

THE FOSCHINI GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1937/009504/06)

Share code: TFG

ISIN: ZAE000148466

("TFG" or "The Group")

Trading statement for the six months ended 30 September 2021 and further update on impacts of civil unrest

Trading statement for the six months ended 30 September 2021

In accordance with the JSE Limited Listings Requirements, shareholders are advised of the following:

- Earnings per share ('EPS') for the 6 months ended 30 September 2021 ('current period') are expected to be more than 50% (more than 80.8 cents per share) higher than the reported EPS for the 6 months ended 30 September 2020 ('prior period') of 161.5 cents per share; and
- Headline earnings per share ('HEPS') for the current period are expected to be more than 100% (more than 364.0 cents per share) higher than the reported HEPS for the prior period of -91.0 cents per share.

The expected earnings ranges have been impacted, *inter alia*, by the following:

- The COVID-19 pandemic and the related government-enforced lockdowns and related store closures in all 3 of our main trading jurisdictions during the prior period, as previously reported;
- The dilution arising from the successfully concluded rights offer, as announced on the Stock Exchange News Service ('SENS') on 11 August 2020;
- The acquisition of certain commercially viable stores and selected assets of Jet in South Africa (effective 25 September 2020) and in Botswana, the Kingdom of Eswatini, Lesotho and Namibia (effective on various dates in December 2020 and January 2021). The inclusion of a bargain purchase gain on acquisition of R694.3 million in the prior period specifically affected basic EPS and diluted EPS; and
- The civil unrest experienced in the current period in South Africa in July 2021. A further update has been provided below.

A further trading statement will be issued when management has attained a reasonable degree of certainty over the expected earnings and prior to the release of TFG's results for the current period, which is expected to be announced on SENS on or about 11 November 2021.

The forecast and estimated financial information on which this trading statement is based has not been audited, reviewed or reported on by TFG's external auditors.

Further update on impacts of civil unrest

As a further update to the SENS announcements of 16 July 2021 and 2 August 2021, of the 198 stores confirmed as looted and damaged to varying degrees during the July civil unrest in KZN province and parts of Gauteng province, 145 stores are now open and trading with a further 24 stores to reopen shortly and 29 stores will only reopen in 2022 due to extensive structural damage caused.

The total SASRIA claim for damages and asset losses is estimated at R613 million and the Group has received its first interim insurance payment of R200 million from SASRIA, with further payments expected during the second half of the financial year. The Group is also evaluating its anticipated recoveries for its insured business interruption losses of profit, which have not been finalised as yet. Further updates will be provided at the interim results presentation in November.

Cape Town
7 October 2021

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