



TRUWORTHS
INTERNATIONAL

2026

**Unaudited Group Interim Results
and cash dividend declaration**

for the 26 weeks ended 28 December 2025

Key features

Sale of merchandise up 0.4% to

R12.1 billion

Diluted headline earnings per share up 1.7% to

491.6 cents

Retail sales unchanged at

R12.5 billion

Net asset value per share up

4.3%

Gross profit margin unchanged at

51.8%

Cash generated from operations

R2.8 billion (Dec-2024: R3.3 billion)

Operating margin unchanged at

22.5%

Share buy-backs for the current period

13.2 million shares,
R746 million (avg price R56.32)

Earnings per share up 1.2% to

494.6 cents

Net cash position

R1.1 billion (Dec-2024: R1.2 billion)

Headline earnings per share up 1.3% to

495.4 cents

Interim cash dividend per share up 1.3% to

321 cents

Group profile

Truworths International Ltd (the company) is an investment holding and management company listed on the stock exchanges operated by the JSE Ltd (JSE) and A2X (Pty) Ltd (A2X), as well as the Namibian Stock Exchange (NSX). Its principal trading entities, Truworths Ltd and Office Holdings Ltd, are engaged either directly or indirectly through subsidiaries, concessions, agencies or wholesale partnerships, in the cash and account retailing of fashion clothing, footwear, homeware and related merchandise. The company and its subsidiaries (the Group) operate primarily in South Africa and the United Kingdom (UK), and have a presence in the Republic of Ireland and other sub-Saharan African countries.

Commentary

OVERVIEW AND OPERATING CONTEXT

The Group continues to demonstrate resilience through excellent cash generation, disciplined operating and capital expenditure control, a strong balance sheet (including net cash of over R1 billion) and sector-leading financial metrics.

During the 26-week period ended 28 December 2025 (the 'current period'), the Group returned R746 million to shareholders through the repurchase of 13.2 million shares, acquired the Office UK distribution centre to support its UK expansion strategy and maintained its dividend cover.

Office UK delivered a robust trading performance in an operating environment characterised by low economic growth, a softening labour market and subdued consumer confidence. Office UK's unique positioning, strong brand appeal and the success of its store development and remodelling programme continue to position it well for future growth.

Truworths Africa recorded a slightly higher gross margin off a retail sales performance that remained constrained in the current period as South African consumers continue to face significant financial pressure. However, South Africa's macroeconomic environment is showing early signs of improvement, underpinned by a stronger Rand, inflation expectations stabilising around 3%, enhanced fiscal inflows from buoyant commodity revenues, lower fuel prices and the prospects of further monetary easing.

TRADING AND FINANCIAL PERFORMANCE

Sales

Group retail sales for the current period were unchanged at R12.5 billion, relative to the first 26 weeks (from 1 July 2024 to 29 December 2024) of the 2025 financial period (the 'prior period' or 'Dec-2024'). Online sales continue to perform well in both Truworths Africa and Office UK, contributing 21% (Dec-2024: 19%) of Group retail sales in the current period.

Retail sales performance by business segment was as follows:

	Retail sales 26 weeks to 28 Dec 2025	Change on prior period %
Group	R12.5bn	–
Truworths Africa	R8.0bn	(3.6)
Office UK	£191.9m	6.4

Account sales comprised 45% of Group retail sales (Dec-2024: 47%). Cash sales increased by 2.3%, while account sales decreased by 2.7%, relative to the prior period.

Group sale of merchandise, which comprises Group retail sales, together with wholesale sales and delivery fee income, less accounting adjustments (refer to note 8 for further information), increased 0.4% to R12.1 billion.

Commentary continued

Retail sales by segment and operating division were as follows:

	26 weeks to 28 Dec 2025 Rm	26 weeks to 29 Dec 2024 Rm	Change on prior period %
Truworths Africa	7 998	8 300	(3.6)
Truworths ladieswear	2 722	2 847	(4.4)
Truworths menswear [†]	2 012	2 049	(1.8)
Identity	1 235	1 321	(6.5)
Truworths kids emporium [#]	905	967	(6.4)
Other [@]	1 124	1 116	0.7
Office UK	4 476	4 178	7.1
Group retail sales	12 474	12 478	–
YDE agency sales	113	118	(4.2)

[†] Truworths Man, Uzzi, Daniel Hechter Mens, Fuel and LTD Mens.

[#] LTD Kids, Earthchild and Naartjie.

[@] Cosmetics, Cellular, Office London (South Africa), Truworths Jewellery, Loads of Living and Sync.

Truworths Africa

Truworths Africa's retail sales decreased by 3.6% relative to the prior period. Account sales decreased by 2.7% and comprised 71% (Dec-2024: 70%) of the segment's retail sales for the current period. Cash sales decreased by 5.8%.

Online sales delivered strong growth, increasing by 23.3% and contributing 7.4% to the segment's retail sales (Dec-2024: 5.8%).

Office UK

Office UK's retail sales increased by 6.4% to £191.9 million relative to the prior period. In Rand terms, Office UK's retail sales increased by 7.1% to R4.5 billion. Online sales continued to perform well, increasing by 7.5% (in Sterling) and comprising 45.7% of the segment's retail sales (Dec-2024: 45.2%).

Gross profit

The Group's gross profit margin was unchanged at 51.8%.

Truworths Africa's gross profit margin increased to 54.0% (Dec-2024: 53.6%), while the gross profit margin in Office UK decreased to 48.0% (Dec-2024: 48.2%). These movements primarily reflect changes in promotional activity in each segment.

Trading space

The store development and remodelling programme in Office UK continues to yield favourable returns while the focus in Truworths Africa remains on optimising the existing store portfolio and growing space incrementally as opportunities arise.

At the end of the current period, the Group had 903 stores, including 11 concession outlets (Dec-2024: 898 stores, including 11 concession outlets).

Truworths Africa opened 22 stores and closed 21, while Office UK opened five stores and closed one. This resulted in an increase in trading space of 0.7%, comprising an increase of 0.4% in Truworths Africa and 10.7% in Office UK.

Trading profit

Group trading profit, which excludes interest income, increased 2.8% to R2.1 billion. The trading margin increased to 17.2% from 16.8% in the prior period.

Excluding IFRS 16 gains on lease modifications of R57 million (Dec-2024: R5 million), other income increased 5.2%.

Management remains committed to rigorous expense control in the current trading environment. Trading expenses for the current period increased by 0.9% to R4.5 billion compared to the prior period, and constituted 36.9% (Dec-2024: 36.8%) of sale of merchandise:

- Trading expenses in Truworths Africa were contained and decreased 1.9%. Excluding foreign exchange losses of R23 million recognised in the current period, trading expenses decreased 2.6%, primarily driven by a reduction in trade receivable costs.

- In Office UK, trading expenses increased 8.5% (in Sterling), mainly due to the expansion and renovation of the store portfolio, higher national minimum wages and national insurance contribution rates, and increased digital marketing spend to support e-commerce growth.

Interest income

Interest income decreased 8.1% to R616 million (Dec-2024: R670 million), mainly due to lower interest rates and the contraction in the Truworths Africa active trade receivables.

Profit before finance costs and tax

Group profit before finance costs and tax was unchanged at R2.7 billion.

Finance costs

Finance costs decreased by 1.2% to R255 million (Dec-2024: R258 million).

Earnings

Headline earnings per share (HEPS) and diluted HEPS (DHEPS) for the current period increased by 1.3% and 1.7% respectively, to 495.4 cents and 491.6 cents compared to the prior period's 489.2 cents and 483.2 cents, respectively.

Dividend

An interim gross cash dividend of 321 cents per share has been declared (Dec-2024: 317 cents per share), maintaining the dividend cover at 1.5 times.

FINANCIAL POSITION

The Group's financial position remains strong with net asset value per share increasing by 4.3% to 2 983 cents per share (Dec-2024: 2 861 cents per share).

Property, plant and equipment increased by 6.8% to R2.9 billion (Dec-2024: R2.7 billion), mainly as a consequence of capital expenditure on store development in Truworths Africa and Office UK, as well as the acquisition of the Office UK distribution centre.

Commentary continued

Inventories increased by 5.3% to R2.5 billion (Dec-2024: R2.3 billion) and the Group's inventory turn was 4.7 times (Dec-2024: 5.0 times). Truworths Africa's gross inventory was unchanged at R1.8 billion and inventory turn decreased from 4.8 times in the prior period to 4.5 times in the current period. In Office UK, gross inventory increased by 12.1% to £46.4 million (Dec-2024: £41.4 million) aligned with trading space growth, and inventory turn (measured in Sterling) decreased to 4.9 times (Dec-2024: 5.3 times). Inventory turn for both Truworths Africa and Office UK were within their respective target ranges.

ACCOUNT MANAGEMENT

Gross trade receivables in respect of the active account portfolio (relating to the Truworths, Identity and YDE businesses) decreased by 2.1% to R6.9 billion (Dec-2024: R7.1 billion). The number of active credit accounts increased by 0.6% to approximately 2.9 million compared to the prior period-end. The reduction in the active trade receivables follows Truworths Africa's disciplined strategy to moderate credit book expansion during the 2025 financial year, particularly within higher-risk segments.

The expected credit loss (ECL) allowance in respect of the Truworths Africa active trade receivables portfolio decreased to 20.4% of gross active trade receivables (Dec-2024: 20.9%). Active account holders able to purchase and overdue balances to gross trade receivables were at 82% and 13% (Dec-2024: 83% and 12%), respectively.

Accounts as an enabler of merchandise sales

Truworths Africa uses accounts as an enabler of merchandise sales to customers in the mainstream middle-income market, as opposed to operating a financial services business which management views as a distraction from the essence of the retail business. Other than a low annual account service fee of R66 per annum (for routine administration and fraud protection) there are no other fees charged to customers, such as initiation fees, club fees, or magazine fees. Financial services income constitutes only 0.6% (Dec-2024: 0.6%) of sale of merchandise (refer to note 8 for further information).

CAPITAL MANAGEMENT

The Group remains highly cash generative and continues to apply a disciplined capital allocation framework that prioritises dividends, reinvestment in the core business to support organic growth, share buy-backs at earnings accretive levels, and acquisitions aligned with its Business Philosophy.

During the current period, the Group generated cash from operations of R2.8 billion, which was used to fund dividend payments (R649 million), capital expenditure (R340 million) and share buy-backs (R746 million).

The Group had net cash of R1.1 billion at the current period-end (Dec-2024: net cash of R1.2 billion), notwithstanding the repurchase of 13.2 million of the company's shares for a total of R746 million and the acquisition of the Office UK distribution centre for £4.5 million (R105 million) during the current period. Net cash to equity and net cash to EBITDA were 10.1% and 0.2 times respectively (Dec-2024: 11.4% and 0.2 times).

The cash realisation rate, which is a measure of how profits are converted into cash, was 103% for the current period (Dec-2024: 117%). The prior period cash realisation rate benefitted from one fewer month-end payment due to the cut-off of the retail calendar, and would have been approximately 85% on a comparable basis.

OUTLOOK

Retail sales in Truworths Africa for the first seven weeks of the second half of the 2026 financial period increased by 0.6% at an improved gross profit margin compared to the corresponding seven weeks of the 2025 financial period.

Retail sales in Office UK increased by 3.4% in Sterling, but decreased by 1.7% in Rand terms due to the stronger Rand/Pound exchange rate relative to the corresponding prior period.

Group retail sales decreased by 0.2%, with account sales increasing by 3.0% and cash sales decreasing by 2.9%. Group retail sales for the first seven weeks are impacted by the stronger Rand/Pound exchange rate, relative to the corresponding prior period.

Truworths Africa

The stronger Rand/US Dollar exchange rate, sustained low inflation and the potential for further monetary policy easing are positive for South Africa's growth prospects and supportive of a recovery in retail spending over the medium term.

However, consumer discretionary spending is expected to remain under pressure in the short term as low economic growth, elevated household debt, high unemployment and moderate wage growth continue to weigh on consumer confidence. In this constrained environment, the Group will continue to adopt a disciplined and measured approach to credit extension and cost management.

Management aims to drive sales by enhancing the appeal of Truworths' aspirational fashion ranges through enhanced buying and planning processes, capitalising on the significant loyalty base and its 2.9 million active account customers, and sustaining the growth momentum in online sales. These strategies will be supported by leveraging the capabilities of the new distribution centre to enhance product allocation to stores and improve supply chain efficiency. Trading space in Truworths Africa is expected to increase by approximately 1% for the 2026 financial period.

Office UK

Office UK continues to operate in a challenging UK retail environment, marked by constrained discretionary spending, high living costs, rising unemployment, negative consumer sentiment and ongoing economic uncertainty.

Access to the most in-demand styles remains a key strength of the Office UK brand, appealing to customers through its omni-channel presence of physical stores in prime locations, concession outlets within leading department stores and a world-class online platform.

The continued success of Office UK's store development programme, including new store openings and the remodelling of existing stores in strategic locations, is enhancing access to the brand and reinforcing its unique market positioning. Trading space in Office UK is anticipated to increase by approximately 10% to 12% on a weighted-average basis for the 2026 financial period.

H Saven

Chairman

MS Mark

Chief Executive Officer

Commentary continued

INTERIM CASH DIVIDEND

The directors of the company have resolved to declare an interim gross cash dividend from retained earnings in respect of the 26-week period ended 28 December 2025 in the amount of 321 South African cents (Dec-2024: 317 South African cents) per ordinary share to shareholders reflected in the company's register on the record date, being Friday, 20 March 2026.

The last day to trade in the company's shares *cum* dividend is Tuesday, 17 March 2026. Consequently, no dematerialisation or rematerialisation of the company's shares may take place over the period from Wednesday, 18 March 2026 to Friday, 20 March 2026, both days inclusive. Trading in the company's shares *ex* dividend will commence on Wednesday, 18 March 2026. The dividend is scheduled to be paid in South African Rand (ZAR) on Monday, 23 March 2026.

Dividends will be paid net of dividends tax (currently 20%), to be withheld and paid to the South African Revenue Service. Such tax must be withheld unless beneficial owners of the dividend have provided the necessary documentary proof to the relevant regulated intermediary (being a broker, Central Securities Depository (CSD) participant, nominee company or the company's transfer secretaries, Computershare Investor Services (Pty) Ltd, Private Bag X9000, Saxonwold, 2132, South Africa) that they are exempt therefrom, or entitled to a reduced rate, as a result of a double taxation agreement between South Africa and the country of tax domicile of such owner.

The withholding tax, if applicable at the rate of 20%, will result in an interim net cash dividend per ordinary share of 256.8 South African cents. The company had 404 498 899 ordinary shares in issue at the date of issue of these summarised Group interim results. The dividend on 32 228 400 of these shares (at the date of this announcement) held by Group subsidiaries as treasury shares for their own account will flow back into the Group. In accordance with the company's memorandum of incorporation the dividend will only be paid by electronic funds transfer, and no cheque payments will be made. Accordingly, shareholders who have not yet provided their bank account details should do so to the company's transfer secretaries.

The directors have determined that gross dividends amounting to less than 2 000 South African cents, due to any one shareholder of the company's shares held in certificated form, will not be paid, unless otherwise requested in writing, but the net amount thereof will be aggregated with other such net amounts and donated to a charity to be nominated by the directors of the company.

On behalf of the board.

D Pask

Company Secretary

Cape Town
26 February 2026

One Capital

JSE Sponsor

Merchantec Capital

NSX Sponsor

Condensed Group Statements of Financial Position

	Note	at 28 Dec 2025 Unaudited Rm	at 29 Dec 2024 Unaudited Rm	at 29 Jun 2025 Audited Rm
ASSETS				
Non-current assets				
Property, plant and equipment		8 626	8 580	8 661
Right-of-use assets		2 933	2 745	2 768
Intangible assets		3 291	3 305	3 341
Goodwill		1 511	1 573	1 625
Loans and receivables		294	294	294
Assets held at fair value		-	28	28
Deferred tax		366	328	353
		231	307	252
Current assets				
Inventories		11 562	11 612	11 243
Trade and other receivables	4	2 474	2 349	2 465
Assets held at fair value		5 961	5 983	5 473
Derivative financial assets		1 997	2 115	2 224
Prepayments		-	16	-
Cash and cash equivalents		145	143	117
		985	1 006	964
Total assets		20 188	20 192	19 904
EQUITY AND LIABILITIES				
Total equity				
Share capital*	5	10 879	10 727	10 731
Treasury shares	6	-	-	-
Retained earnings		(2 184)	(1 810)	(1 782)
Non-distributable reserves		13 008	12 163	11 920
		55	374	593
Non-current liabilities				
Lease liabilities		3 262	3 314	3 362
Provisions		2 667	2 698	2 697
Put option liability		175	190	234
Post-retirement medical benefit net obligation		-	27	-
Leave pay obligation		22	31	19
Deferred tax		18	22	18
		380	346	394
Current liabilities				
Trade and other payables		6 047	6 151	5 811
Interest-bearing borrowings		2 576	2 724	1 981
Bank overdraft		1 205	1 480	1 479
Lease liabilities		658	413	975
Provisions		1 127	1 087	1 045
Put option liability		221	218	210
Derivative financial liabilities		30	30	33
Tax payable		34	-	25
		196	199	63
Total liabilities		9 309	9 465	9 173
Total equity and liabilities		20 188	20 192	19 904
Number of shares in issue (net of treasury shares)	(millions)	364.7	374.9	375.4
Net asset value per share	(cents)	2 983	2 861	2 859

* Zero due to rounding.

Condensed Group Statements of Comprehensive Income

	Note	26 weeks to 28 Dec 2025 Unaudited Rm	26 weeks to 29 Dec 2024 Unaudited Rm	change %	52 weeks to 29 Jun 2025 Audited Rm
Revenue	8	12 927	12 931	–	23 071
Sale of merchandise	8	12 114	12 063	0.4	21 323
Cost of sales		(5 838)	(5 819)		(10 389)
Gross profit		6 276	6 244	0.5	10 934
Other income	8	281	218		405
Trading expenses		(4 472)	(4 434)	0.9	(8 447)
Depreciation and amortisation		(752)	(758)		(1 500)
Employment costs		(1 417)	(1 398)		(2 771)
Occupancy costs		(617)	(564)		(1 145)
Trade receivable costs		(785)	(874)		(1 260)
Net bad debt and expected credit loss allowances raised		(740)	(815)		(1 164)
Other trade receivable costs		(45)	(59)		(96)
Other operating costs		(901)	(840)		(1 771)
Trading profit		2 085	2 028	2.8	2 892
Interest income	8	616	670	(8.1)	1 351
Dividend income	8	19	15		31
Profit before finance costs and tax		2 720	2 713	0.3	4 274
Finance costs		(255)	(258)	(1.2)	(525)
Profit before tax		2 465	2 455	0.4	3 749
Tax expense		(631)	(626)		(953)
Profit for the period		1 834	1 829	0.3	2 796
Attributable to:					
Equity holders of the company		1 832	1 825		2 790
Holders of the non-controlling interest		2	4		6
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods		(358)	72		237
Movement in foreign currency translation reserve		(358)	72		237
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		–	11		36
Re-measurement gains on defined benefit plans		–	–		7
Fair value adjustment on assets held at fair value through other comprehensive income		–	11		29
Other comprehensive (loss)/income for the period, net of tax		(358)	83		273
Attributable to:					
Equity holders of the company		(357)	82		271
Holders of the non-controlling interest		(1)	1		2
Total comprehensive income for the period		1 476	1 912		3 069
Attributable to:					
Equity holders of the company		1 475	1 907		3 061
Holders of the non-controlling interest		1	5		8
Basic earnings per share	(cents)	494.6	488.6	1.2	745.2
Diluted basic earnings per share	(cents)	490.8	482.7	1.7	736.5

Condensed Group Statements of Changes in Equity

	Share capital* Rm	Treasury shares Rm	Retained earnings Rm	Non-distributable reserves Rm	Equity holders of the company Rm	Holders of the non-controlling interest Rm	Total equity Rm
Dec-2025							
Balance at the beginning of the period	-	(1 782)	11 920	593	10 731	-	10 731
Total comprehensive income for the period	-	-	1 832	(357)	1 475	1	1 476
Profit for the period	-	-	1 832	-	1 832	2	1 834
Other comprehensive loss for the period	-	-	-	(357)	(357)	(1)	(358)
Dividends declared	-	-	(649)	-	(649)	-	(649)
Shares repurchased	-	(746)	-	-	(746)	-	(746)
Repurchased shares cancelled	-	222	(222)	-	-	-	-
Treasury shares sold	-	17	-	-	17	-	17
Transfer between reserves	-	-	132	(132)	-	-	-
Shares vested in terms of the 2012 share scheme	-	105	(5)	(100)	-	-	-
Share-based payments	-	-	-	47	47	-	47
Movement in put option liability	-	-	-	4	4	(1)	3
Balance at 28 December 2025	-	(2 184)	13 008	55	10 879	-	10 879
Dec-2024							
Balance at the beginning of the period	-	(1 920)	11 093	333	9 506	-	9 506
Total comprehensive income for the period	-	-	1 825	82	1 907	5	1 912
Profit for the period	-	-	1 825	-	1 825	4	1 829
Other comprehensive income for the period	-	-	-	82	82	1	83
Dividends declared	-	-	(756)	-	(756)	-	(756)
Shares vested in terms of the 2012 share scheme	-	110	-	(110)	-	-	-
Share appreciation rights expired	-	-	1	(1)	-	-	-
Share-based payments	-	-	-	67	67	-	67
Movement in put option liability	-	-	-	3	3	(5)	(2)
Balance at 29 December 2024	-	(1 810)	12 163	374	10 727	-	10 727

* Zero due to rounding.

Condensed Group Statements of Cash Flows

	Note	26 weeks to 28 Dec 2025 Unaudited Rm	26 weeks to 29 Dec 2024 Unaudited Rm	52 weeks to 29 Jun 2025 Audited Rm
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash flow from profit before tax		2 859	2 823	4 675
Working capital movements	11	(51)	459	166
Cash generated from operations		2 808	3 282	4 841
Interest received		618	624	1 345
Dividends received		19	15	31
Finance costs paid		(255)	(249)	(512)
Tax paid		(460)	(590)	(968)
Cash inflow from operations		2 730	3 082	4 737
Dividends paid		(649)	(756)	(1 972)
Net cash from operating activities		2 081	2 326	2 765
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of plant and equipment to expand operations		(147)	(244)	(428)
Acquisition of plant and equipment to maintain operations		(191)	(157)	(187)
Acquisition of computer software		(2)	(28)	(59)
Premiums paid to insurance cell		-	-	(4)
Amounts received from insurance cell		2	-	1
Loans and receivables repaid		28	-	-
Proceeds from disposal of mutual fund units		-	1	1
Investment in mutual fund units		-	-	(2)
Investment in money market funds		(6 149)	(2 927)	(7 248)
Disinvestment from money market funds		6 232	2 311	6 536
Interest received from money market funds		-	42	-
Net cash used in investing activities		(227)	(1 002)	(1 390)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds on disposal of treasury shares	6	17	-	10
Shares repurchased by the company and subsidiaries	6	(746)	-	-
Borrowings repaid		(268)	-	-
Lease liability payments		(457)	(458)	(1 105)
Acquisition of non-controlling interest		-	-	(31)
Net cash used in financing activities		(1 454)	(458)	(1 126)
Net increase in cash and cash equivalents		400	866	249
Net cash and cash equivalents at the beginning of the period		(11)	(298)	(298)
Net foreign exchange difference		(62)	25	38
NET CASH AND CASH EQUIVALENTS AT THE REPORTING DATE		327	593	(11)

Selected Explanatory Notes

1. STATEMENT OF COMPLIANCE

The unaudited condensed Group interim financial statements for the 26-week period ended 28 December 2025 (interim report) have been prepared in compliance with, and contain the information required by, the International Financial Reporting Standards (IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB)), specifically IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the Companies Act (71 of 2008, as amended) of South Africa and the JSE Listings Requirements.

The interim report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the 52-week period ended 29 June 2025. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The information contained in the interim report has neither been audited nor reviewed by the Group's external auditors. The interim report has been prepared under the supervision of Mr EPPM Cristaudo, the Chief Financial Officer of the Group.

2. BASIS OF PREPARATION

The interim report has been prepared in accordance with the going concern and historical cost bases except where otherwise indicated. The accounting policies are applied consistently throughout the Group. The presentation and functional currency used in the preparation of the interim report is the South African Rand (ZAR or Rand) and all amounts are rounded to the nearest million, except where otherwise indicated.

3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

3.1 The accounting policies and methods of computation applied in the preparation of the interim report comply with IFRS Accounting Standards and are consistent with those applied in the preparation of the Group annual financial statements for the 52-week period ended 29 June 2025.

3.2 IFRS Accounting Standards, amendments and International Financial Reporting Interpretations Committee interpretations (IFRIC® interpretations) issued and effective

Various new and amended IFRS and IFRIC interpretations that have been issued are effective in the reporting period but do not have a material impact on the Group's activities.

3.3 IFRS, amendments and IFRIC interpretations issued but not yet effective

Various IFRS Accounting Standards, amendments and IFRIC interpretations that have been issued but that are not yet effective have been considered by the Group. With the exception of IFRS 18 Presentation and Disclosure in Financial Statements, it was determined by management that such standards, amendments and interpretations are either not applicable to the Group or will not have a material impact on the Group's financial reporting. IFRS 18 Presentation and Disclosure in Financial Statements is expected to have a material impact on the financial statement disclosures of the Group and its subsidiaries and is being assessed for adoption in a future period when it becomes effective.

3.4 Basis of consolidation of financial results

The condensed Group interim financial statements comprise the interim financial statements of the company and its consolidated subsidiaries and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Selected Explanatory Notes continued

		at 28 Dec 2025 Unaudited Rm	at 29 Dec 2024 Unaudited Rm	at 29 Jun 2025 Audited Rm
	Note			
4. TRADE AND OTHER RECEIVABLES				
Trade receivables: Active portfolio	4.1	5 508	5 589	5 109
Trade receivables: Charged-off portfolio	4.2	151	142	143
Other receivables [^]		243	252	186
Right-of-return asset*		59	–	35
Trade and other receivables at the reporting date		5 961	5 983	5 473

[^] Other receivables comprise of amounts owed by concession partners and wholesale partners, as well as suppliers for recharged marketing costs. These amounts are assessed for impairment and are presented net of their respective expected credit loss (ECL) allowances. The ECL allowances in respect of other receivables are not material and are therefore not separately disclosed.

* In the prior period, the right-of-return asset (representing merchandise sold which potentially may be returned by customers in terms of their 30-day contractual right of return) was accounted for in inventories.

4.1 Trade receivables: Active portfolio

Gross trade receivables		6 919	7 068	6 448
Expected credit loss allowance		(1 411)	(1 479)	(1 339)
Trade receivables: Active portfolio		5 508	5 589	5 109
Expected credit loss allowance to gross active trade receivables	(%)	20.4	20.9	20.8

The active trade receivables portfolio comprises in-store account receivables that have neither been charged off (refer to note 4.2) nor been written off as bad debt as they do not meet the Group's charge-off and write-off criteria.

The Group's active trade receivables have payment terms ranging between six and 12 months. The debtors' days at the reporting date were 223 days (Dec-2024: 222 days).

Interest is charged on all interest-bearing plans and on all overdue accounts in accordance with legislative provisions in the country of operation and the Group's terms and conditions applicable to accounts. The interest rates charged fluctuate in accordance with changes to the relevant central bank or financial authority reference rate. The rates charged during the current period were between 14.75% and 25.95% (Dec-2024: 15.00% and 28.15%), which are equal to or lower than the maximum rates legislated.

	at 28 Dec 2025 Unaudited Rm	at 29 Dec 2024 Unaudited Rm	at 29 Jun 2025 Audited Rm
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4. TRADE AND OTHER RECEIVABLES continued

4.2 Trade receivables: Charged-off portfolio

Gross trade receivables	561	525	543
Expected credit loss allowance	(410)	(383)	(400)
Trade receivables: Charged-off portfolio	151	142	143
Expected credit loss allowance to gross charged-off trade receivables	(%) 73.1	73.0	73.7

The charged-off trade receivables portfolio comprises in-store accounts that have been charged off from the active trade receivables portfolio (for credit management purposes) but not written off (derecognised for accounting purposes) as they show some likelihood of a payment over a longer period of time. All accounts in the charged-off trade receivables portfolio are classified in the stage three level of delinquency and their holders cannot shop. These accounts are managed using bespoke collections strategies and are regularly assessed and written off if they deteriorate to the point where there is no reasonable expectation of recovery.

Selected Explanatory Notes continued

	at 28 Dec 2025 Unaudited R'000	at 29 Dec 2024 Unaudited R'000	at 29 Jun 2025 Audited R'000
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5. SHARE CAPITAL

Ordinary share capital

Authorised

650 000 000 (Dec-2024: 650 000 000) ordinary par value shares of 0.015 cent each

98 98 98

Issued and fully paid

404 498 899 (Dec-2024: 408 498 899) ordinary par value shares of 0.015 cent each

61 61 61

The company has one class of ordinary shares, which carry no rights to fixed income.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company's shareholders.

	Number of shares 000's	Number of shares 000's	Number of shares 000's
--	---------------------------------------	------------------------------	------------------------------

Reconciliation of movement in issued shares

Balance at the beginning of the reporting period

408 499 408 499 408 499

Shares repurchased and cancelled

(4 000) – –

Balance at the reporting date

404 499 408 499 408 499

Treasury shares held by subsidiaries

(39 757) (33 551) (33 138)

Number of shares in issue (net of treasury shares)

364 742 374 948 375 361

Treasury shares as a % of issued shares at the reporting date

9.8 8.2 8.1

A total of 4 000 000 shares were cancelled and delisted from the JSE, A2X and NSX during the current period.

	at 28 Dec 2025 Unaudited Rm	at 29 Dec 2024 Unaudited Rm	at 29 Jun 2025 Audited Rm
6. TREASURY SHARES			
Balance at the beginning of the reporting period	1 782	1 920	1 920
Shares repurchased by the company and subsidiaries	746	-	-
Repurchased shares cancelled	(222)	-	-
Treasury shares sold	(17)	-	-
Options vested in terms of the 1998 share option scheme	-	-	(14)
Shares vested in terms of the 2012 share scheme	(105)	(110)	(124)
Balance at the reporting date	2 184	1 810	1 782

During the current period, 13 200 000 (Dec-2024: nil) shares were repurchased at an average price of R56.32 (excluding transaction costs) and for an aggregate nominal value of R1 980 and an aggregate premium of R745 754 777. Shares repurchased by the company are periodically cancelled and delisted. Refer to note 5 for further information.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions are used by the Group in establishing fair values:

Financial assets and liabilities (other than those separately disclosed below)

Carrying amounts of financial instruments reported in the statements of financial position at amortised cost approximate fair values. The fair value of the financial instruments at the reporting date has been determined using available market information and appropriate valuation methodologies.

Assets held at fair value

The fair value of the Group's mutual fund units and unlisted investment is determined annually with reference to the quoted unit prices at the close of business on the reporting date and the most recently traded share price respectively. The fair value of the Group's short-term insurance cell captive and personal lines insurance business arrangement is determined with reference to the net asset value of these interests per management accounts prepared by third parties. The fair value of the Group's money market fund investments is determined with reference to the net asset value of the investment fund units at the reporting date as published by the fund manager.

Forward exchange contracts

The fair value of forward exchange contracts entered into by the Group is determined with reference to market-traded forward exchange contracts with similar maturity profiles at the reporting date.

Selected Explanatory Notes continued

7. FAIR VALUE OF FINANCIAL INSTRUMENTS continued

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques, which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

At the reporting date, the Group held the following financial instruments measured at fair value:

	Total Rm	Fair value hierarchy		
		Level 1 Rm	Level 2 Rm	Level 3 Rm
Dec-2025				
Assets measured at fair value				
Assets held at fair value	2 363	2 321	1	41
Liabilities measured at fair value				
Derivative financial liabilities	34	-	34	-
Put options over shares held by non-controlling interests	30	-	-	30
Dec-2024				
Assets measured at fair value				
Assets held at fair value	2 443	2 405	-	38
Derivative financial assets	16	-	16	-
Liabilities measured at fair value				
Put options over shares held by non-controlling interests	57	-	-	57

There were no transfers between level 1 and level 2, or into and out of level 3 fair value categories during the reporting period.

	26 weeks to 28 Dec 2025 Unaudited Rm	26 weeks to 29 Dec 2024 Unaudited Rm	change %	52 weeks to 29 Jun 2025 Audited Rm
8. REVENUE				
Sale of merchandise	12 114	12 063	0.4	21 323
Retail sales	12 474	12 478		21 962
Variable consideration adjustments*	(425)	(459)		(732)
Delivery fee income	63	43		90
Wholesale sales	2	1		3
Interest income	616	670	(8.1)	1 351
Trade receivables interest	555	607		1 219
Investment and other interest	61	63		132
Other income	281	218	28.9	405
Commission income	78	80		157
Financial services income	76	75		148
Display fees	21	24		48
Gain on IFRS 16 re-measurements and modifications#	57	5		7
Foreign exchange gains#	25	22		-
Fair value adjustment#	15	-		-
Variable lease rental income#	5	5		9
Lease rental income#	1	3		5
Reversal of previously recognised right-of-use asset impairment losses#	-	-		18
Other	3	4		13
Dividend income	19	15		31
Total, comprising:	13 030	12 966	0.5	23 110
Revenue	12 927	12 931	-	23 071
#Non-revenue items	103	35		39

* Variable consideration adjustments made in terms of IFRS Accounting Standards and generally accepted accounting practice relate to promotional vouchers, staff discounts on merchandise purchased, cellular retail sales on an agency basis, notional interest on non-interest-bearing trade receivables and the sales returns provision. Notional interest represents a significant financing component in accordance with IFRS 15. The Group recognised notional interest of R75 million in variable consideration adjustments (Dec-2024: R84 million) through a reduction to retail sales.

Selected Explanatory Notes continued

	26 weeks to 28 Dec 2025 Unaudited Rm	26 weeks to 29 Dec 2024 Unaudited Rm	change %	52 weeks to 29 Jun 2025 Audited Rm
9. RECONCILIATION OF PROFIT FOR THE PERIOD TO HEADLINE EARNINGS				
Profit for the period, attributable to equity holders of the company	1 832	1 825	0.4	2 790
Adjusted for:				
Loss on write-off or disposal of plant and equipment	4	-		1
Tax on loss on write-off or disposal of plant and equipment*	(1)	-		-
Impairment of property, plant and equipment	-	2		3
Tax on impairment of property, plant and equipment	-	(1)		(1)
Net impairment of right-of-use assets	-	1		17
Tax on net impairment of right-of-use assets	-	-		(5)
Loss on write-off of intangible assets	-	-		15
Tax on loss on write-off of intangible assets	-	-		(4)
Headline earnings	1 835	1 827	0.4	2 816
Headline earnings per share (cents)	495.4	489.2	1.3	752.1
Diluted headline earnings per share (cents)	491.6	483.2	1.7	743.4
Weighted average number of shares (millions)	370.4	373.5		374.4
Diluted weighted average number of shares (millions)	373.3	378.1		378.8

* Zero due to rounding.

	26 weeks to 28 Dec 2025 cents	26 weeks to 29 Dec 2024 cents	52 weeks to 29 Jun 2025 cents
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10. DIVIDENDS PER SHARE

Interim cash dividend per share – payable/paid March	321		317
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	26 weeks to 28 Dec 2025 Unaudited Rm	26 weeks to 29 Dec 2024 Unaudited Rm	52 weeks to 29 Jun 2025 Audited Rm
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11. WORKING CAPITAL MOVEMENTS

Increase in inventories	(86)	(22)	(102)
Increase in trade and other receivables and prepayments	(534)	(603)	(55)
Increase in trade and other payables and provisions	569	1 084	323
Cash (outflow)/inflow	(51)	459	166

	26 weeks to 28 Dec 2025 Unaudited	26 weeks to 29 Dec 2024 Unaudited	52 weeks to 29 Jun 2025 Audited
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12. KEY PERFORMANCE METRICS

Ratios				
Return on equity [^]	(%)	34	36	28
Return on assets [^]	(%)	27	27	21
Asset turnover [^]	(times)	1.2	1.2	1.1
Inventory turn [^]	(times)	4.7	5.0	4.2
Net cash to equity	(%)	10.1	11.4	6.7
Net cash to EBITDA [^]	(times)	0.2	0.2	0.1
Cash flow per share	(cents)	737	825	1 265
Cash equivalent earnings per share	(cents)	713	703	1 247
Cash realisation rate	(%)	103	117	101

[^] Ratios for December have been annualised.

Selected Explanatory Notes continued

13. SEGMENT REPORTING

IFRS 8 requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-makers (CODM) for the purpose of making decisions about resources to be allocated and for assessing performance. The Group's reportable segments have been identified as the Truworths Africa and Office UK business units. The Truworths Africa business unit comprises all of the retailing activities, including e-commerce, conducted by the Group in Africa through which the Group retails fashion apparel comprising clothing, footwear and other fashion products as well as homeware. Included in the Truworths Africa business unit is the YDE business unit which comprises the agency activities through which the Group retails clothing, footwear and related products on behalf of emerging South African designers. The Office UK business unit comprises the footwear retail activities conducted by the Group through stores, concession outlets, wholesale partnerships and an e-commerce channel in the United Kingdom and Republic of Ireland.

13. SEGMENT REPORTING continued

Segment performance is reported in terms of IFRS Accounting Standards and evaluated based on revenue, EBITDA and profit before tax.

	Truworths Africa Rm	Office UK Rm	Consolidation entries Rm	Group Rm	
Dec-2025					
Total third-party revenue	8 404	4 523	-	12 927	
Sale of merchandise	7 636	4 478	-	12 114	
Cost of sales	(3 510)	(2 330)	2	(5 838)	
Gross profit	4 126	2 148	2	6 276	
Other income	226	79	(24)	281	
Trading expenses	(3 292)	(1 202)	22	(4 472)	
Depreciation and amortisation	(569)	(183)	-	(752)	
Employment costs	(998)	(419)	-	(1 417)	
Occupancy costs	(375)	(242)	-	(617)	
Trade receivable costs	(785)	-	-	(785)	
Net bad debt and expected credit loss allowances raised	(740)	-	-	(740)	
Other trade receivable costs	(45)	-	-	(45)	
Other operating costs	(565)	(358)	22	(901)	
Trading profit	1 060	1 025	-	2 085	
Interest income	571	45	-	616	
Dividend income	19	-	-	19	
Profit before finance costs and tax	1 650	1 070	-	2 720	
Finance costs	(221)	(34)	-	(255)	
Profit before tax	1 429	1 036	-	2 465	
Tax expense	(379)	(252)	-	(631)	
Profit for the period	1 050	784	-	1 834	
EBITDA	2 219	1 253	-	3 472	
Segment assets	27 484	6 371	(13 667)*	20 188	
Segment liabilities	6 940	2 396	(27)*	9 309	
Capital expenditure	139	270	-	409	
Key ratios					
Gross margin	(%)	54.0	48.0	-	51.8
Trading margin	(%)	13.9	22.9	-	17.2
Operating margin	(%)	21.6	23.9	-	22.5
Inventory turn[#]	(times)	4.5	5.1	-	4.7
Account : Cash sales mix	(%)	71:29	0:100	-	45:55

* Elimination of investment in Office UK, as well as inter-segment assets and liabilities.

[#] Annualised.

Selected Explanatory Notes continued

13. SEGMENT REPORTING continued

	Truworths Africa Rm	Office UK Rm	Consolidation entries Rm	Group Rm	
Dec-2024					
Total third-party revenue	8 722	4 209	–	12 931	
Sale of merchandise	7 903	4 160	–	12 063	
Cost of sales	(3 666)	(2 155)	2	(5 819)	
Gross profit	4 237	2 005	2	6 244	
Other income	236	6	(24)	218	
Trading expenses	(3 356)	(1 100)	22	(4 434)	
Depreciation and amortisation	(586)	(172)	–	(758)	
Employment costs	(1 013)	(385)	–	(1 398)	
Occupancy costs	(345)	(219)	–	(564)	
Trade receivable costs	(874)	–	–	(874)	
Net bad debt and expected credit loss allowances raised	(815)	–	–	(815)	
Other trade receivable costs	(59)	–	–	(59)	
Other operating costs	(538)	(324)	22	(840)	
Trading profit	1 117	911	–	2 028	
Interest income	621	49	–	670	
Dividend income	15	–	–	15	
Profit before finance costs and tax	1 753	960	–	2 713	
Finance costs	(231)	(27)	–	(258)	
Profit before tax	1 522	933	–	2 455	
Tax expense	(406)	(220)	–	(626)	
Profit for the period	1 116	713	–	1 829	
EBITDA	2 339	1 132	–	3 471	
Segment assets	24 936	6 153	(10 897)*	20 192	
Segment liabilities	7 141	2 337	(13)*	9 465	
Capital expenditure	317	100	–	417	
Key ratios					
Gross margin	(%)	53.6	48.2	–	51.8
Trading margin	(%)	14.1	21.9	–	16.8
Operating margin	(%)	22.2	23.1	–	22.5
Inventory turn[#]	(times)	4.8	5.3	–	5.0
Account : Cash sales mix	(%)	70:30	0:100	–	47:53

* Elimination of investment in Office UK, as well as inter-segment assets and liabilities.

[#] Annualised.

In the prior period, the Group did not disclose all the line items on the face of the Group's statement of comprehensive income in the segmental information. The Group has restated the prior period presentation to include all line items. This update in disclosure did not have any impact on the financial position or financial performance of the Group.

13. SEGMENT REPORTING continued

	26 weeks to 28 Dec 2025		26 weeks to 29 Dec 2024	
	Rm	Contribution to revenue %	Rm	Contribution to revenue %
Third-party revenue				
South Africa	8 107	62.7	8 415	65.1
United Kingdom	4 291	33.2	4 011	31.0
Republic of Ireland	228	1.8	193	1.5
Namibia	107	0.8	108	0.8
Botswana	94	0.7	107	0.8
Eswatini	69	0.5	66	0.5
Lesotho	17	0.2	17	0.2
Zambia	10	0.1	9	0.1
Rest of Europe [#]	2	-*	3	-*
United States [#]	1	-*	1	-*
Germany [#]	1	-*	-*	-*
Middle East, Asia and Australia [#]	-*	-*	1	-*
Total third-party revenue	12 927	100	12 931	100

* Zero due to rounding.

[#] E-commerce revenue.

Selected Explanatory Notes continued

	at 28 Dec 2025 Unaudited Rm	at 29 Dec 2024 Unaudited Rm	at 29 Jun 2025 Audited Rm
14. CAPITAL COMMITMENTS			
Capital commitments refer to all capital expenditure projects specifically approved by the board.			
Authorised but not contracted			
Store renovation and development	202	215	387
Computer software and infrastructure	51	23	76
Land, buildings and refurbishments (excluding distribution facilities)	8	6	11
Distribution facilities	7	10	6
Motor vehicles	3	3	3
Capital expenditure authorised but not contracted	271	257	483
Authorised and contracted			
Computer software and infrastructure	39	16	62
Distribution facilities	–	103	3
Capital expenditure authorised and contracted	39	119	65
Total capital commitments	310	376	548

The capital commitments will be financed through cash generated from operations, available cash resources and borrowings and are expected to be incurred in the remainder of the 2026 reporting period.

15. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the Group, through its main operating subsidiary in Africa, Truworths Ltd, entered into a new general short-term banking facility (bank overdraft facility). The new facility replaces the previous facility, and the facility agreement was signed in January 2026. The new facility is subject to a more favourable borrowing rate and the total facility value increased from R2.0 billion to R2.8 billion to provide additional headroom should it be required in the future.

No other event that is material to the understanding of this interim report, has occurred between the reporting date and the date of approval.

16. SEASONALITY

Historically retail sales in the first half of the financial period have exceeded those of the second half, because of the inclusion in the former of Black Friday and the Christmas trading period. The Group's five-year average first half retail sales have ranged between approximately 54% and 57% of annual retail sales.

17. RELATED PARTY TRANSACTIONS

The Group does not have unconsolidated structures, vehicles or entities and as a result all material related party transactions are eliminated in the consolidated financial statements. Related party transactions similar to those disclosed in the Group's annual financial statements for the 52-week period ended 29 June 2025 took place during the interim period. Additionally, the Group's main operating subsidiary in the UK, Office Holdings Ltd, declared and paid dividends to the value of R799 million to the company in the current period through a series of dividend declarations and payments via its intermediate holding companies.

TRUWORTHS

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Inwear

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OFFSPRING

Loads of Living
LONDON

TRUWORTHS INTERNATIONAL LTD

Registration number:
1944/017491/06
Tax reference number:
9875/145/71/7
JSE and A2X code: TRU
NSX code: TRW
ISIN: ZAE000028296
LEI: 37890099AFD770037522

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Edward Nathan Sonnenbergs
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SPONSOR IN SOUTH AFRICA

One Capital

SPONSOR IN NAMIBIA

Merchantec Capital

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† Independent

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