

REX TRUEFORM GROUP LIMITED
(Formerly Rex Trueform Clothing Company Limited)
(Incorporated in the Republic of South Africa)
(Registration number 1937/009839/06)
JSE share code: RTO ISIN: ZAE000250387
JSE share code: RTN ISIN: ZAE000250395
JSE share code: RTOP ISIN: ZAE000250403
(“Rex Trueform” or “Group”)



REX TRUEFORM
GROUP LIMITED

TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the current reporting period will differ by at least 20% from the financial results for the previous corresponding period.

Shareholders are accordingly advised that:

1. Rex Trueform’s earnings per share (“**EPS**”) will decrease by 54.0%, from earnings of 179.2 cents per share reported by Rex Trueform for the six months ended 31 December 2018 to earnings of 82.4 cents per share for the six months ended 31 December 2019; and
2. Rex Trueform’s headline earnings per share (“**HEPS**”) will decrease by 15.4%, from headline earnings of 97.4 cents per share reported by Rex Trueform for the six months ended 31 December 2018 to headline earnings of 82.4 cents per share for the six months ended 31 December 2019.

The decreases in EPS and HEPS are mainly attributable to lower operating profits in the current reporting period exacerbated by the implementation of the new lease accounting standard (IFRS 16 Leases) (“**IFRS 16**”) which had a significant impact on the financial results of the Group’s retail segment, as well as once-off re-measurements occurring in the prior reporting period relating to the Group’s investment in SA Water Works Holding Company (RF) (Pty) Ltd.

IFRS 16 became effective for year-ends beginning on or after 1 January 2019. Comparative results for the 2019 financial year have not been restated. The financial results before the impact of IFRS 16, based on the old lease accounting standard (IAS 17 Leases), are as follows:

1. Rex Trueform’s EPS will decrease by 38.4%, from earnings of 179.2 cents per share reported by Rex Trueform for the six months ended 31 December 2018 to earnings of 110.3 cents per share for the six months ended 31 December 2019; and
2. Rex Trueform’s HEPS will increase by 13.1%, from headline earnings of 97.4 cents per share reported by Rex Trueform for the six months ended 31 December 2018 to headline earnings of 110.2 cents per share for the six months ended 31 December 2019.

The information on which this trading statement has been based has not been reviewed or reported on by the Group’s auditors.

The interim financial results for the six months ended 31 December 2019 are anticipated to be released on or about 31 March 2020.

The effects of the COVID-19 pandemic are changing rapidly and, while it is envisaged that there will be a significant negative impact on the Group’s revenue, performance and cash generation over the remainder of the financial year, the quantum thereof cannot be reasonably estimated at this time. The Group’s retail segment will no doubt be the most severely impacted due to the closure of the retail chain during the

lockdown period. The preservation of cash, continuity of all segments of the Group as well as the health and well-being of our employees remain key focus areas over this period of uncertainty.

30 March 2020

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