

Truworths International Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1944/017491/06)
JSE and A2X Code: TRU
NSX Code: TRW
ISIN: ZAE000028296
LEI: 37890099AFD770037522
(‘Truworths International’ or the ‘Group’)

BUSINESS UPDATE AND VOLUNTARY TRADING STATEMENT FOR THE 26-WEEK PERIOD ENDED 29 DECEMBER 2024

Group retail sales for the first 26 weeks (from 1 July 2024 to 29 December 2024) of the 2025 financial period (the ‘current period’) increased by 2.4% to R12.5 billion, compared to the first 26 weeks (from 3 July 2023 to 31 December 2023) of the 2024 financial period (the ‘prior period’ or ‘Dec-23’).

Retail sales growth for the current period by business segment was as follows:

	Retail sales current period	Change on prior period %
Group	R12.5bn	2.4
Truworths Africa	R8.3bn	(1.1)
Office UK	£180m	11.3

Account sales comprised 47% (Dec-23: 48%) of Group retail sales, with cash sales increasing by 5.3% and account sales decreasing by 0.9%, relative to the prior period.

Truworths Africa

Truworths Africa experienced a retail sales decrease of 1.1% relative to the prior period. Account sales decreased by 0.9% and comprised 70% (Dec-23: 70%) of the segment’s retail sales for the current period. Cash sales decreased by 1.6%.

Online sales continued to show good growth in the current period, increasing by 38% and contributing 5.8% to Truworths Africa’s retail sales.

Gross trade receivables in respect of the active account portfolio decreased by 1.6% to R7.1 billion (Dec-23: R7.2 billion). The number of active accounts decreased by 0.7%. Active account holders able to purchase and overdue balances to gross trade receivables were unchanged relative to the prior period-end at 83% and 12%, respectively.

Office UK

The Group’s Office UK segment continued its impressive trading performance, driven by its successful store modernisation and expansion programme, a top-tier e-commerce platform, and strong, well-established brand partnerships. Despite the broader challenges in the UK market, retail sales in the Office UK segment increased in Sterling terms by 11.3% to £180 million, following a strong performance in the prior period which recorded retail sales growth of 15.6% to £162 million. In Rand terms, retail sales for Office UK increased by 9.9% to R4.2 billion. Online sales for the current period increased by 7.0% and comprised 45.2% of total retail sales (Dec-23: 47.1%).

Earnings

Notwithstanding retail sales growth at a Group level, estimated earnings are expected to decline compared to the prior period, mainly due to the decrease in sales and expected gross profit margin decline in Truworths Africa. The Group estimates its earnings per share ('EPS') and headline earnings per share ('HEPS') for the current period, on an undiluted basis, to be within the ranges reflected in the table below:

	Dec-2023 26 weeks (cents)	Dec-2024 Estimated Change (%)	Dec-2024 Estimated range (cents)
EPS	531.5	-7% to -11%	473 - 494
HEPS	512.6	-4% to -8%	472 - 492

The variance between the change in EPS and HEPS for the current period relative to the prior period relates mainly to the reversal in the prior period of previously recognised right-of-use asset impairments. Such impairment reversal is included in earnings but excluded from headline earnings.

Shareholders are advised that this business update and voluntary trading statement do not constitute an earnings forecast, that the financial information provided herein is the responsibility of the directors, and that such information has neither been reviewed nor reported on by the Group's external auditors. The Group's interim results for the current period are scheduled for release on or about Thursday, 27 February 2025.

Cape Town
31 January 2025

JSE Sponsor: One Capital
NSX Sponsor: Merchantec Capital