

LUXE HOLDINGS LIMITED

(Previously Taste Holdings Limited)
Incorporated in the Republic of South Africa
(Registration number: 2000/002239/06)

Share code: LUX

ISIN Code: ZAE000286035

("Luxe" or "the Company")



CLARIFICATION OF RENTAL RELIEF DISCLOSURE

In order to enhance the understanding of the financial performance that Luxe reported in the Company's interim financial statements for the six-month period ended 30 August 2020, and in amplification of the information provided therein, the Company wishes to inform shareholders of the following:

As a result of the COVID-19 pandemic, the Company's stores were unable to trade for the duration of the level 5 lockdown. In order to compensate for the loss of revenue and inability to trade, the Company received rental concessions of R6 667 899.06.

Previously under IFRS 16, rental concessions often met the definition of a lease modification, unless they were envisaged in the original lease agreement. However, amendments to IFRS 16 were introduced which allowed for an optional practical expedient for rental concessions that were received as a direct consequence of COVID-19.

As the rental concession was in the form of a once-off reduction in rental payable, the Company chose to apply the practical expedient, which allowed the rental concession to be accounted for as a variable lease payment and be recognised in profit or loss (a reduction in rental costs, being a credit to the income statement).

No adjustment to the Company's reported numbers are required as a result of the above disclosure.

We will provide a further update on the full rental concession received during the financial year in our annual financial statements for the year ended 28 February 2021.

Johannesburg
25 March 2021

Sponsor

PSG Capital



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