



2025 UNAUDITED INTERIM RESULTS

FOR SIX MONTH PERIOD ENDED
30 SEPTEMBER 2024

Brait PLC

(Registered in Mauritius as
a Public Limited Company)
(Registration No. 183309 GBC)

Share code: BAT

ISIN: LU0011857645

Bond code: WKN: A2SBSU

ISIN: XS2088760157

LEI code: 549300VB8GBX4U07WG59

("Brait", the "Company" or "Group")



A photograph of a forest with tall evergreen trees and a dirt path. A semi-transparent blue rectangular box is centered over the image, containing white text.

UNAUDITED INTERIM RESULTS ANNOUNCEMENT

for the six month period ended
30 September 2024

Summary consolidated statement of financial position as at 30 September

	Notes	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
ASSETS				
Non-current assets		14 740	12 452	12 204
Investments	3	14 740	12 452	12 204
Current assets		5	9	2
Accounts receivable		4	7	–
Cash and cash equivalents	4	1	2	2
Total assets		14 745	12 461	12 206
EQUITY AND LIABILITIES				
Ordinary shareholders equity and reserves	2	11 970	9 025	8 609
Non-current liabilities		2 682	3 331	–
Convertible Bonds	6	2 682	3 331	–
Current liabilities		93	105	3 597
Convertible Bonds	6	–	–	3 504
Accounts payable and other liabilities	7	93	105	93
Total equity and liabilities		14 745	12 461	12 206

Summary consolidated statement of comprehensive income for the period ended 30 September

	Notes	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
Investment valuation gain	8	898	186	206
Operating expenses	10	(13)	(15)	(46)
Finance costs	11	(241)	(164)	(331)
Profit/(loss) for the period		644	7	(171)
Other comprehensive profit/(loss)				
<i>Item that may be subsequently reclassified to profit or loss</i>				
Translation adjustments		80	(307)	(545)
Comprehensive profit/(loss) for the period		724	(300)	(716)
Earnings/(loss) per share (cents) – basic and diluted	12	39	1	(13)

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

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
Ordinary shareholders equity balance at beginning of period	8 609	9 325	9 325
Profit/(loss) for the period	644	7	(171)
Net translation adjustments	80	(307)	(545)
Equity reserve raised from the BIH Exchangeable Bonds	507	–	–
Equity reserve raised from the Convertible Bonds	690	–	–
Rights Offer	1 500	–	–
Transaction costs for the Rights Offer	(60)	–	–
Ordinary shareholders equity balance at end of period	11 970	9 025	8 609

Summary consolidated statement of cash flows for the period ended 30 September

		Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
	Notes			
Cash flows from operating activities				
Operating expenses paid		(17)	(10)	(32)
Investment in BIH		(1 440)	–	–
Administration fee paid		–	–	(14)
Net cash used in operating activities		(1 457)	(10)	(46)
Drawdown on loan from subsidiary	13	274	122	274
Proceeds from Rights Offer		1 500	–	–
Transaction costs for Rights Offer		(60)	–	–
Convertible Bonds: coupon payments		(105)	(100)	(209)
Convertible Bonds: Capital repayment		(150)	–	–
Net cash generated from financing activities		1 459	22	65
Net increase in cash and cash equivalents		2	12	19
Effects of exchange rate changes on cash and cash equivalents		(3)	(11)	(18)
Cash and cash equivalents at beginning of period		2	1	1
Cash and cash equivalents at end of period	4	1	2	2

Notes to the summary consolidated financial statements for the period ended 30 September

1. ACCOUNTING POLICIES

1.1 Basis for preparation

The summarised financial statements are presented in accordance with IAS34: Interim Financial Reporting and in accordance with the IFRS® Accounting Standards. The accounting policies and methods of computation are consistent with those applied for the year ended 31 March 2024. The Group has only one operating segment being that of an investment holding company.

In accordance with IFRS10, given the investment entity status of wholly owned subsidiary Brait Investment Holdings Limited ("BIH"), the Company is exempted from producing consolidated financial statements

The Company's financial statements are prepared using SA Rand (R/ZAR) as its presentation currency. The holding company, Brait PLC, and its main wholly owned subsidiaries, Brait Investment Holdings Limited ("BIH") and Brait Mauritius Limited ("BML"), use Pound Sterling as their functional currency. The financial statements have been prepared using the following exchange rates:

	September 2024		September 2023		March 2024	
	Closing	Average	Closing	Average	Closing	Average
GBP/ZAR	23.0870	23.3994	23.0236	23.4784	23.8600	23.5406
USD/ZAR	17.2735	18.2703	18.8670	18.6549	18.8919	18.7332

	Notes	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
2. NET ASSET VALUE PER SHARE				
Ordinary shareholders equity and reserves		11 970	9 025	8 609
Ordinary shares in issue (m)	5	3 862.7	1 320.3	1 320.3
Net asset value per share (cents)		310	684	652

Notes to the summary consolidated financial statements for the period ended 30 September

3. 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.

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 look-through to 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, 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. The equity valuation takes consideration of the portfolio investment's net debt/cash on hand per its latest available financial results.

Notes to the summary consolidated financial statements for the period ended 30 September

3. INVESTMENTS CONTINUED

Valuation metrics <small>(note 1)</small>	30 September 2024			30 September 2023			31 March 2024		
	EBITDA	Multiple	3rd Party Net Debt	EBITDA	Multiple	3rd Party Net Debt	EBITDA	Multiple	3rd Party Net Debt
Virgin Active (£'m) <small>(note 2)</small>	123.9	9.0x	413.5	121.3	9.0x	453.8	123.3	9.0x	447.0
Premier (R'm) <small>(note 3)</small>	Listed on the JSE			Listed on the JSE			Listed on the JSE		
New Look (£'m) <small>(note 4)</small>	35.0	6.5x	32.0	45.0	6.0x	14.0	40.0	6.5x	31.8
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 In line with FY24, Virgin Active's maintainable EBITDA is based on a look-through to a December 2025 estimate sustainable level. The primary reference measure considered is the peer group average forward multiple of 9.3x (FY24: Average forward multiple of 9.9x). Net third party debt has been increased by £15.8 million (FY24: £20.0 million) for the estimated effect of costs deferred during lockdowns. Brait's equity and shareholder funding participation is 67.6% (FY24: 67.4%).

Note 3 Premier is valued at the closing JSE share price of R104.00 (FY24: R61.10). Brait's shareholding in Premier is 34.4% (FY24: 35.4%) representing its 44.3 million shares (FY24: 45.7 million shares held). The reduction in shareholding was a result of the sale of 1.4 million ordinary shares in Premier, raising total gross proceeds of R142 million.

Note 4 In line with FY24, New Look's valuation is based on LTM EBITDA applied to an unchanged 6.5x historic multiple, which represents a 39% discount to its peer average multiple of 10.7x. No normalisation adjustments were considered in net third party debt of £32.0 million (FY24: £31.8 million). Brait holds 18.3% of the New Look shareholder loans/PIK facility and equity (17.2% equity participation post dilution for management's incentive plan).

Notes to the summary consolidated financial statements for the period ended 30 September

3. 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.

The Group's investments are held by subsidiary BML, a wholly-owned subsidiary of BIH, and therefore classified as Level 3. To enhance disclosure, a breakdown of the fair value of the investment in BIH is provided.

		Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
	Notes			
BIH Investment in BML		16 543	15 196	15 073
Virgin Active		10 126	9 897	10 183
Premier		4 609	3 670	2 791
New Look		822	1 055	982
Other investments		11	34	22
BML net working capital ⁽¹⁾		975	540	1 204
Borrowings (BML RCF)	3.1	–	–	(109)
BIH net working capital		(39)	(47)	(49)
BIH Exchangeable Bonds	3.2	(1 764)	(2 697)	(2 820)
Level 3 Investments at fair value		14 740	12 452	12 204

⁽¹⁾ HY25 includes remaining net proceeds from the Rights Offer as well as R142 million proceeds from the sale of 1.4 million shares in Premier in September 2024. FY24 included R0.9 billion in proceeds arising from the placement of 15 million Premier shares in March 2024 as well as R0.2 billion cash held in GBP denominated notes ring-fenced for coupons on the Convertible Bonds to 4 December 2024.

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
3. INVESTMENTS CONTINUED			
3.1 Borrowings			
Opening balance	109	2 054	2 054
Interest accrual	3	8	14
Net repayments of borrowings	(109)	(2 054)	(1 951)
Drawdowns	342	–	118
Capital repayments	(451)	(2 054)	(2 069)
Interest repayments	(3)	(8)	(8)
Closing balance	–	–	109

During the period, Brait concluded the requisite legal agreements to amend the limit of BML's committed revolving credit facility, which is secured by the assets of BML (the "BML RCF") from R0.6 billion to R1.0 billion and extend its tenure from 31 March 2025 to 31 March 2028. The interest margin on the facility is the three-month JIBAR plus a variable margin between 2.9% and 3.7% (depending on pledged security levels), and a 1.1% commitment fee applies.

Notes to the summary consolidated financial statements for the period ended 30 September

3. INVESTMENTS CONTINUED

3.2 BIH Exchangeable Bonds

Brait concluded a R3 billion capital raise during December 2021 ("December 2021 Capital Raise") by way of renounceable Rights Offer to its shareholders, or their renounces, to subscribe for 5.00 per cent senior unsecured BIH Exchangeable Bonds due 3 December 2024 issued by BIH ("BIH Exchangeable Bonds"). 3 000 000 BIH Exchangeable Bonds with a denomination of ZAR1 000 each were listed on the Main Board of the JSE Limited on 14 December 2021.

Pursuant to the Recapitalisation announced to the market on 3 June 2024, with effect from 13 August 2024 the term and the fixed coupon payable semi annually of the BIH Exchangeable Bonds were amended to 3 December 2027 and 6.0% (including 0.25% PIK) from 3 December 2024 and 5.0%, respectively. Furthermore, the partial repayment of R750 million (plus any associated accrued interest) by way of reduction of the nominal value of each Exchangeable Bond from R1 000 to R750, resulted in the Exchange Price reducing from R4.37 to R3.28 (which was further reduced to R2.21 post the Rights Offer in accordance with the existing Terms and Conditions).

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 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
Reconciliation of the movements for the period:			
Opening balance	2 820	2 582	2 582
Increase of liability component in terms of IAS32 over term of BIH Exchangeable Bonds	119	115	238
Partial capital repayment	(750)	–	–
IFRS Equity component allocated to BIH Exchangeable Bond reserve	(507)	–	–
Adjustment for term extension	82	–	–
Closing balance	1 764	2 697	2 820

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
4. CASH AND CASH EQUIVALENTS⁽¹⁾			
Balances with banks	1	2	2
– ZAR cash	1	*	*
– USD cash	*	*	*
– GBP cash	*	2	2

⁽¹⁾ Reported cash of R1 million (FY24: 2 million) relates to the Company. Cash held by subsidiaries namely BML and BIH, is presented within BML and BIH net working capital in investments (refer note 3).

* Less than R1 million.

Notes to the summary consolidated financial statements for the period ended 30 September

5. STATED CAPITAL

At 30 September 2024, the Company had 3 862 685 135 issued and fully paid ordinary shares of no par value, an increase of 2 542 372 881 shares from the Rights Offer concluded in August 2024.

At the Extraordinary General Meeting held on 22 December 2021, Shareholder approval was obtained for the allocation and issuance of Brait PLC ordinary shares arising from the exchange rights of the BIH Exchangeable Bonds. Following the exchange of 1 396 BIH Exchangeable Bonds in February 2022, 686 179 405 ordinary shares could be issued in terms of its obligations to the holders of the BIH Exchangeable Bonds. Pursuant to the Recapitalisation announced to the market on 3 June 2024, the Exchange Price for the BIH Exchangeable Bonds has reduced to R2.21 post the Rights Offer which has increased the potential issue of ordinary shares from the exchange rights of the BIH Exchangeable Bonds to 1 017 625 792.

At the Extraordinary General Meeting held on 2 July 2024, Shareholder approval was obtained for the allocation and potential issue from conversion on maturity of the Convertible Bonds of 407 558 515 ordinary shares in terms of its obligations to the holders of the Convertible Bonds.

	Number of shares in issue	R'm
Issued ordinary share capital		
31 March 2024	1 320 312 254	12 190
Stated capital		12 190
Rights offer	2 542 372 881	1 440
30 September 2024	3 562 685 135	13 630
Stated capital		13 630
	3 862 685 135	

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
6. CONVERTIBLE BOND			
On 4 December 2019 Brait received £150 million from the issuance of its five year unsubordinated, unsecured convertible bonds ("Convertible Bonds"). The Convertible Bonds listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange on 29 January 2020.			
Pursuant to the Recapitalisation announced to the market on 3 June 2024, with effect from 13 August the term and the fixed coupon per annum payable semi-annually in arrears of the Convertible Bonds were amended to 4 December 2027 and 8.0% (including 0.75% PIK) from 4 December 2024 and 6.50%, respectively. While the partial pro rata redemption of R150 million (plus any associated accrued interest) has no impact on the Conversion Price, it was adjusted post the Rights Offer to £0.3523 in accordance with the existing Terms and Conditions.			
Using this conversion price, the Convertible Bonds would be entitled to convert into a maximum of 407.558 million ordinary shares (subject to rounding provisions) on exercise of bondholder conversion rights. In the event that the bondholders have not exercised their conversion rights in accordance with the Terms and Conditions of the Convertible Bonds, the Convertible Bonds will be settled at par value in cash on maturity.			
Reconciliation of the movements for the period:			
Opening balance	3 504	3 125	3 125
Increase of liability component in terms of IAS32 over the bond term	88	49	101
Partial redemption of Convertible Bonds	(150)	–	–
IFRS Equity component allocated to Convertible Bond reserve	(690)	–	–
Adjustment for term extension	34	–	–
Foreign currency translation reserve	(104)	157	278
Closing balance	2 682	3 331	3 504
7. ACCOUNTS PAYABLE AND OTHER LIABILITIES			
Accounts payable at reporting date includes the £3.3 million coupon accrual on the Convertible Bonds	93	105	93

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
8. INVESTMENT VALUATION GAIN			
BML	1 179	216	327
Finance income (note 9)	133	22	29
Administration fee received from Brait PLC	–	–	16
Operating expenses (note 10)	(60)	(49)	(98)
Finance cost (note 11)	(12)	(8)	(17)
Investment valuation gain	1 118	251	397
BIH	(162)	85	117
Operating expenses (note 10)	(1)	(1)	(2)
Finance cost (note 11)	(81)	(75)	(150)
Foreign exchange (loss)/gain	(80)	161	269
BIH Exchangeable Bond: liability component in terms of IAS 32 (note 11)	(119)	(115)	(238)
Investment valuation gain	898	186	206
9. FINANCE INCOME			
Premier dividend income	101	–	–
Other interest income	32	22	29
Total finance income earned for the year	133	22	29
Amounts recognised in investment valuation gain (refer note 8)	(133)	(22)	(29)
	–	–	–

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
10. OPERATING EXPENSES			
Directors fees	9	10	21
Corporate advisory fees ⁽¹⁾	47	33	65
Insurance	4	8	16
Administration fee paid to BML	–	–	16
Professional fees ⁽²⁾	5	5	7
Travel and accommodation	3	3	6
Other operating expenses	3	3	9
External audit fees	3	3	6
Total operating expenses incurred for the period	74	65	146
Amounts recognised in investment valuation gain (refer note 8)	(61)	(50)	(100)
	13	15	46

⁽¹⁾ 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") was formally appointed by the Brait Board to replace EPE as BML's contracted investment advisor with effect from 1 April 2023. The fee comprises (i) an advisory fee of R25 million (FY24: R65 million); and (ii) a provision for a long term incentive award of R21.9 million (FY24: Nil) as set out in note 15.2.

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

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
11. FINANCE COST			
BML RCF			
– Interest expense	3	7	12
– Raising and commitment fees	9	1	5
Convertible Bonds			
– Coupon	153	115	230
– Increase of liability component in terms of IAS32	88	49	101
BIH Exchangeable Bonds			
– Coupon	81	75	150
– Increase of liability component in terms of IAS32	119	115	238
Total finance cost incurred for the period	453	362	736
Amounts recognised in investment valuation gain (refer note 8)	(212)	(198)	(405)
	241	164	331
12. HEADLINE EARNINGS RECONCILIATION			
Profit/(loss) and headline profit/(loss)	644	7	(171)
Weighted average ordinary shares in issue (m)	1 655	1 320	1 320
Earnings/(loss) and headline earnings/(loss) per share (cents) – basic and diluted ⁽¹⁾	39	1	(13)

⁽¹⁾ The £0.3523 conversion price of the Convertible Bonds as well as the R2.21 Exchange price of the BIH Exchangeable Bonds are anti-dilutive, based on the reported NAV.

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
13. DRAWDOWN ON LOAN FROM SUBSIDIARY⁽¹⁾			
BML	(500)	(2 911)	(2 160)
Investment proceeds received ⁽²⁾	279	–	742
Purchase of investments ⁽³⁾	(624)	(756)	(845)
BML Administration fee received from holding company	–	–	14
BML Operating and other expenses	(38)	(85)	(112)
BML withholding taxes	(5)	(8)	–
BML RCF: net capital repayments (refer note 3.1)	(109)	(2 054)	(1 951)
BML RCF: interest repayments (refer note 3.1)	(3)	(8)	(8)
BIH cash flow	(831)	(75)	(152)
BIH Operating costs	–	–	(2)
BIH Exchangeable Bonds: Coupon paid	(81)	(75)	(150)
BIH Exchangeable Bonds: Capital repayment	(750)	–	–
Decrease in cash held by BML due to BIH investment Entity status	1 605	3 108	2 586
Total drawdown on loan from subsidiary	274	122	274

⁽¹⁾ The Company is funded by its subsidiary BIH. The loan that arises is settled annually by way of return of investment in accordance with section 62 of the Mauritian Companies Act.

⁽²⁾ HY25 relates to the remaining proceeds from the Mar-24 placement of 15 million Premier shares (the "Placement") not received by 31 March 2024 as well as R101 million dividend income from Premier received in August 2024. FY24 includes R900 million gross proceeds in respect of the Placement, of which R750 million was received by 31 March 2024, reduced by R8 million in associated costs.

⁽³⁾ Purchase of investments: HY25 relates to Brait's subscriptions of £2.9 million (R66.9 million) and £24.0 million (R557.5 million) in Virgin Active's Convertible Preference Shares issued in June 2024 and its £34 million capital raise in September 2024, respectively. FY24 relates to Brait following its pro rata £33.8 million (R756 million) and £4.0 million (R89 million) subscriptions into Virgin Active's equity rights offer in May 2023 and its Convertible Preference Shares issued in November 2023 and February 2024, respectively.

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
14. RELATED PARTY BALANCES			
Profit from operations include:			
Directors' fees ⁽¹⁾	(9)	(10)	(21)
Corporate advisory fees ⁽²⁾	(47)	(33)	(65)

⁽¹⁾ Fees paid to directors includes the Company, BIH and BML Boards.

⁽²⁾ As announced to the market previously, TRG was formally appointed by the Brait Board to replace EPE as BML's contracted investment advisor with effect from 1 April 2023. EPE was appointed as the contracted advisor to BML effective 1 March 2020.

Notes to the summary consolidated financial statements for the period ended 30 September

	Unaudited 30 September 2024 R'm	Unaudited 30 September 2023 R'm	Audited 31 March 2024 R'm
15. PROVISION, COMMITMENTS AND CONTINGENCIES			
15.1 Commitments⁽¹⁾			
Convertible Bond commitments			
Convertible Bonds coupon payments due within one year ⁽²⁾	235	224	218
BIH Exchangeable Bonds coupon payments due within one year ⁽³⁾	126	150	150
Convertible Bonds coupon payments due between one and five years ⁽²⁾	609	112	–
BIH Exchangeable Bonds coupon payments due between one and five years ⁽³⁾	325	95	–
Convertible Bonds principal settlement due within one year	–	–	3 579
BIH Exchangeable Bonds principal settlement due within one year	–	–	2 059
Convertible Bonds principal settlement due within five years ⁽⁴⁾	3 398	3 454	–
BIH Exchangeable Bonds principal settlement due within five years ⁽⁵⁾	753	1 194	–
Total commitments	5 446	5 209	6 006

⁽¹⁾ Commitments include those of Brait PLC (in respect of its issued Convertible Bonds) as well as those of its wholly owned subsidiary, BIH (the BIH Exchangeable Bonds), for which Brait PLC will issue the Exchange Shares as at 30 September 2024. Pursuant to the Recapitalisation, the maturities and terms of the Convertible and BIH Exchangeable Bonds have been extended with effect from 13 August 2024 to 3 December 2027 and 4 December 2027, respectively.

⁽²⁾ The coupon payments for the current twelve months reporting period reflect the semi-annual coupons payable in arrears over the remaining term of the Convertible Bonds.

⁽³⁾ The coupon payments reflect the semi-annual coupons payable in arrears over the remaining term of the BIH Exchangeable Bonds.

⁽⁴⁾ The principal cash settlement amount for the Convertible Bonds payable at maturity in the event that the bondholders have not exercised their conversion rights.

⁽⁵⁾ The principal cash settlement amount for the BIH Exchangeable Bonds is only payable at the maturity date to the extent the prevailing share price of the Brait shares delivered at such redemption date is less than the exchange price. The cash settlement amount reflected applies the respective reporting date closing share price of R1.47 (FY24: R1.37) to the Brait PLC Exchange Shares.

Notes to the summary consolidated financial statements for the period ended 30 September

15. PROVISION, COMMITMENTS AND CONTINGENCIES CONTINUED

15.2 Provisions

In FY24 and Pursuant to the Recapitalisation announced on 3 June 2024, the Board approved an incentive mechanism for the Investment Advisor, capped, at the Board's discretion at R50 million (the equivalent of one year's management fee), and which is based on sharing value uplift of the growth in market capitalisation on a diminishing scale from 1.50% to 1.10% as Brait's market capitalisation increases. This was referenced to a starting market capitalisation of R3.6 billion (reference share price of R1.80 applied to 2.006 billion shares in issue, which assumes the BIH Exchangeable Bonds have been exchanged into their 686.2 million Shares). The parameters will be adjusted for corporate events such as the declaration of ordinary and special dividends, share buybacks, rights issues and asset unbundlings. The incentive fee will be based on the value of the assets upon the wind down of Brait and once the quantum of the incentive has been determined by the Board, such amount will be cash settled by BML.

Pursuant to the Recapitalisation, the reference share price was adjusted to R1.05 to cater for the following:

- 2.542 billion shares were issued from the Rights Offer resulting in proceeds amounting to R1.5 billion; and
- The Exchange Price for the BIH Exchangeable Bonds has been adjusted to R2.21. Consequently, the Exchangeable Bonds are expected to be exchanged into 1,017.6 million Brait shares at redemption date.

The fair value of the liability recognised as at 30 September 2024 is R21.9 million. Until it is settled, the fair value of the liability will be remeasured at each reporting date. At 31 March 2024 and based on Brait's prevailing share price of R1.32, no value had been ascribed to this incentive at the time.

15.3 Other

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

Review of operations

The Board of Directors ("Board") hereby reports to Brait's shareholders ("Shareholders") on the Group's unaudited interim results for the six months ended 30 September 2024.

FINANCIAL HIGHLIGHTS

- **Virgin Active:**

- Strong operational performance has continued driven by active members increasing by 6% Year on Year ("YoY") with yields increasing by 9% driving a 16% increase in revenue (excluding Kauai) and 23% including Kauai.
- The performance was largely driven by Italy (19% increase in revenue YoY), South Africa (16% growth) and Singapore (34%) offset by lower growth in the UK (11%).
- Significant investment in the existing estate and new clubs/club refurbishments to drive higher membership engagement and yields.
- Resulting in a more than fourfold increase in YTD EBITDA with run-rate EBITDA of £93.7 million as at October 2024.

- **Premier:**

- Strong operational performance continued with revenue growth of 3.7% and EBITDA growth of 13.5% YoY.
- All business units (excluding CIM) contributed to overall growth in profitability with a focus on margin management, cost saving initiatives and the delivery of material operational efficiencies across both manufacturing and the logistics and distribution channels.
- Investment has continued across key operating units to entrench the business' operational competitive advantage.
- Strong free cashflow generation (R1.4 billion in Last Twelve Months ("LTM")) resulted in gearing as at September 2024 of 1.0x EBITDA.

- **New Look:**

- Difficult trading conditions in the UK fashion market continue with significant discounting as retailers look to drive sales among cost-conscious and under pressure consumers.
- Gross profit increased slightly on the prior year, however inflation-linked cost increases have put pressure on EBITDA performance (down 23%).

- **Brait:**

- Completed the Recapitalisation in August 2024 which included 3 year extensions on the maturities of the Convertible and BIH Exchangeable Bonds, a fully underwritten Rights offer of R1.5 billion and an extended maturity and facility limit for the BML RCF.
- Stakeholder support for the restructuring has led to a strong recovery in the Brait share price.
- As an investment holding company, Brait's key reporting metric of NAV per share is R3.10, which increased by 8% compared to March 2024 on a like for like basis, after adjusting for the Recapitalisation.
- Available cash and facilities amounted to R1.9 billion at the reporting date.

Review of operations continued

The NAV breakdown at reporting date is presented below.

		⁽¹⁾ Unaudited 30 September 2024 R'm	⁽¹⁾ Unaudited 30 September 2023 R'm	⁽¹⁾ Audited 31 March 2024 R'm
	%			
Investments	94	15 568	14 656	13 978
Virgin Active	61	10 126	9 897	10 183
Premier	28	4 609	3 670	2 791
New Look	5	822	1 055	982
Other investments	–	11	34	22
Current assets	6	1 003	528	1 201
Cash and receivables		1 003	528	1 201
Total assets	100	16 571	15 184	15 179
Non-current liabilities		–	6 028	–
Borrowings (BML RCF)		–	–	–
Convertible Bonds		2 682	3 331	–
BIH Exchangeable Bonds		1 764	2 697	–
Current liabilities		4 446	131	6 570
Borrowing (BML RCF)		–	–	109
Convertible Bonds		–	–	3 504
BIH Exchangeable Bonds		–	–	2 820
Accounts payable		155	131	137
NAV		11 970	9 025	8 609
Net issued ordinary shares (million)		3,862.7	1,320.31	1,320.31
NAV per share (cents)		310	684	652

⁽¹⁾ In accordance with IFRS10, given the investment entity status of BIH, the Company is exempted from producing consolidated financial statements. The results shown above apply the look-through consolidation basis.

Review of operations *continued*

HIGHLIGHTS FOR THE GROUP'S INVESTMENT PORTFOLIO

Virgin Active (61% of Brait's total assets):

- The leading international premium health club operator, Virgin Active's strong revenue growth and operational turnaround has continued with all territories remaining EBITDA positive.
- Territory update to 30 September 2024:
 - Southern Africa (34% of group revenue):
 - Sales remain strong with focus on membership retention and yield management on the back of club renovations.
 - Increased member engagement lowering churn YoY.
 - 634k active members as at September 2024.
 - Italy (28% of group revenue):
 - Strong sales continued despite yield increases across the portfolio.
 - 188k active members as at September 2024.
 - UK (24% of group revenue):
 - Sales growth robust with focus on membership attrition and yield growth.
 - 139k active members as at September 2024.
 - Asia Pacific (14% of group revenue):
 - Seven percent increase in membership base to 63k active members as at 30 September 2024.
 - Focus on operational improvements including price optimisation and improving service levels
 - Group:
 - Management centralisation and deployment of global best practices across territories.
 - Quantitative assessment of investment and growth opportunities.

Review of operations *continued*

In June 2024 and September 2024, respectively, Virgin Active shareholders injected the remaining £25 million of the £60 million Convertible Preference Shares issued (Brait's pro rata share was £2.9 million) and £34 million in a capital raise (Brait's share was £24.0 million).

- Valuation as at 30 September 2024 (performed on a pre-IFRS16 basis):
 - Maintainable EBITDA is based on a look-through to a December 2025 estimated sustainable level of £123.9 million (FY24: £123.3 million).
 - The forward valuation multiple has been maintained at 9.0x, a 3% discount to the peer average forward multiple of 9.3x (FY24: 9.9x). In line with its wellness strategy, the composition of Virgin Active's peer group was revised to exclude Technogym and include Lifetime Group.
 - Net third party debt of £413.5 million (FY24: £447.0 million) includes £15.8 million (FY24: £20.0 million) for the estimated impact of cost deferrals (largely royalty fees).
 - Brait's resulting unrealised carrying value for its investment in Virgin Active at the reporting date is R10,126 million (FY24: R10,183 million) and comprises 61% of Brait's total assets (FY24: 67%).

Premier (28% of Brait's total assets)

- A leading South African FMCG manufacturer, offering branded and private label solutions, Premier continued to perform strongly despite the impact of inflation on consumer spending.
- Premier's results for the six months ended 30 September 2024 were released to the market on 12 November 2024:
 - Revenue of R9.7 billion up 3.7% YoY.
 - EBITDA of R1.2 billion up 13.5% YoY.
 - EBITDA margin of 11.9% (HY24: 10.9%).
 - Return on invested capital of 22.7% (HY24: 20.7%).
 - Headline earnings per share of 438 cents per share, an increase of 34% YoY.
 - Net third party debt leverage ratio of 1.0x (HY24: 1.4x).
- Divisional highlights for the six months ended 30 September 2024:
 - Premier's MillBake business (83% of group revenue) continued its strong momentum despite challenging economic conditions:
 - Revenue growth of 3% to R8.1 billion.
 - EBITDA increased by 16% to R1.1 billion as a result of the focus on cost efficiencies.
 - The Groceries and International division (17% of Group revenue) delivered an encouraging performance with revenue increasing by 9.7% to R1.6 billion, however, EBITDA decreased by 2.1% to R105 million due to CIM's performance.

Review of operations *continued*

- In keeping with Premier's strategy of being the most efficient producer, the business continued to invest in its asset base with capital expenditure for the group of R281 million (HY24: R239 million) comprising of R120 million maintenance (HY24: R177 million) and R161 million expansionary capex (HY24: R62 million).
- Cash generated by operations before working capital for the period increased by 14% to R0.9 billion driven by the group's strong overall performance.
- Valuation as at 30 September 2024:
 - Premier is valued at the closing JSE share price of R104.00 (FY24: R61.10). Brait's shareholding in Premier is 34.4% (FY24: 35.4%) representing its 44.3 million shares (FY24: 45.7 million shares held). The reduction in shareholding is a result of the sale of 1.4 million ordinary shares in September 2024, raising total gross proceeds of R142 million.
 - Based on Premier's LTM EBITDA of R2.2 billion and net third party debt of R2.2 billion, this equates to an implied EBITDA earnings multiple of 7.1x.

New Look (5% of Brait's total assets):

- New Look is a leading fashion retailer operating in the value segment of the clothing and footwear market in the UK and the Republic of Ireland, with a targeted online presence.
- The UK fashion retail operating environment remains challenging, with New Look's HY24 Revenue and EBITDA declining by 3.5% and 22.7% respectively. Unseasonal weather and weak customer sentiment continue to be key factors affecting performance.
- Valuation as at 30 September 2024 (performed on a pre-IFRS16 basis):
 - Maintainable EBITDA of £35 million is based on LTM EBITDA (FY24: Actual EBITDA of £40 million was applied).
 - The valuation multiple has been maintained at 6.5x, a 39% discount to the peer average multiple of 10.7x (FY24: 11.1x).
 - No normalisation adjustments were considered in net third party debt of £32.0 million (FY24: included £31.8 million).
 - Brait holds 18.3% of the New Look shareholder loans/PIK facility and equity (17.2% equity participation post dilution for management's incentive plan).
 - The resulting unrealised carrying value for the investment in New Look at the reporting date is R822 million (FY24: R982 million), comprising 5% of Brait's total assets (FY24: 7%).

Other investments

- The remaining R11 million carrying value relates to a legacy private equity fund investment.

Review of operations *continued*

GROUP LIQUIDITY POSITION

Reporting date

- Pursuant to the Recapitalisation, Brait has concluded agreements with the lending banks to extend the term of the undrawn BML RCF to 31 March 2028, with an amended facility commitment of R1 billion, interest rate of JIBAR plus a variable margin between 2.9% and 3.7% (depending on pledged security levels) and a 1.1% commitment fee.
- As at 30 September 2024, the BML RCF was undrawn, resulting in available liquidity at the reporting date, including cash balances, amounting to R1.9 billion.
- Brait is in compliance with all covenants at the reporting date.

DIVIDEND POLICY

Brait's ability to return capital to Shareholders pursuant to its monetisation strategy will depend upon its receiving realisations on loans and investments, dividends, other distributions or payments from its portfolio companies (which are under no obligation to pay dividends or make any other distributions to Brait). In addition, Brait's ability to pay any dividends will depend upon distribution allowances under the terms of the BML RCF.

To the extent that surplus cash becomes available at a future date for distribution, the Board will consider the potential for the distribution of such surplus cash by way of special dividend. Pursuant to the terms of the Convertible Bonds, before Brait is able to pay a special dividend to Shareholders, it will have to first make an offer to the holders of the Convertible Bonds to tender for repurchase an aggregate principal amount of the Convertible Bonds

for an amount equal to such proposed special dividend at a price per Convertible Bond equal to its principal amount together with accrued interest. Prior to the offer to the holders of the Convertible Bonds, Brait will have to make an offer to the holders of the BIH Exchangeable Bonds to redeem the BIH Exchangeable Bonds.

For and on behalf of the Board

RA Nelson

Non-Executive Chairman

13 November 2024

Review of operations *continued*

Directors (all non-executive)

RA Nelson (Chairman)[#], MP Dabrowski^{**}, JM Grant[#], Y Jekwa^{*}, PG Joubert^{**}, PJ Roelofse^{*}, HRW Troskie[^], Dr CH Wiese^{*}

[#] *British* [^] *Dutch* ^{*} *South African* ^{**} *Resident in Mauritius*

Brait's Ordinary Shares are primary listed and admitted to trading on the Luxembourg Stock Exchange ("LuxSE") and its secondary listing is on the exchange operated by the JSE. Brait's Convertible Bonds are dual listed on the Open Market ("Freiverkehr") segment of the Frankfurt Stock Exchange as well as the Official Market of the Stock Exchange of Mauritius ("SEM"). The BIH Exchangeable Bonds are dual listed on JSE and SEM.

LuxSE Listing Agent:

Harney Westwood & Riegels SARL

JSE Sponsor:

Rand Merchant Bank (A division of FirstRand Bank Limited)

SEM Authorised Representative and Sponsor:

Perigeum Capital Ltd

Administration and contact details

BRAIT PLC

Registration No: 183309 GBC

ISSUER NAME AND CODE

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LEI: 549300VB8GBX4UO7WG59

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