



BRAIT SE

(Registered in Malta as a European Company)
(Registration number SE1)
4th Floor, Avantech Building, St Julian's Road
San Gwann, SGN 2805, Malta
Listed in Luxembourg and South Africa
Share code: BAT ISIN: LU0011857645
LEI Code: 549300VB8GBX4UO7WG59
Bond code: WKN: A1Z6XC ISIN: XS1292954812
(the "Company" or "Brait")

Circular to Shareholders and Notice of Extraordinary General Meeting

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action to take, please consult your Central Securities Depository Participant ("CSDP"), broker, banker, attorney or other professional advisor immediately. Brait does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or broker including, without limitation, any failure on the part of the CSDP or broker of any beneficial owner of ordinary shares to notify such beneficial owner of the details set out in this Circular.

Nothing in this Circular constitutes (or forms part of) any offer for the sale of, or solicitation of any offer to purchase or subscribe for, any securities of Brait in any jurisdiction, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever in any jurisdiction.

If you have disposed of all your ordinary shares in Brait ("**Shares**") on or before 29 November 2019, please forward this Circular, together with the enclosed Form of Proxy, where applicable, to the purchaser to whom you disposed of such Shares or to the CSDP, broker, banker, attorney or agent through whom you disposed of such Shares.

Notice of the Extraordinary General Meeting (the "**EGM**"), to be held at 4th Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805, Malta at 11:00 (CET) on 14 January 2020 is set out at the end of this Circular.

Copies of this Circular and the Form of Proxy are available to view, download and print on the 'Investors/Results and reports' section of the Company's website at www.brait.com (<https://brait.investoreports.com/investor-relations/results-and-reports/>) and are also available for collection, free of charge, during normal business hours on any Business Day up until close of the Extraordinary General Meeting from the registered office of the Company, the Luxembourg Registrar and Transfer Agent and the South African Registrar and Transfer Agent (at the addresses set out in this Circular). Unless you sell or have sold or transfer or have transferred all your Shares, you are recommended to retain this Circular for reference.

If you are a Certificated Shareholder or a Dematerialised Shareholder with "own name" registration, you may appoint a proxy to attend the EGM and to vote your Shares on your behalf. If you wish to appoint a proxy, the enclosed Form of Proxy should be completed and returned to the Luxembourg Registrar and Transfer Agent or the South African Registrar and Transfer Agent (as applicable) in accordance with the instructions printed on it as soon as possible and by no later than 11:00 (CET) on 13 January 2020 (being not less than 24 hours before the time fixed for the EGM).

If you are a Dematerialised Shareholder (other than "own name" registered Dematerialised Shareholders), you should not complete and return a Form of Proxy. If you wish to attend the EGM, you should instruct your CSDP or broker to issue you with the necessary letter of representation. You are required to provide a copy of your letter of representation to the Company by no later than 11:00 (CET) on 13 January 2020. If you do not wish to attend the EGM, you should provide your CSDP or broker with your voting instructions pursuant to the terms of your custody agreement with them.

Unless the context indicates otherwise, all information provided in this Circular is provided as at 4 December 2019.

Issue date of this Circular: 4 December 2019

Financial Advisor and Sponsor



CORPORATE INFORMATION AND ADVISORS

Directors

PJ Moleketi, Dr CH Wiese (Alternate: P Roelofse),
CS Seabrooke, JC Botts, AS Jacobs, LL Porter,
HRW Troskie

Brait South Africa Proprietary Limited

Office Level 7, Rosebank Towers
15 Biermann Ave
Rosebank, Johannesburg, 2196
South Africa

Financial advisor, joint underwriter and sponsor

Rand Merchant Bank
1 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

International Counsel

Linklaters LLP
One Silk Street
London
EC2Y 8HQ
United Kingdom

Maltese Counsel

MAMO TCV Advocates
Palazzo Pietro Stiges
103, Strait Street
Valletta VLT1436
Malta

Luxembourg Counsel and Listing Agent

Harney Westwood & Riegels SARL
56, rue Charles Martel
L-2134
Luxembourg

Luxembourg Registrar and Transfer Agent

Maitland Luxembourg S.A.
58, rue Charles Martel
L-2134
Luxembourg

Registered Office of the Company

4th Floor, Avantech Building
St. Julian's Road
San Gwann SGN 2805
Malta

Brait Advisory Services UK Limited

3rd Floor
55 Blandford Street
London W1U 7HW
United Kingdom

Auditors to Brait

Pricewaterhouse Coopers
78 Mill St
Qormi, QRM310
Malta

South Africa Counsel

DLA Piper Advisory Services Proprietary Limited
6th Floor
61 Katherine Street
Sandton, 2196
Johannesburg, South Africa

Maltese Advisor

Maitland Malta Limited
4th Floor, Avantech Building
St Julian's Road
San Gwann SGN 2805
Malta

South African Registrar and Transfer Agent

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
South Africa

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 4 of this Circular apply to this “Action required by shareholders” section.

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, please consult your CSDP, broker, banker, attorney or other professional advisor immediately.

If you have disposed of all your Shares in Brait on or before 29 November 2019, please forward this Circular, together with the enclosed Form of Proxy, where applicable, to the purchaser to whom you disposed of such Shares or the CSDP, broker, banker, attorney or agent through whom you disposed of such Shares.

PLEASE TAKE NOTE OF THE FOLLOWING PROVISIONS REGARDING THE ACTION REQUIRED BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS IN RESPECT OF THE EGM:

An EGM will be held at the Company’s registered office, 4th Floor, Avantech Building, St Julian’s Road, San Gwann, SGN 2805, Malta at 11:00 (CET) on 14 January 2020 for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and extraordinary resolutions set out in the attached Notice of Extraordinary General Meeting.

IF YOU ARE A DEMATERIALISED SHAREHOLDER WITHOUT “OWN NAME” REGISTRATION:

Voting at the EGM

Your CSDP or broker should contact you to ascertain how you wish to cast your vote at the EGM and thereafter cast your vote in accordance with your instructions.

If you have not been contacted, it would be advisable for you to contact your CSDP or broker and furnish it with your voting instructions.

If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP or broker.

You must not complete the attached Form of Proxy (*blue*).

Attendance and representation at the EGM

In accordance with the custody agreement between you and your CSDP or broker, you must advise your CSDP or broker if you wish to attend the EGM in person and your CSDP or broker will issue the necessary letter of representation for you to attend the EGM. You are required to provide a copy of your letter of representation to the Company by no later than 11:00 (CET) on 13 January 2020.

IF YOU ARE A CERTIFICATED SHAREHOLDER OR A DEMATERIALISED SHAREHOLDER WITH “OWN NAME” REGISTRATION:

Voting, attendance and representation at the EGM

You may attend and vote at the EGM in person.

Alternatively, you may appoint a proxy to represent you at the EGM by completing the attached Form of Proxy (*blue*) in accordance with the instructions contained therein, which form must be delivered or posted directly to the registered office of the Company (at 4th Floor, Avantech Building, St Julian’s Road, San Gwann, SGN 2805, Malta) to be received by no later than 11:00 (CET) on 13 January 2020 (being not less than 24 hours before the time fixed for the EGM) or to the Luxembourg Registrar and Transfer Agent (at Maitland Luxembourg S.A., 58, rue Charles Martel L-2134, Luxembourg) or to the South African Registrar and Transfer Agent (Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa), as applicable, to be received by no later than 11:00 (CET) on 13 January 2020 in order to enable the Luxembourg Registrar and Transfer Agent or the South African Registrar and Transfer Agent to forward it on your behalf, for receipt by the Company Secretary by no later than 11:00 (CET) on 13 January 2020 (being not less than 24 hours before the time fixed for the EGM).

TABLE OF CONTENTS

	<i>Page</i>
CORPORATE INFORMATION AND ADVISORS	Inside front cover
ACTION REQUIRED BY SHAREHOLDERS	1
TIMETABLE OF PRINCIPAL EVENTS	3
DEFINITIONS AND INTERPRETATIONS	4
PART 1 LETTER FROM THE CHAIRMAN OF THE COMPANY	7
1. Introduction	7
2. Details of the new investment advisory agreement	8
3. Shareholder Resolutions and the EGM	9
4. Action to be taken in respect of the EGM	10
5. Directors' Responsibility Statement	11
6. Consents	11
7. Documents available for inspection	11
8. Recommendation and irrevocable undertakings	11
ANNEX 1 SECTION 1: NOTICE OF EXTRAORDINARY GENERAL MEETING	12
INCREASE OF AUTHORISED SHARE CAPITAL	12
DIRECTORS' AUTHORITY TO ISSUE SHARES AND/OR GRANT OPTIONS OR RIGHTS	12
DISAPPLICATION OF PRE-EMPTION RIGHTS	13
CANCELLATION OF BRAIT TREASURY SHARES	14
ADOPTION OF NEW ARTICLES	14
ANNEX 1 SECTION 2: FORM OF PROXY	Attached

TIMETABLE OF PRINCIPAL EVENTS

Record date by which Shareholders must be recorded on the Register in order to receive this Circular and Notice of Extraordinary General Meeting	29 November 2019
This Circular and Notice of Extraordinary General Meeting of the Company published by the Company	4 December 2019
Last day to trade Shares in order to be recorded on the Register to be eligible to participate in and vote at the EGM	30 December 2020
Voting record date for Shareholders to be recorded on the Register to be eligible to participate in and vote at the EGM	3 January 2020
Latest time by which Dematerialised Shareholders (other than "own name" registered Dematerialised Shareholders) who wish to attend the EGM are required to provide a copy of their letters of representation to the Company	11:00 (CET) on 13 January 2020
Latest time for submission of Form of Proxy to the Luxembourg Registrar and Transfer Agent or South African Registrar and Transfer Agent	11:00 (CET) on 13 January 2020
Latest time for submission of Form of Proxy to the Company's registered office	11:00 (CET) on 13 January 2020
EGM	11:00 (CET) on 14 January 2020
Results of the EGM to be published on the website of the LuxSE and published on SENS	As soon as possible following the EGM
The Rights Offer is expected to be launched and announcement thereof on the website of the LuxSE and on SENS	Towards end of January

These times and dates are indicative only and are subject to change. All dates are estimations based on current expectations of the Company and are subject to change, which will depend on, amongst other things, Shareholder approval of the Recapitalisation and satisfaction of the other conditions and requirements to effect the Recapitalisation. If any of the dates relating to the Rights Offer in this expected timetable change to a material extent, details of the new times and dates will be notified to the Shareholders by an announcement on the website of the LuxSE and on SENS.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context indicates otherwise, reference to the singular shall include the plural and *vice versa* and words denoting one gender shall include the other. Expressions denoting natural persons include juristic persons and associations of persons and the words in the first column shall have the meanings stated opposite them in the second column, as follows:

Advisory Agreement	the investment and advisory services agreement concluded on or about 7 November 2018 between BML and the Corporate Advisors;
Articles	the memorandum and articles of association of the Company;
BIT	Brait Investment Trust, a Malta based trust;
BIT Treasury Shares	the 17 475 070 Shares in the Company held by Maitland Malta Limited as trustee of the BIT;
BML	Brait Mauritius Limited, registration number C60342 C1/GBL a company incorporated under the laws of Mauritius;
BML RCF	BML committed revolving credit facility;
BML Treasury Shares	the 36 616 189 Shares in the Company held by BML;
Board	the board of Directors of the Company;
Bonds	GBP150 000 000, 6.50 per cent. convertible bonds due 4 December 2024 issued by the Company and, subject to the passing of the Bonds Resolutions, convertible into the Shares;
Bonds Resolutions	the resolutions to approve the grant of conversion rights and issue of Shares to satisfy the exercise of conversion rights in respect of Bonds, being resolutions 2 and 5;
Brait Treasury Shares	the BIT Treasury Shares and the BML Treasury Shares;
Business Day	means any day which is not a Saturday, a Sunday or a bank or public holiday in Luxembourg, Malta or South Africa;
Cancellation of Brait Treasury Shares Resolution	the resolution to approve the reduction of the issued share capital of the Company by the cancellation of the BIT Treasury Shares and the BML Treasury Shares, being resolution 8;
CET	Central European Time;
Certificated Shareholder	a shareholder who holds Shares in certificated form;
Circular	this Circular dated 4 December 2019 relating to the Recapitalisation and Brait Treasury Shares cancellation, and incorporating a Notice of Extraordinary General Meeting and enclosing a Form of Proxy (<i>blue</i>) (where applicable);
Clearstream	Clearstream Banking, société anonyme, a limited liability company incorporated under the laws of Luxembourg or any successor thereto;
Company or Brait	Brait SE, registered in Malta as a European Company under the legal form of a <i>Societas Europaea</i> with registration number SE1;
Company Secretary	Anjelica Camilleri de Marco;
Corporate Advisors	Brait South Africa Proprietary Limited, a company incorporated under the laws of South Africa and with registration number 1960/003893/07, and Brait Advisory Services UK Limited, a company incorporated under the laws of England and Wales and with registration number 10086702;
CSDP	Central Securities Depository Participant;
Dematerialised Shareholder	holders of Shares which: (i) have been dematerialised; (ii) are no longer evidenced by physical share certificates; and (iii) have been incorporated into the Strate Proprietary Limited system (in respect of Shares admitted to trading on the JSE) or either the Clearstream or Euroclear systems (in respect of Shares admitted to trading on the Euro MTF market of the LuxSE);
Directors	the directors of the Company, as at the date of this Circular being Phillip Moleketi (Chairman), John Botts, Alan Jacobs, Dr Lawrence Porter, Christopher Seabrooke, Hermanus Troskie and Dr Christoffel Wiese (Alternate: Paul Roelofse), and each, a “Director”;

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 C13883 C1/GBL, a company incorporated under the laws of Mauritius and holding a Category One Global Business Licence issued by the Financial Services Commission of Mauritius and with its registered address at c/o Ocorian (Mauritius) Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius;
Ethos Fund VII	Ethos Fund V11 GP (SA) Proprietary Limited, in its capacity as the ultimate General Partner of Ethos Fund V11 (A) and Ethos Fund V11 (B) and with the registered address at 35 Fricker Road, Illovo, Sandton, 2196, South Africa;
Ethos Underwriters	Ethos Capital and Ethos Fund VII;
EUR or €	the lawful currency of the member states of the European Union that adopt the single currency;
Euro MTF	the Luxembourg Multilateral Trading Facility operated by the LuxSE;
EGM	the extraordinary general meeting of the Company to be held at 4th Floor, Avantech Building, St. Julian's Road, San Gwann, SGN 2805 at 11:00 (CET) on 14 January 2020 (and any adjournment thereof) for the purposes of considering the Resolutions, notice of which is set out at the end of this document;
Euroclear	Euroclear Bank S.A./N.V., as operator of the Euroclear system, Luxembourg;
Finalisation Date	the date on which the final terms of the Rights Offer are announced which is currently expected to be towards the end of January;
Form of Proxy	the form of proxy to be used by Certificated Shareholders and Dematerialised Shareholders with "own name" registration in connection with the EGM, which is contained in Section 2 of Annex 1 (Form of Proxy) of this Circular;
GBP	Pounds Sterling, the lawful currency of the UK;
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;
LuxSE	the Luxembourg Stock Exchange;
Luxembourg	Grand Duchy of Luxembourg;
Luxembourg Registrar and Transfer Agent	Maitland Luxembourg S.A.;
Malta	the Republic of Malta;
Maltese Act	the Maltese Companies Act (Cap. 386 of the Laws of Malta);
Notice of Extraordinary General Meeting	the notice convening the EGM which is contained in Section 1 of Annex 1 (Notice of Extraordinary General Meeting) of this Circular;
New Articles	the new memorandum and articles of association of the Company to be adopted at the EGM;
New Shares	new Shares proposed to be issued by the Company pursuant to the Rights Offer, including any to be issued pursuant to the Top-Up Subscription and any new Shares to be issued to satisfy the exercise of conversion rights in respect of the Bonds;
Offer Price	an amount to be determined between the Company and the Underwriters, and absent such agreement a discount of 27 per cent. to the theoretical ex-rights price of a Share calculated by reference to the 5 (five) day VWAP of a Share on the JSE for the period up to and including the trading day immediately preceding the Finalisation Date, and provided that if such amount is (i) more than ZAR9.40 (the "Maximum Price"), the Offer Price shall be the Maximum Price or (ii) less than an amount which is sufficient to ensure that at least EURO.22 nominal value of the new Shares is paid up on subscription (the "Minimum Price"), it shall be the Minimum Price;
Outstanding Bonds	The GBP350 000 000 2.75 per cent. convertible bonds due on 18 September 2020 issued by the Company, which are listed on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange;
Recapitalisation	has the meaning given in section 1 of Part I of this Circular;

Resolutions	the resolutions to be proposed at the EGM which are contained in Section 1 of Annex 1 (<i>Notice of Extraordinary General Meeting</i>) of this Circular;
Rights Offer	the renounceable offer to qualifying Shareholders to subscribe for New Shares, expected to raise ZAR5 250 000 000;
Rights Offer Shares	new Shares proposed to be issued by the Company pursuant to the Rights Offer;
RMB	Rand Merchant Bank, a division of FirstRand Bank Limited, a public company incorporated under the laws of South Africa and with registration number 1929/001225/06);
SE or Societas Europaea	<i>Societas Europaea</i> or European Company, a public limited liability company created pursuant to and in accordance with the terms of the SE Regulation;
SE Regulation	Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European Company;
SENS	Stock Exchange News Service of the JSE;
Shareholders	holders of Shares, from time to time;
Shares	the ordinary shares of EURO.22 each in the capital of the Company;
South Africa	the Republic of South Africa;
South African Registrar and Transfer Agent	Computershare Investor Services Proprietary Limited, a private company incorporated under the laws of South Africa and with registration number 2004/003647/07;
Standard Bank	The Standard Bank of South Africa Limited, a public company incorporated under the laws of the Republic of South Africa and with registration number 1962/00738/06;
Titan	Titan Financial Services Proprietary Limited, registration number 1996/006040/07, a limited liability private company duly incorporated in the Republic of South Africa and with its registered address at 36 Stellenberg Road, Parow Industria, 7493, South Africa and which is represented by Dr. CH Wiese, a Director;
Top-Up Subscription	the non pre-emptive subscription at the Offer Price by the Ethos Underwriters of New Shares with a value at the Offer Price of up to ZAR350 000 000, such that the aggregate New Shares subscribed by them, including entitlements taken up by them in the Rights Offer following the transfer of such entitlements from Titan and its affiliates and otherwise taken up as Underwriters under the Underwriting Agreement, have an aggregate value at the Offer Price of ZAR1 350 000 000;
Underwriters	Ethos Underwriters, Titan and RMB;
Underwriting Agreement	the agreement dated 27 November 2019 between the Company, Ethos Underwriters, Titan and RMB for the underwriting of the Rights Offer and including provision for the exercise by the Ethos Underwriters of entitlements in the Rights Offer transferred to them by Titan and its affiliates, and the Top-Up Subscription;
VWAP	volume weighted average price, as published by or derived from Bloomberg page BAT SJ Equity HP; and
ZAR	South African Rand, the lawful currency of South Africa.

PART 1: LETTER FROM THE CHAIRMAN OF THE COMPANY

Registered Office

4th Floor, Avantech Building
St Julian's Road
San Gwann, SGN 2805
Malta

Dear Shareholder

Notice of Extraordinary General Meeting

1. INTRODUCTION

On 27 November 2019, the Company announced (i) a fully committed and underwritten renounceable rights offer to raise gross proceeds of ZAR5 250 000 000 (the "**Rights Offer**"), (ii) a potential Top-Up Subscription by the Ethos Underwriters of up to an additional ZAR350 000 000, (iii) a partial repayment and extension of the maturity of the BML RCF and (iv) an issuance of the Bonds (collectively, the "**Recapitalisation**").

Pursuant to the Recapitalisation, the Board has resolved to adopt a new strategy for the Company that will focus on maximising value through the realisation of its existing assets in the portfolio over the next five years and returning capital to Shareholders. In furtherance of its new strategy, the Board has agreed changes to the arrangements for the provision of investment advisory services to Brait, including the termination of the Advisory Agreement with its existing Corporate Advisors and the execution of a new investment advisory agreement with EPE, as a result of which the advisory costs of the Company will be substantially reduced as discussed further below.

On the same day, the Company announced that it had successfully priced the Bonds due on 4 December 2024. The net proceeds of the Bonds (after deduction of costs, fees and expenses related to the Bonds) together with GBP30 000 000 of cash on hand, were used to concurrently repurchase GBP180 000 000 in aggregate principal amount of the Company's Outstanding Bonds through a reverse bookbuilding process, resulting in GBP170 000 000 of the Outstanding Bonds remaining outstanding.

Holders of the Bonds will have the option to require the early redemption of their Bonds on 18 September 2020, at par plus accrued and unpaid interest if the Rights Offer is not completed on or before 20 August 2020.

Shareholder approval for physical settlement of the Bonds is being requested at the EGM to be held on 14 January 2020. If Shareholder approval is received, the Bonds will be convertible into Shares of Brait. If Shareholder approval is not received, then the Bonds will be cash settled upon exercise.

If Shareholder approval has not been received on or before the 4 April 2020, the Company may elect to redeem all (but not only some) of the Bonds at the greater of (i) 102 per cent. of the principal amount of the Bonds (together with accrued but unpaid interest) and (ii) 102 per cent. of the fair value of the Bonds (together with accrued but unpaid interest).

To provide certainty regarding the outcome of the Rights Offer, the Company has entered into the following arrangements:

- an irrevocable undertaking from Titan under which it has irrevocably undertaken that it shall, and shall procure that any relevant affiliates shall, subscribe for New Shares at the Offer Price, having an aggregate value of ZAR750 000 000, which will be offered for subscription to Titan and its relevant affiliates (as applicable);
- an underwriting agreement between the Company, the Ethos Underwriters, Titan and RMB dated 27 November 2019 (the "**Underwriting Agreement**") to take up Rights Offer Shares which are not otherwise taken up in the Rights Offer to an aggregate value of ZAR2 122 246 975 at the Offer Price;
- agreement by the Ethos Underwriters under the Underwriting Agreement:
 - to exercise entitlements in the Rights Offer transferred to them by Titan and its affiliates, having an aggregate value of ZAR1 000 000 000 at the Offer Price;
 - to non pre-emptively subscribe for New Shares at the Offer Price having an aggregate value at the Offer Price of up to ZAR350 000 000, such that the aggregate New Shares subscribed by them, including those otherwise taken up under the Underwriting Agreement, have an aggregate value at the Offer Price of ZAR1 350 000 000; and

- irrevocable undertakings from other major institutional Shareholders to subscribe for all, or a portion, of their respective entitlements to New Shares pursuant to the Rights Offer, subject to certain exceptions for compliance with investment mandates, having an aggregate value of ZAR1 377 753 025 at the Offer Price.

Brait intends to use the net proceeds of the Recapitalisation (after costs, fees and expenses related to the Recapitalisation) for the repayment of the remaining GBP170 000 000 in aggregate principal amount of the Outstanding Bonds and to partially repay Brait's existing BML RCF.

RMB and Standard Bank as the existing lenders under the BML RCF have agreed and signed a credit approved termsheet to amend the terms of the BML RCF and extend its maturity by three years from the date the legal agreements are signed. The amended BML RCF will be conditional upon the completion of the Rights Offer.

The Offer Price and the terms of the Bonds were determined following extensive discussions with investors and the Underwriters and reflect terms that are considered reasonable and proportionate taking into account market conditions, demand from investors and the availability of underwriting commitments to secure the funding requirements of the Company.

The Recapitalisation is subject to, amongst other things, Shareholder approval. Brait has secured irrevocable commitments from Shareholders holding 67.1 per cent. of the Shares outstanding (excluding the Brait Treasury Shares), subject to certain exceptions for compliance with investment mandates, to vote in favour of the resolutions to be proposed at the EGM to secure all the necessary approvals required to implement the Recapitalisation and issue the New Shares to satisfy conversion rights in relation to the Bonds. In addition, Brait has received non-binding indications of support from Shareholders representing a further 3.0 per cent. of the Shares (excluding the Brait Treasury Shares).

In addition, the Company proposes to reduce its current issued share capital by cancelling the Brait Treasury Shares.

2. **DETAILS OF THE NEW INVESTMENT ADVISORY AGREEMENT**

The Board has selected Ethos as a new strategic equity partner and EPE as the new investment advisor to Brait. EPE has a 35-year history of generating realised returns for investors and will bring a different perspective to the Brait portfolio, leveraging its value-add expertise, execution capability and exit track record to execute the Company's new strategy.

BML has entered into a new investment advisory agreement with EPE, which will take effect from the first day of the month following the completion of the Rights Offer and incorporates the following key principles:

- An initial three-year tenor, with an annual renewal thereafter;
- The advisory team responsible for advising the Board will consist of executives from the Ethos Underwriters and certain employees of the existing Corporate Advisors to ensure continuity;
- EPE will provide accounting, administration, corporate finance, investment advisory, investor relations and general corporate secretarial services to BML; and
- An initial cost of ZAR100 000 000 per annum, with annual inflation linked increases. In addition, 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.

A new incentive structure will be developed to align the interests of EPE and Shareholders in terms of value creation based on annual, pre-determined key performance indicators. A new share incentive structure, which will be proposed to Shareholders for their consideration and approval at a future meeting of the Shareholders, will also be developed, aligning the interests of EPE and the Shareholders.

Brait and its existing Corporate Advisors have agreed to terminate the Advisory Agreement. The existing Corporate Advisors will continue in their role of providing the investment advisory services to Brait until the date on which EPE assumes the mandate. Brait has agreed with the existing Corporate Advisors that fees payable in terms of the amended Advisory Agreement for the period 1 October 2019 to the last day of the month following the completion of the Rights Offer, together with the cost of terminating the Advisory Agreement (including retrenchments and possible office closure costs) shall not exceed ZAR200 000 000.

The Board, with the assistance of EPE, will focus on strategies for the portfolio companies to realise value from the portfolio over the next five years and return capital to Shareholders. In addition, Brait will also re-evaluate the costs and efficiencies of the overall Group structure.

The purpose of this letter is to set out the background to, and reasons for, the EGM being called and explain why the Board believes the passing of the Resolutions is in the best interests of the Company and its Shareholders.

I am writing to you as Chairman to ask for your support.

Section 4 of this letter sets out the actions to be taken by Shareholders in respect of the EGM at which the Resolutions will be proposed.

You should read the whole of this document and the accompanying documents before taking any decision in connection with the EGM. A list of defined and technical terms used in this letter is included in the Definitions part of this Circular.

3. **SHAREHOLDER RESOLUTIONS AND THE EGM**

Notice of the Extraordinary General Meeting to be held at the registered office of the Company at 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805 Malta at 11:00 (CET) on 14 January 2020 is set out in Section 1 of Annex 1 (Notice of Extraordinary General Meeting) of this Circular. A summary and explanation of the Resolutions is set out below, but please note that this does not contain the full text of the Resolutions and you should read this section in conjunction with the Resolutions in the Notice of Extraordinary General Meeting. A summary of the actions you should take is set out in section 4 of this letter and the Form of Proxy that accompanies this Circular.

Resolution 1 – Authorised Share Capital Resolution: seeks the approval of the Shareholders to increase the authorised share capital of the Company from €330 200 000 divided into 1 500 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each to €1 100 200 000 divided into 5 000 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each.

Resolutions 2, 3 and 4 – Issue and Allotment Resolutions: seek the approval of the Shareholders to provide the Directors with the necessary authority and power to issue and allot sufficient New Shares (or grant options or rights to subscribe for or convert into New Shares):

- up to an aggregate nominal amount equal to €92 656 156 (being approximately 80.1 per cent. of the nominal value of the issued share capital) in connection with the grant of conversion rights and their exercise by holders of the Bonds (Resolution 2);
- up to an aggregate nominal amount equal to €398 275 862 (being approximately 344.4 per cent. of the nominal value of the issued share capital) in connection with the Rights Offer (Resolution 3); and
- up to an aggregate nominal amount equal to €26 551 724 (being approximately 23.0 per cent. of the nominal value of the issued share capital) in connection with the Top-Up Subscription (Resolution 4).

These authorities shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company.

Resolutions 2, 3 and 4 are conditional upon Resolution 1 being passed.

Resolutions 5, 6 and 7 – Disapplication Resolutions: seek the approval of the Shareholders to confer on the Directors the power to issue and allot equity securities non pre-emptively:

- up to an aggregate nominal value of €92 656 156 in connection with the issue of the Bonds (Resolution 5);
- up to an aggregate nominal value of €398 275 862 in connection with the Rights Offer. This is intended so as to permit the Company (i) to make arrangements not to allot or issue New Shares to Shareholders in a jurisdiction where such allotment or issue would or may infringe the relevant laws or regulations in such jurisdiction or would or may require obtaining any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of the Company, it would be unable to comply or which is unduly onerous, and (ii) to disapply entitlements under the Rights Offer in respect of the Brait Treasury Shares (Resolution 6); and
- up to an aggregate nominal value of €26 551 724 in connection with the Top-Up Subscription (Resolution 7).

These authorities shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company.

The Disapplication Resolution in 5 is conditional upon Resolution 1 and Resolution 2 being passed. The Disapplication Resolution in 6 is conditional upon Resolution 1 and Resolution 3 being passed. The Disapplication Resolution in 7 is conditional upon Resolution 1 and Resolution 4 being passed.

Resolution 8 – Cancellation of Brait Treasury Shares Resolution: seeks the approval of the Shareholders to approve the reduction of the issued share capital of the Company by the cancellation of the Brait Treasury Shares.

Resolution 9 – Adoption of New Articles Resolution: seeks the approval of the Shareholders to adopt the New Articles reflecting the increase of authorised share capital.

In the New Articles, authorised share capital of the Company is changed to €1 100 200 000 divided into 5 000 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each.

Resolutions 1, 5, 6, 7, 8 and 9 are proposed as extraordinary resolutions and Resolutions 2, 3 and 4 are proposed as ordinary resolutions. The extraordinary resolutions will require the approval of: (a) not less than 75 per cent. in nominal value of the Shares represented and entitled to vote at the EGM; and (b) at least 51 per cent. in nominal value of all the Shares entitled to vote at the EGM. The ordinary resolutions will require the approval of a simple majority of voting rights attached to the Shares represented and entitled to vote at the EGM.

Subject to Shareholder approval and the satisfaction of the other conditions and requirements of the LuxSE and JSE, it is currently expected that the Rights Offer will complete by 19 February 2020.

Shareholders should note that there is no guarantee that the Rights Offer will complete. The expected dates relating to the Rights Offer are also subject to change. The Board may, at any time prior to the Rights Offer becoming effective, refrain from completing the Rights Offer (or delay the completion thereof) if, in its sole discretion, it considers it to be in the best interest of the Company.

4. ACTION TO BE TAKEN IN RESPECT OF THE EGM

Please take note of the following provisions regarding the action required by Certificated Shareholders and Dematerialised Shareholders in respect of the EGM.

An EGM will be held at the Company's registered office, 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta at 11:00 (CET) on 14 January 2020 for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and extraordinary resolutions set out in the attached Notice of Extraordinary General Meeting.

4.1 If you are a Dematerialised Shareholder without "own name" registration

4.1.1 Voting at the EGM

Your CSDP or broker should contact you to ascertain how you wish to cast your vote at the EGM and thereafter cast your vote in accordance with your instructions.

If you have not been contacted, it would be advisable for you to contact your CSDP or broker and furnish it with your voting instructions.

If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP or broker.

You must not complete the attached Form of Proxy (*blue*).

4.1.2 Attendance and representation at the EGM

In accordance with the custody agreement between you and your CSDP or broker, you must advise your CSDP or broker if you wish to attend the EGM in person and your CSDP or broker will issue the necessary letter of representation for you to attend the EGM. You are required to provide a copy of your letter of representation to the Company by no later than 11:00 (CET) on 13 January 2020.

4.2 If you are a Certificated Shareholder or Dematerialised Shareholder with "own name" registration

4.2.1 Voting, attendance and representation at the EGM

You may attend and vote at the EGM in person.

Alternatively, you may appoint a proxy to represent you at the EGM by completing the attached Form of Proxy (*blue*) in accordance with the instructions contained therein, which form must be delivered or posted directly to the registered office of the Company (at 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta) to be received by no later than 11:00 (CET) on 13 January 2020 (being not less than 24 hours before the time fixed for the EGM) or to the Luxembourg Registrar and Transfer Agent (at Maitland Luxembourg S.A., 58, rue Charles Martel L-2134, Luxembourg) or to the South African Registrar and Transfer Agent (Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa), as applicable, to be received by no later than 11:00 (CET) on 13 January 2020 in order to enable the Luxembourg Registrar and Transfer Agent or the South African Registrar and Transfer Agent to forward it on your behalf, for receipt by the Company Secretary by no later than 11:00 (CET) on 13 January 2020 (being not less than 24 hours before the time fixed for the EGM).

5. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, collectively and individually, accept responsibility for the information contained in this Circular and certify that, to the best of their knowledge and belief (after taking all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

6. **CONSENTS**

Each of the advisors named on the inside of the front cover of this Circular has consented and has not, prior to the date of this Circular, withdrawn its written consent to the inclusion of its name in the form and context in which it appears in this Circular.

7. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the Company's registered office at 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta:

- (a) this Circular and the Notice of Extraordinary General Meeting;
- (b) the New Articles.

These documents are also available on the Company's website, www.brait.com.

8. **RECOMMENDATION AND IRREVOCABLE UNDERTAKINGS**

The Board considers that the Recapitalisation and cancellation of Brait Treasury Shares set out in this Circular and the Resolutions to be proposed at the EGM are in the best interest of the Company and Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of all the Resolutions to be proposed at the EGM, as the Directors intend to do or procure in respect of their own beneficial holdings.

The Company has received irrevocable undertakings to vote in favour of the Resolutions from Titan in respect of its and its affiliates holdings in the Company amounting to, in aggregate, 188 730 749 existing Shares, representing approximately 40.0 per cent. of the existing Shares (excluding the Brait Treasury Shares).

The Company has also received irrevocable undertakings to vote in favour of the Resolutions from other major institutional Shareholders in respect of their holdings in the Company amounting to, in aggregate, 127 737 431 existing Shares, representing approximately 27.1 per cent. of the existing Shares (excluding the Brait Treasury Shares).

Shareholders should note that, notwithstanding the passing of the Resolutions to be proposed at the EGM, there can be no guarantee that the launch of the Rights Offer will take place or, if the launch of the Rights Offer does take place, that the Rights Offer Shares will be issued.

Yours faithfully

Phillip Moleketi
Chairman

For and on behalf of the Board

Brait SE

4 December 2019

SECTION 1: NOTICE OF EXTRAORDINARY GENERAL MEETING



BRAIT SE

(Registered in Malta as a European Company)
 (Registration number SE1)
 4th Floor, Avantech Building, St Julian's Road
 San Gwann, SGN 2805, Malta
 Listed in Luxembourg and South Africa
 Share code: BAT ISIN: LU0011857645
 LEI code: 549300VB8GBX4UO7WG59
 Bond code: WKN: A1Z6XC ISIN: XS1292954812
 (the "Company" or "Brait")

Notice is hereby given that an extraordinary general meeting (the "EGM") of Brait will be held at 4th Floor, Avantech Building, St Julian's Road, San Gwann, SGN 2805, Malta on 14 January 2019 at 11:00 (CET) (or shortly thereafter in case of delays) to consider and, if thought fit, pass the following resolutions.

The resolutions are proposed in connection with (i) the fully committed and underwritten renounceable rights offer expected to raise gross proceeds of ZAR5 250 000 000 (the "Rights Offer"), (ii) a potential non-preemptive subscription by Ethos Capital and Ethos Fund VII of up to an additional ZAR350 000 000 (the "Top-Up Subscription") and (iii) an issuance of new convertible bonds (the "Bonds").

In addition, a resolution is proposed for the reduction of the Company's issued share capital by the cancellation of ordinary shares in the capital of the Company held by Maitland Malta Limited as trustee of the Brait Investment Trust ("BIT") and by Brait Mauritius Limited ("BML").

Each of Resolutions 1, 5, 6, 7, 8 and 9 will be proposed as an extraordinary resolution and each of Resolutions 2, 3 and 4 will be proposed as an ordinary resolution.

Each extraordinary resolution will require the approval of: (a) not less than 75 per cent. in nominal value of the Shares represented and entitled to vote at the EGM; and (b) at least 51 per cent. in nominal value of all the ordinary shares of the Company (the "Shares") entitled to vote at the EGM.

The ordinary resolution will require the approval of a simple majority of voting rights attached to the Shares represented and entitled to vote at the EGM.

INCREASE OF AUTHORISED SHARE CAPITAL

- THAT**, the authorised share capital of the Company be increased from €330 200 000 divided into 1 500 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each to €1 100 200 000 divided into 5 000 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each.

Purpose and explanatory notes

The purpose of this resolution is to increase the authorised share capital of the Company allowing for the issue of Shares in connection with the grant of conversion rights and their exercise by holders of the Bonds, the Rights Offer and the Top-Up Subscription. The effect of this resolution will be to increase the Company authorised ordinary share capital from 1 500 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each to 5 000 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative non-participating preference shares of €0.01 each.

This resolution is proposed as an extraordinary resolution in accordance with the requirements of the Maltese Companies Act (Cap. 386 of the Laws of Malta) (the "Maltese Act") and the memorandum and articles of association of the Company (the "Articles").

DIRECTORS' AUTHORITY TO ISSUE SHARES AND/OR GRANT OPTIONS OR RIGHTS

- THAT**, subject to and conditional on the passing of Resolution 1, in addition to all existing authorities which shall continue in full force and effect to the extent unutilised, the directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to issue and allot ordinary shares in the Company or to grant rights to subscribe for or to convert any securities into ordinary shares in the Company up to an aggregate nominal amount of €92 656 156 in connection with the grant of conversion rights and their exercise by holders of the Bonds. Unless previously renewed, revoked or

varied, the authority conferred by this Resolution shall apply in addition to all other statutory authorities and shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

3. **THAT**, subject to and conditional on the passing of Resolution 1, in addition to all existing authorities which shall continue in full force and effect to the extent unutilised, the directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to issue and allot ordinary shares in the Company or to grant rights to subscribe for or to convert any securities into ordinary shares in the Company, up to an aggregate nominal amount of €398 275 862 in connection with the Rights Offer. Unless previously renewed, revoked or varied, the authority conferred by this Resolution shall apply in addition to all other statutory authorities and shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.
4. **THAT**, subject to and conditional on the passing of Resolution 1, in addition to all existing authorities which shall continue in full force and effect to the extent unutilised, the directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to issue and allot ordinary shares in the Company or to grant rights to subscribe for or to convert any securities into ordinary shares in the Company, up to an aggregate nominal amount of €26 551 724 in connection with the Top-Up Subscription. Unless previously renewed, revoked or varied, the authority conferred by this Resolution shall apply in addition to all other statutory authorities and shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

Purpose and explanatory notes

At the annual general meeting of the Company on 31 July 2019, the board of directors was authorised to issue shares or grant options or rights in the Company which in aggregate do not exceed 10 (ten) per cent. of the aggregate nominal value of the Company's issued share capital. It is proposed that the Board's issue and allotment authority be extended to issue and allot shares and/or grant options or rights in connection with the grant of conversion rights and their exercise by holders of the Bonds, the Rights Offer and the Top-Up Subscription up to the aggregate nominal amounts indicated.

These Resolutions are proposed as ordinary resolutions in accordance with the requirements of the Maltese Act and the Articles.

These authorities shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company.

DISAPPLICATION OF PRE-EMPTION RIGHTS

5. **THAT**, subject to and conditional on the passing of Resolution 1 and Resolution 2, the Directors be authorised to issue and allot equity securities up to an aggregate nominal amount of €92 656 156 in connection with the Bonds, as if Article 88 of the Maltese Act did not apply to any such allotment. Unless previously renewed, revoked or varied, the authority conferred by this Resolution shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.
6. **THAT**, subject to and conditional on the passing of Resolution 1 and Resolution 3, the Directors be authorised to issue and allot equity securities up to an aggregate nominal amount of €398 275 862, as if Article 88 of the Maltese Act did not apply to any such allotment, in connection with the Rights Offer, so as to permit the Company (i) to make arrangements not to allot or issue New Shares to Shareholders in a jurisdiction where such allotment or issue would or may infringe the relevant laws or regulations in such jurisdiction or would or may require obtaining any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of the Company, it would be unable to comply or which is unduly onerous, and (ii) to disapply entitlements under the Rights Offer in respect of the Brait Treasury Shares. Unless previously renewed, revoked or varied, the authority conferred by this Resolution shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

7. **THAT**, subject to and conditional on the passing of Resolution 1 and Resolution 4, the Directors be authorised to issue and allot equity securities up to an aggregate nominal amount of €26 551 724, as if Article 88 of the Maltese Act did not apply to any such allotment, in connection with the Top-Up Subscription. Unless previously renewed, revoked or varied, the authority conferred by this Resolution shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company, provided that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be issued or allotted or rights to subscribe for or convert any security into shares to be granted after the authority expires and the directors of the Company may issue and allot shares or grant such rights under such an offer or agreement as if the authority conferred hereby had not expired.

Purpose and explanatory notes

The board of Directors is proposing that it be granted authority by the Company at the EGM to restrict or withdraw the statutory pre-emption rights of the Shareholders to implement the decision to issue the Bonds, and to carry out the Rights Offer and the Top-Up Subscription. These Resolutions will grant authorities to the Directors to issue and allot equity securities up to an aggregate nominal value of €517 483 742 pursuant to the authorities given by Resolutions 2, 3 and 4 without the equity securities first being offered to Shareholders in proportion to their shareholdings.

Whereas the Board believes such authorities will always be exercised in the best interest of the Company (as outlined in this Circular in connection with the Recapitalisation), a restriction or withdrawal of these rights can lead to a dilution of existing Shareholders.

Resolution 5 is proposed to ensure that equity securities (specifically the Bonds) can be issued on a non-pre-emptive basis and ordinary shares of the Company can be issued in connection with the grant of conversion rights and their exercise by holders of the Bonds.

Resolution 6 is proposed to provide the Company the flexibility to make arrangements not to allot or issue New Shares pursuant to the Rights Offer in accordance with the strict pre-emption requirements of the Maltese Act. This is intended to allow the Company to (a) make arrangements in relation to Shareholders in a jurisdiction where such allotment or issue would or may infringe the relevant laws or regulations in such jurisdiction or would or may require obtaining any governmental or other consent or to effect any registration, filing or other formality with which, in the opinion of the Company, it would be unable to comply or which is unduly onerous, and (b) disenfranchise the Brait Treasury Shares from participating in the Rights Offer prior to their cancellation.

Resolutions 7 is proposed to provide the Company the authority allot New Shares non-pre-emptively to Ethos in connection with the Top-Up Subscription.

Resolutions 5, 6 and 7 are proposed as extraordinary resolutions in accordance with the requirements of the Maltese Act and the Articles.

The authorities shall expire on the later of 14 April 2021 and the conclusion of the next annual general meeting of the Company.

CANCELLATION OF BRAIT TREASURY SHARES

8. **THAT**, subject to the provisions of article 83 of the Companies Act (Chapter 386 of the Laws of Malta), the issued share capital of the Company be reduced by the cancellation of (i) the 17 475 070 Shares of a nominal value of €0.22 each in the Company held by Maitland Malta Limited as trustee of BIT and (ii) the 36 616 189 Shares of a nominal value of €0.22 in the Company held by BML.

Purpose and explanatory notes

This resolution proposes to cancel the 17 475 070 Shares in the Company held by Maitland Malta Limited as trustee of BIT and the 36 616 189 Shares in the Company held by BML for no consideration in accordance with the Maltese Act. If approved, the Resolution will be published and three months following publication, the Brait Treasury Shares will be cancelled.

The reason for seeking the above authorisation to cancel the Brait Treasury Shares is to simplify the Company's capital structure and adjust it to the Company's needs and thereby seek to contribute to increased shareholder value.

ADOPTION OF NEW ARTICLES

9. **THAT**, subject to and conditional on the passing of Resolution 1, the new memorandum and articles of association presented to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the memorandum and articles of the Company in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company.

Purpose and explanatory notes

The purpose of Resolution 9 is to adopt a new memorandum and articles of association of the Company reflecting the increase in authorised share capital.

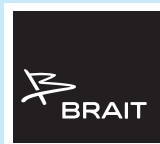
In the New Articles, the authorised share capital of the Company is changed to €1 100 200 000 divided into 5 000 000 000 ordinary shares of €0.22 each and 20 000 000 cumulative, non-participating preference shares of €0.01 each.

By order of the Board

Company Secretary

4 December 2019

SECTION 2: FORM OF PROXY



BRAIT SE

(Registered in Malta)

(Registered address: 4th Floor, Avantech Building, St Julian's Road
San Gwann, SGN 2805, Malta)

(Registration number SE1) ISIN: LU0011857645

Share code: BAT LEI code: 549300VB8GBX4UO7WG59

(the "Company" or "Brait")

Form of Proxy for use by certificated Brait holders of ordinary shares and "own name" dematerialised Brait holders of ordinary shares only at the extraordinary general meeting of 14 January 2020 at 11:00 (CET).

For use only:

- by holders of certificated shares of the Company;
- holders of dematerialised shares in the Company held through a Central Securities Depository Participant ("CSDP") or broker and who have selected "own name" registration; and
- at the extraordinary general meeting of the Company to be held at 11:00 (CET) on 14 January 2020, at the Company's registered office or at any adjournment thereof (the "EGM").

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

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

I/We _____ (Full name(s) in BLOCK LETTERS)

of address _____ (please print)

Telephone number _____ Cellphone number _____ Email: _____

being the holder(s) of _____ ordinary shares in the Company, hereby appoint (see note):

the Chairman of the EGM or _____ in respect of all of my/our ordinary shares; or

- _____ in respect of _____ ordinary shares; and
- _____ in respect of _____ ordinary shares; and
- _____ in respect of _____ ordinary shares; and
- _____ in respect of _____ ordinary shares,

as my/our proxy/ies to attend, speak and on a poll to vote or abstain from voting on my/our behalf at the EGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary or extraordinary resolutions to be proposed thereat and at any adjournment thereof.

Please indicate with an "X" in the appropriate boxes how you wish the proxy or proxies to vote or if you wish them to abstain from voting.

If you appoint multiple proxies and wish to give them separate instructions to vote or abstain from voting, please indicate how you wish each proxy to vote or abstain from voting by writing in each appropriate box in the name of the proxy and the number of shares to be voted or withheld from voting by him or her.

I/We desire to vote as follows:

	Insert number of votes (one vote per Brait Share)		
	For	Against	Abstain
1. Increase of authorised share capital (Extraordinary resolution)			
2. Directors' authority to allot New Shares (or grant options or rights to subscribe for or convert into New Shares) in connection with the grant of conversion rights and their exercise by holders of the Bonds (Ordinary resolution)			
3. Directors' authority to allot New Shares (or grant options or rights to subscribe for or convert into) New Shares in connection with the Rights Offer (Ordinary resolution)			
4. Directors' authority to allot New Shares (or grant options or rights to subscribe for or convert into) New Shares in connection with the Top-Up Subscription (Ordinary resolution)			
5. Authority to disapply the pre-emption rights in connection with the issue of the Bonds (Extraordinary resolution)			
6. Authority to disapply the pre-emption rights in connection with the Rights Offer (Extraordinary resolution)			
7. Authority to disapply the pre-emption rights in connection with the Top-Up Subscription (Extraordinary resolution)			
8. Cancellation of Brait Treasury Shares (Extraordinary resolution)			
9. Adoption of New Articles (Extraordinary resolution)			

Signed at _____ this _____ day of _____ 20_____

NOTES TO THE FORM OF PROXY

- (i) The following dates are applicable to all Shareholders. This notice is being mailed to the Shareholders on the register of Shareholders of the Company as at 29 November 2019. Shareholders registered on the register of Shareholders as at 3 January 2020 (“**Record Date**”) shall have the right to attend, participate in and vote at the EGM. Accordingly, the last day to trade for Shareholders in order to be able to attend, participate in and vote at the EGM is 30 December 2019. Any change to an entry on the register of Shareholders after the Record Date shall be disregarded in determining the right of any person to attend and vote at the EGM.
- (ii) The proxy or proxies are to vote as instructed in respect of the resolutions specified above.
- (iii) In the absence of instructions the proxy or proxies may vote or abstain from voting the shares with respect to which he or she has been appointed as he or she thinks fit on both:
 - (a) the resolutions specified above; and
 - (b) unless instructed otherwise, on any other business (including amendments to resolutions) which may come before the EGM.
- (iv) The “Abstain” option is to allow you to instruct your proxy or proxies to abstain from voting on any of the specified resolutions. Please note that an abstention has no legal effect and will not be counted in the votes “For” or “Against” a resolution.
- (v) Any alterations to this Form of Proxy (*blue*) should be initialled.
- (vi) If you complete and return the Form of Proxy (*blue*) this will not prevent you from attending in person and voting at the EGM should you subsequently decide to do so.
- (vii) To be valid, the Form of Proxy (*blue*) must be signed and must reach the office of the Company Secretary at Brait SE, 4th Floor, Avantech Building, St Julian’s Road, San Gwann, SGN 2805, Malta by no later than 11:00 (CET) on 13 January 2020.
- (viii) Should you not wish to send the duly-completed proxy directly to the Company Secretary, you may send it to the Luxembourg Registrar and Transfer Agent or the South African Registrar and Transfer Agent.

For the Luxembourg share register:

Maitland Luxembourg S.A.
58, rue Charles Martel
L-2134
Luxembourg
Tel: + 352 402 505 462, Fax: +352 402 505 66

For the South African share register:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue,
Rosebank, 2196
South Africa
(PO Box 61051, Marshalltown, 2107)
Tel: +27 11 370 5000, Fax: +27 11 668 5200

To be received by no later than 11:00 (CET) on 13 January 2020, in order to enable the Luxembourg Registrar and Transfer Agent or the South African Registrar and Transfer Agent to send it on your behalf for receipt by the Company Secretary by no later than 11:00 (CET) on 13 January 2020.

- (ix) In order to participate in and to vote at the EGM, a Shareholder or his/her proxy is to present his/her identity card or other means of identification. In the case of a Shareholder being a body corporate, association of persons, foundation or other body of persons, a representative thereof will only be eligible to attend and be admitted to the EGM, and to vote thereat, if a Form of Proxy has been (a) duly executed in his/her favour by the competent organ of the entity which he/she represents, and (b) submitted to the Company Secretary in accordance with the procedures set out under paragraph (ii) above.
- (x) A Shareholder holding not less than 10 per cent. of the voting issued share capital of the Company may:
 - (a) request the Company to include items on the agenda of the EGM, provided that each item is accompanied by a justification or a draft resolution to be adopted at the EGM; and
 - (b) table draft resolutions for items included in the agenda of the EGM, provided that, with respect to the request to put items on the agenda of the EGM or table draft resolutions, these shall be submitted to the Company in hard copy form or in electronic form at least seven days before the date set for the EGM and it shall be authenticated by the person or persons making it. In the event that such a request or resolution is received after the lapse of the seven-day time limit set out above, the Company shall not be obliged to entertain any requests by such Shareholders.
- (xi) In the case of Shares held jointly by several persons, the person who had been nominated by the joint holders to be the registered holder of such Shares shall be entitled to attend and vote at the EGM. In the event that the joint holders failed to nominate such person, the first named joint holder on the register of Shareholders of the Company shall be entitled to attend and vote at the EGM.
- (xii) A Shareholder who is a minor may be represented at the EGM by his/her legal guardian who will be required to present his/her identity card.
- (xiii) Admission to the EGM will commence one hour before the advertised and appointed time.
- (xiv) As at 29 November 2019, the issued ordinary share capital of the Company is 525 599 215 ordinary shares (each with a nominal value of EURO.22). The total number of ordinary shares legally eligible to vote at the EGM, which excludes the 17 475 070 treasury shares in the Company held by Maitland Malta Limited, is therefore 508 124 145 ordinary shares.
- (xv) The following information is also made available to Shareholders on www.brait.com in the Investor Relations section:
 - (a) A copy of this notice.
 - (b) The total number of Shares and voting rights at the date of the notice.
 - (c) The documents to be submitted to the EGM.
 - (d) The Form of Proxy.