

Brait SE

(Registered in Malta as a European company)

(Registration No.SE1)

Share code: BAT ISIN: LU0011857645

Share Code: B ATP ISIN: MT0000680208

("Brait")

BRAIT'S ACQUISITION OF A c.90% INTEREST IN NEW LOOK

1. Introduction

Shareholders in Brait ("Shareholders") are advised that Brait's wholly owned subsidiary, Brait Mauritius Limited, has entered into an agreement to acquire a c.90% interest in New Look Retail Group Limited ("New Look" or "the Company") for c.GBP780 million, primarily from funds advised by Permira and Apax ("the Acquisition").

2. Overview of New Look

Founded in 1969, New Look is a leading fast fashion multichannel retailer operating in the value segment of the UK clothing and footwear market with a growing international presence. New Look aims to offer an exciting shopping experience and the latest trends in fashion, catering for a broad spectrum of ages from early teens to over 45's. New Look's core target audience is fashion-conscious 16 to 35 year old women. According to Kantar Worldpanel for the 24 weeks ending March 2015 the Company is the leading retailer by value in the under 25's womenswear and teens (age 9 - 15) market in the UK. In the 52 weeks ending December 21st 2014, approximately 14.1 million people in the UK made a purchase from New Look, with approximately 43% of female adults and teenagers in the UK shopping at New Look at least once in 2014.

In addition, New Look is expanding its menswear offering, with the aim of growing menswear sales and market share.

New Look's average time from product design to store delivery is approximately 13 weeks, with some key high fashion items delivered in less than 2 weeks.

New Look operates a multichannel model which, as at 28 March 2015, comprised:

- 809 New Look stores, including 569 directly operated stores in the UK, with a broad geographical coverage;
- 135 directly operated stores principally in China, France, Poland, Ireland and Belgium and concession stores in Germany and the Netherlands and 105 franchise stores in the Middle East, North Africa, Europe and Asia;
- an own e-commerce platform serving customers in over 100 countries across the globe; and
- a third-party e-commerce platform through which it sells products on websites of 11 third-party e-commerce retailers,

including ASOS and Zalando, which currently serve in the aggregate approximately 200 countries.

Revenue and EBITDA for the 12 months to December 2014 are GBP1.399 billion and GBP211 million, respectively. New Look reported revenue of GBP1.392 billion and EBITDA of GBP204 million for the financial year ended March 2014. This compares to revenue of GBP1.355 billion and EBITDA of GBP184 million for the financial year ended March 2013. Numbers for the financial year to March 2015 are expected to be released to New Look's bondholders on 2 June 2015.

3. Rationale for the Acquisition

New Look is positioned in the fast fashion value segment of the apparel market which is driven by a number of factors including:

- Increasing consumer demand for more affordable fashionable clothing and consequent popularity of value retailers;
- Improvements in the supply chain, making fashionable clothing more available; and
- Growth in demand and supply associated with increasing popularity of e-commerce, providing a wider selection of products as compared to stores and making shopping easier for consumers.

New Look is attractive to Brait for the following reasons:

- Demonstrated double digit EBITDA growth in recent years;
- Solid cash flow generation;
- Established UK footprint exposed to the higher growth value segment of the apparel and accessories market;
- Leading UK market value share: No. 2 overall womenswear and No. 1 among under-25 womenswear;
- Strong growth prospects in France, Germany, Poland and especially China which is a priority market;
- Strong brand awareness in particular amongst women in the UK;
- Well-developed multi-channel offering via traditional stores and a fast growing e-commerce platform incorporating 'click and collect';
- The scale and efficiency of New Look's fast fashion operating model from source to customer (via shop-floor or e-commerce) is difficult to replicate;
- Well-invested infrastructure and systems including a state-of-the-art distribution centre; and
- Partnering with an experienced, aligned and proven management team, and with the founder of the business.

4. Summary of the key terms of the Acquisition

Brait will acquire a c.90% interest in New Look, primarily from funds advised by Permira and Apax. The founder's family interests and the existing management team will be reinvesting alongside Brait for c.10% shareholding.

The Acquisition values New Look at an enterprise value of c.GBP1.9 billion. The estimated consideration payable by Brait of c.GBP780 million for a c.90% interest takes into account estimated transaction costs, but may be adjusted up or down depending on actual transaction costs ("Purchase Consideration"). Brait will fund the Purchase Consideration using facilities and cash on hand.

New Look has net financial debt of c.GBP1 billion. Brait and management are comfortable with the Company's current leverage ratio given its strong cash flow generation. Subject to market conditions, the Company will review financing alternatives in order to optimise the capital structure within a similar leverage range.

5. Conditions precedent

The Acquisition is not subject to any regulatory approvals. The completion date for the Acquisition is 25 June 2015.

Malta

15 May 2015

Brait's primary listing is on the Euro MTF market of the Luxembourg Stock Exchange and secondary listing on the Johannesburg Stock Exchange.

Joint Investment Banks to Brait

Rand Merchant Bank, (A division of FirstRand Bank Limited)

Nomura International plc

United Kingdom attorneys

Linklaters

South African attorneys

DLA Cliffe Dekker Hofmeyr

European legal advisor

M Partners S.à r.l. (A member of Maitland Legal)

Sponsor to Brait

Rand Merchant Bank (A division of FirstRand Bank Limited)