

THE FOSCHINI GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1937/009504/06)
Ordinary share code: TFG
A2X share code: TFG
ISIN: ZAE000148466
Preference share code: TFGP
ISIN: ZAE000148516
("TFG" or "the Company" and together with its affiliates "the Group")

TRADING UPDATE FOR Q3 FY2025 AND THE NINE MONTHS ENDED 28 DECEMBER 2024

This trading update relates to the nine-month year-to-date period from 1 April 2024 to 28 December 2024 ("YTD FY2025" or "nine-month period") and the 13-week period from 29 September 2024 to 28 December 2024 ("Q3 FY2025" or "third quarter") against the comparative nine-month year-to-date period from 1 April 2023 to 30 December 2023 ("YTD FY2024" or "prior nine-month period") and the 13-week period from 1 October 2023 to 30 December 2023 ("Q3 FY2024" or "prior third quarter").

SALIENT FEATURES

- Group sales grew by 8,4% for Q3 FY2025, significantly ahead of the 2,0% contraction in sales in the first half of FY2025;
- Group sales are 1,6% up with gross profit 5,7% up on the prior nine-month period;
- Group online sales grew by 47,2% in Q3 FY2025 (and by 49,3% in TFG Africa), and by 20,8% for the YTD FY2025, now contributing 11,3% to total retail sales;
- Continued market share gains in Menswear and Womenswear in TFG Africa according to the Retail Liaison Committee (increase in market share to 19,8% for Q3 FY2025 compared to 19,2% for Q3 FY2024), with market share maintained in Kidswear; and
- Gross margin for TFG Africa increased by 210 basis points for the YTD FY2025.

GROUP PERFORMANCE UPDATE

Sales growth (in ZAR) in each business segment was as follows:

Business segment	Q3 FY2025	Q3 FY2025	YTD FY2025	YTD FY2025
	vs. Q3 FY2024	contribution to Group turnover	vs. YTD FY2024	contribution to Group turnover
TFG Africa	5,3%	71,8%	2,2%	70,8%
TFG London	45,5%	14,5%	7,2%	13,7%
TFG Australia	(3,0%)	13,7%	(5,2%)	15,5%
Group	8,4%		1,6%	

TFG London sales, excluding White Stuff, which was acquired with effect from 25 October 2024, contracted by 0,1%* in Q3 FY2025, an improvement from the 8,7% contraction in the first half of the year.

TFG AFRICA PERFORMANCE UPDATE

The strong sales growth for TFG Africa in Q3 FY2025 was driven by the improved trading over Black Friday and the Christmas period.

Sales growth (in ZAR) per merchandise category was as follows:

Merchandise category	Q3 FY2025 vs. Q3 FY2024	Q3 FY2025 Contribution to TFG Africa
Clothing	5,3%	75,5%
Homeware	5,5%	12,1%
Beauty	19,0%	2,9%
Jewellery	8,6%	3,8%
Cellphones	(2,6%)	5,7%
Total TFG Africa	5,3%	

Merchandise category	YTD FY2025 vs. YTD FY2024	YTD FY2025 Contribution to TFG Africa
Clothing	1,8%	73,4%
Homeware	5,9%	13,4%
Beauty	14,7%	2,9%
Jewellery	4,3%	3,7%
Cellphones	(5,4%)	6,6%
Total TFG Africa	2,2%	

Like-for-like sales for TFG Africa grew by 4,6% in Q3 FY2025.

Driven by our Bash e-commerce platform, online sales grew 41,4% for the YTD FY2025 and now contributes 5,6% to total sales. Bash also achieved strong market share gains in December 2024 against a backdrop of declining market shares for some of the pure play retailers.

YTD FY2025 gross margin increased by 210 basis points compared to the prior nine-month period, with a high contribution from full price sales in the months of November and December 2024.

Credit turnover grew 7,3% in Q3 FY2025 and by 4,0% for the nine-month period, now contributing 25,8% to total sales.

TFG LONDON

Following the acquisition of White Stuff with effect from 25 October 2024, TFG London increased sales by 46,5% in Q3 FY2025 in GBP, and by 0,6%* on a comparable basis. On a stand-alone basis, White Stuff grew its sales by 18,3%* on its prior period third quarter.

The focus of management continues to be on the protection of gross margin, which has now improved by c.200 basis points in FY2025, year to date.

TFG AUSTRALIA

TFG Australia continues to face tough trading conditions but showed improvement in its performance in the third quarter, with sales 0,5% lower, as compared to the 2,4% contraction in the first half of the year (in AUD). Management's focus on inventory management has also ensured an improvement in gross margin by 80 basis points year to date.

OUTLOOK

In South Africa, the outlook is positive, with a modest economic recovery expected for 2025. Sales in TFG Africa grew 14,6% for the 3 weeks ended 18

January 2025. TFG Africa expects to expand its store estate footprint by opening in excess of 100 new stores during the 2026 financial year, whilst we continue to rationalise our store portfolio to enhance return on capital employed.

While the UK economy remains under pressure, we are encouraged by the performance of White Stuff and its positive impact on the business. Sales in TFG London for the 3 weeks ended 18 January 2025 grew 63,3% (in GBP) including White Stuff, and by 1,9%* excluding White Stuff.

In Australia, sales for the three weeks ended 18 January 2025 grew 3,0% (in AUD) and whilst challenging trading conditions remain, the economy appears to be stabilising with interest rate reductions expected soon.

Shareholders are advised that none of the financial information contained in this announcement, including forecasts or estimates, which is the responsibility of the board of directors of TFG, has been audited, reviewed or reported on by the Group's external auditors.

* Pro forma management account numbers used to calculate an indicative sales growth.

PRO FORMA FINANCIAL INFORMATION

Pro forma unaudited management account information for White Stuff was used in this announcement for illustrative purposes only to provide an indicative sales growth excluding the acquired White Stuff business.

White Stuff sales for the period since acquisition on 25 October 2024 to 28 December 2024 was removed as if the acquisition did not occur.

This pro forma financial information, because of its nature, may not be a fair reflection of the Group's results of operations, financial position, changes inequity or cash flows. There are no material events subsequent to the reporting date which require adjustment to the pro forma financial information.

The pro forma management account retail turnover figures used were:

	Q3 FY2025	Q3 FY2024	Growth
	Rm	Rm	%
TFG London retail turnover including White Stuff	2 875,3	1 976,7	45,5
Less: White Stuff retail turnover#	(900,8)	-	-
TFG London retail turnover excluding White Stuff	1 974,5	1 976,7	(0,1)
	Q3 FY2025	Q3 FY2024	Growth
	GBPm	GBPm	%

TFG London retail turnover including White Stuff	123,6	84,4	46,5
Less: White Stuff retail turnover#	(38,7)	-	-
TFG London retail turnover excluding White Stuff	84,9	84,4	0,6

	Q3 FY2025	Q3 FY2024	Growth
	GBPm	GBPm	%
White Stuff retail turnover#	50,5	42,7	18,3

	3 weeks ended 18 January 2025	3 weeks ended 20 January 2024	Growth
	GBPm	GBPm	%
TFG London retail turnover including White Stuff	25,8	15,8	63,3
Less: White Stuff retail turnover#	(9,7)	-	-
TFG London retail turnover excluding White Stuff	16,1	15,8	1,9

The adjustment is sourced from unaudited management accounts. The Group is satisfied with the quality and completeness of these management accounts.

The directors are responsible for compiling the pro forma financial information in accordance with the JSE Limited Listings Requirements and in compliance with the SAICA Guide on Pro Forma Financial Information. The underlying information used in the preparation of the pro forma financial information has been prepared by consistently applying the accounting policies in place for the year ended 31 March 2024.

Cape Town
24 January 2025

Sponsor:
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