approval of Bondholders shall be required in connection with any Right Transfer effected in accordance with Condition 6(o) or any Newco Scheme Modification.

(b) Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions, which in the Trustee’s opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions, which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders, determine that any Event of Default or Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders are not materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be binding on the Bondholders and, if the Trustee so requires, shall be notified to the Bondholders promptly in accordance with Condition 17.

(c) *Substitution*

The Trustee shall (subject as provided in Condition 11(vii), without the consent of the Bondholders, agree to any substitution as provided in, and for the purposes of, Condition 11(vii) following (or as part of) a Newco Scheme as more particularly described in the Trust Deed.

The Trustee shall (subject as provided in Condition 6(o)), without the consent of the Bondholders, agree to any substitution as provided in, and for the purposes of, Condition 6(o) in connection with a Successor in Business.

In addition, the Trust Deed contains provisions permitting the trustee to agree, without the consent of the Bondholders, to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds and the Trust Deed of (i) any Successor in Business or (ii) any Subsidiary of the Issuer, subject to (a) (other than in the case of a substitution of a Successor in Business in place of the Issuer or any previous substitute or substitutes) the Bonds being unconditionally and irrevocably guaranteed by the Issuer, and (b) the Bonds continuing to be convertible or exchangeable into Ordinary Shares *mutatis mutandis* as provided in these Conditions, or, in the case of a substitution in place of the Issuer or any previous substitute or substitutes of a Successor in Business, the Bonds being exchangeable into the class and amount of shares and other securities and property or equity shares of the Successor in Business as prescribed by and in accordance with Condition 6(o), in either case with such amendments as the Trustee shall consider appropriate, provided that, (x) (other than in the case of (i) above) the Trustee is satisfied that the interest of the Bondholders will not be materially prejudiced by the substitution, and (y) certain other conditions set out in the Trust Deed are complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and shall be notified to Bondholders as soon as practicable.

(d) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders, except to the extent already provided for in these Conditions or the Trust Deed.

15 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings, actions or steps (including lodging as appeal in any proceedings) against the Issuer as it may think fit to enforce the provisions of the Trust Deed and the Bonds, but it shall not be bound to take any such proceedings or any other action or step in relation to the Trust Deed or the Bonds unless (i) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise

render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power. No Bondholder shall be entitled to (i) take any steps or action against the Issuer to enforce the performance of any of the provisions of the Trust Deed or the Bonds or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Trustee, having become bound so to take any such action, steps or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

16 The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including:

- (i) provisions relieving it from taking actions, steps or proceedings unless indemnified and/or secured and/or prefunded to its satisfaction; and
- (ii) provisions limiting or excluding its liability in certain circumstances. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trust Deed provides that, when considering whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled, among other things and without limiting the generality of the foregoing, (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Bondholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the indemnity or security.

The Trustee may act and/or rely without liability to Bondholders on a report, confirmation or certificate or opinion or any advice of any accountants, financial advisers, financial institution, an Independent Adviser or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to act and/or rely on any such report, opinion, confirmation or certificate or advice and such report, opinion, confirmation, or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders.

17 Notices

All notices required to be given to Bondholders pursuant to the Conditions will (unless otherwise provided in these Conditions) be given by publication through the electronic communication system of Bloomberg. The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such publication or if required to be published in more than one manner or at different times, then such notice shall be deemed to have been given on the date of the publication in each required manner and time. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to be given on such date, as the Trustee may approve.

The Issuer shall send a copy of all notices given by it to Bondholders (or a Bondholder) or the Trustee pursuant to these Conditions promptly to the Calculation Agent.

For so long as all of the Bonds are represented by the Global Bond and such Global Bond is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices required to be given to Bondholders pursuant to the Conditions shall also be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg

for communication to the relative accountholders rather than through the electronic communication system of Bloomberg, as required by this Condition 17. Any such notice shall be deemed to have been given to the Bondholders on the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg.

18 Further Issues

The Issuer may from time to time, without the consent of the Bondholders, create and issue (i) further bonds having the same terms and conditions in all respects (or in all respects save for the first payment of interest thereon and the first date on which conversion rights or settlement rights may be exercised thereon) as the outstanding Bonds and so that such further issue shall be consolidated and form a single series with the outstanding Bonds (referred to herein as the “**Further Bonds**”) and/or (ii) notes, bonds or debentures, whether in registered or bearer form, having such other terms and conditions as the Issuer may determine at the time of their issue. Any Further Bonds shall be constituted by a deed supplemental to the Trust Deed.

19 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

20 Governing Law and Jurisdiction

(a) Governing Law

The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Issuer agrees that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds (and any non-contractual obligations arising out of or in connection with them) and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds (“**Proceedings**”) shall (save as follows) be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the exclusive jurisdiction of such courts and have waived any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This agreement and submission is made for the benefit of the Trustee and each of the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor the taking of multiple Proceedings in one or more jurisdictions (whether concurrently or not).

(c) Agent for Service of Process

The Issuer has irrevocably appointed Hackwood Secretaries Limited at its registered office for the time being, currently at One Silk Street, London EC2Y 8HQ as its agent in England to receive service of process in any Proceedings in England. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law.

Appendix 2: Advisor Report (Extract from Integrated Annual Report 2021)

FINANCIAL HIGHLIGHTS

- R3.0 billion cash inflow from the portfolio (FY20: R1.6 billion).
- R5.0 billion de-gearing at Brait level at reporting date:
 - BML RCF drawings reduced from R4.6 billion to R3.4 billion.
 - Repurchase and redemption of the remaining R3.8 billion 2020 Bonds using proceeds from the February 2020 Rights Offer.
- NAV per share of R7.90, a 2.5% increase on 1H21's reported NAV per share of R7.71 (FY20: R8.27)
 - Strong operational performance by Premier; concluded the bolt-on acquisition of the Mister Sweet confectionary business in June 2021.
 - Realisation of Iceland Foods in June 2020, at a significant premium to carrying value.
 - Realisation of DGB in May 2020 at its carrying value.
 - Coronavirus had a material impact on the Virgin Active business (successful restructuring plan of UK business in May 2021; South African business agreed terms for a refinancing in June 2021).
 - New Look completed comprehensive recapitalisation in November 2020.
- Significant cost savings at Brait level:
 - Expenses reduced by 58% to R163 million.
 - Finance costs decreased by 50% to R617 million.
- R1.2 billion available cash and facilities at reporting date.
 - Post balance sheet reporting date, R0.8 billion available.

YEAR UNDER REVIEW

- Portfolio company strategic and operational positioning with management teams focusing on:
 - Short term strategies to survive the impact of the Coronavirus.
 - New/revised strategies to optimize value in the 3 to 5-year exit horizon.
 - Exit plans and medium term goals to achieve Brait's objectives.
 - Agreement on management succession and implementing new incentive plans to ensure alignment with the agreed exit plans.
- Disposals in line with Brait's strategy, with proceeds applied to partially repaying BML RCF:
 - The sale of DGB completed on 13 May 2020 for R470 million, equal to its FY20 carrying value:
 - Proceeds of R420 million proceeds have been received with the remaining R50 million deferred proceeds due by 31 March 2022.
 - The Iceland Foods sale completed on 8 June 2020 for GBP115 million, at a significant premium (83%) to its FY20 carrying value of GBP62.8 million (R1,391 million), at an effective 6.6x EV/EBITDA multiple (average peer spot multiple at 31 March 2020 was 6.7x):
 - GBP108.5 million (R2,349 million) final proceeds received in terms of agreed early settlement.
- Significant cost savings:
 - Operating and other expenses reduced by R225 million to R163 million (FY20: R388 million).
 - Finance costs reduced by R623 million to R617 million (FY20: R1,240 million).
 - As a result of the impact of the Coronavirus:
 - Board fees and the advisory fee were voluntarily reduced by 25% for Q1 of FY21, resulting in savings of R1 million and R6 million respectively.
 - The Advisor voluntarily agreed to reduce its advisory fee for calendar year 2021 from c.R105 million to R90 million, of which R4 million relates to FY2021.

- An unchanged maximum aggregate amount of Directors compensation of GBP0.4 million, subject to the effects of the Pound/Rand exchange rate, is tabled for Shareholder approval at the upcoming FY21 AGM to be held in August 2021.
- Governance:
 - o A new board of non-executive directors was appointed and approved by Shareholders at the Annual General Meeting held in August 2020 (“FY20 AGM”), at a significantly reduced annual compensation cost, with new Board committees constituted.
 - o At the Extraordinary General Meeting held in Malta on 30 October 2020, Shareholders approved:
 - The requisite resolutions for Brait’s registered office to be transferred from Malta to Mauritius, where the Company’s main investment subsidiary, Brait Mauritius Limited (“BML”) is domiciled (the “Redomiciliation”). The Redomiciliation does not impact the Company’s primary and secondary listings, nor the terms and conditions of the GBP150 million 6.5% Convertible Bonds due 4 December 2024 (“2024 Bonds”), nor the Company’s share capital. The Redomiciliation necessitated Brait’s conversion to a Public Limited Company under the laws of Malta, which completed on 20 January 2021, resulting in the change of registered name to Brait PLC and registration number to C97843. Shareholders will be advised once the Redomiciliation has concluded, which will take place during the first half of FY22.
 - The Long Term Incentive Plan (“LTIP”) for Brait’s contracted advisor, Ethos Private Equity (the “Advisor” or “EPE”), designed as a five-year structure to align the interests of the Advisor with those of Shareholders in delivering on Brait’s strategy of realising value from the portfolio over the medium term, whilst minimising dilution to Shareholders. The LTIP will result in the Advisor receiving non-voting participation rights to realised proceeds only once cumulative distributions to Shareholders have exceeded the hurdle price 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 the Advisor would be equal to the surplus between such distributions and the hurdle price and would be settled in cash. As at reporting date, the LTIP is accounted for as a contingent liability.
 - o On 18 May 2021, pursuant to the Redomiciliation, Dr Porter (resident in Malta) resigned from the Board, with Mr Dabrowski (resident in Mauritius) appointed by the Board as a replacement Independent Non-executive Director and member of the ESG committee.
 - o In keeping with previous announcements, to align the interests of Shareholders and the Advisor in terms of value creation, the Board has approved an annual Short Term Incentive (“STI”) for the Advisor 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 FY21 of R23 million. As set out above, the Adviser voluntarily reduced its advisory fees by a total of R21 million (of which R10 million is applicable to FY21, resulting in total fees to the Advisor in FY21 of R114 million).

IMPACT OF CORONAVIRUS

The first wave of the Coronavirus (March 2020 to July 2020) and resulting lockdown restrictions materially impacted Virgin Active and New Look. The respective management teams responded with appropriate measures to preserve liquidity and reduce operating expenses, including measures to defer and/or reduce rental expenses, progressing online strategies, as well as accessing the various government support initiatives. During this and subsequent lockdown induced closure periods, Virgin Active implemented a “free membership freeze”, whereby memberships were retained without members having to make payment during the freeze period, resulting in no revenue generation for affected territories. The Virgin Active UK/Italy and Asia Pacific business was recapitalised by its shareholders in June 2020 with GBP20 million (Brait’s pro rata share GBP16 million) in exchange for Virgin Enterprises Limited deferring royalties in the UK, Italy and Asia Pacific and Virgin Active’s banking syndicate extending GBP25 million of additional funding.

Whilst trading in both Virgin Active and New Look improved significantly post the easing of the first wave of lockdown restrictions, the second Coronavirus wave that surfaced at the end of October 2020 in Europe and the UK resulted in these governments re-imposing national lockdown restrictions. By the end of April 2021, Virgin Active’s clubs and New Look’s stores in the UK had been closed or partially closed for 10 of the previous 14 months, reopening on 12 April 2021; with Virgin Active’s Italian clubs closed or partially closed for 10 of the previous 14 months, reopening on 24 May 2021. Virgin Active’s clubs in Singapore and Thailand have also recently been closed and are expected to remain closed at least until the end of June 2021 and July 2021 respectively.

As discussed below in the respective portfolio company highlights for the year under review:

- New Look completed a comprehensive recapitalisation transaction during November 2020.
- The Virgin Active UK business undertook a holistic restructuring plan that was sanctioned by the English Court in May 2021. Whilst this restructuring plan principally concerns Virgin Active UK, there will be an indirect benefit to the Italian and Asia Pacific businesses.
- The Virgin Active South Africa business ("VASA"), which is separately financed, agreed terms with its lenders during June 2021 to restructure and extend the term of its existing debt facilities and is in the process of concluding the requisite legal agreements.

These measures will provide the requisite operational and financial flexibility to enable both New Look and Virgin Active to emerge from the Coronavirus pandemic and create sustainable value for all stakeholders. The safety of staff and customers across the Group's portfolio of companies remains a top priority. Effective processes have been implemented to protect the health and safety of staff and customers, with business continuity plans in place to deal with the impacts of the Coronavirus.

REPORTED NAV PER SHARE

Whilst Brait and its portfolio companies adopted IFRS16: Leases in their respective prior financial years, taking consideration of the number of complexities and judgments associated with the transition to IFRS16 and in particular its impact on portfolio peer company multiples, at reporting date Brait has continued to value its investment portfolio on a pre-IFRS16 basis, adjusting maintainable EBITDA and third party debt for the impact of IFRS16 as appropriate to ensure consistency.

Premier is valued at reporting date using an unchanged spot multiple of 8.0x, which represents a 17% discount to the peer average spot multiple of 9.6x. In the case of Virgin Active and New Look, where maintainable earnings are based on a post Coronavirus sustainable level, the reference measure considered is the peer average multiple for the corresponding forward period:

- Virgin Active is valued using a two-year forward multiple of 9.0x, which represents a 21% discount to the 11.4x peer average two-year forward multiple.
- New Look is valued using a one-year forward valuation multiple of 4.0x, which represents a 59% discount to the 9.8x peer average one-year forward multiple.

Peer group compositions used at reporting date for Brait's portfolio comprise:

- Premier (unchanged): Tiger Brands, AVI and Rhodes Food Group.
- Virgin Active's peer group has been revised to solely comprise companies in the health and fitness market. As a result, Woolworths, Life Health and Clicks have been excluded, with the inclusion of SATS ASA (a leading provider of fitness and training services in the Nordics) and Leejam Sports Company SJSC (a Saudi Arabian based company with fitness centres across the Middle East and North Africa operated under the brand name Fitness Time). Accordingly, Virgin Active's peer group at 31 March 2021 comprises: The Gym Group, Basic Fit, Technogym, Planet Fitness, SATS and Leejam.
- New Look (unchanged): H&M, Inditex (owner of Zara), Marks and Spencer, Next, and Associated British Food (owner of Primark).

The NAV breakdown at reporting date is as follows:

Audited 31 Mar 2020 R'm	Unaudited 30 Sep 2020 R'm	Audited 31 Mar 2021 R'm		%	Audited 31 Mar 2021 €'m	Unaudited 30 Sep 2020 €'m	Audited 31 Mar 2020 €'m
18 444	15 675	16 450	Investments	98	949	800	936
9 355	7 853	7 970	Virgin Active	48	460	401	475
6 047	6 989	7 597	Premier	45	438	357	307
1 391	–	–	Iceland Foods	-	–	–	71
940	556	545	New Look (Note 1,2)	3	31	28	48
711	277	338	Other investments (Note 2)	2	20	14	35
3 887	202	213	Cash and cash equivalents	1	12	10	197
14	114	53	Accounts receivable	1	3	6	1
22 345	15 991	16 716	Total assets	100	964	816	1 134
7 527	5 577	6 166	Non-current liabilities		356	285	382
4 602	2 698	3 417	Borrowings (BML RCF)		197	138	234
2 925	2 879	2 749	Convertible Bonds (6.5% due 2024)		159	147	148
3 908	237	118	Current liabilities		7	12	199
3 303	–	–	Convertible Bonds (2.7% due 2020)		–	–	168
605	237	118	Accounts payable		7	12	31
10 910	10 177	10 432	NAV		601	519	553
1,319.99	1,319.99	1,319.99	Net issued ordinary shares ('mil)		1,319.99	1,319.99	1,319.99
827	771	790	NAV per share (cents)		46	39	42

Note 1: Following the completion of New Look's recapitalisation transaction and resulting equitisation of the New Look Senior Secured Notes ("SSNs"), Brait's equity and shareholder loan investment in New Look is valued at the interim and current reporting date on a maintainable EBITDA basis (FY20: SSNs valued at quoted Bloomberg closing price).

Note 2: For comparability with the current reporting date, interim results shown here classify Brait's equity and shareholder loan investment in New Look separately (previously included in Other investments).

HIGHLIGHTS FOR THE GROUP'S INVESTMENT PORTFOLIO

**Virgin Active (48% of Brait's total assets):**

- One of the leading international health club operators, Virgin Active's results for the current reporting period have been significantly impacted by the Coronavirus. As previously announced, the Virgin Active UK business undertook a holistic restructuring plan ("Restructuring Plan") which involved:
 - Shareholders of Virgin Active providing additional liquidity through shareholder funding of GBP45 million (Brait's pro-rata share of GBP36 million funded from existing debt facilities, with GBP20 million advanced during March 2021 and the remaining GBP16 million ("Post Implementation Facility") advanced in May 2021).
 - Virgin Enterprises Limited agreeing to certain compromises under its royalty agreement with Virgin Active.
 - The existing lenders agreeing to amend and extend the terms of the existing senior debt facilities; and
 - Landlord concessions with respect to rental arrears, future rental agreements and guarantees.
- The combination of the Restructuring Plan, Virgin Enterprises Limited licensee fee concessions and material additional operational savings identified by the management team will have a significant impact on the sustainability of the Virgin Active UK business, given the liabilities written off and deferred, and the reduction in operating costs. These measures provide it with the requisite operational and financial flexibility to emerge from the pandemic, return to profitability and create sustainable value for all stakeholders. The Italian and Asia Pacific businesses will benefit indirectly.
- VASA, which is separately financed, agreed terms with its lenders during June 2021 to restructure and extend the term of its existing debt facilities and is in the process of concluding the requisite legal agreements in this regard.
- VASA's ransomware attack (April 2021) has been contained with management taking swift action to take all systems offline, as well as restoring and securing the physical domain to enable systems to be recovered. A number of measures were actioned to ensure the continuation of operations, with systems in the process of being brought back online.
- Group results in Pound Sterling for the twelve months ended 31 December 2020, quoted using actual currency (including closed clubs) on a pre-IFRS16 basis:
 - Revenue of GBP295.9 million compared to the prior period of GBP601.8 million.
 - EBITDA loss of GBP16.7 million compared to the prior comparative profit of GBP142.4 million.
- Territory update:
 - Southern Africa: Clubs in South Africa re-opened on 24 August 2020, and clubs in Namibia and Botswana reopened in June 2020. Although the clubs were subject to Level 3 lockdown restrictions between December 2020 and February 2021, there has been a steady improvement in member engagement, positively influenced by the contract membership structure. Terminations are in line with expectations, with new sales recovering from the impact of the Level 3 restrictions. Recent performance has been positive since Level 1 restrictions have been applied. However, effective 16 June 2021 South Africa reverted to Level 3 restrictions, which are likely to have an impact on operational performance.
 - Italy: Clubs reopened in May 2020, with strong member engagement, retention and usage levels exceeding 60%, but closed again in October 2020 due to the second Coronavirus wave. Clubs reopened on 24 May 2021 subject to certain restrictions on swimming pool, shower and sauna usage. Early indications are that membership engagement is good and the business is trading in line with expectations.
 - UK: The second Coronavirus wave resulted in the closure of gyms from the beginning of November 2020, reopening on 12 April 2021 with group exercise classes resuming from 17 May 2021. Trading on reopening was stronger than expected with total members

exceeding budget, fewer members on freeze and higher than anticipated sales. While inner city London gyms remain underutilised, regional/suburban gyms are showing strong membership engagement levels.

- Asia Pacific: Australian clubs have remained open (Melbourne subject to some lockdown restrictions) with strong membership engagement and usage levels of over 80% especially in suburban clubs. Both Thailand and Singapore had shown resilience prior to the recent lockdowns, which commenced on 26 April 2021 and 8 May 2021 respectively, with high usage statistics and strong membership engagement. Clubs in Singapore and Thailand are expected to reopen at the end of June 2021 and July 2021 respectively.
- Valuation as at 31 March 2021 (performed on a pre-IFRS16 basis):
 - Maintainable EBITDA is based on a March 2023 estimate to reflect a post Coronavirus sustainable level of GBP105.4 million, which represents a 26% reduction of the GBP142 million actual EBITDA achieved by Virgin Active for its financial year ended 31 December 2019 (FY20: Maintainable EBITDA of GBP108 million was applied).
 - The 9.0x valuation multiple used represents a 21% discount to the peer average two-year forward multiple of 11.4x (FY20: 9.0x valuation multiple applied)
 - Net debt of GBP397 million per the March 2021 management accounts has been increased by GBP58 million to GBP455 million. The normalisation adjustment applied takes consideration of the estimated effect of working capital and cost deferred during the lockdowns (FY20: Net debt of GBP440 million, which included a GBP95 million normalisation adjustment).
 - Brait's participation in the carrying value of shareholder funding increased to 79.4% (FY20: 79.2%) as a result of the exercise of put agreements (GBP1.2 million) during the year with certain members of Virgin Active's management team, with participation in equity value increasing to 72.1% (FY20: 71.9%).
 - Brait's resulting unrealised carrying value for its investment in Virgin Active at reporting date is R7,970 million, reflecting a 15% decrease for the year (FY20: R9,355 million) and comprising 48% of Brait's total assets (FY20: 42%).



Premier (45% of Brait's total assets)

- A leading South African FMCG manufacturer, offering branded and private label solutions, Premier delivered a very strong operational performance during its financial year ended 31 March 2021, driven primarily by volume growth and the performance of its MillBake division, combined with continued focus on operating cost optimisation.
- Group results for the financial year ended 31 March 2021, compared to FY20 (quoted on a pre-IFRS16 basis):
 - Revenue: +13%.
 - EBITDA: +14%.
 - EBITDA margin: 9.6% (FY20: 9.6%).
 - Return on invested capital: 12.2% (FY20: 9.2%).
 - Strong cashflow from operations of R1,328 million (FY20: R910 million) as a result of the growth in EBITDA and working capital management.
 - Net third party debt leverage ratio of 1.6x (FY20: 2.2x).
- Post financial year end, and in line with Premier's agreed growth strategy, the bolt-on acquisition of the Mister Sweet confectionary business was concluded in June 2021. This transaction makes Premier the second largest manufacturer in South Africa of sugar based confectionary, offering a full range of products, as well as doubling the confectionary business' market share. The acquisition will result in significant cost savings from: (i) operating a combined sales finance and administration structure; (ii) the insourcing of Mister Sweet's warehousing and logistics to use Premier's platform; and (iii) procurement synergies on raw and packing materials.

- Divisional highlights for the financial year ended 31 March 2021:
 - Premier's MillBake division (83% of group revenue) delivered a strong performance, driven by aggregate volume growth of 9% to 961,000 tonnes. This resulted in revenue growth of 16% and EBITDA increasing by 13%. EBITDA margin, pre head office costs, was maintained at 12.5%:
 - Bread: Revenue increased by 13% driven largely by strong volume increase.
 - Wheat: Revenue increased by 20%, with strong volume growth and increased pricing following an increase in input costs. Premier utilises approximately 60% of its wheat flour production internally in its bakeries.
 - Maize: Revenue increased by 20%, benefitting from increased staple food sales volumes in retail and wholesale channels with limited exposure to the hotels, restaurants, and food services channels.
 - Premier's Groceries and International division (17% of group revenue) maintained its revenue with EBITDA growth of 1% and EBITDA margin of 10.6% (FY20: 10.5%), pre head office costs:
 - CIM, Premier's Mozambican business (9% of group revenue), delivered a satisfactory performance under difficult trading conditions, exacerbated by the Coronavirus and unrest in the northern parts of Mozambique. Measured in local currency, revenue increased 7% on the back of increased volumes, with a reduction in gross profit offset by cost efficiencies resulting in EBITDA increasing by 2%. In Rand terms, EBITDA remained in line with the prior year.
 - Home and Personal Care (5% of group revenue): A challenging South African market meant a focus on price to maintain market share, the benefits of which were seen in 2H21. Operating cost efficiencies assisted the UK business to lift its EBITDA.
 - Confectionary and beverages (3% of group revenue): Sugar based confectionary had an improved performance, with sales volumes increasing and EBITDA benefitting significantly from reduced operating costs following the restructure completed in November 2020. Beverages has shown positive signs of recovery post the Coronavirus lockdowns.
- The challenging Coronavirus induced operating conditions resulted in additional costs of R97 million to maintain a safe work environment and support communities. Management continues to monitor the impact of the Coronavirus and have developed protocols to prevent and mitigate any impact to the business.
- Capital expenditure for the group of R504 million (FY20: R421 million) remains in line with guidance at 4% of revenue and includes expenditure on the inland bakery project.
- Premier repaid Brait R237 million of shareholder funding during the current financial year (FY20: R231 million), increasing Brait's share of realised proceeds received to date to R1,732 million.
- Valuation as at 31 March 2021 (performed on a pre-IFRS16 basis):
 - Maintainable EBITDA of R1,152 million is based on Premier's Last Twelve Months ("LTM") EBITDA to 31 March 2021, reflecting a 14% increase on the prior year (FY20: R1,010 million).
 - The valuation multiple has been maintained at 8.0x, which represents a 17% discount to the peer average spot multiple of 9.6x (FY20: 8.8x)
 - Net third party debt of R1,489 million is based on Premier's reported R1,891 million, adjusted for capital expenditure spent on new projects that are not as yet generating EBITDA.
 - Brait's shareholding in Premier is 98.5%. Brait's equity value participation at 31 March 2021 is 97.1%, due to the dilutionary impact of the management incentive scheme put in place during the current year.
 - Premier's unrealised carrying value at the reporting date is R7,597 million, reflecting a 26% increase for the current financial year (FY20: R6,047 million) and comprising 45% of Brait's total assets (FY20: 27%).

NEW LOOK

New Look (3% of Brait's total assets):

- New Look, a UK based multichannel fashion brand, operating in the value segment of the clothing, footwear and accessories market, has been significantly impacted by the Coronavirus, given the omnichannel nature of the business.
- During the lock-down periods, management focused on cost optimisation, maximising liquidity and progressing New Look's online strategy. Whilst the extent to which stores were required to be closed during lockdown adversely impacted group revenue, store lockdowns benefitted New Look's E-commerce platform, which significantly grew market share.
- New Look completed a comprehensive recapitalisation transaction during November 2020: (i) rebasing its UK leasehold obligations through a Company Voluntary Agreement ("CVA") resulting in significant rental cost reduction through a turn-over based model for a period of 3 years (thereafter reverting to the higher of the CVA rental or market rental); (ii) debt-for-equity conversion of its senior secured notes, significantly reducing gross debt and annual cash interest payments; (iii) the amendment and extension of its operating facility and term loan to June 2023 and June 2024, respectively; as well as (iv) the injection of GBP40 million new shareholder capital (Brait's pro-rata share of GBP7 million funded from the BML RCF) to support New Look's three-year business plan.
- New Look received a favourable ruling on the CVA from the English High Court on 10 May 2021. Two of the four challenger landlords have since appealed this ruling, which is expected to be heard in the last quarter of 2021 calendar year. As the court process is not yet finalised, a GBP7.1 million payment to landlords in respect of the CVA will be delayed until the appeal process is completed.
- Valuation as at 31 March 2021:
 - o Following the equitisation of the Senior Secured Notes (SSNs) on 9 November 2020 pursuant to the completion of New Look's recapitalisation transaction, Brait's investment is valued at the current reporting date on a maintainable EBITDA basis. Maintainable EBITDA is based on a look-through to a pre-IFRS16, one-year post Coronavirus sustainable level of GBP59.0 million. This represents a 25% discount to the GBP78.6 million actual EBITDA achieved by New Look for its 39 weeks ended 28 December 2019, as reported in its last Q3FY20 investor presentation to New Look's bond holders.
 - o The 4.0x valuation multiple used represents a 59% discount to the peer average one-year forward multiple of 9.8x.
 - o Net third party debt of GBP39.0 million per New Look's March 2021 management accounts has been increased by GBP47.0 million to GBP86.0 million. The adjustment applied takes consideration of estimated costs deferred during the lockdown period.
 - o Brait's resulting unrealised carrying value for its investment in New Look at reporting date is R545 million (FY20: R940 million). The carrying value at 31 March 2020 represented Brait's GBP75.3 million nominal value of SSNs, valued using the closing quoted Bloomberg price of 0.549, plus accrued interest of GBP1.1 million.



Consol.

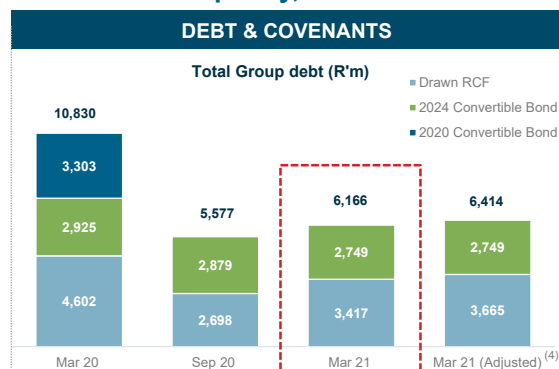
Other Investments (2% of Brait's total assets):

- Brait realised its 91.3% shareholding in DGB for a total consideration equal to its March 2020 carrying value of R470 million. R420 million of proceeds have been received, with the remaining R50 million of deferred proceeds due by 31 March 2022.
- The remaining carrying value of this portfolio relates to 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.

GROUP LIQUIDITY POSITION

LIQUIDITY		
	Mar-21	Mar-20
Cash and cash equivalents (R'm)		
Opening cash balance	3,887	834
Proceeds received from portfolio	3,024	1,570
Expenses (operating costs, other costs and taxes)	(179)	(422)
Purchase of investments	(955)	(664)
Net cash (outflow) / inflow from financing activities	(5,480) ⁽¹⁾	2,102
Effect of exchange rate changes on cash	(84)	467
Closing cash balance	213	3,887
Borrowings (R'm)	Mar-21	Mar-20
BML RCF Facility	4,371	6,310
Less: drawn	(3,417)	(4,602)
Remaining facility: Reporting date	954	1,708
Available liquidity: Reporting date	1,167	1,849 ⁽²⁾
Post balance sheet date: BML RCF Facility	5,010 ⁽³⁾	
Adjusted drawn	(3,665) ⁽⁴⁾	
Remaining facility: Post balance sheet date	1,345	
Virgin Active South Africa guarantee	(600) ⁽⁵⁾	
Available liquidity: Post balance sheet date	831 ⁽⁶⁾	

Available liquidity, debt and covenants



- Brait is in compliance with all debt covenants
- Per the terms of the 2024 Bonds, Brait's 'Tangible NAV/Net Debt' ratio is required to be not less than 200% ⁽⁷⁾
- Conversion price on the 2024 Bonds is £0.5219 (R10.62 at reporting date)

(1) Includes R3.7bn settlement of outstanding 2020 Convertible Bond

(2) FY20 available liquidity shown adjusted for 2020 Bond settlement of R3.7bn

(3) Brait has signed a term sheet with its Lenders and is in the process of concluding the requisite legal agreements

(4) Adjusted drawn reflects the balance drawn at 12 May 2021, which includes Brait's pro rata £16m advance to Virgin Active UK in terms of the post-implementation facility

(5) Brait's 80% pro rata share of the R750m guarantee issued post balance sheet date by Virgin Active shareholders to the Virgin Active South Africa lending banks

(6) Post balance sheet date available liquidity includes R86m cash balance at 12 May 2021

(7) The definition for 'Net Debt' excludes the 2024 Bonds, with the covenant referenced to Brait's net asset value

Brait received proceeds of R3,012 million from its investment portfolio during the current year (FY20: R1,562 million):

- In line with the Board's strategy focused on maximising value through the realisation of the existing portfolio companies over the medium term, Brait received realisation proceeds of R2,775 million, which were applied to partially repaying the BML RCF, comprising:
 - R2,349 million (GBP108.5 million) from the realisation of Iceland Foods; and
 - R426 million from the Other investments' portfolio, which includes R420 million from the sale of DGB (remaining R50 million deferred proceeds due by 31 March 2022).
- Premier repaid Brait R237 million (FY20: R231 million) of shareholder funding during the year.

Repayment/redemption of remaining 2020 Bonds

- The remaining GBP149 million outstanding principal amount on Brait's five year, 2.75% per annum coupon, unsubordinated, unsecured convertible bonds listed on the Freiverkehr, due 18 September 2020 ("2020 Bonds"), was settled during the year using the cash then held in Pound Sterling converted from the proceeds of the February 2020 Rights Offer and specific issue of shares.
- Over the period 4 December 2019 to 24 July 2020, Brait repurchased GBP217.5 million of the 2020 Bonds for an aggregate amount of GBP214.5 million (average clean purchase price of GBP98,600 for each GBP100,000 principal 2020 Bond). The remaining GBP132.5 million principal amount of the 2020 Bonds were redeemed on their maturity date of 18 September 2020.

R1.2 billion available cash and facilities at reporting date

- Brait repaid R2.8 billion of the BML RCF during the current year (FY20: R2.7 billion repaid), resulting in the drawn amount outstanding at reporting date of R3.4 billion (FY20: R4.6 billion).
- In line with the BML RCF agreement, the reduction in utilisation resulted in the quantum of the facility decreasing from R6.3 billion to R4.4 billion and the interest rate decreasing from JIBAR plus 4.6% to JIBAR plus 4.0%.
- Including the Group's R0.2 billion cash, this results in total cash and available facilities at reporting date of R1.2 billion (FY20: R1.8 billion cash and available facilities, which excluded the R3.8 billion cash held for the settlement of the 2020 Bonds).

Brait is in compliance with all covenants:

- The BML RCF covenants are NAV based and set with headroom for short term volatility.
- Per the terms of the 2024 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 Bonds, with Tangible NAV referenced to Brait's net asset value.

Post balance sheet date liquidity position

- As announced on 12 May 2021, the English Court sanctioned the Virgin Active UK Restructuring Plan. Brait, drawing on its BML RCF, advanced its pro-rata 80% share (GBP16 million) of the total GBP20 million shareholder post-implementation facility to Virgin Active UK, taking the drawn balance on the BML RCF to R3.7 billion.
- Brait has signed a term sheet with its Lenders and is in the process of concluding the requisite legal agreements to increase the limit of its BML RCF from the current amount of R4.4 billion to R5 billion. With effect from 1 July 2022, the limit on the BML RCF will revert to a maximum of R4 billion for the remaining tenure to 28 February 2023. The initial interest margin on the increased facility is the 3 month JIBAR plus 5%, with additional pricing ratchets to apply depending on the level drawn. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of BML.
- During June 2021, Brait agreed to provide its pro-rata 80% share (R600 million) of a total R750 million guarantee to VASA lending banks as part of the restructuring and extension of the existing VASA debt facilities. Such amount will be reserved from the available undrawn BML RCF, resulting in Brait's available cash and liquidity position thereafter being R0.8 billion.
- Brait remains focused on de-gearing and continues to assess a number of liquidity options.

DIVIDEND POLICY

Brait's ability to return capital to Shareholders pursuant to its stated 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 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 Bonds to tender for repurchase an aggregate principal amount of the 2024 Bonds for an amount equal to such proposed special dividend at a price per Bond equal to its principal amount together with accrued interest.

ORDINARY SHARE CAPITAL

Total issued ordinary share capital as at 31 March 2021 is 1,319,992,804 shares of EUR0.22 each (FY20: 1,319,992,804 excluding treasury shares). Pursuant to the Shareholder approval obtained at the Extraordinary General Meeting held in Malta on 14 January 2020, the 54,091,259 treasury shares held for the vested benefit of the Group were cancelled during the current reporting period.

GROUP OUTLOOK

All the portfolio company management teams have proactively implemented plans to address the unexpected and unprecedented impact of the Coronavirus pandemic, with a focus on health and safety of staff and customers, reducing costs, preserving cash and maximizing liquidity to manage their businesses through this difficult period. The Board, with the assistance of the Advisor, remains focused on executing Brait's strategy of maximising value through the realisation of portfolio companies over the medium term.

Portfolio company and Brait outlook



- **Restructuring of the VA Europe business complete** and provides a **solid recovery and growth platform** for the business
- **Stronger than expected** re-opening in the UK, and to a lesser extent Italy, provides **grounds for optimism**
- Current lockdown restrictions and the prevailing **third-wave is likely to impact the South African business**
- Getting back to 2019 levels will provide **very significant value uplift** for Brait



- **Strong growth continues** YTD and benefits of **operational efficiencies** being realised
- **Consumers under increased pressure** and business focus on **volume growth** across the product range
- Management focused on **commissioning of Pretoria bakery** and **integrating Mister Sweet acquisition**



- Management continues to focus on **driving sales growth, profit growth and cash conversion**
- Leveraging the **benefits of the restructurings and operational efficiencies** in the post-Coronavirus high street revival
- **Better competitive dynamics** given the fallout of competitors on the high street



- Focus on **driving NAV growth** in a (hopefully) post-Coronavirus world
- Further **development of the exit strategies**
- Focus on debt reduction and **value accretive, liquidity enhancing strategies**

Appendix 3: Investment Portfolio (Extract from Integrated Annual Report 2021)

9.1 PREMIER

Transaction overview

	%	Date	Multiple	Equity R'm	Shareholder funding R'm	Total R'm
Initial acquisition (equity and shareholding 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⁾	97.1		8.0x	4 385.0	3 212.0	7 597.0
Proceeds received to reporting date				–	1 732.0	1 732.0
Carrying value + proceeds received				4 385.0	4 944.0	9 329.0

⁽¹⁾ Increase in shareholding due to exercise of put and call option agreements over the period offset by the dilutionary impact of the management incentive scheme put in place in FY21. Increase in shareholder funding to fund Premier's acquisitions to date.

⁽²⁾ Brait's equity participation declined as a result of the dilutionary impact of the management incentive scheme put in place in FY21.

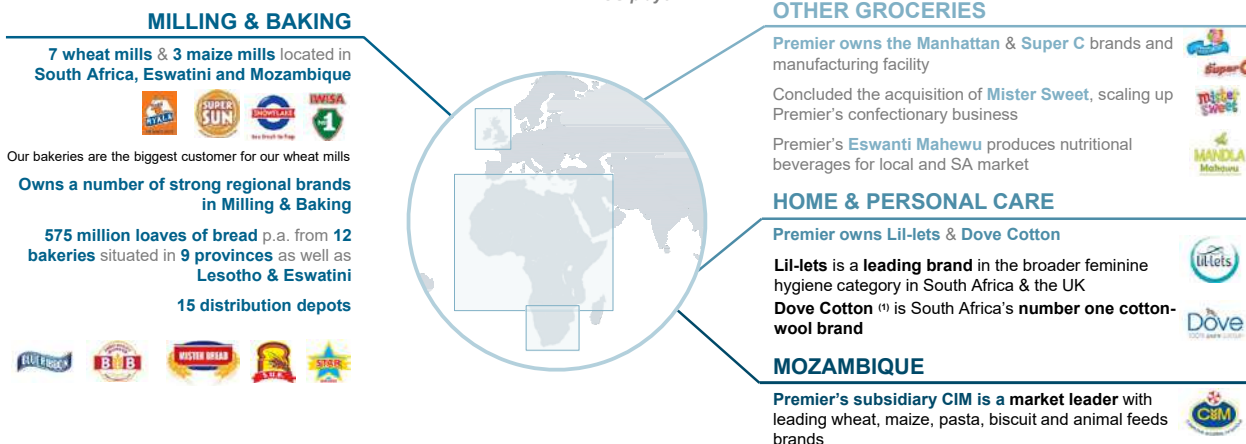


Overview

- Premier is a **leading South African FMCG manufacturer** offering branded and private label solutions
- The business has **strong heritage brands** in bread, maize meal, wheat flour, feminine hygiene and sugar confectionary
- Premier **serves all channels to the market** and operates through a **wide footprint** across South Africa, Eswatini, Lesotho and Mozambique with a Lil-lets sales office in the UK
- In South Africa, its fleet of around **850 bakery trucks** make **33,000 bread deliveries a day**. Premier produces **c.575 million loaves of bread per annum** with significant exposure to the informal market which accounts for c.70% of sales volumes

Brait effective shareholding
97.1%

Founded in 1820 as a traditional milling & baking business, Premier has invested in its facilities and made corporate acquisitions, expanding its portfolio to become a leading FMCG player





Year ended 31 March 2021: headlines at a glance



Revenue:
R12bn
+13% YoY

EBITDA:
R1,152m
+14% YoY

EBITDA growth includes R97m of Coronavirus costs to maintain safe work environment and support communities

Strong performance driven primarily by volume growth

EBITDA margin %
9.6%
FY2020 EBITDA % = 9.6%

M&A
Completed the acquisition of **Mister Sweet** to double market share in the Confectionary business

Return on Invested Capital
12.2%
FY20 ROIC = 9.2%

Shareholder funding repaid:
R237m
Total cash returned to Brait since 2011 of R1,732m

Net third party debt leverage ratio
1.6x
March 2020 leverage ratio 2.2x

Mister Sweet acquisition and YTD trading



MISTER SWEET ACQUISITION

Overview

- Second largest sugar-based confectionary (“SBC”) supplier in South Africa
- Established relationships with all the large food retailers, as well as Woolworths and PEP for whom it supplies private label products
- Produces a wide range of product types and pack sizes under its primary brands “Mister Sweet” and “Candy Tops”, supported by “Frutus”, “Rascals” and “Champion” brands. Product segments include speckled eggs, gums and jellies, chews, mallows, toffee, liquorice, peanut brittle and nougat

Rationale for acquisition

- Increases Premier’s participation in the SBC category to being a business with over a R1bn revenue and that is a strong No. 2 player (c.13.8% market share) that offers full range of SBC products
- Enables Premier to establish centres of excellence between two SBC manufacturing sites that will result in efficiencies by aligning production capabilities
- Achieve Premier’s objective to balance its FMCG portfolio by expanding in a category that it currently operates in
- The acquisition will result in significant cost savings from operating a combined sales structure, finance and admin structure and in-sourcing Mister Sweet’s warehousing and logistics to use Premier’s platform and procurement synergies on raw materials and packing materials

YTD TRADING

- FY22 started strongly across all of Premier’s divisions
 - Revenue growth ahead of budget and up versus prior year
 - EBITDA significantly up on prior year and ahead of budget
- Commissioning of inland bakery on schedule for January 2022



Summarised financial information

Summarised income statement (Amounts in R'm)	March 2021 Audited	March 2020 Audited	March 2019 Restated	March 2018 Restated	⁽⁶⁾ March 2017 Pro forma
Net revenue ⁽¹⁾	12,526	11,048	10,093	10,695	11,692
% Growth	13.4%	9.5%	(5.6%)	(8.5%)	4.3%
EBITDA ⁽²⁾⁽³⁾	1,220	1,084	1,005	1,096	1,138
% Margin	9.7%	9.8%	10.0%	10.2%	9.7%
Depreciation and amortisation ⁽³⁾	(430)	(407)	(327)	(308)	(168)
Impairment reversal / (losses) ⁽⁴⁾	17	(631)	(237)	(157)	(140)
Adjusted EBIT	806	46	441	631	830
% Margin	6.4%	0.4%	4.4%	5.9%	7.1%
Exceptional items ⁽⁵⁾	(166)	(15)	(86)	(48)	(134)
EBIT	640	31	355	583	696
Net interest charge – bank debt	(181)	(258)	(255)	(257)	(228)
Interest charge – grain inventory financing ⁽²⁾	(28)	(37)	(33)	(31)	-
Interest charge – shareholder funding	(252)	(400)	(375)	(398)	(359)
EBT	179	(664)	(308)	(103)	109
PAT	67	(626)	(304)	(154)	4

(1) The adoption of IFRS 15 in FY2019 changed the accounting treatment for by-product sales. Previously such sales were classified as a reduction to cost of goods sold; now recognised as revenue. The effect is an increase to FY2021 revenue of R698m (FY2020: increase of R620m) – no impact to EBITDA. Further to this, in FY2020, distribution centre allowances granted to customers were reclassified from operating expenses to net off against revenue in order to align with IFRS15. The effect of this change is a decrease in revenue of R127m (FY2020: decrease of R119m)

(2) The adoption of IFRS 15 in FY2019 changed the accounting treatment for Premier's grain inventory, which remains legally owned by the 3rd party financier, is now recognised as part of Premier's inventory, with the corresponding financing facility raised as a short-term facility. The holding cost is now recognised as interest expense; whereas previously it was accounted for as cost of goods sold. The effect of this change in accounting is an increase in EBITDA of R28m (FY2020: R37m) and a corresponding increase in the interest charge of R28m (FY2020: R37m)

(3) IFRS 16 (lease accounting) results in an add back to EBITDA of the rental paid of R39m for FY2021 which is reclassified as depreciation and interest expense. Premier Group adopted IFRS 16 by applying the modified retrospective approach, whereby the comparative figures (pre FY2020) are not restated

(4) Impairment charge for FY2020 primarily relates to the write-down in the investment in CIM for PPE and the write down of various trademarks and goodwill. The reversal in FY2021 relates to CIM PPE previously impaired

(5) Exceptional items for FY2021 consisted of a net loss of R166m and related to Coronavirus pandemic donations, unrealised forex movement on the shareholder loan funding to CIM, strikes, retrenchment costs and other non-recurring costs

(6) In 2017 Premier changed its year end from June to March to align with Brait, resulting in a 9-month audited financial period ended 31 March 2017. For comparability, pro forma results for the LTM March 2017 are shown



Summarised financial information

Summarised cash flow information <i>(Amounts in R'm)</i>	March 2021 Audited	March 2020 Audited	March 2019 Audited	March 2018 Restated	⁽²⁾ March 2017 Pro forma
Cash flow from operations before working capital	1,249	1,100	877	1,055	1,035
Working capital	80	(190)	(273)	342	(85)
Cash flow from operations <i>% EBITDA</i>	1,328 108.9%	910 84.0%	604 60.0%	1,397 127.5%	950 83.5%
Capex (including acquisition of intangibles)	(504)	(421)	(432)	(308)	(625)
Operating cash flow post capex <i>% EBITDA</i>	825 67.6%	489 45.1%	172 17.1%	1,089 99.4%	325 28.6%
Taxation paid	(116)	(34)	(24)	(35)	(100)
Interest paid - bank debt	(186)	(232)	(199)	(269)	(183)
Interest paid – grain inventory financing	(28)	(37)	(34)	(31)	-
Operating cash flow post capex, tax and interest <i>% EBITDA</i>	495 40.6%	186 17.1%	(85) (8.5%)	754 68.8%	42 3.7%
Shareholder funding repayments (<i>capital and interest</i>)	(237)	(231)	(232)	(367)	(281)
Operating cash flow post shareholder funding repayments <i>% EBITDA</i>	258 21.1%	(45) (4.2%)	(317) (31.5%)	387 35.3%	(239) (21.0%)

(1) In 2017 Premier changed its year end from June to March to align with Brait, resulting in a nine-month audited financial period ended 31 March 2017. For comparability, the pro forma results for the Last Twelve Months ended 31 March 2017 are shown

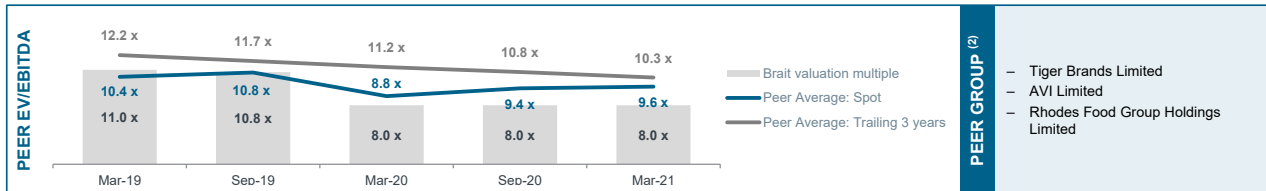


Summarised financial information

Summarised balance sheet (Amounts in R'm)	March 2021 Audited	March 2020 Audited	March 2019 Audited	March 2018 Restated	⁽³⁾ March 2017 Pro forma
Total Assets	8,041	7,846	8,134	7,871	8,064
Property and equipment	3,345	3,280	3,399	3,346	3,388
Right of use asset ⁽¹⁾	187	229	-	-	-
Intangibles	1,707	1,711	2,184	2,274	2,525
Current Assets ⁽²⁾	2,434	2,539	2,230	2,075	1,975
Cash	368	88	321	175	176
Total Liabilities	5,131	4,964	4,848	4,523	4,481
Trade creditors	1,551	1,376	1,253	1,216	1,251
Grain financing facility ⁽²⁾	497	404	450	347	-
Interest bearing debt	2,251	2,326	2,444	2,173	2,508
Lease liabilities	214	240	-	-	-
Other	617	619	701	787	722
Shareholders Equity (includes shareholder funding)	2,910	2,882	3,286	3,348	3,583

(1) IFRS16 (lease accounting) results in R187m (FY2020: R229m) being recognised as a right of use asset. Premier Group adopted IFRS16 by applying the modified retrospective approach, whereby the comparative figures are not restated; (2) The adoption of IFRS15 in FY2019 changed the accounting treatment for Premier's grain inventory, recognising the grain, which remains legally owned by the 3rd party financier, of R497m (FY2020: R404m) as part of inventory, with the corresponding financing facility; (3) In 2017 Premier changed its year end from June to March to align with Brait, resulting in a nine-month audited financial period ended 31 March 2017. For comparability, the pro forma results for the Last Twelve Months ended 31 March 2017 are shown;

Valuation overview



PEER GROUP ⁽²⁾

- Tiger Brands Limited
- AVI Limited
- Rhodes Food Group Holdings Limited

KEY VALUATION ASSUMPTIONS

EV/EBITDA	3yr ave	Spot	Premier
Peer Average	10.3x	9.6x	8.0x

Primary reference measure: peer group average spot multiple

Maintainable EBITDA (Rm)	31-Mar-21
Maintainable EBITDA	1,152

No adjustments made to EBITDA: Maintainable EBITDA of R1,152m represents FY21 EBITDA

Sustainable Net Debt (Rm)	31-Mar-21
Actual Net Debt	(1,891)
Normalisation adjustments	402
Sustainable Net Debt	(1,489)

Net third party debt at 31 March 2021 normalised to exclude R394m capex investment which had not yet generated EBITDA at that date, as well as R8m of other adjustments

R'm	31-Mar-20	30-Sep-20	31-Mar-21
Maintainable EBITDA	1,010	1,110	1,152
EV/EBITDA multiple	8.0x	8.0x	8.0x
Enterprise value	8,080	8,876	9,216
Less: net third party debt	(1,989)	(1,829)	(1,489)
Shareholder value	6,091	7,047	7,727
Less: shareholder funding	(3,197)	(3,205)	(3,212)
Equity value / (impairment to s/h funding)	2,894	3,842	4,515
<i>Brait's s/h funding participation %</i>	<i>100.0</i>	<i>100.0%</i>	<i>100.0%</i>
Shareholder funding value	3,197	3,205	3,212
<i>Brait's equity participation %¹</i>	<i>98.5%</i>	<i>98.5%</i>	<i>97.1%</i>
Equity value	2,850	3,784	4,385
Carrying value (Rm) for Brait's investment	6,047	6,989	7,597

(1) IFRS16 was not adopted by peer companies during the entire historic 3-year average. (2) Brait's equity participation declined as a result of the dilutionary impact of the management incentive scheme put in place in FY21

9.2 Virgin Active

Transaction overview

	%	Date	Multiple	£'m	£/R rate	R'm
Initial acquisition (equity and shareholder funding)	78.2	16-Jul-15 Sep-16	10.2x	691.0	18.40	12 715
Further investment ^(1,2)	1.2	to current	11.4x	43.6	20.58	897
Total cost of investment at reporting date	79.4		10.2x	734.6	17.49	12 845
Carrying value at reporting date	79.4		9.0x	391.8	20.34	7 970
Proceeds received to reporting date				52.2	18.66	974
Carrying value + proceeds received				444.0	20.14	8 944

⁽¹⁾ Increase in shareholding due to exercise of put and call option agreements over the period.

⁽²⁾ Post reporting date (12 May 2021), Brait invested a further £16 million into Virgin Active UK, representing its pro-rata share of the post implementation facility arising from its Restructuring Plan. In June 2021 Brait agreed to provide its proportionate 80% (R600m) share of a total R750m shareholder guarantee to the VASA lending banks as part of the restructuring and extension of the existing VASA debt facilities.

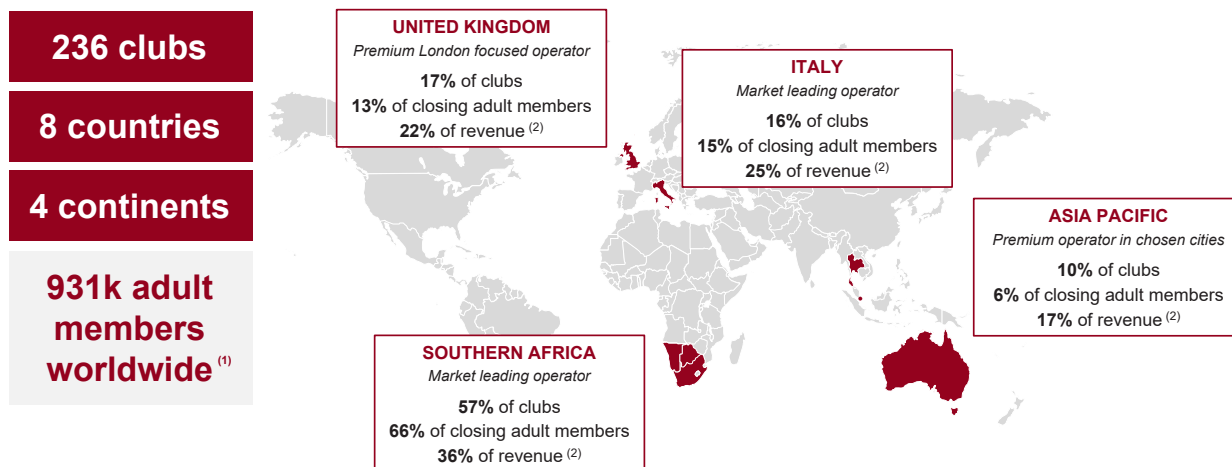


Overview

- Virgin Active is one of the **leading international health club operators**
- The company's ambition is to become the world's **most loved exercise brand**, inspiring people to lead an active life through offering outstanding exercise experiences to people wherever and wherever they are
- Virgin Active strives to provide customers with a **combination of a leading physical experience and a world class digital offering**

Brait effective economic interest

79.4%



⁽¹⁾ As at 31st December 2020, excluding Digital memberships of 10k; ⁽²⁾ % of revenue is based on 2020 full year revenue excluding closed clubs at 2020 average actual rates (ZAR 21.09, EUR 1.13, AUD 1.86, SGD 1.77, THB 40.14)



	ITALY	21%	<ul style="list-style-type: none"> – Re-opened in May 2020, with strong member engagement, retention and usage levels (c.84% in September 2020), closed again in October 2020 – Clubs reopened on 24 May 2021 with some restrictions (swimming pools, showers, saunas) – Business trading in line with expectations 	 open
	AUSTRALIA	13%	<ul style="list-style-type: none"> – Sydney clubs have remained open, with Melbourne clubs subject to repeated short lockdowns – Membership engagement and usage levels in suburban clubs has been very strong, and the current monthly average usage per member in Australian clubs (as a % of 2019) is 108% – Clubs in the central business districts of both Sydney and Melbourne remain subdued as office occupancy remain low 	 open
	THAILAND & SINGAPORE	13%	<ul style="list-style-type: none"> – Pre the recent lockdown Thailand and Singapore showed resilience and strong membership engagement <ul style="list-style-type: none"> • Strong membership engagement in Thailand with low terminations / members on freeze • High usage in Singapore (130%) and Thailand (93%) despite a significant % of members on freeze – Thailand closed its gyms on 26 April 2021 and is likely to remain closed until at end July 2021 – Singapore closed its gyms on 8 May 2021 and is likely to remain closed until end June 2021 	 closed
	UNITED KINGDOM	28%	<ul style="list-style-type: none"> – Reopened on 12 April 2021 with group exercise classes starting again from 17 May 2021 – Strong membership engagement since reopening with higher sales and lower than anticipated terminations / members on freeze – Inner city London gyms remain underutilised but regional / suburban gyms showing strong membership engagement levels. 3 City of London clubs have been closed permanently with members transferred to nearby clubs to reduce exposure to changing working patterns; this has reduced the number City of London clubs from 9 to 6 	 open
	SOUTH AFRICA	38%	<ul style="list-style-type: none"> – SA clubs reopened in late August 2020 but were subject to Level 3 restrictions during December-February 2021 – Steady improvement in member engagement (contract structure for SA membership base a positive) – Terminations in line with expectations, however new sales impacted by Level 3 lockdown restrictions and a higher number of members have chosen to keep their membership on freeze than expected – Recent performance has been positive since Level 1 restrictions have been applied – Cyber attack on IT infrastructure contained and systems being restored systematically 	 open

● = % of pre-Coronavirus revenue (2019) Note: Usage refers to the average monthly usage per member as a % of 2019



2021 Performance since re-opening in the UK and Italy



UK clubs re-opened on April 12th 2021, with Group Exercise classes resuming on 17th May 2021. Trading since re-opening has been stronger than expected with higher-than-expected sales, fewer than expected members remaining on freeze and both total and paying membership exceeding budget

Sales have been higher than expected since re-opening and cumulatively are 50% higher than in 2019

15% of members currently have chosen to keep their membership on freeze, significantly below expected levels

At the end of May, total Membership was 7% higher than expected, with paying membership 24% higher than expected as less members chose to keep their membership on freeze

A further boost to membership is anticipated once work from home guidance comes to an end and all remaining restrictions are lifted; now expected 19th July

Since February 2020 the UK has lost c. 36% of the membership base, with performance strongest in provincial locations



Italian clubs re-opened on 24th May after 7 months of closure. On re-opening, saunas, showers and pools were required to remain closed, with these facilities opening on 6th June. Italy has shown good trading on reopening, with sales in line with expectations and slightly fewer members on freeze, resulting in higher than anticipated paying members

Sales are around 20% ahead of expectations, but remain below 2019 levels

On re-opening, 20% of members chose to keep their membership on freeze vs an expectation of 28%

The period from September to December, which has historically been a very strong quarter for the Italian business, will be key

Since February 2020 Italy has lost c. 26% of the membership base

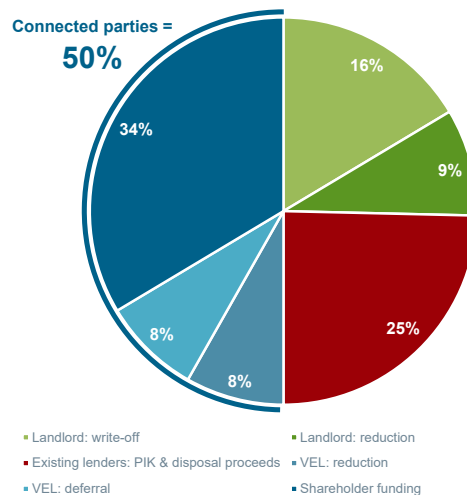


The total cumulative cash benefit of the Restructure Plan to April 2023 (maximum liquidity shortfall) is c.£134m, with contributions from all stakeholders made up as follows:

	TOTAL (£m)
Contribution from UK landlords	
Rent write-offs (net of unwind of deal benefit of £2m)	22
Rent reductions	10
Closure benefit	2
UK Landlord contribution	34
Contribution from existing lenders	
18 months PIK interest on existing facility	8
Ability for VA to retain first £25m of disposal proceeds	25
Contribution from VEL	
Extension of loan note	3
Fee reductions	11
Deferrals	8
Virgin Enterprises Limited license fee contribution	22
Contribution from shareholders	
Shareholder contribution	45
Total contribution from all stakeholders to April 2023	134

Cash flow benefit of the Restructuring Plan

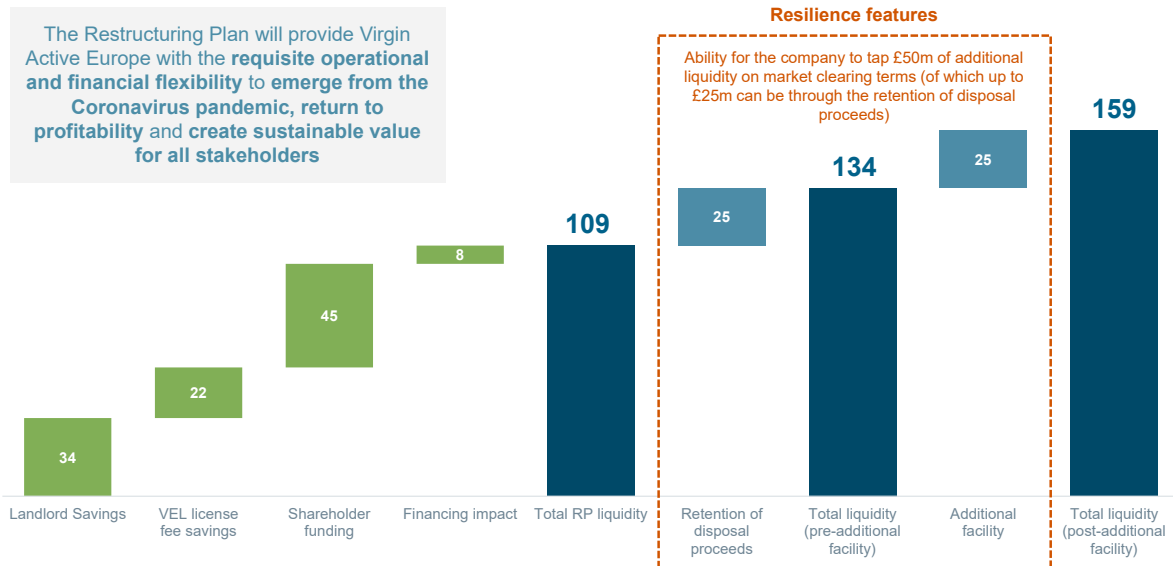
Cumulative contribution: FY2021 to FY2024



Total contribution from connected parties
(including the Virgin Enterprises Limited license fee)
= £67m



Liquidity benefits of the Restructuring Plan



Concessions from all stakeholders including landlords, VEL as licensor, lenders & shareholders

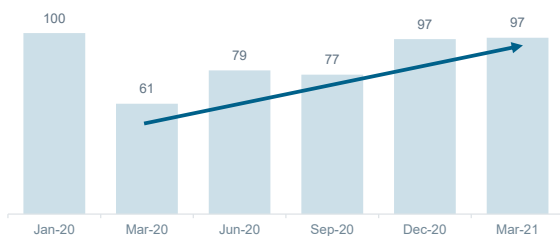


Valuation overview: gym group peers vs. Virgin Active

The average market cap of the gym group peer group declined by c.40% from 1 Jan 2020 to 31 March 2020 due to the the impact of Coronavirus. **However, over the last 12 months, the average market cap has almost recovered to 1 Jan 2020 levels**

For the six months from 30 September 2020 to 31 March 2021, the average market cap increased by 26%

Peer group: average market cap (rebased to 100)¹



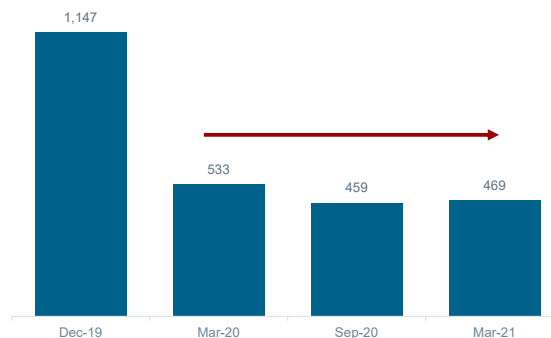
15 months	01 Jan 2020 to 31 Mar 2021	-3%
1 year	31 Mar 2020 to 31 Mar 2021	59%
9 months	30 Jun 2020 to 31 Mar 2021	22%
6 months	30 Sep 2020 to 31 Mar 2021	26%

(1) Market cap has been adjusted for a rights issue in The Gym Group during Q22020 (£41.3m raised)

...compared to the peer group, the Virgin Active valuation **decreased by 54% from 31 December 2019 to 31 March 2020**

While the peer group valuations have recovered, **the equity value of Virgin Active has remained largely flat since March 2020**

Virgin active: equity value (GBP'm)





Summarised financial information

Summarised income statement (Results in £m; actual reported currency)	Dec-20 Unaudited ⁽⁴⁾ Pre-IFRS 16	Dec-19 Audited ⁽⁵⁾ Pre-IFRS 16	Dec-18 Audited	Dec-17 Restated ⁽⁶⁾	Dec-16 Restated ⁽⁷⁾
Revenue – continuing operations	296	602	587	580	512
<i>% growth</i>	<i>(51)%</i>	<i>3%</i>	<i>1%</i>	<i>13%</i>	<i>4%</i>
Total Revenue	296	602	587	620	641
Revenue: Discontinued operations	-	-	-	(40)	(129)
EBITDA – continuing operations	(17)	142	137	143	120
<i>% margin</i>	<i>nmf</i>	<i>24%</i>	<i>23%</i>	<i>25%</i>	<i>24%</i>
Total EBITDA	(17)	142	137	148	142
EBITDA: Discontinued operations	-	-	-	(5)	(22)
Depreciation expense	(49)	(48)	(44)	(44)	(37)
Amortisation expense	(4)	(6)	(6)	(16)	(17)
EBIT	(70)	88	87	83	66
<i>% margin</i>		<i>15%</i>	<i>15%</i>	<i>14%</i>	<i>13%</i>
Net bank debt interest charge	(33)	(44)	(38)	(46)	(43)
Shareholder funding interest ⁽¹⁾	-	-	-	-	-
Exceptional items ⁽²⁾	(12)	(13)	(27)	(17)	(22)
EBT	(115)	31	22	20	2
Tax	4	(22)	(6)	(7)	(7)
PAT, continuing operations	(111)	9	16	13	(5)
PAT, discontinued operations ⁽³⁾	-	-	-	54	59
PAT	(111)	9	16	67	54

(1) 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; (2) Exceptional costs for 2018 include a once-off payment to reduce the ongoing minimum licence fee in the UK, restructuring costs and impairments; (3) 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; (4) Based on draft accounts; (5) Pre-IFRS 16 figures have been derived from the audited financial statements which are presented on a post-IFRS 16 basis; (6) 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); (7) 2016 results presented on a continuing operations basis (excluding 12 Iberian clubs sold to Holmes Place in October 2017, 35 UK clubs sold to Nuffield and 1 UK club exited in July 2016 and 14 clubs sold to David Lloyd in May 2017)



Summarised financial information

Summarised cash flow statement ⁽¹⁾ (Results in £m, actual reported currency)	Dec-20 Unaudited ⁽²⁾ Pre-IFRS 16	Dec-19 Audited ⁽³⁾ Pre-IFRS 16	Dec-18 Audited	Dec-17 Audited	Dec-16 Audited
Cash flow from operations	39.4	132.3	129.2	132.9	149.7
% EBITDA	<i>nmf</i>	<i>94%</i>	<i>94%</i>	<i>93%</i>	<i>124%</i>
Maintenance and head office capex	(18.2)	(46.1)	(53.5)	(42.9)	(46.7)
Operating cash flow	21.2	86.2	75.7	90.1	103.0
% EBITDA	<i>nmf</i>	<i>61%</i>	<i>55%</i>	<i>63%</i>	<i>85%</i>
Investments - new clubs, acquisitions and premiumisation	(4.2)	(30.5)	(31.4)	(23.1)	(35.4)
Non-recurring capex	-	-	-	-	-
Net exceptional, one off items and proceeds on disposal of assets	(7.6)	(5.9)	(22.4)	54.7	50.4
Operating cash flow post capex	9.4	49.8	21.9	121.7	118.0
% EBITDA	<i>nmf</i>	<i>35%</i>	<i>16%</i>	<i>85%</i>	<i>98%</i>
Interest paid	(32.2)	(34.3)	(34.0)	(41.8)	(48.6)
Tax paid	(6.5)	(8.0)	(8.7)	(10.9)	(13.1)
Operating cash flow post capex, tax and interest paid	(29.3)	7.5	(20.8)	69.0	56.3
% EBITDA	<i>nmf</i>	<i>5%</i>	<i>(15%)</i>	<i>48%</i>	<i>47%</i>
Shareholder funding receipts / (repayments)	19.7	(42.0)	(25.0)	-	-
Operating cash flow post shareholder funding repayments	(9.6)	(34.5)	(45.8)	69.0	56.3
% EBITDA	<i>nmf</i>	<i>(24%)</i>	<i>(33%)</i>	<i>48%</i>	<i>47%</i>

(1) The audited figures are from the Virgin Active operating company's financial results; (2) Based on draft accounts; (3) Pre-IFRS 16 figures have been derived from the audited financial statements which are presented on a post-IFRS 16 basis



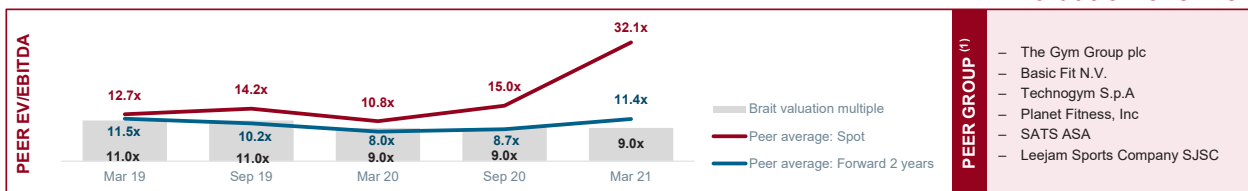
Summarised financial information

Summarised balance sheet ⁽¹⁾ (Results in £m, actual reported currency rates)	Dec-20 Unaudited ⁽²⁾ Pre-IFRS 16	Dec-19 Audited ⁽³⁾ Pre-IFRS 16	Dec-18 Audited	Dec-17 Audited	Dec-16 Audited ⁽⁴⁾
Total Assets	868	923	912	939	1,009
Property and equipment	363	399	390	370	370
Goodwill and intangibles	358	374	381	399	410
Current assets	40	36	37	36	73
Cash	77	56	52	86	113
Other	30	58	52	48	43
Total Liabilities	752	733	690	712	849
Trade creditors	42	21	26	23	31
Current liabilities	89	107	89	88	121
Interest bearing bank debt	455	437	400	404	486
Finance leases	12	13	14	19	34
Other	154	155	161	177	178
Shareholders' Equity	116	190	222	227	160

(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; (2) Based on draft accounts; (3) Pre-IFRS 16 figures have been derived from the audited financial statements which are presented on a post-IFRS 16 basis; (4) Summarised balance sheet for December 2016 includes assets related to the discontinued operations (relating to the 14 clubs sold to David Lloyd Leisure in May 2017) classified as assets held for sale within other assets and other liabilities



Valuation overview



PEER GROUP ⁽¹⁾

- The Gym Group plc
- Basic Fit N.V.
- Technogym S.p.A
- Planet Fitness, Inc
- SATS ASA
- Leejam Sports Company SJSC

KEY VALUATION ASSUMPTIONS

EV/EBITDA	3yr ave	Spot	2yr fwd	Virgin Active
Peer Average	15.9x	32.1x	11.4x	9.0x

Aligned with the look-through to a 2-year post Coronavirus level of maintainable EBITDA, the primary reference measure considered at reporting date is the peer average 2-year forward multiple of 11.4x

Maintainable EBITDA (£m)	31-Mar-21
Maintainable EBITDA	105.4

Based on look-through to a March 2023 estimate to reflect a post Coronavirus sustainable level of £105m; a 26% reduction to the £142m EBITDA achieved by Virgin Active for its FYE 31 December 2019

Sustainable Net Debt (£m)	31-Mar-21
Actual Net Debt	(397.0)
Normalisation adjustments	(58.0)
Sustainable Net Debt	(455.0)

Net debt of £397m per Virgin Active's Mar-21 management accounts has been increased to £455m to account for the estimated effect of working capital and costs deferred during the lockdown periods

£'m	31-Mar-20	30-Sep-20	31-Mar-21
Maintainable EBITDA	108.0	100.0	105.4
EV/EBITDA multiple	9.0x	9.0x	9.0x
Enterprise value	972.1	900.0	948.5
Less: net third party debt	(439.5)	(441.1)	(455.0)
Equity value	532.6	458.9	493.5
Less: senior shareholder funding ⁽²⁾	-	-	(25.0)
Residual equity value	532.6	458.9	468.5
Less: shareholder funding (capped at residual equity value)	(532.6)	(458.9)	(468.5)
Surplus equity value post shareholder funding	-	-	-
<i>Brait's senior shareholder funding participation %</i>	-	-	80.00%
Senior shareholder funding value	-	-	20.0
<i>Brait's shareholder funding participation %</i>	79.2%	79.35%	79.35%
Shareholder funding value	422.0	364.1	371.8
Carrying value (£m) for Brait's investment	422.0	364.1	391.8
Closing GBP/ZAR exchange rate	R22.17	R21.57	R20.34
Carrying value (Rm) for Brait's investment	9,355	7,853	7,970

(1) Virgin Active's peer group composition changed at 31 March 2021 to include SATS and Leejam and exclude Woolworths, Life Health and Clicks; (2) GBP denominated senior shareholder funding bears interest at LIBOR + 4.25% plus 0.75% PIK, is unsecured, with no fixed repayment terms and matures on 30 June 2025.

NEW LOOK

9.3 NEW LOOK

Overview

- New Look is a UK multichannel fashion brand, offering exciting, on-trend, value-fashion with a broad appeal for women and teenage girls (and including an online men's range)
- Significant progress has been made on the Company's strategy to deliver financial and operational stability
- Approval of unsecured lenders for CVA in September 2020 and completion of capital restructuring in November 2020
- Favourable ruling on CVA challenge from English High Court in May 2021

**Brait effective
(undiluted)
shareholding**
18.3%

UK AND REPUBLIC OF IRELAND RETAIL

493 stores in the UK & Republic of Ireland bringing the brand to life and creating a fun, accessible shopping experience for customers

At New Look it's all about interpreting trends and making them accessible to customers. Sourcing suppliers from all around the world means the business can buy in to new trends quickly. Available ranges offer a broad width of appeal so that all customers can buy into the latest trends in a way that suits them

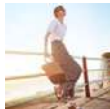
INSPIRE



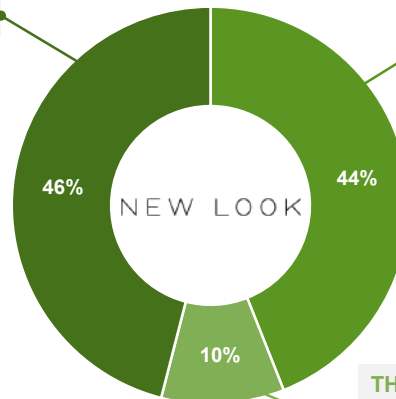
PETITE



TALL



MATERNITY



FY21 Revenue

E-COMMERCE

successful e-commerce site serving around 66 countries

New Look's online shop has 800 new products added every week, helping to make the brand available to customers anytime, anywhere. With home delivery, order in store and click and collect, the business is constantly looking for new ways to improve its services and to deliver a seamless brand experience

THIRD-PARTY E-COMMERCE

3rd Party Partnerships covering key international markets

NEW LOOK

Year ended 27 March 2021: headlines at a glance



Completed CVA process and recapitalisation
Provides the financial strength, funding and flexibility to execute New Look's strategy

Received a favourable ruling on the CVA challenge in May 2021
Two of the four challenger landlords have appealed this ruling

Store lockdowns benefitted E-Commerce, with Sales up 55% YoY



Strong growth in the E-commerce platform resulted in New Look growing its market share

UK and ROI retail impacted by tiering restrictions or lockdowns
Partially mitigated by turnover-based rent

Store re-opening:
England and Wales: 12 April
Scotland: 26 April
Northern Ireland: 30 April
Republic of Ireland: 17 May 2021



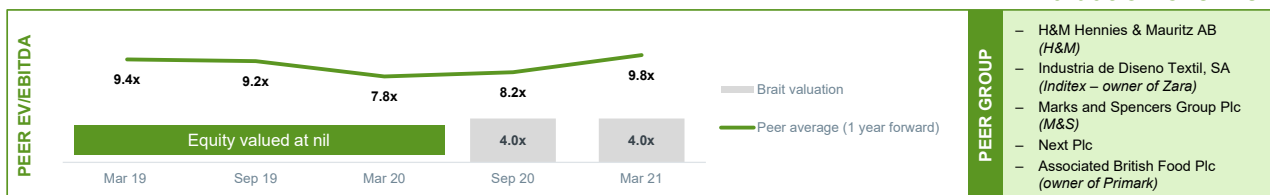
March 2021 liquidity position of £78.5m (cash net of overdraft)
with improving cash position YTD

March 2021 proforma net debt
£86.0m
Including deferred costs of £47m

Strong performance YTD
Ahead of budget across Retail and E-commerce businesses

NEW LOOK

Valuation overview



- PEER GROUP**
- H&M Hennes & Mauritz AB (H&M)
 - Industria de Diseno Textil, SA (Inditex – owner of Zara)
 - Marks and Spencers Group Plc (M&S)
 - Next Plc
 - Associated British Food Plc (owner of Primark)

KEY VALUATION ASSUMPTIONS

EV/EBITDA	1 year fwd.	New Look	% discount
Applied multiple	9.8x	4.0x	59%

Brait has applied a significant discount to New Look's peers due to:

1. Historic financial performance
2. Recent balance sheet restructuring
3. Two recent CVA processes (CVA challenge currently being appealed)

Brait will relook at the applied multiple after assessing a full year earnings post restructuring / CVA (FY22)

Maintainable EBITDA (£m)	31-Mar-21
25% discount to pre-Coronavirus EBITDA	59.0
Sustainable Net Debt (£m)	31-Mar-21
Term loan and overdraft	(111.2)
Operating facility ¹	(14.0)
Deferred cash costs	(47.0)
Accrued interest	(2.3)
Cash on hand	88.5
Sustainable Net Debt	(86.0)

£'m	31-Mar-20	30-Sep-20	31-Mar-21
Maintainable EBITDA		45.0	59.0
EV/EBITDA multiple		4.0x	4.0x
Enterprise value		180.0	236.0
Less: sustainable net debt		(35.6)	(86.0)
Shareholder value		144.4	150.0
Less: PIK facility		(42.0)	(44.6)
Less: re-instated SSN		(40.0)	(40.0)
Equity value		62.4	65.4
<i>Brait's PIK facility / reinstated SSN %</i>		<i>18.3%</i>	<i>18.3%</i>
Shareholder funding value		15.0	15.5
<i>Brait's equity participation %</i>		<i>17.4%</i>	<i>17.4%</i>
Equity value		10.8	11.4
Carrying value (£m) for Brait's investment	⁽²⁾ 42.4	25.8	26.8
<i>Closing GBP/ZAR exchange rate</i>	<i>R22.17</i>	<i>R21.57</i>	<i>R20.34</i>
Carrying value (Rm) for Brait's investment	940	556	545

(1) Drawn operating facilities of £34.7m offset by £20.7m non-cash letters of credit; (2) In March 2020, Brait carried valued New Look at the market price of its holdings in SSNs



Consol.

9.4 Other Investments

	Audited 31-Mar-20		Unaudited 30-Sep-20		Audited 31-Mar-21	
	R'm	% total assets	R'm	% total assets	R'm	% total assets
Other investments	711	3.2%	833	5.2%	338	2.0%
Remaining private equity fund investments	241	-	277	1.7%	338	2.0%
DGB	470	3.2%	-	-	-	-
New Look equity and shareholder loan investment	-	-	556	3.5%	-	-



- DGB is a leading South African producer and exporter of local wine and importer of international spirit brands
- Brait realised its **91.3% shareholding in DGB for a total consideration equal to its March 2020 carrying value of R470 million. R420 million of proceeds have been received. The remaining R50 million deferred proceeds, due by 31 March 2022, are included in accounts receivable**

Consol.

- Brait's remaining private equity fund investments, mostly comprises Brait's interest in the Brait IV private equity fund's remaining minority stake in Consol, the **largest manufacturer of glass packaging on the African continent**
- Strong performance halted by Coronavirus and impacted by the alcohol ban in South Africa
- Operations have reopened and the business is operating at close to full capacity

NEW LOOK

- Following the completion of New Look's recapitalisation transaction and resulting equitisation of the New Look Senior Secured Notes ("SSNs"), Brait's equity and shareholder loan investment is valued at the interim and reporting date on a maintainable EBITDA basis
- The resulting carrying value was included in the Other Investments portfolio at September 2020; disclosed separately at reporting date

Appendix 4: Accountant's Report



The Directors
Brait PLC
C/o Maitland (Mauritius) Limited
Suite 420, 4th Floor,
Barkly Wharf Le Caudan Waterfront,
Port Louis
Mauritius

29 October 2021

Dear Sirs,

RE: THE LISTING OF THE £150,000,000 6.5% P.A. CONVERTIBLE BONDS DUE 4 DECEMBER 2024 ISSUED BY BRAIT PLC (FORMERLY BRAIT S.E.) ('THE COMPANY'), ON THE OFFICIAL MARKET OF THE STOCK EXCHANGE OF MAURITIUS LTD

1. We confirm that we were the auditors of the Company for the years ended 31 March 2019, 31 March 2020 and 31 March 2021, and we consent to our name being stated, referred to, and to our independent auditors' reports dated 18 June 2019, 24 June 2020 and 23 June 2021, respectively, to be included in the form and context in which it appears in the prospectus which will be submitted to the Financial Services Commission and the Stock Exchange of Mauritius ('SEM') for approval.
2. We have not performed any audit procedures since we issued our statutory audit report dated 23 June 2021.
3. Our auditors' reports should only be published or distributed when accompanied by the full financial statements to which they relate.
4. By consenting to the publication of our audit opinions with the financial statements we do not accept any liability or responsibility beyond our statutory duties as auditors.
5. Such consent will not be withdrawn prior to the approval of the prospectus.
6. The validity of our reports is as at the specified dates signed as mentioned above. We are unable to make a statement as to whether there are any matters affecting the validity of the above-mentioned reports since the date of these reports.
7. We also confirm that we are not shareholders of the Company and that we have not been an associate, as defined in the Listing Rules, of any directors or shareholder holding more than 5% of the shares issued by the Company.
8. This letter is provided solely for the purpose of complying with the Securities Act 2005 and the Securities (Public Offers) Rules 2007 and the Listing Rules of the SEM.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers Malta', is written over a light blue horizontal line.

PricewaterhouseCoopers Malta

PricewaterhouseCoopers, 78 Mill Street, Zone 5, Central Business District, Qormi CBD 5090. Malta
T: (356) 2124 7000, F: (356) 2124 4768, www.pwc.com/mt

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion:

- The Group financial statements and Parent Company financial statements (the "financial statements") give a true and fair view of the Group and the Parent Company's financial position of Brait PLC as at 31 March 2021, and of the Group's and the Parent Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

Brait PLC's financial statements, set out on pages 102 to 141, comprise:

- the Consolidated and Parent Company statements of financial position as at 31 March 2021;
- the Consolidated and Parent Company statements of comprehensive income for the year then ended;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statements 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 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.

Independence

We are independent of the Group and the Parent Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

OUR AUDIT APPROACH

Overview

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€9,600,000/R167,000,000
How we determined it	1% of total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Group is measured, as the main transactional activity of the Group pertains to the revaluation of unlisted investments. The use of an asset-based benchmark was used to avoid the volatility arising in profitability, which is largely an effect of revaluation movements on underlying investments. We chose 1% which is within the range of quantitative materiality thresholds that we consider to be acceptable.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €480,000/R8,350,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

(continued)

Key audit matter**How our audit addressed the key audit matter****Valuation of unlisted investments**

This key audit matter applies to the consolidated financial statements.

The Group's shareholding in unlisted investments of €949 million/R16.45 billion represents a substantial portion of its total assets (approximately 98.4%). 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. 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 1.9.3 of the consolidated financial statements and the valuation assumptions and disclosures of material unlisted investments are included in note 3 and note 21.4 of the consolidated financial statements.

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.
- 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 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 focused 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 directors.
- 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 directors by considering market data obtained from independent third-party sources. There were no material differences between our assessment and the assessment made by 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 2021 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.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of subsidiaries that i) hold portfolio investments, ii) provide services to third parties and related entities and iii) subsidiaries that consist of both. Where a subsidiary holds an investment and/or provides services to the Group, that entity is considered an Investment entity. Investment entities are exempted from consolidation and accounted for at fair value through profit and loss. Where an entity provides services to the Group, the subsidiary is consolidated. The consolidated financial statements are therefore a consolidation of the Company and its two subsidiaries, namely Brait Malta Limited, Brait Mauritius Limited and a special-purpose entity, Brait Investment Trust. Each subsidiary and the special purpose entity is considered a component for purposes of our group audit scope. We performed full scope audits on all subsidiary components due to their financial significance to the Group. This, together with additional procedures performed at the group level, including testing of the consolidation process and intercompany eliminations, gave us the evidence we needed for our opinion on the consolidated financial statements as a whole.

In establishing the overall audit approach to the Group audit, we determined the type of work that needed to be performed by us, as the group engagement team, and by component auditors from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

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 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 "2021 Integrated Annual Report for the year ended 31 March 2021", which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon except as explicitly stated within the Report on other legal and regulatory requirements.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company'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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Independent auditor's report to the shareholders of Brait PLC

(continued)

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 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 and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 or the Parent Company'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 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, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's or the Parent Company's ability to continue as a going concern. In particular, it is difficult to evaluate all of the potential implications that COVID-19 will have on the Group's and the Parent Company's trade, customers and suppliers, and the disruption to their business and the overall economy.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 consolidated 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 those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Annual Financial Statements contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the Other information section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the Annual Financial Statements and the related Directors' responsibilities	Our responsibilities	Our reporting
<p>Directors' report (on pages 91 to 95)</p> <p>The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.</p>	<p>We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.</p> <p>We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements.</p> <p>In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements.</p>	<p>In our opinion:</p> <ul style="list-style-type: none"> the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). <p>We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the Other information section.</p>
	<p>Other matters on which we are required to report by exception</p> <p>We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:</p> <ul style="list-style-type: none"> adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us. the financial statements are not in agreement with the accounting records and returns. we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit. 	<p>We have nothing to report to you in respect of these responsibilities.</p>

OTHER MATTER – USE OF THIS REPORT

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, 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 written consent.

PricewaterhouseCoopers

78, Mill Street
Zone 5, Central Business District
Qormi
Malta



Joseph Camilleri
Partner

23 June 2021

16 Consolidated statement of financial position

as at 31 March 2021

Audited 31 March 2020 R'm	Audited 31 March 2021 R'm		Notes	Audited 31 March 2021 €'m	Audited 31 March 2020 €'m
		ASSETS			
18 444	16 450	Non-current assets		949	936
18 444	16 450	Investments	3	949	936
3 901	266	Current assets		15	198
14	53	Accounts receivable		3	1
3 887	213	Cash and cash equivalents	4	12	197
22 345	16 716	Total assets		964	1 134
		EQUITY AND LIABILITIES			
10 910	10 432	Ordinary shareholders equity and reserves	2	601	553
9 924	9 924	Share capital and premium	5	847	847
(270)	(1 194)	Foreign currency translation reserve		(874)	(897)
729	361	Convertible bonds reserve		22	46
527	1 341	Retained earnings		606	557
7 527	6 166	Non-current liabilities		356	382
2 925	2 749	6.50% Convertible Bonds due 2024	6	159	148
4 602	3 417	Borrowings	8	197	234
3 908	118	Current liabilities		7	199
3 303	-	2.75% Convertible Bonds due 2020	7	-	168
605	118	Accounts payable and other liabilities	9	7	31
22 345	16 716	Total equity and liabilities		964	1 134

The financial statements set out on pages 102 to 134 were approved by the Board, authorised for issue on 23 June 2021 and signed on its behalf by:



RA Nelson
Chairman



HRW Troskie
Director

Consolidated statement of comprehensive income

for the year ended 31 March 2021

Audited 31 March 2020 R'm	Audited 31 March 2021 R'm		Notes	Audited 31 March 2021 €'m	Audited 31 March 2020 €'m
(15 576)	1 280	Investment valuation gain/(loss)	10	67	(948)
480	260	Finance income	11	14	29
28	14	Other investment income		1	2
758	(304)	Foreign exchange (loss)/gain		(16)	46
(14 310)	1 250	Profit/(loss)		66	(871)
(224)	(160)	Operating expenses	12	(8)	(14)
(164)	(3)	Other expenses	13	-	(10)
(14 698)	1 087	Profit/(loss)		58	(895)
(1 240)	(617)	Finance costs	14	(32)	(76)
(15 938)	470	Profit/(loss) before taxation		26	(971)
(22)	(24)	Taxation	15	(1)	(1)
(15 960)	446	Profit/(loss) for the year		25	(972)
		Other comprehensive (loss)/gain			
1 353	(924)	Translation adjustments		23	(49)
(14 607)	(478)	Comprehensive (loss)/gain for the year		48	(1 021)
(2 799)	34	Earnings/(loss) per share (cents) – basic and diluted	16	2	(170)

16 Consolidated statement of changes in equity

for the year ended 31 March 2021

Total equity and reserves	Retained earnings	Foreign currency translation reserve	Convertible bonds reserve	Share capital and premium		Share capital and premium	Convertible bonds reserve	Foreign currency translation reserve	Retained earnings	Total equity and reserves
R'm	R'm	R'm	R'm	R'm		€'m	€'m	€'m	€'m	€'m
19 708	15 991	(1 623)	864	4 476	Ordinary shareholders balance at 31 March 2019	508	57	(848)	1 496	1 213
1 353	-	1 353	-	-	Net translation adjustments	-	-	(49)	-	(49)
5 600	-	-	-	5 600	Rights Offer and specific issue of shares	348	-	-	-	348
(152)	-	-	-	(152)	Transaction cost for the Rights Offer and specific issue of shares	(9)	-	-	-	(9)
-	496	-	(496)	-	2.75% Convertible Bond due 2020 – transfer to retained earnings	-	(33)	-	33	-
361	-	-	361	-	Equity reserve for issue of 6.50% Convertible Bond due 2024	-	22	-	-	22
(15 960)	(15 960)	-	-	-	Loss for the year	-	-	-	(972)	(972)
10 910	527	(270)	729	9 924	Ordinary shareholders balance at 31 March 2020	847	46	(897)	557	553
(924)	-	(924)	-	-	Net translation adjustments	-	-	23	-	23
-	368	-	(368)	-	Redemption of 2.75% Convertible Bond due 2020 – transfer to retained earnings	-	(24)	-	24	-
446	446	-	-	-	Profit for the year	-	-	-	25	25
10 432	1 341	(1 194)	361	9 924	Ordinary shareholders balance at 31 March 2021	847	22	(874)	606	601

Consolidated statement of cash flows

for the year ended 31 March 2021

Audited 31 March 2020 R'm	Audited 31 March 2021 R'm		Notes	Audited 31 March 2021 €'m	Audited 31 March 2020 €'m
		Cash flows from operating activities:			
1 137	3 012	Investment proceeds received	17	158	69
183	5	Other investment income received		-	11
8	7	Interest income received on cash balances		-	1
(235)	(152)	Operating expenses paid		(8)	(14)
(164)	(3)	Other expenses paid		-	(10)
(23)	(24)	Taxation paid		(1)	(1)
906	2 845	Operating cash flow before purchase of investments		149	56
(664)	(955)	Investment purchases and advances of shareholder funding		(50)	(40)
(210)	-	Gross amount advanced: Debtor Purchase Agreement		-	(13)
452	-	Gross amount received: Debtor Purchase Agreement		-	28
484	1 890	Net cash generated in operating activities		99	31
170	1 334	Borrowing Facility: drawdowns	8	70	10
(2 409)	(2 660)	Borrowing Facility: repayments	8	(140)	(147)
(10)	(74)	Borrowing Facility: raising and commitment fee payments		(4)	(1)
(318)	(159)	Borrowing Facility: interest payments		(8)	(19)
5 600	-	Rights Offer and specific issue of shares: proceeds raised		-	348
(152)	-	Rights Offer and specific issue of shares: transaction costs paid		-	(9)
2 841	-	2024 Convertible Bonds: issue proceeds raised		-	173
(91)	-	2024 Convertible Bonds: issue costs paid		-	(6)
(153)	(248)	2020 Convertible Bonds and 2024 Bonds: coupon payments		(13)	(9)
(3 376)	(796)	2020 Convertible Bonds: repurchases		(41)	(205)
-	(2 877)	2020 Convertible Bonds: redemption		(144)	-
2 102	(5 480)	Net cash (used in)/generated from financing activities		(280)	135
2 586	(3 590)	Net (decrease)/increase in cash and cash equivalents		(181)	166
467	(84)	Effects of exchange rate changes on cash and cash equivalents		(4)	(20)
834	3 887	Cash and cash equivalents at beginning of year		197	51
3 887	213	Cash and cash equivalents at end of year	4	12	197

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion:

- Brait SE's Group and Parent Company's financial statements (the "financial statements") give a true and fair view of the Group and the Parent Company's financial position as at 31 March 2020, and of the Group's and the Parent Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

Brait SE's financial statements, set out on pages 106 to 135, comprise:

- the Consolidated and Parent Company statements of financial position as at 31 March 2020;
- the Consolidated and Parent Company statements of comprehensive income for the year then ended;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 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.

Independence

We are independent of the Group and the Parent Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

OUR AUDIT APPROACH

Overview

	Overall group materiality
	<ul style="list-style-type: none"> €11,342,000/R223,451,000 representing 1% of group total assets.
	<p>The subsidiaries of the group were audited through collaboration with auditors from other PwC network firms. Work performed by component auditors was performed under our instruction, including the review of the consolidation process used in the preparation of consolidated financial statements.</p>
	<ul style="list-style-type: none"> Valuation of unlisted investments

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€11,342,000/R223,451,000
How we determined it	1% of total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Group is measured, as the main transactional activity of the Group pertains to the revaluation of unlisted investments. The use of an asset-based benchmark was used to avoid the volatility arising in profitability, which is largely an effect of revaluation movements on underlying investments. We chose 1% which is within the range of quantitative materiality thresholds that we consider to be acceptable.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €569,000/R11,212,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

(continued)

Key audit matter**How our audit addressed the key audit matter****Valuation of unlisted investments**

This key audit matter applies to the consolidated and separate financial statements.

The Group's shareholding in unlisted investments of €936 million/R18.44 billion represents a substantial portion of its total assets (approximately 82.5%). 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 portfolio investments. 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 the forecasts are higher than the prior year earnings, as the year progresses the weighting is increased towards the 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 EV (Enterprise Value)/EBITDA multiple for each portfolio company which is derived from the latest available financial information from an appropriate group of comparable quoted peer companies, and adjusted for points of difference.

The Group's fair value measurement policy is disclosed within note 1.9.3 of the consolidated financial statements and the valuation assumptions and disclosures of material unlisted investments are included in note 3 of the consolidated financial statements.

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, amongst others, 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.
- 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 management;
- 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 focused on this area since the outputs of these valuation models are highly sensitive to changes in inputs, which are inherently judgmental in nature. The inputs are reasonable.
- We assessed the impact of COVID-19 on the EV/EBITDA multiple and maintainable EBITDA of the portfolio companies. Management reassessed the maintainable EBITDA and adjusted for non-recurring expenditure as a result of the operational disruptions in certain territories due to COVID-19. An independent analysis was performed on the assessment made by management by considering market data obtained from independent third-party sources. There were no material differences between our assessment and the assessment made by management.
- 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 management's assessment by using results as at 31 March 2020 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 exceptions.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of subsidiaries that i) hold investments, ii) provide services to the Group and related entities and iii) subsidiaries that consist of both. Where a subsidiary holds an investment and/or provides services to the Group, that entity is considered an Investment entity. Investment entities are accounted for at fair value through profit and loss. Where an entity provides services to the Group, the subsidiary is consolidated. The consolidated financial statements are a consolidation of the Company and its 3 subsidiaries, namely Brait Malta Limited, Brait Mauritius Limited and Brait Investment Trust. The investment entities which hold portfolio investments are Brait Capital International Limited, Brait CM1 Limited, Brait Fund Investments Proprietary Limited, Brait South Africa Holdings Proprietary Limited, Brait III Investments Limited, Brait Manager Mauritius Ltd and SAPEF GP Ltd. Each subsidiary is considered a component for purposes of our group audit scope. We performed full scope audits on the Brait Malta Limited, Brait Mauritius Limited, Brait Capital International Limited and Brait CM1 Limited's components due to their financial significance to the Group. No further work was performed on entities that were regarded as trivial. Trivial entities are regarded as entities that contribute less than 1% to the Group's consolidated total assets and consolidated profit/loss before tax. This, together with additional procedures performed at the group level, including testing of the consolidation process and intercompany eliminations, gave us the evidence we needed for our opinion on the consolidated financial statements as a whole.

In establishing the overall audit approach to the Group audit, we determined the type of work that needed to be performed by us, as the group engagement team, and by component auditors from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Responsibilities and Approval, Directors' Report and Definitions included in the annual financial statements for the year ended 31 March 2020 (but does not include the consolidated or the separate financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information, including the directors' report.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386).

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information. We have nothing to report in this regard.

Independent auditor's report to the shareholders of Brait SE

(continued)

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Parent Company'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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 or the Parent Company'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 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, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Parent Company's ability to continue as a going concern. In particular, it is difficult to evaluate all of the potential implications that COVID-19 will have on the Group and Parent Company's trade, customers and suppliers, and the disruption to their business and the overall economy.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 consolidated 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 those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:

- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanations we require for our audit.

We have nothing to report to you in respect of these responsibilities.

PricewaterhouseCoopers

78, Mill Street
Qormi
Malta



Joseph Camilleri

Partner

24 June 2020

16 Consolidated statement of financial position

as at 31 March 2020

Audited 31 March 2019 R'm	Audited 31 March 2020 R'm		Notes	Audited 31 March 2020 €'m	Audited 31 March 2019 €'m
		ASSETS			
31 444	18 444	Non-current assets		936	1 934
31 444	18 444	Investments	3	936	1 934
1 158	3 901	Current assets		198	71
324	14	Accounts receivable		1	20
834	3 887	Cash and cash equivalents	4	197	51
32 602	22 345	Total assets		1 134	2 005
		EQUITY AND LIABILITIES			
19 708	10 910	Ordinary shareholders equity and reserves	2	553	1 213
4 476	9 924	Share capital and premium	5	847	508
(1 623)	(270)	Foreign currency translation reserve		(897)	(848)
864	729	Convertible Bonds reserve		46	57
15 991	527	Retained earnings		557	1 496
12 870	7 527	Non-current liabilities		382	791
–	2 925	6.50% Convertible Bonds due 2024	6	148	–
6 359	–	2.75% Convertible Bonds due 2020	7	–	391
6 511	4 602	Borrowings	8	234	400
24	3 908	Current liabilities		199	1
–	3 303	2.75% Convertible Bonds due 2020	7	168	–
24	605	Accounts payable and other liabilities	9	31	1
32 602	22 345	Total equity and liabilities		1 134	2 005

The financial statements set out on pages 106 to 135 were approved by the Board, authorised for issue on 24 June 2020 and signed on its behalf by:



PJ Moleketi
Chairman



HRW Troskie
Director

Consolidated statement of comprehensive income

for the year ended 31 March 2020

Audited 31 March 2019 R'm	Audited 31 March 2020 R'm		Notes	Audited 31 March 2020 €'m	Audited 31 March 2019 €'m
(10 813)	(15 576)	Investment losses	10	(948)	(679)
539	480	Finance income	11	29	34
74	28	Other investment income		2	5
599	758	Foreign exchange gains		46	38
(9 601)	(14 310)	Loss		(871)	(602)
(278)	(224)	Operating expenses	12	(14)	(18)
(523)	(164)	Other expenses	13	(10)	(33)
(10 402)	(14 698)	Loss		(895)	(653)
(838)	(1 240)	Finance costs	14	(76)	(53)
(11 240)	(15 938)	Loss before taxation		(971)	(706)
(26)	(22)	Taxation	15	(1)	(2)
(11 266)	(15 960)	Loss for the year		(972)	(708)
		Other comprehensive gain			
3 502	1 353	Translation adjustments		(49)	33
(7 764)	(14 607)	Comprehensive loss for the year		(1 021)	(675)
(2 219)	(2 799)	Loss per share (cents) – basic and diluted	16	(170)	(139)

16 Consolidated statement of changes in equity

for the year ended 31 March 2020

Total equity and reserves	Retained earnings	Foreign currency translation reserve	Convertible Bonds reserve	Share capital and premium		Share capital and premium	Convertible Bonds reserve	Foreign currency translation reserve	Retained earnings	Total equity and reserves
R'm	R'm	R'm	R'm	R'm		€'m	€'m	€'m	€'m	€'m
28 384	27 257	(5 125)	864	5 388	Ordinary shareholders balance at 31 March 2018	565	57	(881)	2 204	1 945
3 502	-	3 502	-	-	Net translation adjustments	-	-	33	-	33
(912)	-	-	-	(912)	Purchase of treasury shares	(57)	-	-	-	(57)
(11 266)	(11 266)	-	-	-	Loss for the year	-	-	-	(708)	(708)
19 708	15 991	(1 623)	864	4 476	Ordinary shareholders balance at 31 March 2019	508	57	(848)	1 496	1 213
1 353	-	1 353	-	-	Net translation adjustments	-	-	(49)	-	(49)
5 600	-	-	-	5 600	Rights Offer and specific issue of shares	348	-	-	-	348
(152)	-	-	-	(152)	Transaction costs for the Rights Offer and specific issue of shares	(9)	-	-	-	(9)
-	496	-	(496)	-	2.75% Convertible Bonds due 2020 transfer to retained earnings	-	(33)	-	33	-
361	-	-	361	-	Equity reserve for 6.50% Convertible Bonds due 2024	-	22	-	-	22
(15 960)	(15 960)	-	-	-	Loss for the year	-	-	-	(972)	(972)
10 910	527	(270)	729	9 924	Ordinary shareholders balance at 31 March 2020	847	46	(897)	557	553

Consolidated statement of cash flows

for the year ended 31 March 2020

Audited 31 March 2019 R'm	Audited 31 March 2020 R'm		Notes	Audited 31 March 2020 €'m	Audited 31 March 2019 €'m
		Cash flows from operating activities:			
798	1 137	Investment proceeds received	17	69	50
17	183	Other investment income received		11	1
15	8	Interest income received on cash balances		1	1
(275)	(235)	Operating expenses paid		(14)	(17)
–	(164)	Other expenses paid		(10)	–
(19)	(23)	Taxation paid		(1)	(1)
536	906	Operating cash flow before purchase of investments		56	34
(1 658)	(664)	Purchase of investments		(40)	(104)
(1 420)	(210)	Gross amount advanced: Debtor Purchase Agreement	18	(13)	(89)
1 187	452	Gross amount received: Debtor Purchase Agreement	18	28	75
(1 355)	484	Net cash generated/(used in) operating activities		31	(84)
2 288	170	Drawdown of Borrowings	8	10	144
(343)	(2 409)	Repayment of Borrowings	8	(147)	(22)
–	5 600	Proceeds from Rights Offer and specific issue of shares		348	–
–	(152)	Transaction cost for the Rights Offer and specific issue of shares		(9)	–
(1 174)	–	Settlement of financial guarantee		–	(74)
(647)	(318)	Interest paid		(19)	(41)
(17)	(10)	Facility fees paid		(1)	(1)
(176)	(153)	Convertible Bonds coupons paid		(9)	(11)
–	(91)	Convertible Bonds issue costs		(6)	–
–	(3 376)	Repurchase of 2.75% Convertible Bonds due 2020		(205)	–
–	2 841	Proceeds from issue of 6.50% Convertible Bonds due 2024		173	–
(912)	–	Purchase of treasury shares		–	(57)
(981)	2 102	Net cash generated/(used in) from financing activities		135	(62)
(2 336)	2 586	Net increase/(decrease) in cash and cash equivalents		166	(146)
263	467	Effects of exchange rate changes on cash and cash equivalents		(20)	(2)
2 907	834	Cash and cash equivalents at beginning of year		51	199
834	3 887	Cash and cash equivalents at end of year	4	197	51

17 Independent auditor's report to the shareholders of Brait SE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion:

- Brait SE's Group and Company financial statements (the "financial statements") give a true and fair view of the Group and the Company's financial position as at 31 March 2019, and of the Group's and the Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

Brait SE's financial statements, set out on pages 96 to 135, comprise:

- the Consolidated and Company statements of financial position as at 31 March 2019;
- the Consolidated and Company statements of comprehensive income for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended;
- the Consolidated and Company statements of cash flows for the year then ended; and
- the notes to the Consolidated and Company financial statements, which include a summary of significant accounting policies.

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 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.

Independence

We are independent of the Group and the Parent Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

OUR AUDIT APPROACH

Overview

Overall group materiality	<ul style="list-style-type: none"> €20,350,000 approximating 1% of group total assets.
Group audit scope	The subsidiaries of the group were audited through collaboration with auditors from other PwC network firms. Work performed by component auditors was performed under our instruction, including the review of the consolidation process used in the preparation of consolidated financial statements.
Key audit matters	<ul style="list-style-type: none"> Valuation of unlisted investments Restatement of financial statements

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€20,350,000
How we determined it	Approximating 1% of total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Group is measured, as the main transactional activity of the Group pertains to the revaluation of unlisted investments. The use of an asset-based benchmark was used to avoid the volatility arising in profitability, which is largely an effect of revaluation movements on underlying investments. We chose 1% which is within the range of quantitative materiality thresholds that we consider to be acceptable.

We agreed with the Audit Committee that we would report to them misstatements identified during the audit above €1,017,000 as well as misstatements below that amount that, in our view warranted reporting for qualitative reasons.

17 Independent auditor's report to the shareholders of Brait SE

(continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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
<p>Valuation of unlisted investments</p> <p><i>This key audit matter applies to the consolidated financial statements only.</i></p> <p>The Group's shareholding in unlisted investments of R31.44 billion (€1.93 billion) represents a substantial portion of its total assets (approximately 96.44%). The valuation of the unlisted investment portfolio is an area of applied estimation and judgement, and was considered a matter of most significance to our current year audit.</p> <p>The Group and Company has utilised the maintainable earnings multiple model as its primary valuation technique to value its unlisted portfolio investments. Maintainable earnings are determined with reference to the portfolio company's prior year audited and latest available current year forecast Earnings Before Interest Tax Depreciation and Amortisation (EBITDA), adjusted for any non-recurring income and expenditure. As the year progresses, the weighting is increased towards the portfolio company's forecast EBITDA. The model is dependent on the identification of an EV (Enterprise Value)/EBITDA multiple for each portfolio company which is derived from the latest available financial information from an appropriate group of comparable quoted peer companies, and adjusted for points of difference. We focused on this area since the outputs of these valuation models are highly sensitive to changes in inputs, which are inherently judgmental in nature.</p> <p>The Group's fair value measurement policy is disclosed within note 1.10.3 of the consolidated financial statements and the valuation assumptions and disclosures of material unlisted investments are included in note 3 of the consolidated financial statements.</p>	<p>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.</p> <p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none">• 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;• 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 management;• 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 and noted the inputs to be reasonable;• We assessed the application of the methodology applied in the determination of blended EBITDA for non-coterminous portfolio company year-ends to be 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 clerical accuracy of the underlying valuation calculations and noted no exceptions.

Restatement of Financial Statements

This key audit matter applies to the consolidated financial statements only.

As disclosed in Note 2 of the consolidated financial statements, the Group has restated its comparative figures to account for its net exposure to the financial guarantee given by it for Fleet Holdings Limited and Second Season (Proprietary) Limited (hereafter referred to collectively as Fleet) as defined in IAS39 – Financial Instruments: Recognition and measurement and IAS37 – Provisions, Contingent Liabilities and Contingent Assets. Fleet was previously consolidated in accordance with IFRS 10 – Consolidated Financial Statements after a decision was made to change the basis of accounting in the 2018 financial statements. The effect of this restatement is to represent the amount payable by the Group if the loans were settled at that time, as a financial guarantee. The Directors believe that this is a more accurate reflection of the commercial and legal reality of the arrangements with Fleet.

Due to the judgement applied in de-consolidating Fleet and the restatement of 2017 and 2018 comparatives, this was considered a matter of most significance to our current year audit.

In response to the restatement, our audit procedures included the following:

- We involved our accounting specialist to assist with the assessment of the restatement, confirming the appropriate application of the accounting standards; and
- We evaluated the accuracy and completeness of the restated amounts, including disclosures required by IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* with reference to the prior years' financial statements and the application of the relevant accounting standards.

We have no key audit matters to report with respect our audit of the Company Financial Statements.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We performed audits on the subsidiaries of the group collaborating with component auditors from other PwC network firms further described below. This, together with additional procedures performed at the group level, including testing of the consolidation process and intercompany eliminations, gave us the evidence we needed for our opinion on the consolidated financial statements as a whole.

In establishing the overall audit approach to the group audit we determined the type of work that needed to be performed by us, as the group engagement team, and by component auditors from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Responsibilities and Approval, Directors' Report and Definitions included in the annual financial statements for the year ended 31 March 2019 (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information, including the directors' report.

18 Independent auditor's report to the shareholders of Brait SE

(continued)

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386).

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company'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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 or the Parent Company'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 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 or the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 consolidated 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 those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:

- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanations we require for our audit.
- Certain disclosures of directors' remuneration specified by law are not made in the financial statements, giving the required particulars in our report.

We have nothing to report to you in respect of these responsibilities.

PricewaterhouseCoopers

78, Mill Street
Qormi
Malta



Joseph Camilleri
Partner

18 June 2019

Consolidated statement of financial position

as at 31 March 2019

Restated Audited 31 March 2017 R'm	Restated Audited 31 March 2018 R'm	Audited 31 March 2019 R'm		Notes	Audited 31 March 2019 €'m	Restated Audited 31 March 2018 €'m	Restated Audited 31 March 2017 €'m
			ASSETS				
44 408	36 497	31 444	Non-current assets		1 934	2 501	3 100
44 408	36 497	31 444	Investments	3	1 934	2 501	3 100
3 289	2 932	1 158	Current assets		71	201	230
5	25	324	Accounts receivable	4	20	2	–
3 284	2 907	834	Cash and cash equivalents	5	51	199	230
47 697	39 429	32 602	Total assets		2 005	2 702	3 330
			EQUITY AND LIABILITIES				
			Ordinary shareholders equity and reserves				
39 580	28 384	19 708			1 213	1 945	2 763
5 387	5 388	4 476	Share capital and premium	6	508	565	565
(4 828)	(5 125)	(1 623)	Foreign currency translation reserve		(848)	(881)	(782)
864	864	864	Convertible Bond reserve		57	57	57
38 157	27 257	15 991	Retained earnings		1 496	2 204	2 923
8 065	10 813	12 870	Non-current liabilities		791	741	563
5 396	5 443	6 359	Convertible Bonds	7	391	373	377
2 669	4 719	6 511	Borrowings	8	400	323	186
–	651	–	Financial guarantee	9	–	45	–
52	232	24	Current liabilities		1	16	4
52	232	24	Accounts payables and other liabilities		1	16	4
47 697	39 429	32 602	Total equity and liabilities		2 005	2 702	3 330
521.0 (14.6)	525.6 (17.5)	525.6 (54.1)	Ordinary shares in issue (m)		525.6 (54.1)	525.6 (17.5)	521.0 (14.6)
			Treasury shares (m)	6.1			
506.4 7 815	508.1 5 586	471.5 4 180	Outstanding shares for NAV calculation (m)		471.5	508.1 383	506.4 546
			Net asset value per share (cents)		257		

The financial statements set out on pages 96 to 129 were approved by the Board, authorised for issue on 18 June 2019 and signed on its behalf by:



PJ Moleketi
Chairman



HRW Troskie
Director

Consolidated statement of comprehensive income

for the year ended 31 March 2019

Restated Audited 31 March 2018 R'm	Audited 31 March 2019 R'm		Notes	Audited 31 March 2019 €'m	Restated Audited 31 March 2018 €'m
(9 192)	(10 813)	Investment losses	10	(679)	(605)
287	377	Interest income		24	19
149	162	Dividend income		10	10
35	74	Fee income		5	2
(219)	599	Foreign exchange gains/(losses)		38	(14)
(8 940)	(9 601)	Loss		(602)	(588)
(281)	(278)	Operating expenses	11	(18)	(18)
(651)	(523)	Other expenses	9	(33)	(45)
(9 872)	(10 402)	Loss		(653)	(651)
(710)	(838)	Finance costs	12	(53)	(47)
(10 582)	(11 240)	Loss before taxation		(706)	(698)
(28)	(26)	Taxation	13	(2)	(2)
(10 610)	(11 266)	Loss for the year		(708)	(700)
		Other comprehensive profit/(loss)			
(297)	3 502	Translation adjustments		33	(99)
(10 907)	(7 764)	Comprehensive loss for the year		(675)	(799)
(2 092)	(2 219)	Loss and Headline loss per share (cents) – basic	14	(139)	(138)

Consolidated statement of changes in equity

for the year ended 31 March 2019

Total equity and reserves R'm	Retained earnings R'm	Foreign currency translation reserve R'm	Convertible bond reserve R'm	Share capital and premium R'm		Share capital and premium €'m	Convertible bond reserve €'m	Foreign currency translation reserve €'m	Retained earnings €'m	Total equity and reserves €'m
37 802	37 340	(4 828)	864	4 426	Ordinary shareholders balance at 31 March 2017	465	57	(748)	2 865	2 639
1 778	817	-	-	961	Restatement impact	100	-	(34)	58	124
39 580	38 157	(4 828)	864	5 387	Restated Ordinary shareholders balance at 31 March 2017	565	57	(782)	2 923	2 763
(297)	-	(297)	-	-	Net translation adjustments	-	-	(99)	-	(99)
(168)	-	-	-	(168)	Purchase of treasury shares	(11)	-	-	-	(11)
(10 610)	(10 610)	-	-	-	Loss for the year	-	-	-	(700)	(700)
(290)	(290)	-	-	-	Ordinary dividend paid (cash election)	-	-	-	(19)	(19)
169	-	-	-	169	Cash dividend reinvestment	11	-	-	-	11
28 384	27 257	(5 125)	864	5 388	Restated Ordinary shareholders balance at 31 March 2018	565	57	(881)	2 204	1 945
3 502	-	3 502	-	-	Net translation adjustments	-	-	33	-	33
(912)	-	-	-	(912)	Purchase of treasury shares	(57)	-	-	-	(57)
(11 266)	(11 266)	-	-	-	Loss for the year	-	-	-	(708)	(708)
19 708	15 991	(1 623)	864	4 476	Ordinary shareholders balance at 31 March 2019	508	57	(848)	1 496	1 213

Appendix 5: List of directorships of each director

Name	Current directorships/partnership
Richard Anthony Nelson	None
Dr. Christoffel Hendrik Wiese	Afropulse 500 Alenti 254 Auburn Avenue Trading 143 Bato Boerdery Cenfund Investments CETA Trading Chonette Beleggings Coala Bear Trading Cwp Wine Brands Deuceprops 1014 Deuceprops 1015 Deuceprops 1016 Deuceprops 1018 Deuceprops 3001 Dorsland Diamante Fi Funding And Investments Finance Fi Funding And Investments Holdco Fi Operations Fundex Investments Gemfields Group Ltd (Pallinghurst Resources Ltd) Granadino Investments Grene Properties Helderberg Vrugteverpakkers Invicta Holdings K2020711324 (South Africa) Loncape Finance Lourensford Brokenhill Sawmill Lourensford Estates Farming Enterprises Lourensford Estates Fruit Company Lourensford Events Lourensford Fruit Company Lourensford Holdings Lourensford Leasing Lourensford Properties Lourensford Sawmills

Name	Current directorships/partnership
	Lourensford Winery Matrix Development Move-On-Up 289 Oryx Eco Tours Oryx Game Farming Oryx Management Services Parinol Peggro Radaj 2 Schonegevel Holdings Sereno Properties No 8 Sereno Properties No 9 Shoprite Holdings Southern View Finance SA Holdings Thibault Square Financial Services Titan Asset Management Titan Financial Services Titan Funding (RF) Titan Global Investments Titan Group Investments Titan Innovations Titan Manor Titan Portfolio Titan Premier Investments Titan Share Dealers Titan Trademarks Toerama Tomil Holdings Tradehold Wiesfam Trust Wieskor Worldquest Investment Resources Xantium Trading 326 Yserfamilie Zoloworx Investments
Michael Paul Dabrowski	Bien Holdings Bien Pharma

Name	Current directorships/partnership
	Delta Investments 1717 Mauritius Endor FWA Financial Gemini Capital Finance GinsGlobal Investment Management Horizon Mining Holdco Lion PTC Lufupa Luongo Mailand (Mauritius) Corporate Services Maitland (Mauritius) Maitland (Mauritius) Management Services Maitland (Mauritius) Nominees Maitland Secretarial Novare Fund Manager Okavango Fund Management PrimeTime Property Holdings (Mauritius) Ramree Corporation Ramree Holdings PCC Skein Capital Southern Copper Spear Africa Holdings II Spear Africa Holdings Tatooine Limited Theseus (Mauritius) Tiger PTC Time Projects (Mauritius) Uchi Holdco Uchi Mining Waterfall Properties
James Murray Grant	AP Moller Capital (Denmark) Cregneash Holdings Limited (Isle of Man) Cregneash UK Limited (United Kingdom) Douglas House Property (United Kingdom) Time Partners Limited (United Kingdom)

Name	Current directorships/partnership
Yoza Jekwa	Get Me to Graduation (a Non-Profit Organisation) Governing Council of the Diocesan School for Girls Mergence Creation GP (Pty) Ltd Mergence Investment Managers (Pty) Ltd Northam Platinum
Pierre George Joubert	3G Cellular Mauritius Limited Argo Investment Managers Limited Fixed Properties (SA) (Pty) Ltd Galileo Consulting Limited Homechoice International Limited PLC JSA Services Limited Mobile Content Africa Limited Princes Audi Springs (Pty) Ltd Princes Benoni VW (Pty) Ltd Princes Fleet (Pty) Ltd Second ICH Group (Pty) Ltd Steingro Investments (Pty) Ltd Techstream Group Holdings Limited Union Motors Springs Finance (Pty) Ltd Universal Partners Limited Waterfall Properties Limited
Hermanus Roelof Willem Troskie	Aisling Holdings S.à r.l. Aisling Investments S.à r.l. Aldershot Holdings S.à r.l. Alto Investments S.à r.l. ARD Finance S.A. ARD Group Finance Holdings S.A. ARD Holdings S.A. ARD Investments S.à r.l. ARD Securities Finance S.à r.l. Ardagh Glass Packaging Holdings S.à r.l. Ardagh Group S.A. Ardagh Metal Packaging Group S.à r.l. Ardagh Metal Packaging Holdings S.à r.l.

Name	Current directorships/partnership
	<p>Ardagh Metal Packaging S.A. Ardagh Packaging Finance S.A. Ardagh Packaging Luxembourg Finance S.à r.l. Arial S.à r.l. Avenir Investments S.à r.l. Brandenburg Realty Co-Investment Limited Eurofund Holdings Luxembourg S.à r.l. Grupo Pestana SGPS Hercules Hex Holdco SARL ICS JV S.à r.l. Intu Eurofund Developments S.à r.l. Maitland Advisory Holdings Limited Maitland International Holdings plc Maitland Luxembourg S.A. Mixer Luxembourg S.à r.l. Pestana International Holdings S.A. Puma Brandenburg Limited Security Finance Limited Taurus Investment Sarl Tradegro S.à r.l. Tradehold Limited</p>
Paul Roelofse	<p>Gray Swan Financial Services (Pty) Ltd K2015121182 (South Africa) (Pty) Ltd Leinster Hall (Pty) Ltd Opstaan Beleggings (Pty) Ltd Oryx Partners (Pty) Ltd Pine Hyper Close Corporation Tradehold (Pty) Ltd Uithou Beleggings (Pty) Ltd</p>

Appendix 6: Announcement relating to Court sanctioned Restructuring Plan

BRAIT P.L.C.
(Registered in Malta as a Public Limited Company)
(Registration No. C97843)
Share code: BAT ISIN: LU0011857645
Bond code: WKN: A2SBSU ISIN: XS2088760157
LEI: 549300VB8GBX4UO7WG59
("Brait")

VIRGIN ACTIVE UK BUSINESS RESTRUCTURING SANCTIONED BY THE ENGLISH COURT

1. Introduction

Brait released update announcements on the website of the Luxembourg Stock Exchange ("**LuxSE**") and the Stock Exchange News Service ("**SENS**") of the Johannesburg Stock Exchange ("**JSE**") on 1 February 2021 and 11 March 2021, informing shareholders that Virgin Active was working with its key stakeholders to find a holistic operating structure and funding solution for the Virgin Active UK, Italy and Asia Pacific business ("**Virgin Active Europe**").

Virgin Active Europe has been significantly adversely affected by the ongoing Covid-19 pandemic across its operating territories, with government-imposed shutdowns forcing the temporary closure of clubs in all of the countries in which it operates. By the end of April 2021, its UK clubs had been closed or partially closed for eleven of the previous 14 months and its clubs in Italy had been closed or partially closed for ten of the previous 14 months. The UK opened its clubs (excluding group exercise classes) on 12 April 2021 whilst the Italian clubs remain closed. Clubs in Singapore and Thailand have also recently been closed and are expected to remain closed at least until the end of May.

As a result, the Virgin Active UK business ("**Virgin Active UK**") was forced to undertake a holistic restructuring. Three English incorporated members of the Virgin Active group, being Virgin Active Holdings Limited, Virgin Active Limited and Virgin Active Health Clubs Limited (together the "**Plan Companies**") announced restructuring plans with certain of their creditors under Part 26A of the UK Companies Act 2006 (together the "**Restructuring Plan**") on 11 March 2021.

The Restructuring Plan is a statutory procedure under English company law which allows a company to agree a compromise or arrangement with its creditors, and for the terms of that compromise or arrangement to bind any non-consenting or opposing minority creditors.

The Restructuring Plan principally concerns Virgin Active UK, however, there will be an indirect benefit to the Italian and Asia Pacific businesses as they are owned by Virgin Active UK. The Virgin Active South Africa business ("**VASA**") is separately financed and not directly impacted by the Restructuring Plan.

2. English Court sanctioning of the Restructuring Plan

On 12 May 2021, the English Court sanctioned the Virgin Active Europe Restructuring Plan under the provisions of Part 26A of the UK Companies Act 2006.

3. Overview of the Restructuring Plan

The purpose of the Restructuring Plan is to restore Virgin Active UK to financial stability. It requires concessions and contributions from a number of the business's key creditors, counterparties and stakeholders to ensure the continuing operations of the business and the flexibility to deliver long-term value for all of its stakeholders.

In summary, the Restructuring Plan involves:

- The shareholders of Virgin Active providing additional liquidity through shareholder funding of GBP45 million (Brait's pro-rata share of GBP36 million being funded from existing debt facilities), with GBP25 million drawn down during March 2021 pre the Restructuring Plan becoming effective ("**Pre-Implementation Facility**") and GBP20 million being provided upon the Restructuring Plan becoming effective ("**Post-Implementation Facility**");
- Virgin Enterprises Limited agreeing to certain compromises under its licence agreement with Virgin Active;
- The existing lenders agreeing to amend and extend the terms of the existing senior debt facilities of Virgin Active Europe; and
- Landlord concessions with respect to rental arrears, future rental agreements and guarantees.

4. Impact of the Restructuring Plan

The Restructuring Plan will provide Virgin Active Europe with the requisite operational and financial flexibility to emerge from the Covid-19 pandemic, return to profitability and create sustainable value for all stakeholders. The impact of the Restructuring Plan effective from its date of implementation is as follows:

- Variation of the obligations under the Plan Companies' leases, based on their relative contribution to Virgin Active UK's profitability, with concessions based on the class of landlord including:
 - 0-100% of liabilities in respect of all lease rent arrears being released and discharged due to Covid-19 induced lockdowns;
 - The rental payable for 3 years or until the clubs' revenue returns to 2019 levels for two consecutive quarters will be between 0-100% of the current contractual rent, plus all contractual amounts payable in respect of turnover rent (if any), insurance and service charge;
 - Rentals will be payable monthly in advance, rather than quarterly, for a set period of time;
 - The removal and compromise of certain guarantees provided by various Virgin Active companies;
- Amendments to Virgin Active Europe's existing senior debt facilities:
 - Extension of the refinancing date on the existing debt facilities from June 2022 until June 2025 including a relaxation of the existing financial covenants to create the requisite headroom for the business;
 - Virgin Active Europe will be able to access additional facilities (in addition to the Pre-Implementation Facility and Post-Implementation Facility) of up to GBP50 million (subject to certain conditions);
 - Capitalisation of a significant portion of the interest payment due for the next 18 months and in case of future government enforced closure periods (subject to certain conditions);
 - Virgin Active Europe will be able to retain the first GBP25 million of net proceeds on disposals.
- Liquidity for Virgin Active Europe provided by its shareholders to provide the requisite operational funding for the business.

In addition, Virgin Enterprises Limited has agreed to royalty support in the form of waivers and deferrals totalling approximately GBP24 million under its license agreement with Virgin Active Europe.

The combination of the Virgin Enterprises Limited concessions, significant additional operational savings identified by the management team, and the Restructuring Plan, will have a significant impact on the sustainability of the business given the liabilities written off and deferred and the reduction in operating costs.

5. Outcome of the Restructuring Plan

The English Court sanctioning of the Restructuring Plan under the provisions of Part 26A of the UK Companies Act 2006 is an important milestone and means that Virgin Active UK can implement and benefit from the various concessions set out above. The Post-Implementation Facility will be advanced to Virgin Active UK immediately to facilitate the implementation of the Restructuring Plan and to recapitalise the business.

San Gwann, Malta
12 May 2021

Brait's primary listing is on the Euro MTF market of the LuxSE and its secondary listing is on the exchange operated by the JSE Limited.

Sponsor:

Rand Merchant Bank, a division of FirstRand Bank Limited