



# 2024

## UNAUDITED INTERIM RESULTS

FOR SIX MONTH PERIOD ENDED  
30 SEPTEMBER 2023

### **Brait Investment Holdings Limited**

Registered in Mauritius as a  
Public Limited Company  
Registration number: 183308 GBC  
LEI: 8755004E9YEXF8GHCY56  
ISIN: MU0707E00002  
JSE Alpha Code: BIHLEB  
Bond CFI: DCFUCR  
Bond FISN: BRAIT/5.00 FXD BD 20241203  
("BIH" or the "Company")

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## Summary statement of financial position as at 30 September 2023

	Notes	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment in Brait Mauritius Limited ("BML")	2	15 196	16 488	15 166
<b>Current assets</b>				
Cash and cash equivalents		*	*	*
<b>Total assets</b>		<b>15 196</b>	<b>16 488</b>	<b>15 166</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Ordinary shareholders equity and reserves</b>				
<b>Non-current liabilities</b>				
BIH Exchangeable Bonds	5	2 999	2 999	2 999
<b>Current liabilities</b>				
Accounts payable and other liabilities	6, 7	49	49	49
<b>Total equity and liabilities</b>		<b>15 196</b>	<b>16 488</b>	<b>15 166</b>

\* Less than R1 million.

## Summary statement of comprehensive income for the period ended 30 September 2023

	Notes	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
Investment valuation gain/(loss)	8	216	(227)	(578)
Foreign exchange gain		161	70	332
Operating expenses	10	(1)	–	(1)
Finance costs	11	(75)	(75)	(150)
<b>Profit/(loss) for the period</b>		<b>301</b>	(232)	<b>(397)</b>
<b>Other comprehensive (loss)/profit</b>				
<i>Item that may be subsequently reclassified to profit or loss</i>				
Translation adjustments		(149)	632	(411)
<b>Comprehensive profit/(loss) for the period</b>		<b>152</b>	400	<b>(808)</b>

## Summary statement of changes in equity for the period ended 30 September 2023

	Note	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>Ordinary shareholders' equity balance at beginning of period</b>		<b>12 118</b>	13 171	<b>13 171</b>
Reduction in share capital	4	<b>(122)</b>	(132)	<b>(245)</b>
Profit/(loss) for the period		<b>301</b>	(232)	<b>(397)</b>
Net translation adjustments		<b>(149)</b>	632	<b>(411)</b>
<b>Ordinary shareholders' equity balance at end of period</b>		<b>12 148</b>	13 440	<b>12 118</b>

## Summary statement of cash flows for the period ended 30 September 2023

	Notes	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>Cash flows from operating activities</b>				
Operating expenses paid		(1)	–	(1)
Loan to holding company	4	(122)	(132)	(245)
<b>Net cash used in operating activities</b>		<b>(123)</b>	(132)	<b>(246)</b>
BIH Exchangeable Bonds: coupon payments	5	(75)	(68)	(144)
Loan received from subsidiary	7, 12	197	200	390
<b>Net cash generated from financing activities</b>		<b>122</b>	132	<b>246</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1)</b>	–	–
Effects of exchange rate changes on cash and cash equivalents		1	–	–
Cash and cash equivalents at beginning of period		*	*	*
<b>Cash and cash equivalents at end of period</b>		<b>*</b>	*	<b>*</b>

\* Less than R1 million.

# Notes to the summary financial statements for the period ended 30 September 2023

## 1. ACCOUNTING POLICIES

### 1.1 Basis for preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) on the going concern principle, using the historical cost basis, except where otherwise indicated. The summarised financial statements are presented in accordance with IAS34: Interim Financial Reporting and in accordance with the framework concepts, measurement and recognition requirements of IFRS. In addition, BIH has prepared these financial statements in accordance with the Mauritian Companies Act 2001 as well as the JSE Limited (“JSE”) Debt Listings Requirements. BIH is a wholly-owned subsidiary of Brait PLC (“Brait”).

The accounting policies and methods of computation are consistent with those applied in the financial statements for the year ended 31 March 2023.

The Company uses Pound Sterling as its functional currency. The Company’s financial statements are prepared using the SA Rand (R/ZAR) as its presentation currency.

The financial statements have been prepared using the following exchange rates:

	September 2023		September 2022		March 2023	
	Closing	Average	Closing	Average	Closing	Average
GBP/ZAR	<b>23.0236</b>	<b>23.4784</b>	20.0760	19.8091	<b>21.9162</b>	<b>20.4653</b>
USD/ZAR	<b>18.8670</b>	<b>18.6549</b>	18.0168	16.3268	<b>17.7153</b>	<b>17.0039</b>

## Notes to the summary financial statements continued for the period ended 30 September 2023

### 2. INVESTMENTS

Through its main operating subsidiary BML, which holds its portfolio of investments, the Company designates the majority of its financial asset investments as at Fair Value Through Profit and Loss ("FVTPL"), with any resultant gain or loss recognised in investment valuation gain/(loss). Fair value is determined in accordance with IFRS 13.

Statement of financial position items carried at fair value include investments in equity instruments and shareholder funding instruments. Where applicable, listed investments are held at closing share prices at period end.

The primary valuation model utilised for valuing the unlisted portfolio of investments held by BML is the maintainable earnings multiple model. Maintainable earnings are generally determined with reference to the mix of prior year audited numbers and forecasts for future periods after adjusting both for non-recurring income/expenditure or abnormal economic conditions if applicable. If the forecasts are higher than the prior year earnings, as the year progresses the weighting is increased towards the portfolio company's forecast. If the forecasts are lower, the forecasted future earnings will usually be used as the maintainable earnings for valuation purposes. For portfolio companies that have been significantly impacted by the Covid pandemic, maintainable earnings are based on a post Covid sustainable level.

The Directors decide on an appropriate group of comparable quoted companies from which to base the EV/EBITDA valuation multiple. Pursuant to Brait's strategy focused on maximising value through the realisation and/or unbundling of its existing portfolio companies by March 2025, the primary reference measure generally considered at reporting date is the average spot multiple of the comparable quoted companies included as peers, which is adjusted for points of difference, where required, to the portfolio company being valued.

Where maintainable earnings are based on a post Covid sustainable level, peer average forward multiples for the corresponding forward period are used as the reference measure. Peer multiples are calculated based on the latest available financial information which may be adjusted based on subsequent macro or company specific information publicly known if appropriate. Adjustments for points of difference are assessed by reference to the two key variables of risk and earnings growth prospects and include the nature of operations, type of market exposure, competitive position, quality of management, capital structure and differences between the liquidity of the shares being valued and those on a quoted exchange.

The resulting valuation multiple is applied to the maintainable EBITDA to calculate the Enterprise Value ("EV") for the portfolio investment. That EV is then adjusted by net cash/debt to calculate net EV to which the Company's percentage holding is applied to calculate the Company's carrying value. Net cash/debt may be adjusted for the estimated effect of working capital and cost deferrals, where applicable.



## Notes to the summary financial statements continued for the period ended 30 September 2023

### 2. INVESTMENTS CONTINUED

Valuation metrics (note 1)	September 2023			September 2022			March 2023		
	EBITDA	Multiple	3rd party net debt	EBITDA	Multiple	3rd party net debt	EBITDA	Multiple	3rd party net debt
Virgin Active (£'m) (note 2)	121.3	9.0x	453.8	113.3	9.0x	437.2	120.9	9.0x	476.0
Premier (R'm) (note 3)	Listed on the JSE on 24 March 2023			1 634.9	7.6x	1 896.8	Listed on the JSE on 24 March 2023		
New Look (£'m) (note 4)	45.0	6.0x	14.0	55.0	5.0x	37.8	55.0	5.0x	38.0
Other investments		varied			varied			varied	

**Note 1** Consistent with the prior year, Brait has valued its unlisted investment portfolio on a pre-IFRS16 basis, adjusting financial data for the impact of IFRS16, as appropriate to ensure consistency.

**Note 2** Maintainable EBITDA based on look-through to a September 2025 estimate sustainable level of GBP121 million. In-line with March 2023 Maintainable EBITDA also includes GBP3 million EBITDA from the Real foods (Kauai and Nü) acquisition. The primary reference measure considered is the peer group average two-year forward multiple of 8.4x (FY23: 8.9x). Net third party debt has been increased by GBP20.4 million (FY23: GBP22.2 million) for the estimated effect of costs deferred during lockdowns. The increase in carrying value was mainly due to Brait's *pro rata* £33.8 million (R756 million) equity subscription into Virgin Active's £50 million equity rights offer in May 2023.

**Note 3** Premier is valued at the closing JSE share price of R60.50 (FY23: R60.00) applied to Brait's 60.7 million shares held. Based on Premier's reported LTM EBITDA of R1.93 billion (FY23: R1.73 billion) and net third party debt of R2.6 billion (FY23: R2.9 billion), this equates to an implied EV/LTM EBITDA multiple of 5.4x (FY23: 6.1x).

**Note 4** Maintainable EBITDA is based on a sustainable LTM EBITDA applied to a 6.0x historic multiple (FY23: 5.0x), which represents a 43% discount to its peer average multiple of 10.5x (FY23: 9.8x). Net third party debt of GBP14.0 million includes an estimated GBP0.9 million normalisation adjustment to take consideration of certain costs deferred during lockdowns. Brait holds 18.3% of the New Look shareholder loans/PIK facility and equity (17.2% equity participation post dilution for management incentive plan).

## Notes to the summary financial statements continued for the period ended 30 September 2023

### 2. INVESTMENTS CONTINUED

#### Fair value hierarchy

IFRS13 provides a hierarchy that classifies inputs employed to determine fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

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

**Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** Inputs for the assets or liability that are not based on observable market data

There are no financial assets that are categorised as Level 2 in the current or prior periods. All level 3 investments have been valued using the fair values of the underlying assets and liabilities. The changes in fair values in investments is attributable to fair value losses, foreign currency exchange differences and changes in shareholding.

	<b>Unaudited 30 September 2023 R'm</b>	Unaudited 30 September 2022 R'm	<b>Audited 31 March 2023 R'm</b>
<b>BIH Investment in BML</b>			
Virgin Active	<b>9 897</b>	7 879	<b>9 045</b>
Premier	<b>3 670</b>	10 292	<b>3 640</b>
New Look	<b>1 055</b>	854	<b>931</b>
Other investments	<b>34</b>	44	<b>37</b>
BML net working capital <sup>(1)</sup>	<b>540</b>	26	<b>3 567</b>
Borrowings (BML RCF) (refer note 2.1)	<b>–</b>	(2 607)	<b>(2 054)</b>
<b>Level 3 Investments at fair value</b>	<b>15 196</b>	16 488	<b>15 166</b>

<sup>(1)</sup> HY24 BML net working capital includes R0.3 billion cash held in GBP denominated notes ring-fenced for the remaining coupons on the 2024 Convertible Bonds. FY23 represented R3.6 billion proceeds realised from the listing of Premier which were subsequently applied as follows: (i) to fully repay the outstanding amount of R2.1 billion on the BML RCF in April 2023; and (ii) to follow Brait's pro rata GBP33.8 million (R756 million) equity subscription into Virgin Active's GBP50 million equity rights offer in May 2023.

## Notes to the summary financial statements continued for the period ended 30 September 2023

	<b>Unaudited 30 September 2023 R'm</b>	Unaudited 30 September 2022 R'm	<b>Audited 31 March 2023 R'm</b>
<b>2. INVESTMENTS CONTINUED</b>			
<b>2.1 Borrowings</b>			
Opening balance	<b>2 054</b>	2 478	<b>2 478</b>
Interest accrual	<b>8</b>	109	<b>224</b>
Net repayments of borrowings	<b>(2 054)</b>	70	<b>(568)</b>
Drawdowns	<b>–</b>	378	<b>641</b>
Capital repayments	<b>(2 054)</b>	(308)	<b>(1 209)</b>
Interest repayments	<b>(8)</b>	(50)	<b>(80)</b>
Closing balance	<b>–</b>	2 607	<b>2 054</b>

BML's committed revolving credit facility, which is secured by the assets of BML (the "BML RCF"), had a facility limit of R3 billion, with agreed reductions as Brait de-gears, and a tenure to 30 June 2024. The facility commitment, which incurred interest at JIBAR plus 4.0% and had a 1% commitment fee, was repaid in full on 13 April 2023 using proceeds received from the listing of Premier.

During April 2023, the facility limit on the BML RCF was amended to R0.6 billion, with term extended from 30 June 2024 to 31 March 2025, and remains undrawn at reporting date. The interest margin on the amended facility is the three month JIBAR plus 2.9%, and a 1% commitment fee applies. Covenants remain NAV based, with the facility continuing to be secured on a senior basis by the assets of BML.

## Notes to the summary financial statements continued for the period ended 30 September 2023

### 3. STATED CAPITAL

	Number of shares in issue	R'm
<b>30 September 2022</b>	20 899 776 485	17 226
Stated capital		17 226
Reduction in share capital		(113)
<b>31 March 2023</b>	<b>20 899 776 485</b>	<b>17 113</b>
Stated capital		17 113
Reduction in share capital		(122)
<b>30 September 2023</b>	<b>20 899 776 485</b>	<b>16 991</b>
Stated capital		16 991
	<b>20 899 776 485</b>	

	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>4. ACCOUNTS RECEIVABLE</b>			
<b>Brait PLC</b>			
Opening balance	–	–	–
Loan to Brait PLC	122	132	245
Conversion to capital	(122)	(132)	(245)
Closing balance	–	–	–

## Notes to the summary financial statements continued for the period ended 30 September 2023

### 5. BIH EXCHANGEABLE BONDS (5% DUE 2024)

Brait concluded a R3 billion capital raise during December 2021 by way of renounceable Rights Offer to its shareholders, or their renounees, to subscribe for 5.00 per cent senior unsecured Exchangeable Bonds due 3 December 2024 issued by BIH ("BIH Exchangeable Bonds"). 3 000 000 BIH Exchangeable Bonds with a denomination of ZAR1 000 each were listed on the Main Board of the JSE on 14 December 2021 and carry a fixed coupon of 5.0% per annum payable semi-annually. The BIH Exchangeable Bonds are exchangeable into Brait ordinary shares at the holder's election at the earlier of their term of 3 December 2024, or on full settlement of the 2024 Convertible Bonds (the "BIH Exchange Shares"). Using the exchange price of R4.37, holders are entitled at reporting date to exchange their BIH Exchangeable Bonds to a maximum of 686.179 million ordinary shares (subject to rounding provisions).

At maturity, BIH may redeem the BIH Exchangeable Bonds at par (together with accrued and unpaid interest) or by delivery of the Exchange Shares (at prevailing market value) and cash totalling the Principal amount in value.

	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>Reconciliation of the movements for the period:</b>			
Opening balance	2 999	2 999	2 999
Closing balance	2 999	2 999	2 999
<b>6. ACCOUNTS PAYABLE AND OTHER LIABILITIES</b>			
Accounts payable at reporting date includes the coupon accrual on the BIH Exchangeable Bonds	49	49	49
<b>7. LOAN PAYABLE</b>			
<b>Loan from BML</b>			
Opening balance	–	1	1
Loan from BML	197	200	390
Conversion to capital	(197)	(201)	(391)
Closing balance	–	–	–

## Notes to the summary financial statements continued for the period ended 30 September 2023

	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>8. INVESTMENT VALUATION GAIN/(LOSS)</b>			
Investment valuation gain/loss	216	(227)	(578)
<b>9. FINANCE INCOME</b>			
Premier shareholder funding (interest income)	–	24	25
Other interest income	22	–	5
Total finance income earned for the period	22	24	30
Amounts recognised in investment gain/(loss)	(22)	(24)	(30)
	–	–	–
<b>10. OPERATING EXPENSES</b>			
Directors fees	6	6	11
Corporate advisory fees <sup>(1)</sup>	33	48	114
Professional fees <sup>(2)</sup>	3	1	5
Travel and accommodation	3	2	5
Other operating expenses	3	3	6
External audit fees	2	2	4
Total operating expenses incurred for the period	50	62	145
Amounts recognised in investment gain/(loss)	(49)	(62)	(144)
	1	–	1

<sup>(1)</sup> Ethos Private Equity Proprietary Limited ("EPE") was appointed as the contracted advisor to BML effective 1 March 2020. As announced to the market previously, The Rohatyn Group ("TRG") has formally been appointed by the Brait Board to replace EPE as BML's contracted investment advisor with effect from 1 April 2023. The fee comprises the advisory fee of R33 million (FY23: R96 million). FY23 also included a short term incentive award of R17.8 million, based on the Board's annual, pre-determined key performance indicators set for the Advisor in terms of executing on Brait's stated strategy.

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

## Notes to the summary financial statements continued for the period ended 30 September 2023

	<b>Unaudited 30 September 2023 R'm</b>	Unaudited 30 September 2022 R'm	<b>Audited 31 March 2023 R'm</b>
<b>11. FINANCE COST</b>			
<b>BML RCF:</b>			
– Interest expense	7	107	218
– Raising and commitment fees	1	2	5
<b>BIH Exchangeable Bonds</b>			
– Coupon	75	75	150
<b>Total finance cost</b>	<b>83</b>	184	<b>373</b>
Amounts recognised in investment valuation gain/(loss)	<b>(8)</b>	(109)	<b>(223)</b>
	<b>75</b>	75	<b>150</b>

## Notes to the summary financial statements continued for the period ended 30 September 2023

	Unaudited 30 September 2023 R'm	Unaudited 30 September 2022 R'm	Audited 31 March 2023 R'm
<b>12. DRAWDOWN ON LOAN FROM SUBSIDIARY<sup>(1)</sup></b>			
<b>BML</b>	<b>(2 911)</b>	161	<b>3 874</b>
Investment proceeds received <sup>(2)</sup>	–	416	<b>4 901</b>
Purchase of investments <sup>(3)</sup>	<b>(756)</b>	(182)	<b>(218)</b>
BML Administration fee received from holding company	–	–	<b>11</b>
BML Operating and other expenses	<b>(85)</b>	(91)	<b>(170)</b>
BML withholding taxes	<b>(8)</b>	(2)	<b>(2)</b>
BML RCF: net capital repayments (refer note 2.1)	<b>(2 054)</b>	70	<b>(568)</b>
BML RCF: interest repayments (refer note 2.1)	<b>(8)</b>	(50)	<b>(80)</b>
Decrease/(increase) in cash held by BML due to BIH investment Entity status	<b>3 108</b>	39	<b>(3 484)</b>
Total drawdown on loan from subsidiary	<b>197</b>	200	<b>390</b>

<sup>(1)</sup> The Company is funded by its subsidiary BML. The loan that arises is settled by way of return of capital in accordance with section 62 of the Mauritian Companies Act.

<sup>(2)</sup> Investment proceeds received in FY23 comprised of: (i) R4,476 million received from Premier (R3,600 million gross proceeds received pursuant to the March 2023 JSE listing, less R73 million associated costs; R924 million return of capital distribution received in November 2022 and R25 million in shareholder loan repayments); and (ii) R425 million received from the Other Investments portfolio, mostly relating to proceeds received from the realisation of Brait IV's remaining investment in Consol.

<sup>(3)</sup> Purchase of investments: HY24 relates to Brait following its pro rata £33.8 million (R756 million) equity subscription into Virgin Active's £50 million equity rights offer in May 2023. FY23 relates to Brait's pro rata £9.1 million investment to purchase commitments under New Look's HSBC operating facility in September 2022 and Brait's pro rata costs related to the March 2022 Virgin Active capital raise.



## Notes to the summary financial statements continued for the period ended 30 September 2023

	<b>Unaudited 30 September 2023 R'm</b>	Unaudited 30 September 2022 R'm	<b>Audited 31 March 2023 R'm</b>
<b>13. RELATED PARTY BALANCES</b>			
<b>Company statement of financial position</b>			
Investments in subsidiaries and affiliated parties	<b>15 196</b>	16 488	<b>15 166</b>
<b>Company statement of comprehensive income</b>			
Directors' fees	<b>(6)</b>	(6)	<b>(11)</b>
<b>14. COMMITMENTS</b>			
<b>14.1 Commitments</b>			
<b>Exchangeable Bond commitments</b>	<b>3 224</b>	3 374	<b>3 299</b>
– Coupon payment due within one year <sup>(1)</sup>	<b>150</b>	150	<b>150</b>
– Coupon payments due between one and five years <sup>(1)</sup>	<b>75</b>	225	<b>150</b>
– Principal settlement due within five years <sup>(2)</sup>	<b>1 194</b>	288	<b>516</b>
– Principal settlement by issuing Brait PLC shares	<b>1 805</b>	2 711	<b>2 483</b>
<b>Total commitments</b>	<b>3 224</b>	3 374	<b>3 299</b>

<sup>(1)</sup> The coupon payments for the financial year reflect the semi-annual coupons of 5.0% payable in arrears over the remaining term of the BIH Exchangeable Bonds.

<sup>(2)</sup> The principal cash settlement amount for the BIH Exchangeable Bonds is only payable at maturity date of 3 December 2024 to the extent the prevailing share price of the Brait shares delivered at such redemption date is less than the R4.37 exchange price. The cash settlement amount reflected applies the respective reporting date closing share price of R2.63 (FY23: R3.62) to the 686.2 million Brait PLC exchange shares.

## Notes to the summary financial statements continued for the period ended 30 September 2023

### 14. COMMITMENTS CONTINUED

#### 14.2 Contingent liabilities

At the Extraordinary General Meeting held on 30 October 2020, Brait PLC Shareholders approved the Long Term Incentive Plan (“Advisor LTIP”) for the Advisor and its employees working on the Brait portfolio. The Advisor LTIP is a five-year structure which has been designed to align the interests of the Advisor with those of Brait PLC Shareholders in delivering on Brait’s stated strategy of realising value from the portfolio over the medium term, whilst minimising dilution to Brait PLC Shareholders. The Advisor LTIP will result in the Advisor receiving participation rights (“Participation Rights”) to the realised proceeds distributed from the Brait portfolio only once cumulative distributions to Brait PLC Shareholders have exceeded the 31 March 2020 Net Asset Value (“NAV”) of R8.27 per share (the “Hurdle Price”). The Hurdle Price will be adjusted to account for corporate events such as the declaration of ordinary and special dividends, share buybacks, capital raises and asset unbundlings. The value accruing to the Advisor would be equal to the surplus between such distributions and the Hurdle Price and would be settled in cash by BML. Once, on a cumulative basis, the realised distributions to Brait PLC Shareholders exceeds the Hurdle Price, the Advisor will be entitled to its Participation Right of any further distributions to Brait PLC Shareholders.

#### 14.3 Other

The Company has rights and obligations in terms of standard representation shareholder or purchase and sale agreements relating to its present or former investments.



  
BRAIT