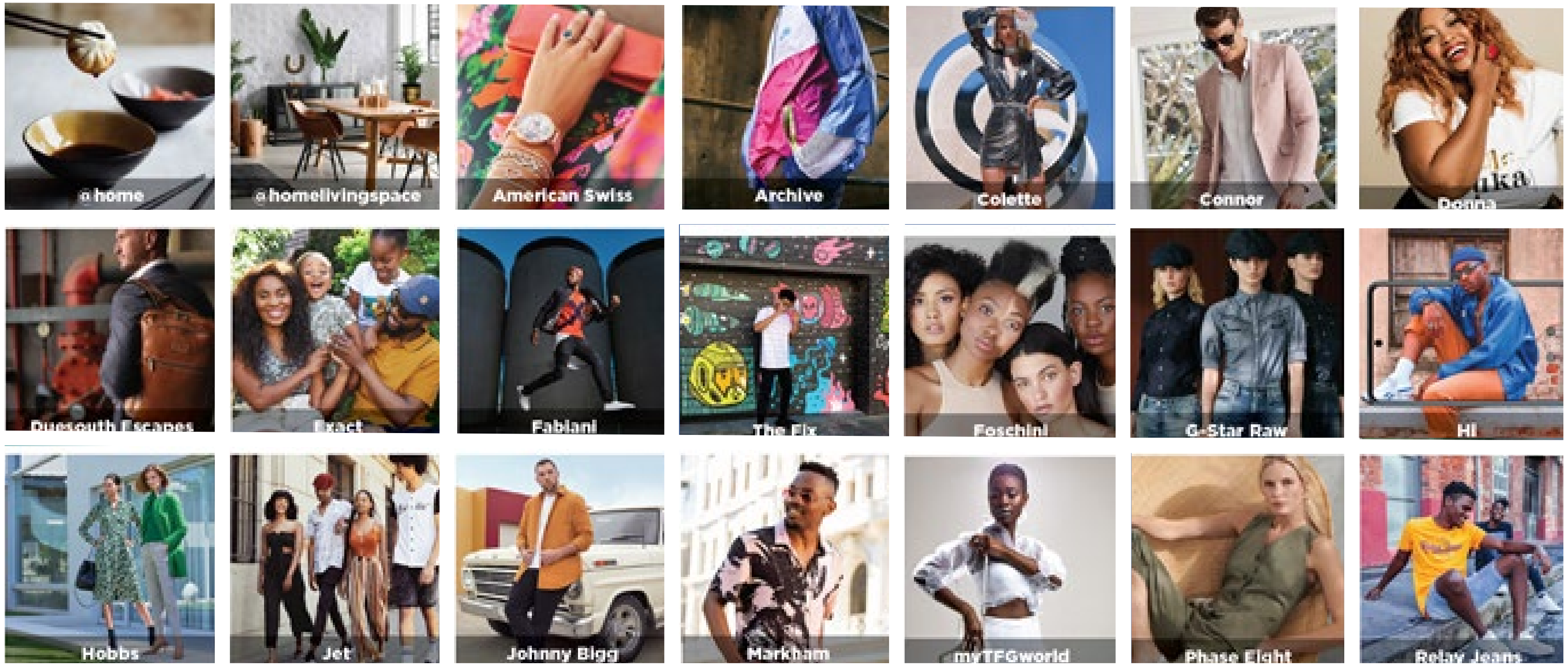
RESULTS PRESENTATION

FOR THE HALF-YEAR ENDED
30 SEPTEMBER 2020



HALF-YEAR | 2021

AGENDA

Anthony Thunström
Chief Executive Officer

Bongiwe Ntuli
Chief Financial Officer

Jane Fisher
TFG Africa Group Director

Shane van Niekerk
TFG Africa: Jet

Ben Barnett
TFG London

Gary Novis
TFG Australia

STRATEGIC OVERVIEW

GROUP FINANCIAL PERFORMANCE

SEGMENT PERFORMANCE

LOOKING FORWARD

PROGRESS MADE ON KEY STRATEGIC PRIORITIES

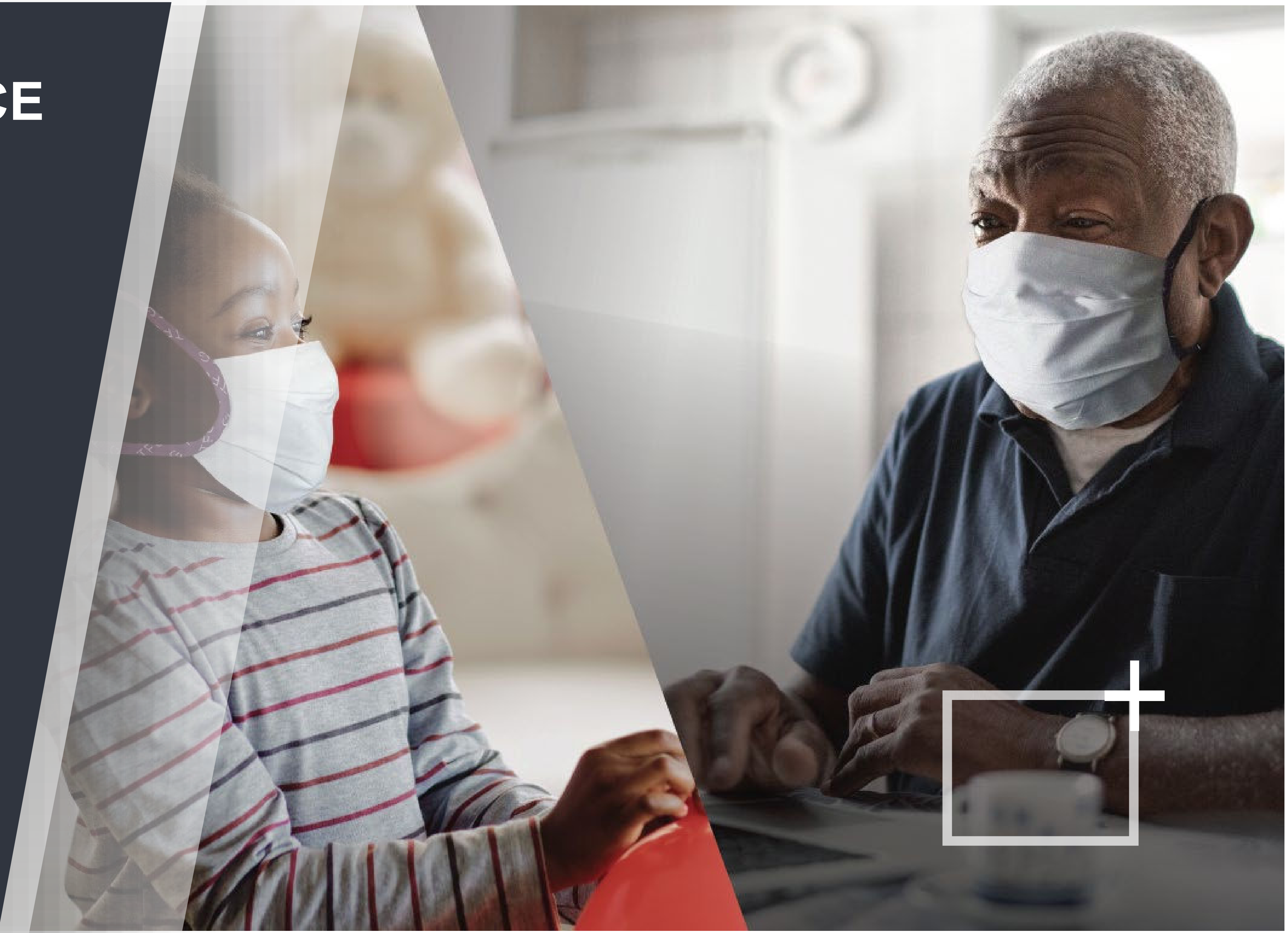
STRATEGIC FOCUS AREAS	KEY ACTIONS
Fast-track e-commerce evolution and digital transformation	• **Launched** myTFGworld and Sportscene **apps** • **Launched** American Swiss and Sterns **online** • **Trialing** value pure play jewellery brand **Galaxy & Co** • **Launched** Johnny Bigg **online** in USA and Europe
Investment through the cycle	• Accelerated investment in digital transformation • Re-purposing of existing space
Positioning for agility and flexibility	• Rights offer successfully concluded • Net debt down to R2,3bn (March 2020: R8,4bn)^ • **Target net debt/EBITDA** 1-1.5x by end FY22*
Capture market share: Organic growth and opportunistic M&A	• Jet opportunistic acquisition • Additional local manufacturing capacity being developed

^ On a pre-IFRS 16 basis for Group
** On a pre-IFRS 16 basis for TFG Africa*

PERFORMANCE CONTEXT

COVID-19

Anthony Thunström



TFG

MANAGING THROUGH COVID-19

COVID-19 IMPACT

- All three major territories in economic recession
- Consumer confidence and spending under pressure
- Further lockdowns internationally
- Load shedding in South Africa

LOCAL SOURCING AND MANUFACTURING IMPACT

- 34% of TFG Africa product (ex cellular and cosmetics) sourced locally in SA
- Local procurement in @home has increased from c.20% to c.50% over the last 4 financial years, with a further increase of 10% post COVID-19 lockdown
- Local apparel purchases to increase to R4,3bn by FY25

COST CONTROL AND BUSINESS OPTIMISATION

- Trading expenses decreased by 22,8%
- Business optimisation continues (HO savings of >R100m to date)

PEOPLE

- Safety and wellbeing of our employees, customers and suppliers was prioritised
- Continued to pay staff in full throughout lockdown

COVID-19:
What did we experience

1	2	3	4
Store trade Apr - Sept	**Inventory & sourcing**	**E-commerce surge**	**Employees**
26% Average downtime TFG Africa & TFG Australia	**+2** Group inventory days vs Sept 2019	**+152%** TFG Africa online turnover growth May – Sept 2020	Enabled work from home where possible
39% Average downtime TFG London	**-7%** Group inventory value vs Sept 2019	**14%** Group online turnover contribution (Sept 2019: 8%)	Store operations resumed with strict hygiene protocols
R5bn Lost turnover	**+4%** Local procurement contribution vs Sept 2019		Full salaries and benefits paid during lockdown

TFG RESPONSE

Capitalised on previous digital investments	**Benefitted from flexible local procurement**	**Omni-channel dividend**	**Protection of the vulnerable**

COVID-19:
What did we observe and impact on TFG

ECONOMIC EFFECT*

Household incomes are under even more pressure

73%

of households experienced a loss in income

TFG IMPACT
Medium to longer term

Customers increasingly seeking perceived value for money.

"GOING OUT" & "FITNESS" ITEMS*

55% will resume social activities as soon as possible

38% will resume fitness activities as soon as possible

TFG IMPACT
Short to medium term

Demand for sporting apparel already rebounded. Smart wear will take longer.

**Based on a TFG digital survey, 11 August 2020, representative of TFG Africa customer base*

COVID-19:
What did we observe and impact on TFG

WORK WEAR*

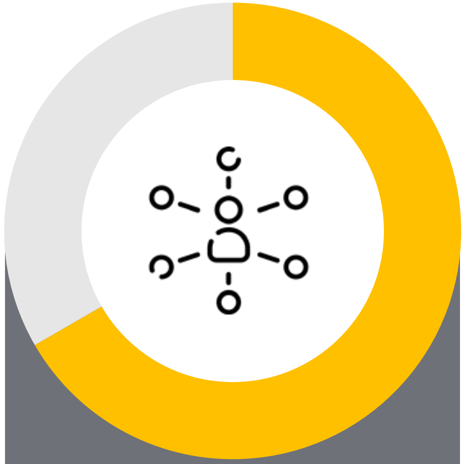
43%

of respondents who were able to work from home will negotiate to continue WFH

TFG IMPACT
Medium to longer term

Demand for work wear will recover slowly as people return to work.

OMNI-CHANNEL



29%

of South African consumers are shopping more online now than before the pandemic^

TFG IMPACT
Short, medium & longer term

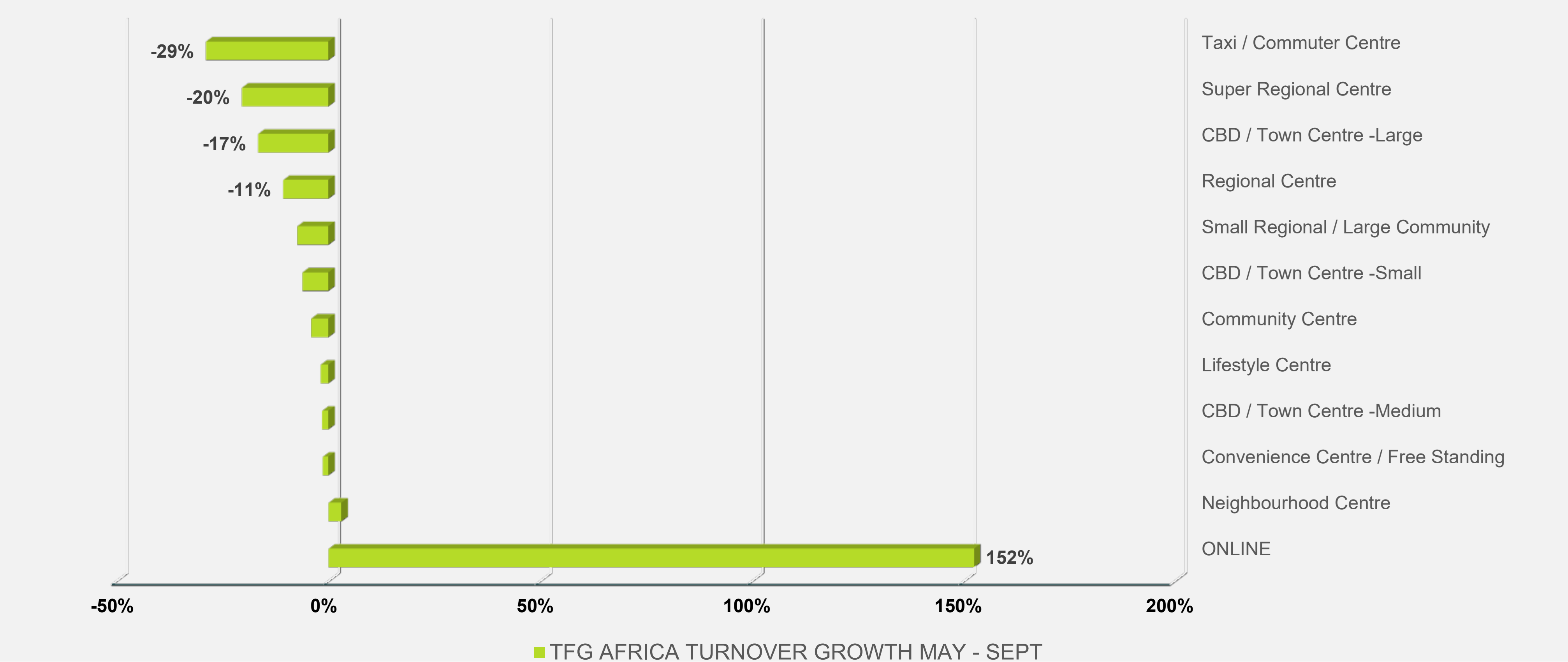
Demand for online will continue to increase exponentially.

Based on a TFG digital survey, 11 August 2020, representative of TFG Africa customer base

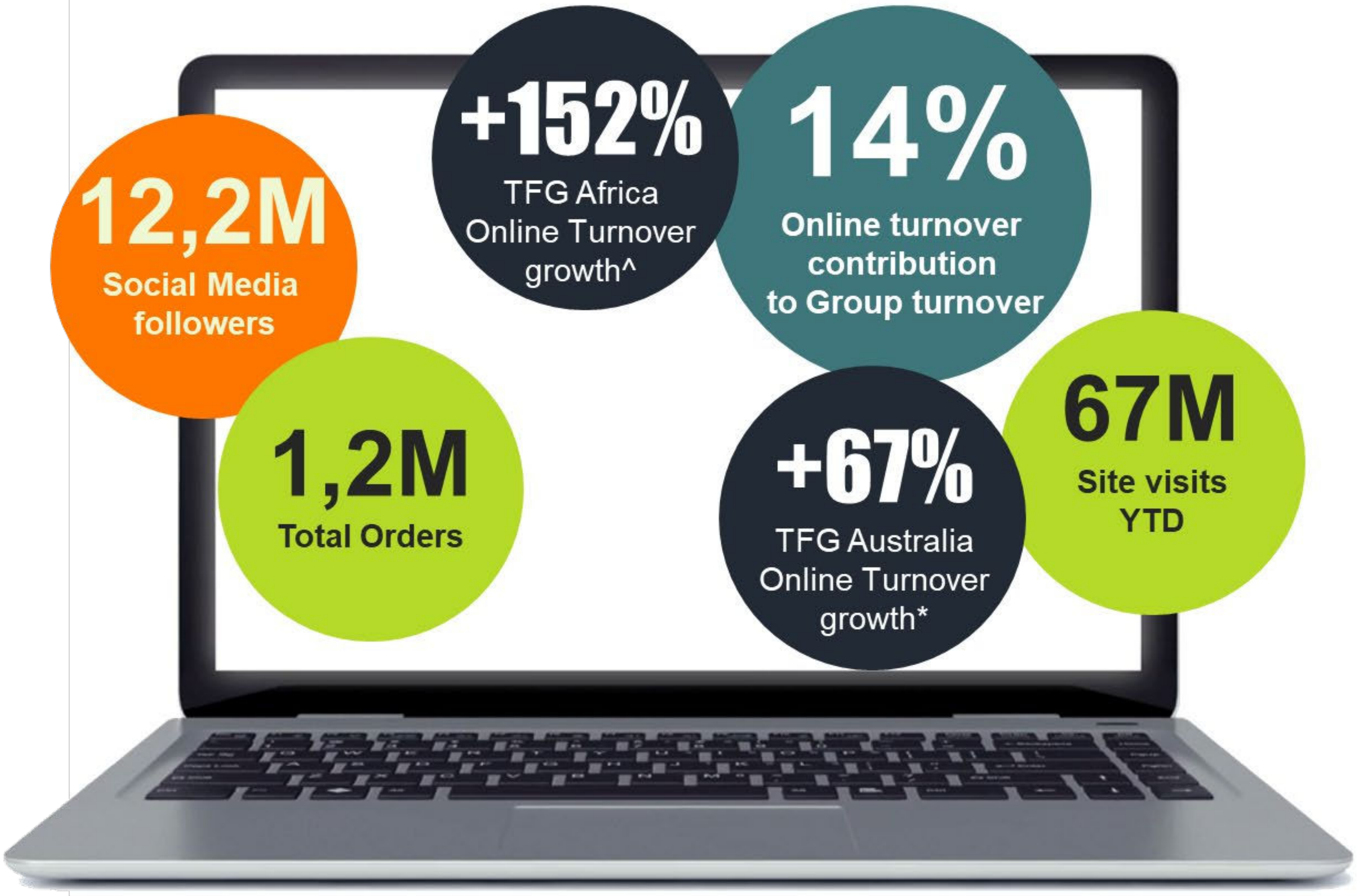
^ Nielsen

COVID-19:
What did we observe and impact on TFG

Limited footfall in major shopping centres; online gains traction

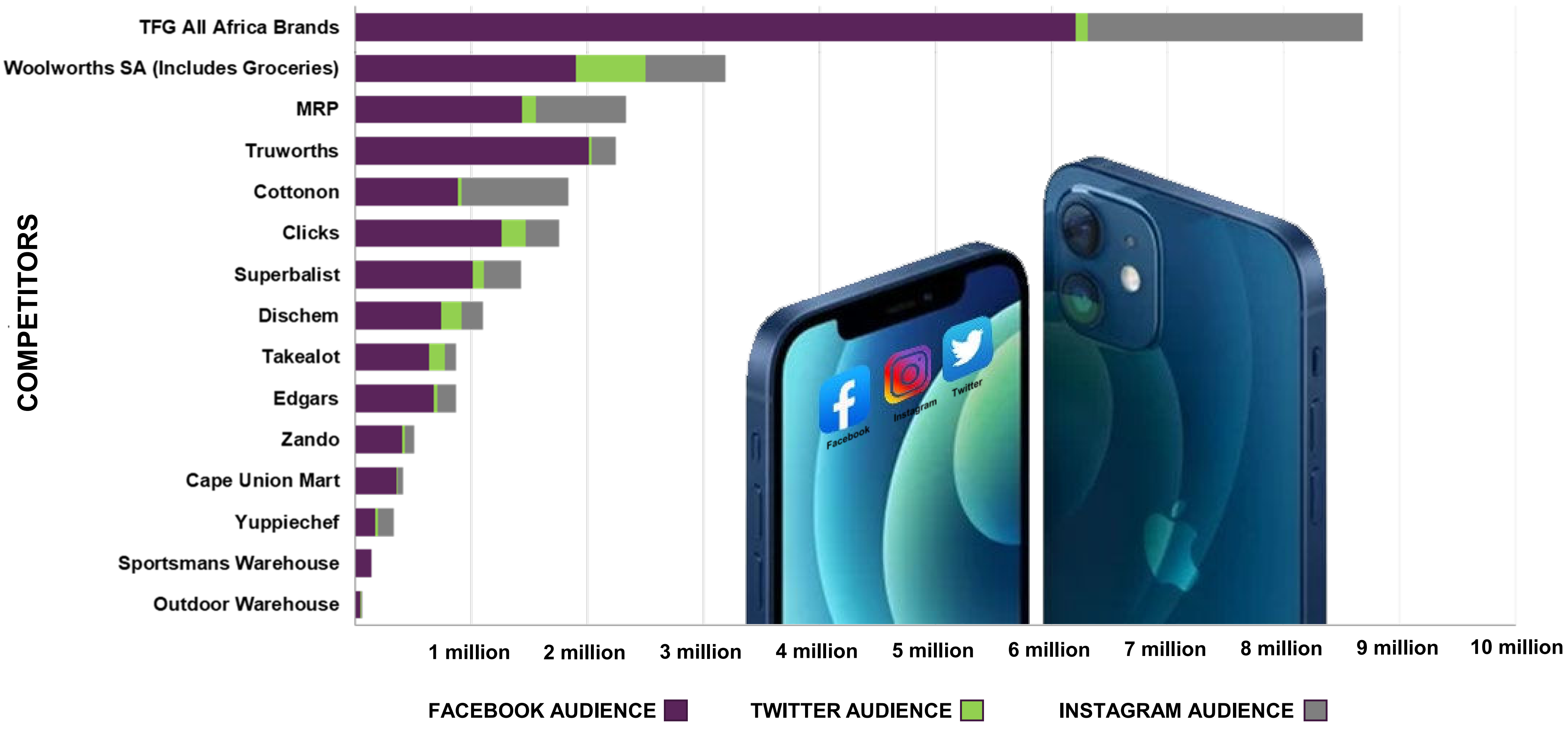


COVID-19:
Shift to online shopping



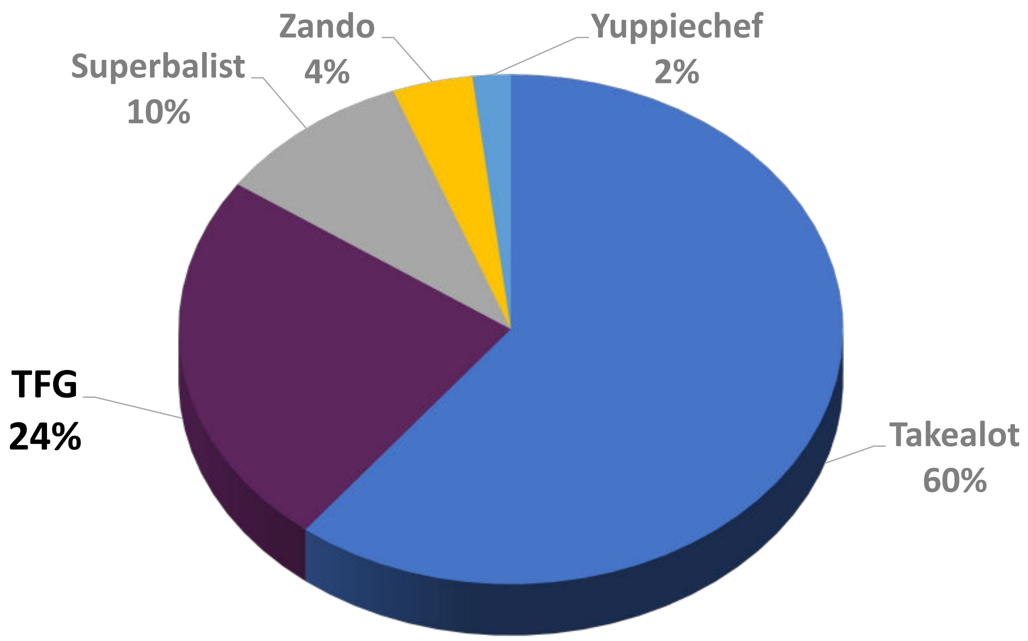
* 6-month turnover growth April - Sept
^ 5-month turnover growth May - Sept

TFG AFRICA SOCIAL MEDIA:
Competitor summary

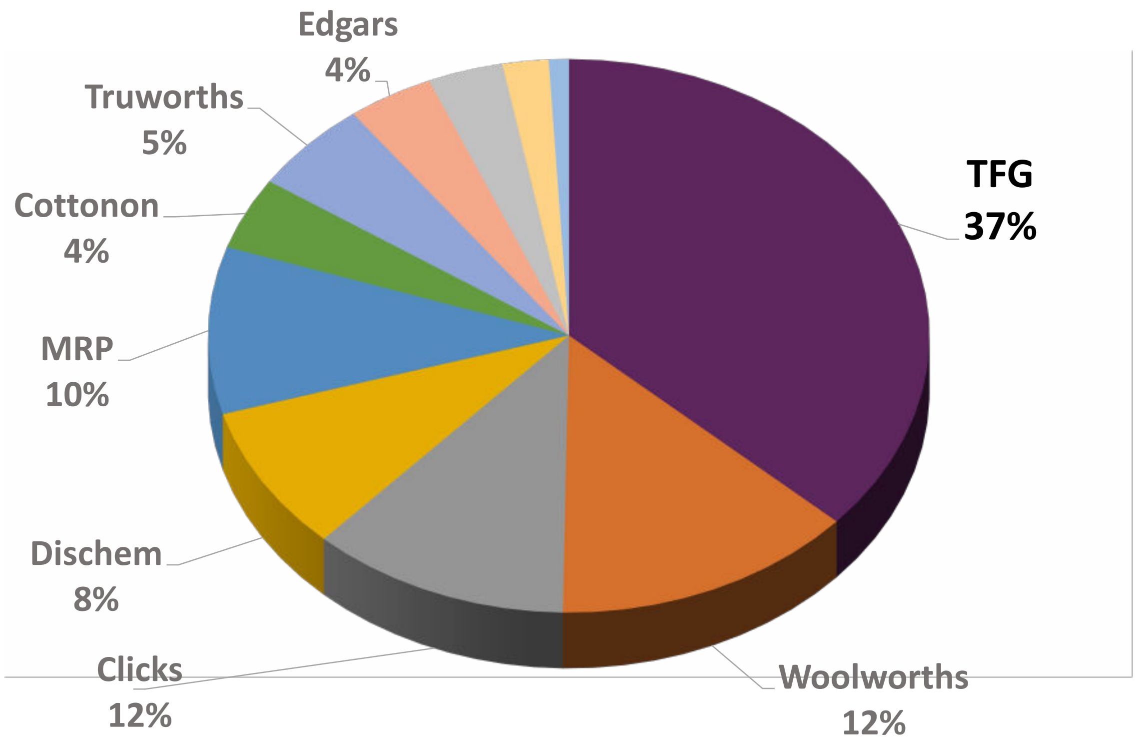


STRONG ONLINE TRAFFIC MARKET SHARE

“Online Only" Brands



"Brick & Mortar" Brands

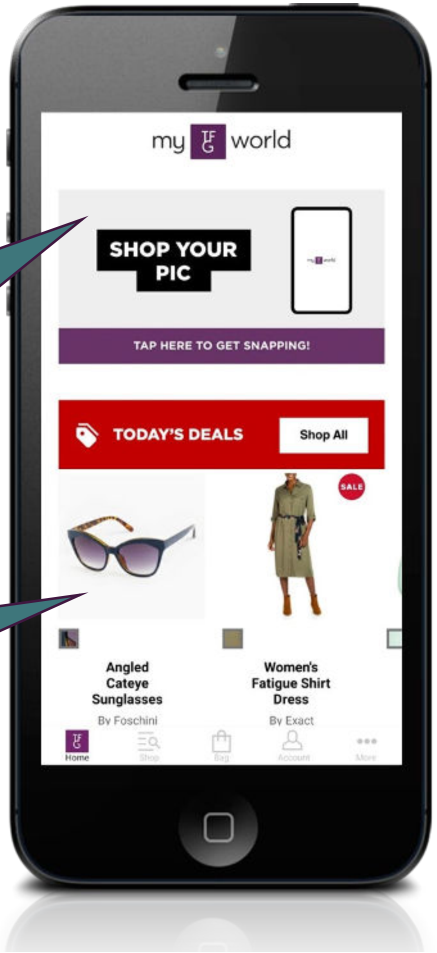


Source: SimilarWeb (Online monitoring tool), measured in user sessions for web and App, April 2020 – September 2020

SPORTSCENE & myTFGworld APPS

myTFGworld Online App

my TFG world

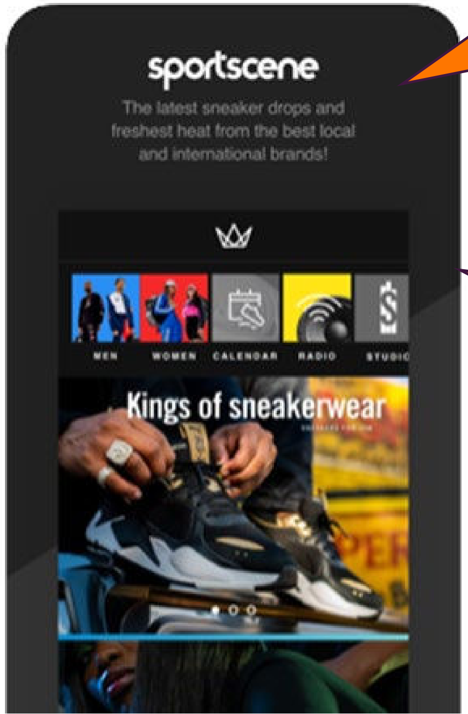


Launched in July

36%
of sales come through the App

Sportscene Online App

50K
Downloads since launch



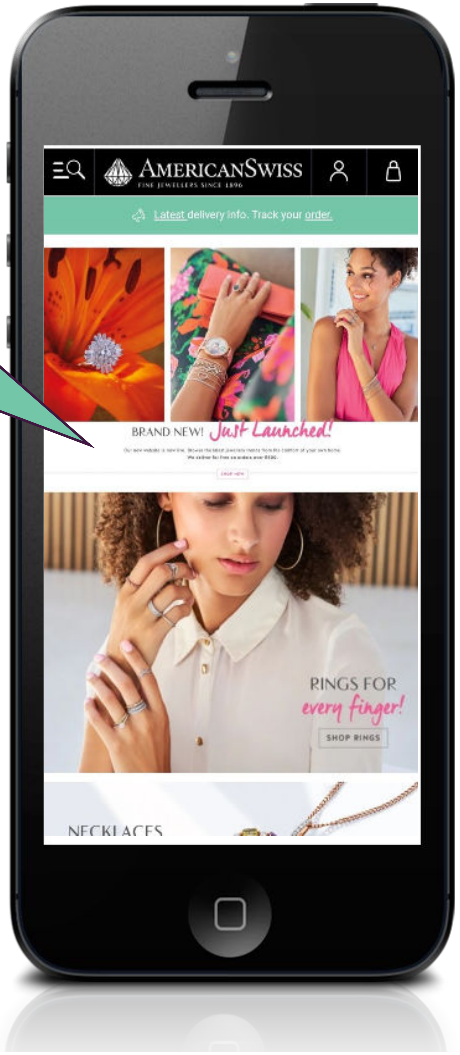
Launched 1 Sept

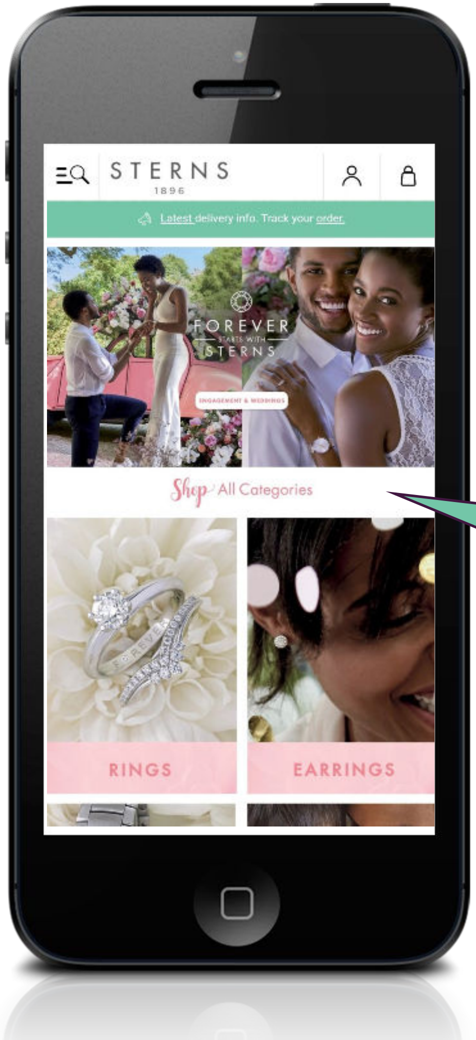
JEWELLERY ONLINE:

Launched 17 Aug 2020 – now 20 TFG Africa e-commerce sites

537K

Site visits since launch





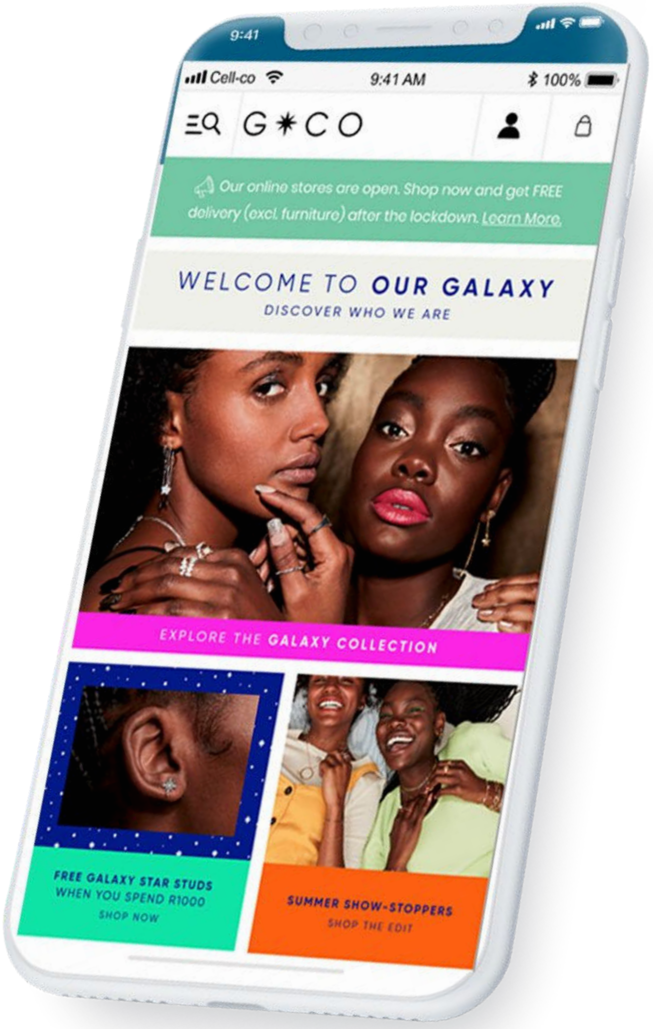
321K

Site visits since launch

JEWELLERY ONLINE:
Galaxy & Co launch as pure-play e-commerce site

- Launching a pure-play jewellery brand serving a young and dynamic generation
- Everyday fashion fine jewellery for our younger customers who are lifestyle led, quality & value driven and inspired by experiences

- Galaxy & Co: trusted brand since 1930
- Compliments the Group's existing two jewellery brands serving the mass middle market



COVID-19:
Accelerated shift to local procurement

Apparel, footwear and accessories	Homeware	Jewellery
33% Locally sourced product (+3% increase on LY)	**45%** Locally sourced product (+15% increase on LY)	**57%** Locally sourced product (+14% increase on LY)

34% Locally sourced product YTD Sept 2020
+4% increase (H1 2021 vs H1 2020)

JET
Further expansion into value market

TRANSACTION INFO

Acquired

- 382 stores (425 once BLNE transactions finalised)
- c.R5-6bn annualised turnover
- >5 000 employees
- Total assets R2,7bn
  - Stock of R473m including good contribution of summer stock
- Transaction value R333,2m
- Provisional gain on bargain purchase R694,3m

Retained solid management team

- Based in Johannesburg at TFG Isando office
- No relocations to Cape Town

KEY DATES

- Effective date 25 Sep 2020 (SA only) – BLNE expected Q4 FY 2021
- System integration by 31 March 2021

JET

Key reflections to date

SURPRISES

- Absolutely none
- Prior knowledge helpful

CREDIT

- RCS relationship
- Capital light

PROFITABILITY

- All stores profitable from day 1 based on realistic forecasts

INTEGRATION PROGRESS & CONSIDERATIONS

- Integration well under way
- Great cultural fit
- Relocated into TFG Isando offices
- IT integration to be completed by 31 March 2021
- Integration costs c.R180m
- Rollout of TFG OneX POS in progress

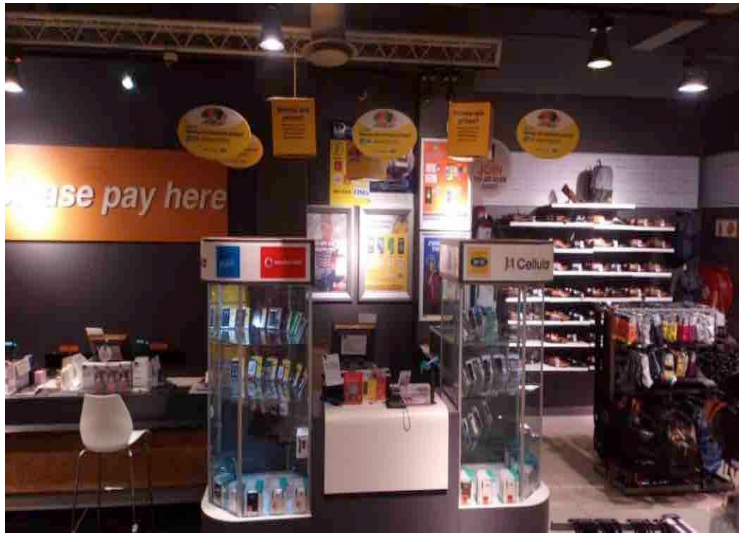
INVENTORY

- Deal premised on R800m of stock; traded down to only R473m as at effective date
- Stock inherited exceptionally clean:
  - 25% >6m old
  - 0% >12m old
- New stock clearing at levels beyond expectation
- Short on certain categories but getting back into stock during November

STORE ESTATE

- Full estate DD completed
- Capex of c.R70m over the next 18m and thereafter R30m-R50m pa for next couple of years
- Rosebank 'light touch' refurbishment @R500k tested before acquisition – double digit growth since re-opening
- Over 200 locations where TFG wasn't previously represented
- Potential rollout of another c.150 Jet stores over time

JET
Before….



Lack of sufficient store lighting, blocked display windows, clutter….

JET
After….

- **Inviting shopfronts**

JET
After….

- Clear focal areas

JET
After….

- **Key essential items**

JET
After….

- **Open flow**

SUSTAINABILITY: KEY STRATEGIC PILLAR

- **Retained Level 6 despite code amendments**
- **More than R1bn spent in FY20 supporting Procurement and CSI (scorecard)**
- **Looking forward – significant investment in priority areas for SA benefit**

Our Sustainability Pillars through the Value Chain

Our production

- Local manufacture spend ~ **R1,6bn** to increase to **R4,3bn** in FYE25
- Continued on-shoring capacity creation through own production and partnerships with over 20 local CMTs
- Founding member of South African Plastic Pact
- SEDEX compliance

Our suppliers

- **R1,5bn** spent with Black owned and Black women owned suppliers
- **R1,7bn** spent with local SMME's
- Deliberate strategy for supplier development (incl non-apparel/services) ~ incubation and spend shifting to empowered suppliers

Our people & communities

- Signed up to the Y.E.S. programme, creating **c.450** youth work experience opportunities every year
- Around **4 000** learners through learnerships and TFG Retail Academy as part of our "Educate to Employ" strategy
- More than **R20m** spent directly in community projects
- Direct interventions to support staff generally as well as those most vulnerable through COVID

Spend figures relates to the current BEE certificate achieved on FY20 spend

GROUP FINANCIAL PERFORMANCE

Bongiwe Ntuli

FINANCIAL PERFORMANCE OVERVIEW

26,1% decline in Turnover, EBITDA margin decline 1,1%

HIGHLIGHTS

- **-26,1%** — **Turnover R12bn** (Sept 2019: +6,5% to R17bn)
- **7,7%** — **EBIT R960m** Margin (Sept 2019: 13,7%)
- **45,2%** — **Gross margin R6bn** (Sept 2019: 53,2%)
- **-69,7%** — **EPS (PAT R416m)** (Sept 2019: +5,4% to 533,4 cps)
- **23,9%** — **EBITDA R3bn** Margin (Sept 2019: 25,0%)
- **-117,1%** — **Headline loss R235m HEPS -91,0 cps** (Sept 2019: +3,9% to 531,2 cps)

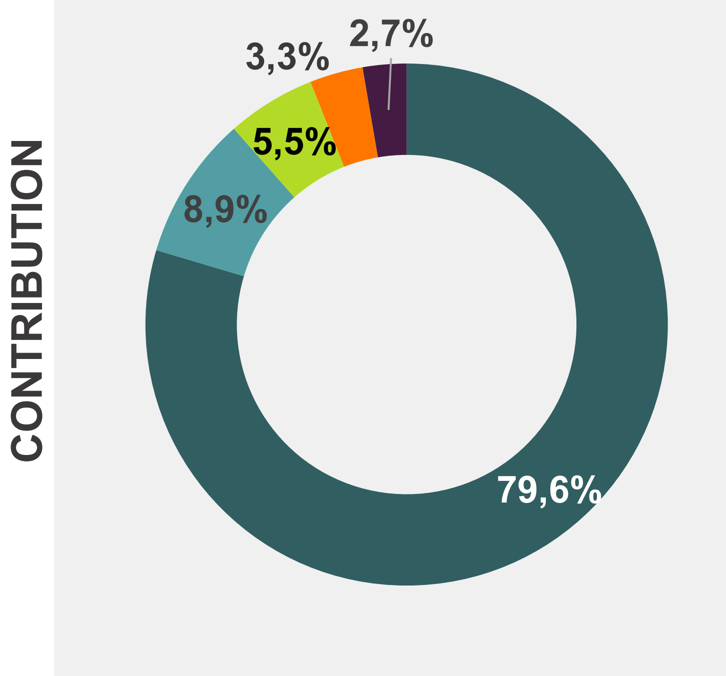
- Trade heavily impacted by significant store closures (c.8 weeks lost turnover) and further lockdowns in international countries
- Trading expense reduction of **22,8%** ~ includes government subsidy, rental reprieves and very stringent cost control in line with continued business optimisation at HO
- EPS vs. HEPS is Jet provisional bargain purchase gain on acquisition **~ R694,3m**
- Gross margin reduction of **8,0%** -
  - Heavy promotional environment
  - COVID-19, further stock provisions (additional 5%) especially in TFG London businesses
  - Product mix (cellular and homeware sales contribution)

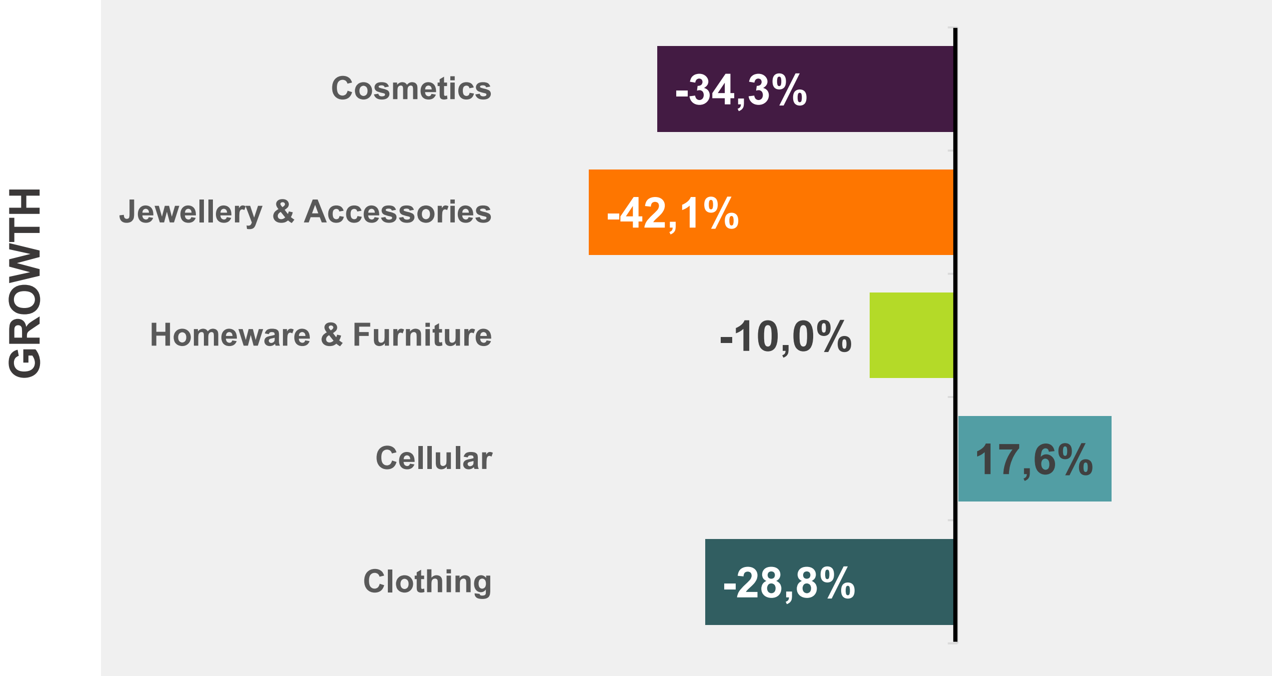
The above information is post-IFRS 16

TURNOVER DRIVERS

Exceptional performance from Homeware and Cellular categories

MERCHANDISE CATEGORY

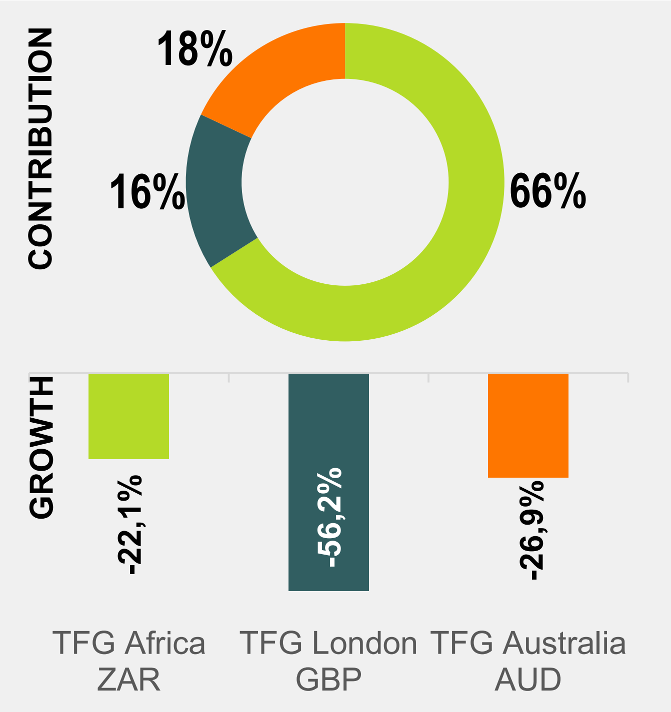




- **Cellular contribution +3,3% and homeware contribution +1,0% compared to September 2019**
- **Clothing performance: decrease in demand for occasion and formal wear, especially UK due to lockdown restrictions**

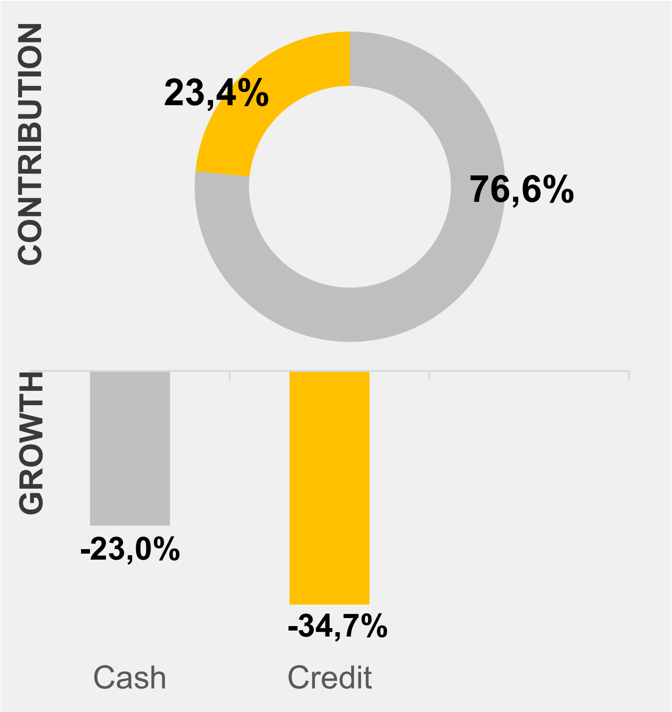
TURNOVER DRIVERS
Online Turnover exceeded expectation

GEOGRAPHY



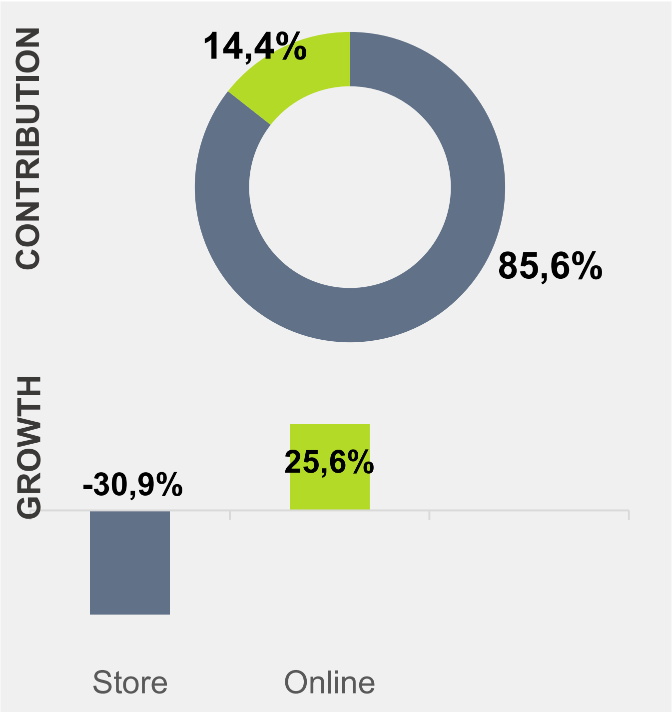
Trade still severely impacted by social distancing and government-enforced lockdown restrictions

TENDER TYPE



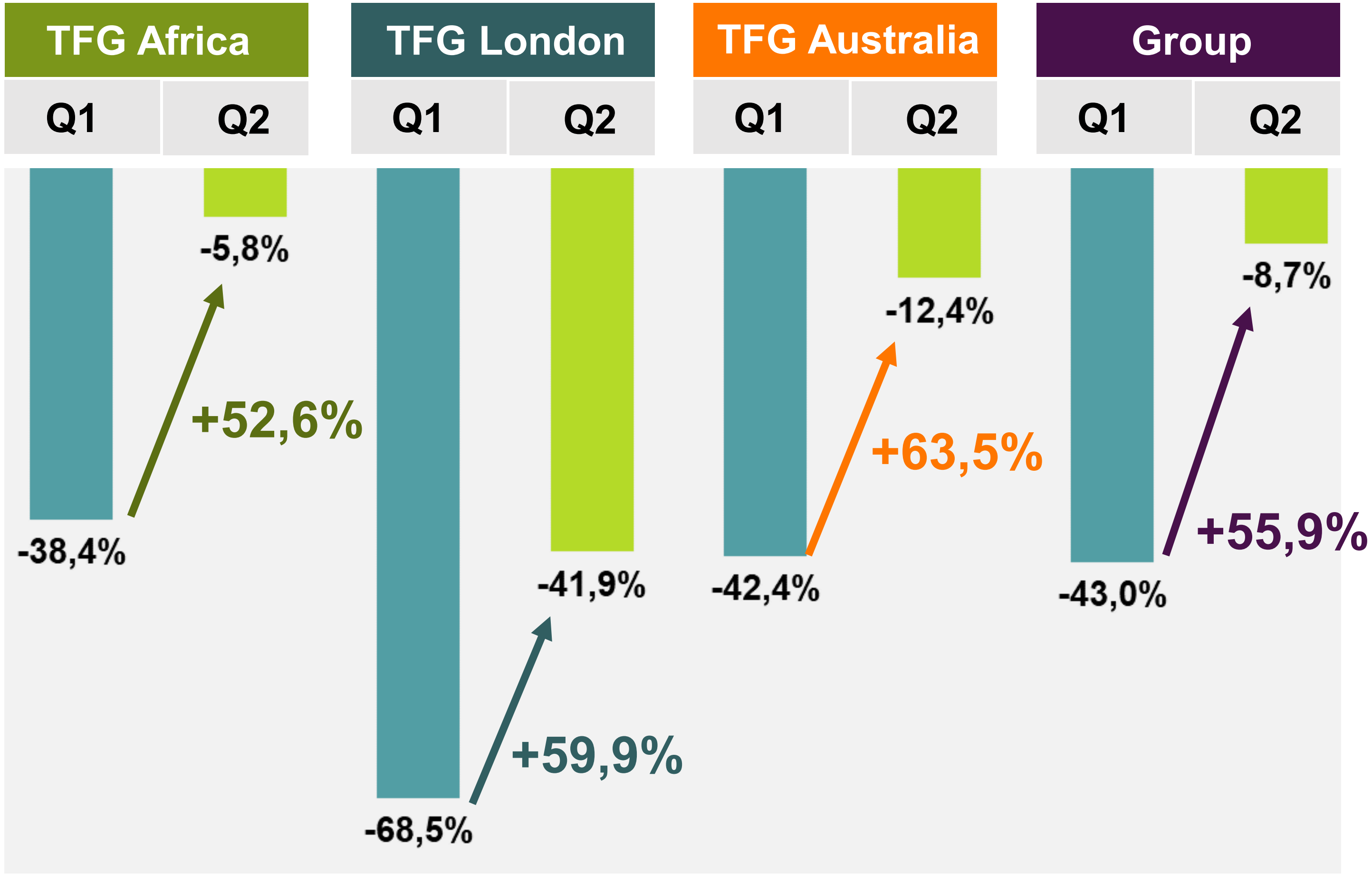
TFG Africa cash turnover declined 12,9%
Credit turnover impacted by stringent acceptance criteria (<10%)

CHANNEL



Africa & Australia online turnover exceeded expectation at +115,8% and +66,8%
UK online turnover - weaker online department store online channels, own websites +1,6%

QUARTERLY TURNOVER TRENDS:
Significantly improved Q2 '21 despite further lockdowns



- Improvements in Q2 turnover recorded in all regions, even with the 2nd lockdowns in international countries
- Africa for the month of September was flat on LY, a remarkable achievement

GROSS MARGIN ANALYSIS

Impacted by COVID-19 provisions and competition

	TFG Africa	TFG London	TFG Australia	Group
SEPT 2020	41,1%	44,1%	60,7%	45,2%
SEPT 2019	47,4%	61,7%	64,8%	53,2%
	6,3% decline	17,6% decline	4,1% decline	8,0% decline

TFG Africa: Decline due to heavy competition promotional activity (apparel), stock provision (impact of 2,4%, total c.R530m) and change in product mix (cellular (up 23%) and homeware at lower margins)

TFG London: Decline due to promotional activity, stock provision (impact of 6,1%, total c.£14,9m) and increase in wholesale sales at a lower margin

TFG Australia: Decline due to stock provisions (impact of 1,4%, total c.A$6,4m) and change in product mix (increased sales from lower margin athleisure)

KEY EXPENSES OVERVIEW

Trading expenses down 23%

	YTD Sept 2020 Rm	% to retail turnover	YTD Sept 2019 Rm	% to retail turnover	% change
Depreciation	**429,8**	3,4	411,8	2,4	4,4
Employee costs	**2 232,7**	17,8	3 096,3	18,3	(27,9)
Occupancy costs	**1 910,5**	15,2	2 091,4	12,3	(8,6)
Other operating costs	**1 697,7**	13,5	2 360,9	13,9	(28,1)
Total trading expenses before IFRS 16	**6 270,7**	**50,0**	**7 960,4**	**46,9**	**(21,2)**
Depreciation – leases IFRS 16	**1 602,3**	12,8	1 504,9	8,9	6,5
Occupancy costs – leases IFRS 16	**(1 935,4)**	(15,4)	(1 769,6)	(10,4)	9,4
Total trading expenses	**5 937,6**	**47,4**	**7 695,7**	**45,4**	**(22,8)**

- **Employee costs**
  - Decrease of 6,3% excluding the impact of government relief (TERS, Furlough and JobKeeper) – R669,6 million
  - Zero salary increases
  - Savings from Business Optimisation initiatives (HR: annual benefit of R75m), workstreams continue
- **Occupancy costs**
  - Increase of only 5,7% excluding total rent relief of R301,0m

- **Other operating costs**
  - Savings in travel and marketing costs > R100m
  - COVID-19 related expenses
- **Depreciation**
  - Pre-IFRS 16 depreciation increase driven mostly by store expansion in Australia (+ net 23 outlets since Sept 2019)

IMPACT OF NON-COMP ITEMS

JET

- Acquisition costs R14,3m
- Provisional bargain purchase gain on acquisition R694m
- Net impact of R680m on PBT

RIGHTS OFFER

- Raised net proceeds of c.R3,8bn
- Additional shares 94,27m at R41,90 per share
- 2,3x oversubscribed
- Finance costs net saving of R32,1m

COVID-19

- Government relief R796m
- Rent relief R301,0m
- Additional stock provisions (c.R350m)
  - TFG Africa (~R200m)
  - TFG London (GBP 5,4m)
  - TFG Australia (AUD 2,7m)
- COVID-19 related expenses a conservative c.R30m

FINANCIAL POSITION

Bongiwe Ntuli

FINANCIAL POSITION STRENGTHENED

FINANCIAL POSITION

- **9,3%** — **ROCE (March 2020: 13,3%)**
- **2,0x** — **Current ratio (March 2020: 1,5x)**
- **11,2%** — **Debt-to-equity ratio^ (March 2020: 52,4%)**
- **186** — **Group inventory days (March 2020: 184)**
- **608,6%** — **FCF to net profit (March 2020: 92,2%)**
- **0,6x** — **Net debt to EBITDA ^ (March 2020: 1,6x)**

* on a pre-IFRS 16 basis for Group

- Debt equity position improved 41,2% with lower debt levels post the rights offer and deliberate debt reduction on maturity (R4,3bn)
- Available facilities as at 30 Sept were R9,2bn (TFG Africa R8,3bn, TFG London £1,6m, TFG Australia A$65m)
- ROCE impacted by lower earnings
- Strong operating cash flow generation of R4,9bn
- Inventory purchases down R2,4bn and debtors down R717m since Sept 2019
- Net debt to EBITDA of 0,6x compared to LY Sep 1,6x
  - LT target of 1-1.5x by end FY22*

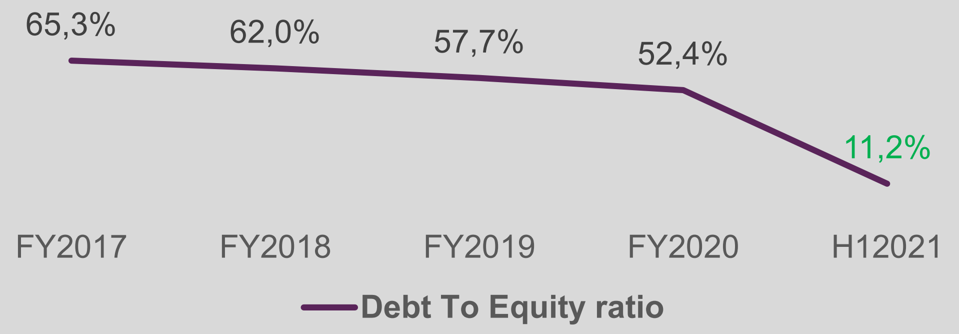
* on a pre-IFRS 16 basis for TFG Africa

IMPROVED DEBT TO EQUITY RATIO OF 11,2%

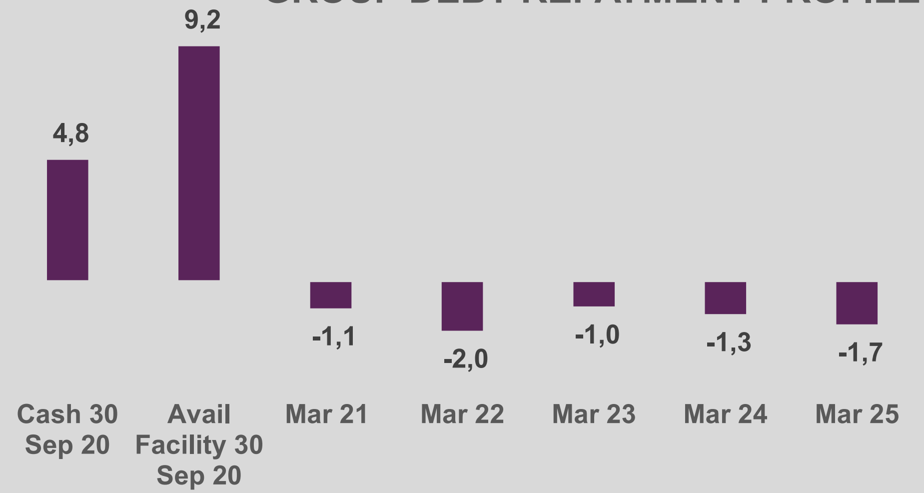
	EBITDA to finance costs	Net debt to EBITDA	Debt to equity	
R2,3bn Net debt (pre-IFRS 16)	3,6	0,6	11,2%	**SEPT 2020**
	6,8	1,6	52,4%	MARCH **2020**
R11,3bn Net debt (post-IFRS 16)	5,2	1,6	55,9%	**SEPT 2020**
	6,4	2,0	106,4%	MARCH **2020**

- EBITDA at R3bn down 29,5% to last year (post-IFRS 16) (57,1% pre-IFRS 16)
- Adequate liquidity facilities in place (c.R9,2bn at end September 2020 + cash of R4,8bn)
- Covenant testing waived for Sept 2020 interims and reset for March 2021
- Dividends will be resumed when appropriate

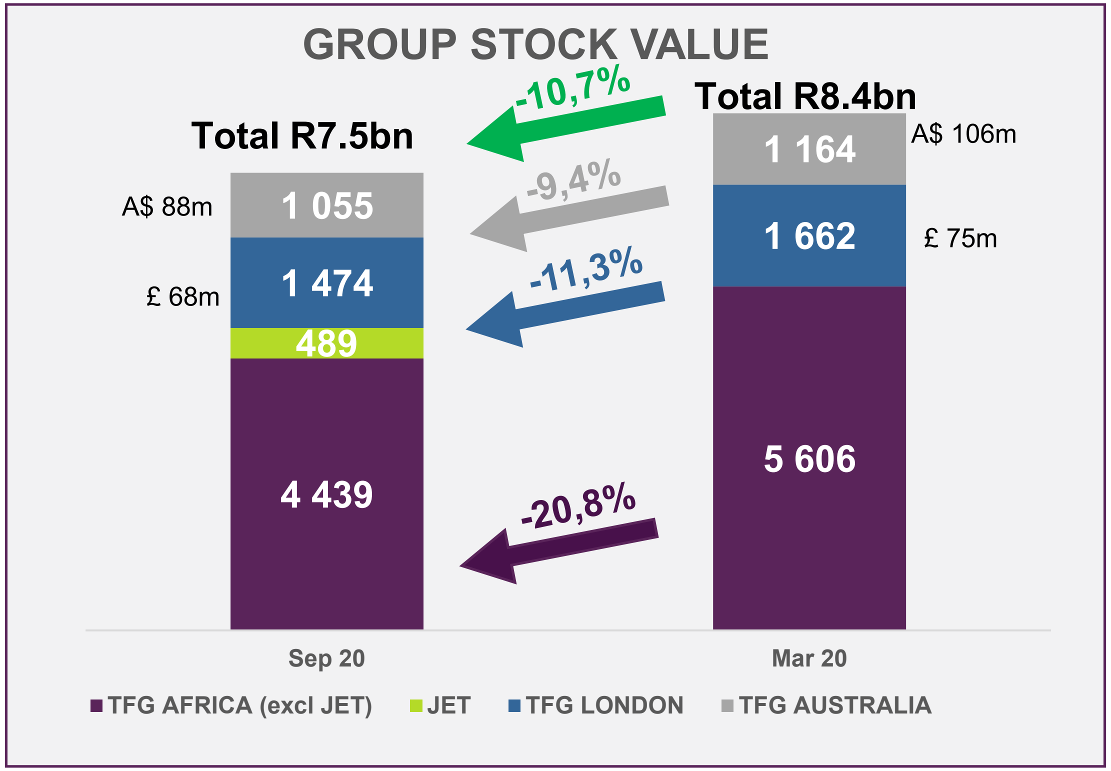
DEBT TO EQUITY RATIO

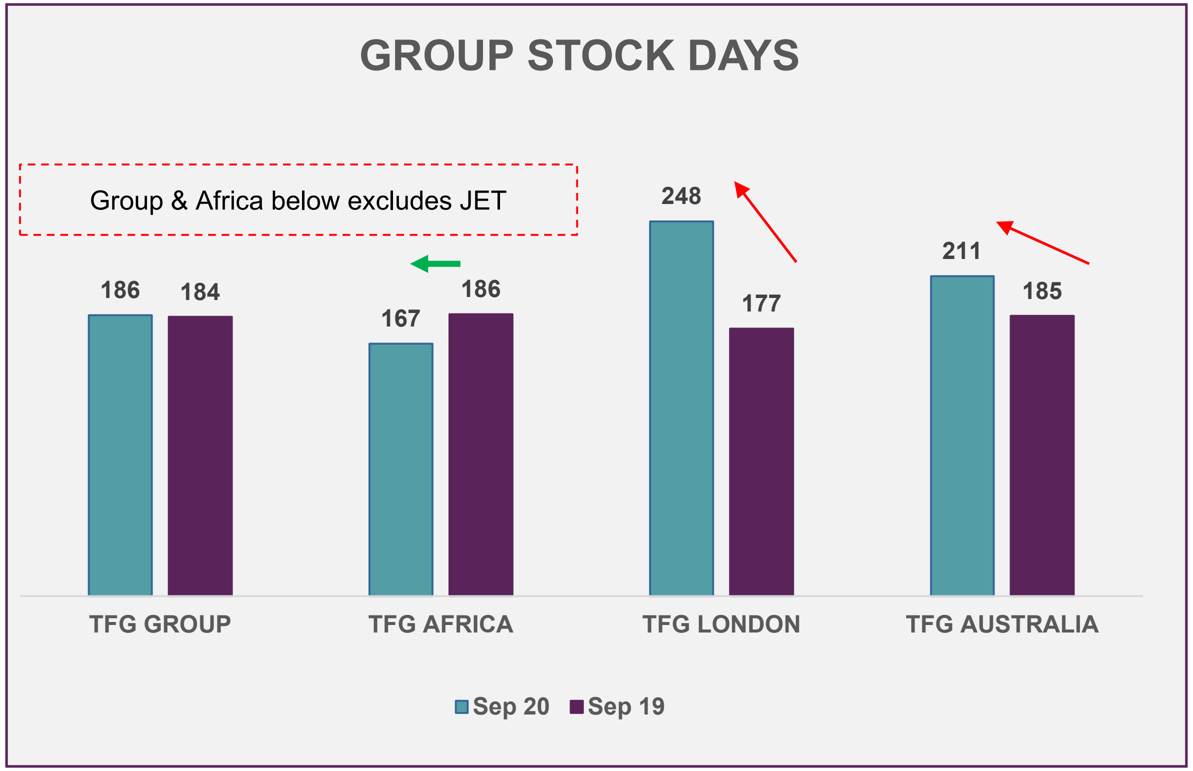


GROUP DEBT REPAYMENT PROFILE



GROUP STOCK SUMMARY

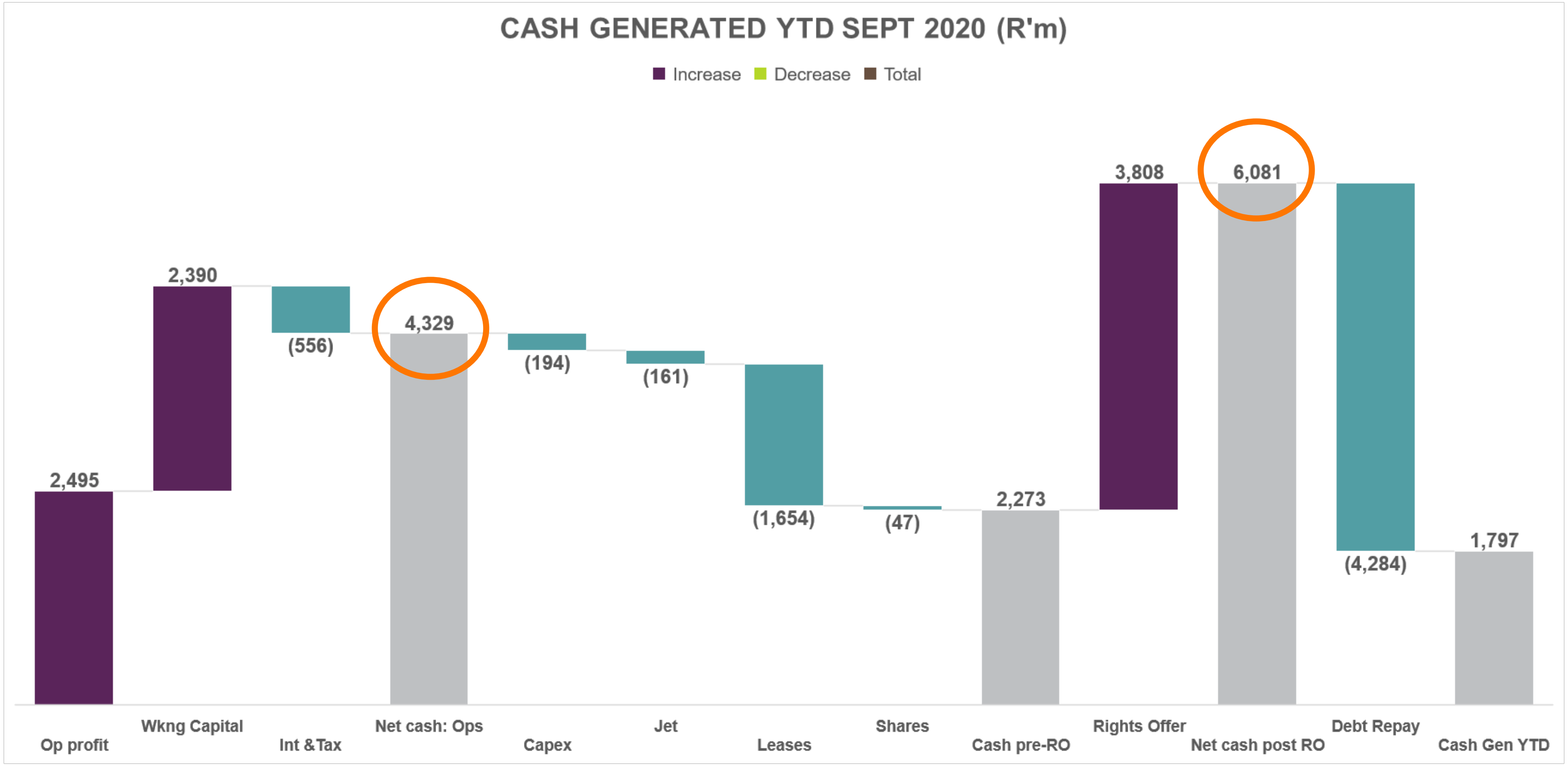




- Stock levels managed through partnership approach with suppliers and our QR/own manufacturing in response to trading conditions
- Stock provisions at end September 2020:
  - TFG Africa c.R530m
  - TFG Australia c. A$6,4m
  - TFG London c. £14,9m

STRONG CASH GENERATION

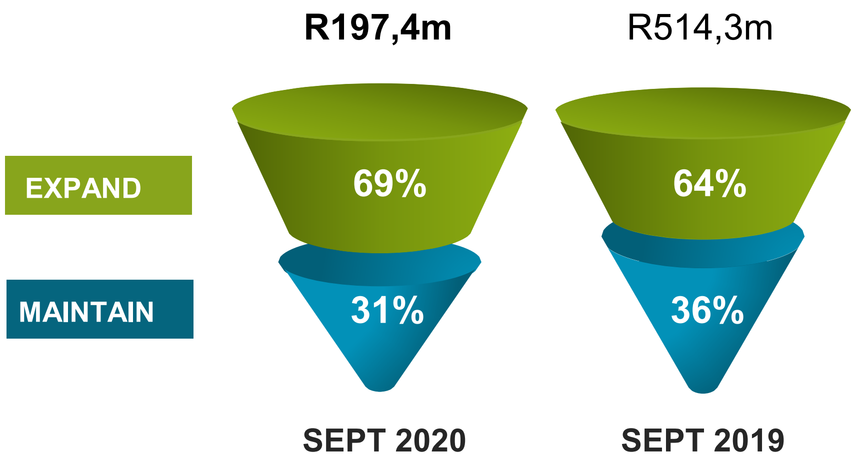
R4,3 billion net cash from operations

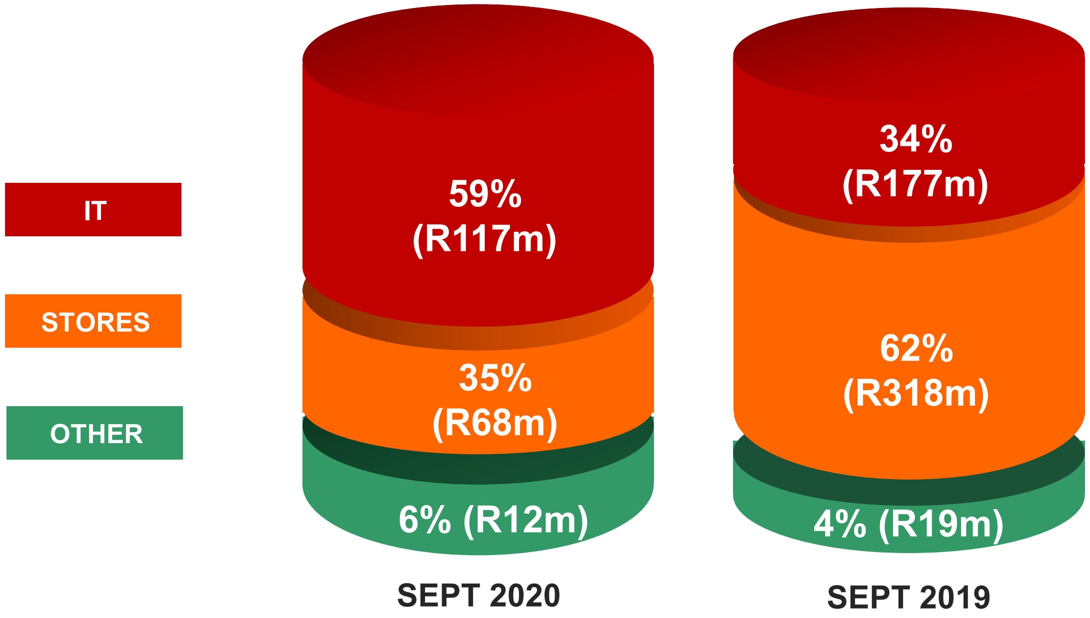


CAPEX SPEND

Reduced by 61%

While investment in digital transformation was prioritised, capital investment was pulled back to preserve liquidity





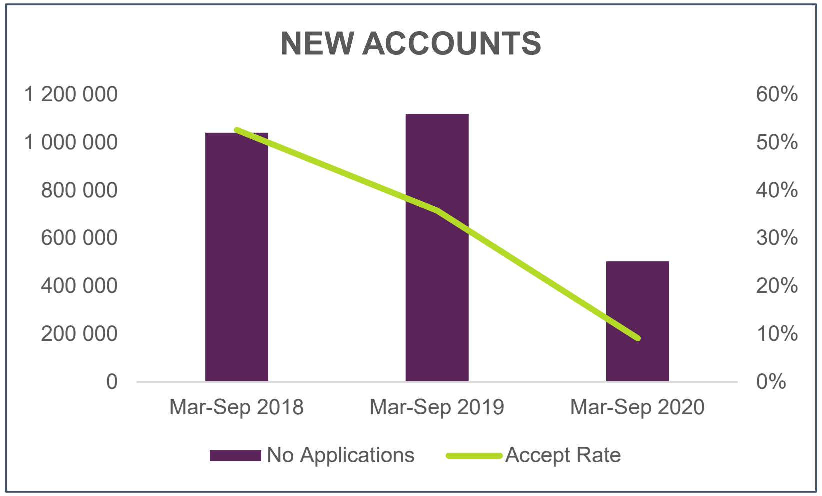
FINANCE ~ LOOKING AHEAD

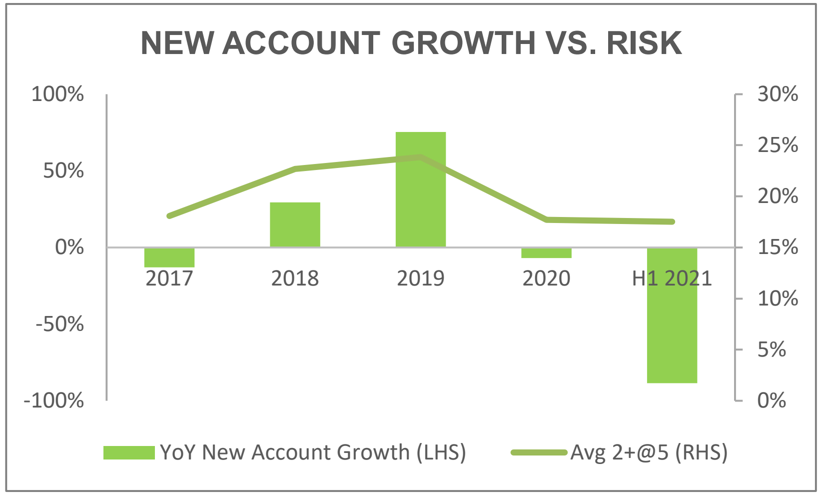
- Working capital management – continued focus
  - 2nd Half: Inventory levels to increase partially as we stock up Jet
  - Debtor book management
- Capex run rate higher than first half, and will be largely digital and increase in line with economic recovery and Jet capex plans
- Cash Preservation
  - Business Optimisation – extract further efficiencies
    - Conclude the Finance and Procurement workstreams

MANAGING CREDIT DURING COVID

Jane Fisher

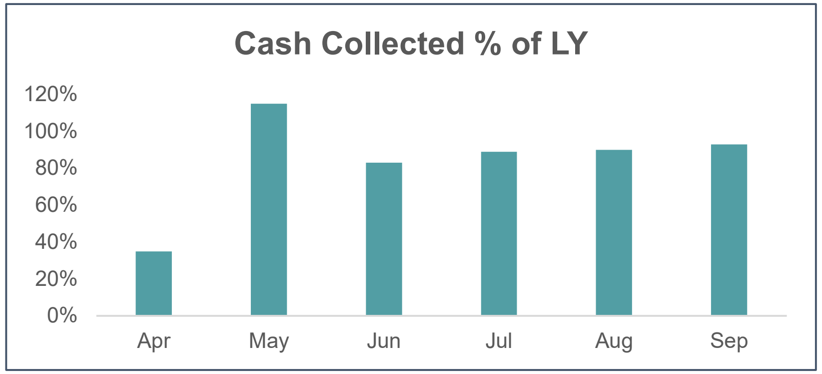
CREDIT GROWTH

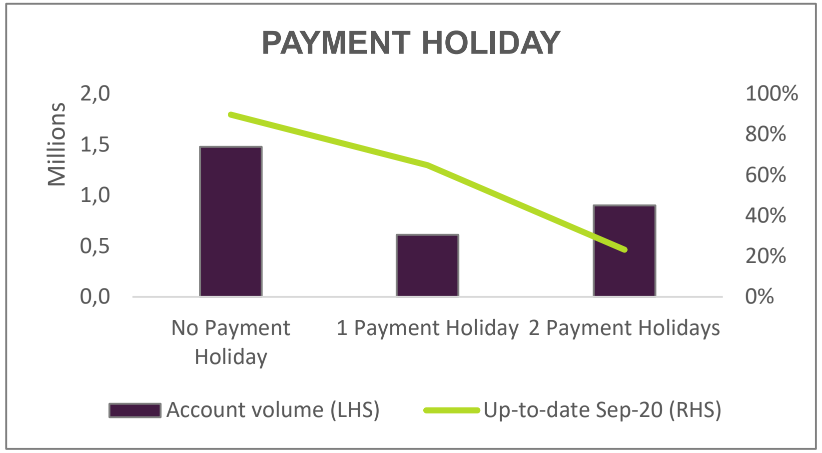




- Credit marketing during COVID has been curtailed decreasing demand by 55,0%
- Approval rates have been reduced to less than 10%
- Lack of new accounts and the hard lockdown have resulted in credit sales decreasing by 34,7% YoY
- Active accounts decreased by under 5% to 2,6 million
- Contraction in credit sales results in gross book decreasing by 3,1% YoY
- Credit contribution now 35,5%, down from 42,3% PY
- Level of delinquency for new accounts opened in FY20 improved significantly vs FY19
- Delinquencies for H1 FY21 maintained at this lower level

CREDIT QUALITY





- In-store payment channel still channel of choice accounting for circa 80% of payments, but many customers converted to electronic channels during lockdown
- Customers are paying their accounts and running circa 10% lower than last year
- Approximately 50% of the customer base as at March 2020 were given either one or two payment holidays in April and May
- Payment behaviour of majority of customers remained robust
- Provision levels have increased to 25,0% from 19,7% in order to be conservative
- Lower write-offs in H1 FY21 due to payment holidays, increased provision requirement at Sep-20, but write-off will increase in H2 reducing provision requirement at Mar-21

CREDIT EBIT SUMMARY

	TFG AFRICA September 2020 (Rm)	% of credit granted	TFG AFRICA September 2019 (Rm)	% of credit granted	TFG AFRICA % change
Income	927,4	19,5	1 227,3	15,9	(24,4)
Net bad debt	(778,4)	16,3	(617,0)	8,0	26,2
Credit costs	(239,7)	5,0	(255,6)	3,3	(6,2)
EBIT	**(90,7)**	**(1,9)**	**354,7**	**4,6**	**(125,6)**

Income growth affected by 275 bps rate drop since 20 March

Increase in Net bad debt due to impact of payment holiday on provisions

Credit costs decrease YoY due to lack of new account growth

CREDIT OUTLOOK

- Payment behaviour of the customer base remains robust and exceeds expectations
- Strict credit lending criteria to remain in place as a result of the extended lockdown
- Discussions regarding implementation of Debt Intervention Bill have commenced
- Credit for Jet customers will be managed by RCS
- Additional credit sales to be generated from cross shopping into Jet from existing customer base

Shane van Niekerk

JET BRAND OVERVIEW

Jet Stores was acquired in 1965 featuring seven supermarkets

POWERED BY TFG

1965 1975 1985 1995 2005 2015 2020

1965
Edcon purchases Sales House and Jet Stores (7 Stores)

1971
Opened 80 Jet stores – Introduction of home from Dan Hands furniture stores

1976
Registered the Jet brand

1982
Purchased by SAB

1998
Re-listed on JSE

2002
Acquire 17 Supermart Stores and rebrand to Jet Mart to introduce General Merchandise

2007
Purchased by Bain Capital

2011
Edgars Active started from failed Discom Stores

2012
Credit book sold to ABSA

2016
Sale of Legit and exit of Bain Capital

2019
Sale of Active and exit Jet Mart

2020
Sale of Jet to TFG

JET BRAND OVERVIEW

Jet is a meaningful value retailer in Southern Africa

R6bn
Net Sales

5300
Employees

425
Stores in Southern Africa

1.1M
Jet Facebook followers

600k
Jet Club Facebook followers

130k
Instagram followers

JET BRAND OVERVIEW

To be the most loved value retailer in Southern Africa

To address the lifestyle needs of value conscious customers in clothing and home without compromising their aspirations

To empower South Africans with the tools they need to write their own futures

JET BRAND OVERVIEW

We are for everyone in the family

SAVVY + SINGLE

Singles

9% of customers
3% of spend

Average monthly household income
R6 556 – R8 416

2.6 visits a year

R515 average yearly spend

TWO 2 TANGO

Couples

8% of customers
5% of spend

Average monthly household income
R8 238 – R11 662

3.8 visits a year

R900 average yearly spend

Growth opportunity

ME + MINE

Single Parents

25% of customers
20% of spend

Average monthly household income
R3 594 – R4 687

5.4 visits a year

R1 199 average yearly spend

Core customer

KID ZONE

Kids Only

10% of customers
3% of spend

Average monthly household income
R9 671 – R12 871

2.5 visits a year

R535 average yearly spend

Growth Opportunity

ALL IN THE FAMILY

Entire Family

47% of customers
69% of spend

Average monthly household income
R9 671 – R12 871

7.9 visits a year

R2 230 average yearly spend

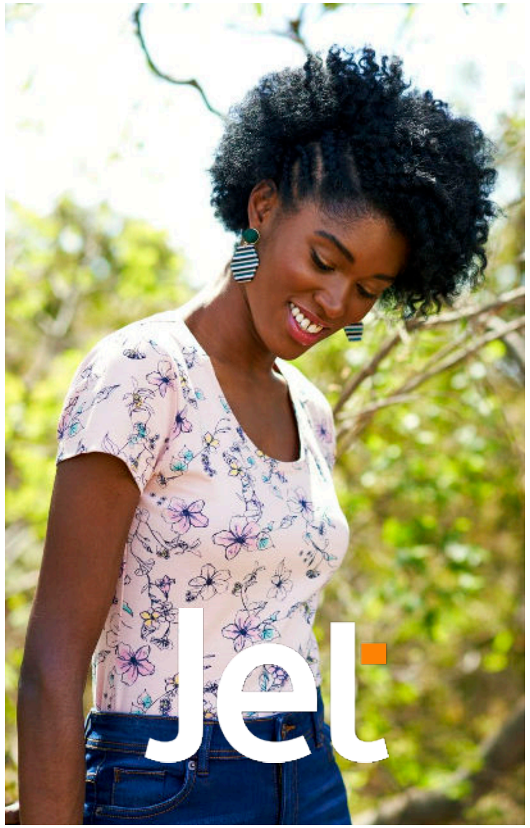
Core customer

Our Customers are…

- Classic to modern
- Value conscious
- Fashion followers
- Look + feel good on a budget
- Predominantly SEM 3-7

16 POINT PLAN: 2021/2021

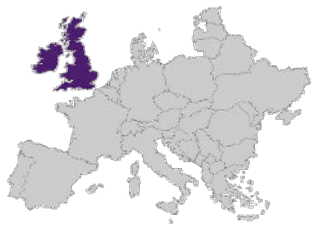
1. New assortment Strategy
2. Availability % in Stock/Colour and Size
3. Denim
4. Range Extension
5. Cosmetics/Colour
6. Exit Retail
7. Accessories
8. School wear
9. Store Grid Extension
10. Home
11. Supply
12. Rewards/Club and Communication
13. Cellular
14. Credit/Insurance and Financial Services
15. Store Segmentation
16. Enhanced Shopping Experience

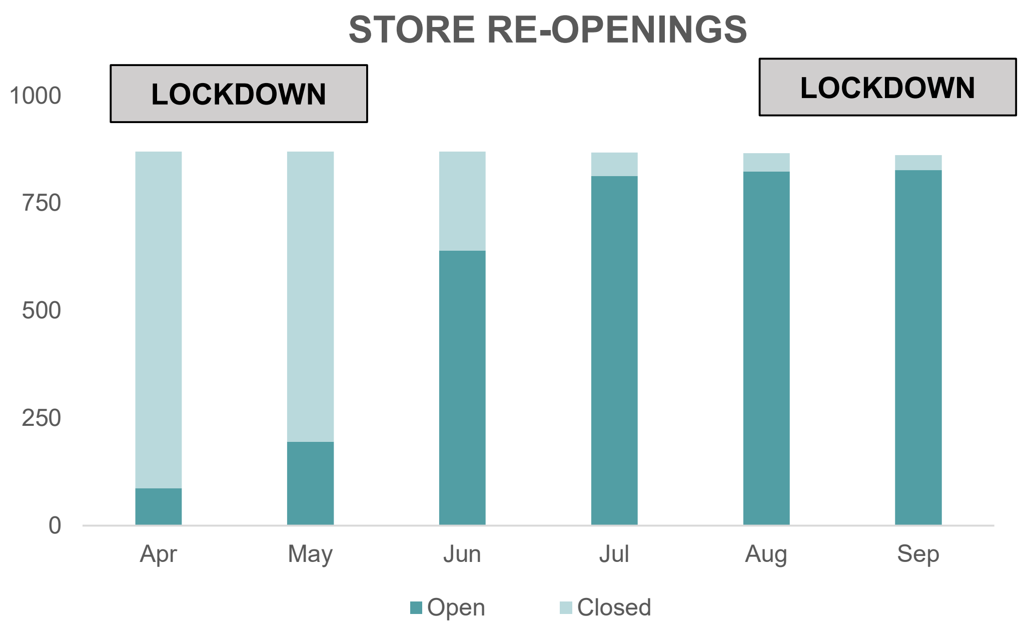


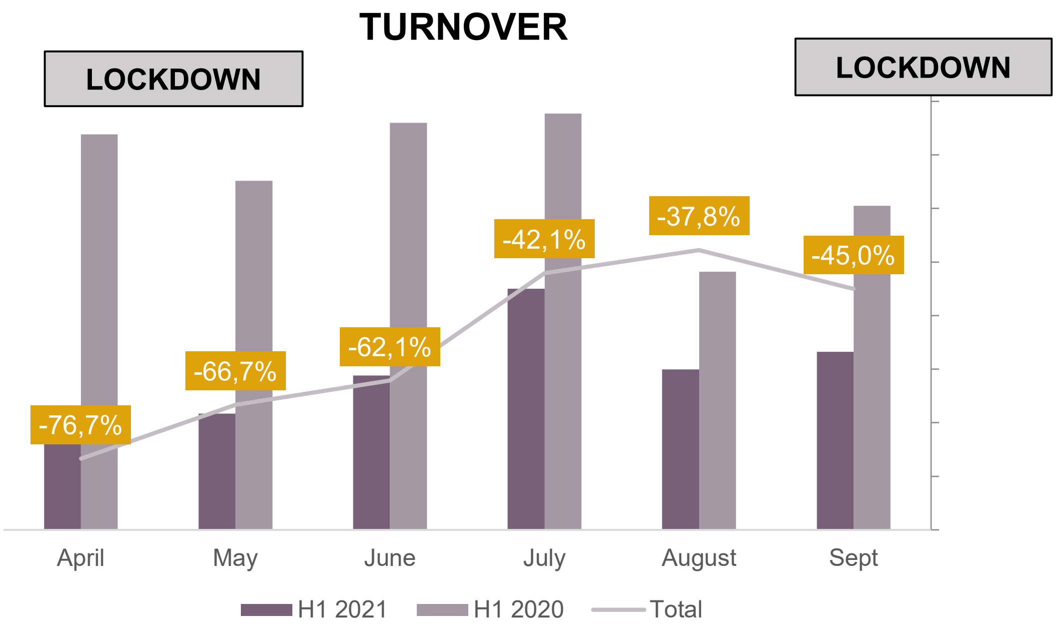
TFG LONDON

Ben Barnett

TFG LONDON:
COVID-19 impact on turnover







- Gradual opening of store and concession estate during May in International markets and from 15 June in the UK, however significantly lower levels of footfall
- Re-opening of city centre locations generally held back until October where office workers remain working from home and tourist numbers are significantly down

- Turnover since the March lockdown has been significantly depressed by reduced global demand for our key categories
- 'Work from home' policies have reduced formal workwear demand, whilst containment policies have led to waves of event cancellations, reducing demand for occasion wear.
- Pent up demand clearly exists – the government "Eat Out to Help Out" scheme drove sales before 2nd wave led to further UK restrictions

TFG LONDON:
Weak sales, partly mitigated by tight cost control

	Sept 2020 £m	% to turnover	Sept 2019 £m	% to turnover	% change
Retail turnover	**88,0**		200,7		(56,2)
EBITDA	**(5,6)**	(6,4)	28,4	14,2	(119,7)
EBIT	**(19,8)**	(22,5)	12,4	6,2	(259,7)
Occupancy costs	**13,5**	15,3	21,5	10,7	(37,2)
Occupancy costs – IFRS 16	**(13,6)**	(15,5)	(13,7)	(6,8)	(0,7)
Depreciation	**3,9**	4,4	4,5	2,3	(13,3)
Depreciation - leases	**10,3**	11,7	11,5	5,7	(10,4)
Employment costs	**18,0**	20,5	37,6	18,7	(52,1)
Other operating costs	**26,5**	30,1	50,0	24,9	(47,0)
Total trading expenses	**58,6**	**66,6**	**111,4**	**55,5**	**(47,4)**

44,1%
Gross margin
(Sept 2019: 61,7%)

-6,4%
EBITDA* margin
(Sept 2019: 14,2%)

-22,5%
EBIT* margin
(Sept 2019: 6,2%)

** Post-IFRS 16 EBITDA and EBIT*

YTD turnover down significantly on prior period due to COVID-19 store closures, work from home policies limiting footfall in city centres and weak demand for occasion wear and work wear

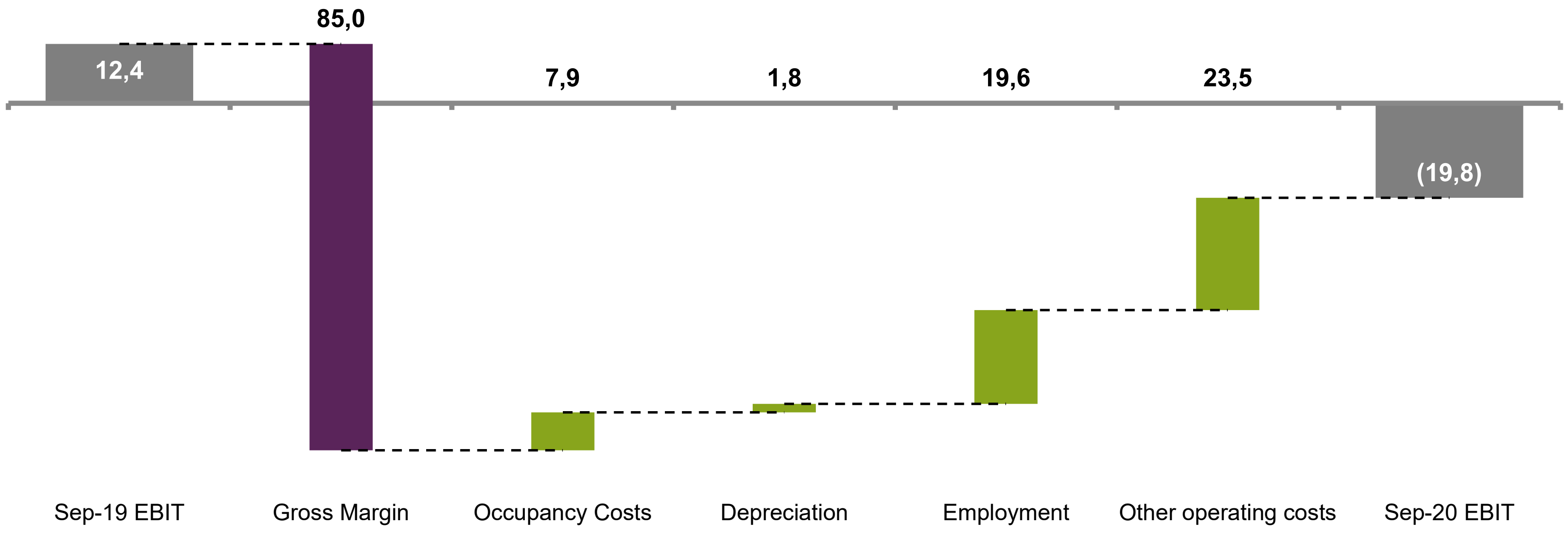
Own-website turnover increased 1,6%, 3rd party websites experienced a 30% decline in online turnover compared to the prior period

Gross margin negatively impacted by significant promotional activity in the market and higher COVID-19 related stock provisioning

Strong cost control, Government support through furlough scheme and business rates relief mitigated some of the impact of drop in gross margin

TFG LONDON:
Factors mitigating gross margin shortfall

YTD EBIT Waterfall £m



Reductions in occupancy, employment and operating costs partially mitigate the significant gross margin shortfall

YTD turnover down 56,2% due to store closures and lower footfall, with Gross Margin down further by 68,7% through increased markdown, mix of promotional sales and prudent COVID-19 related stock provisions

Occupancy costs down by 37,2% through store closures, negotiated rent reductions (average 47% rent reduction on 49 leases with expiry / break clauses) and rates relief

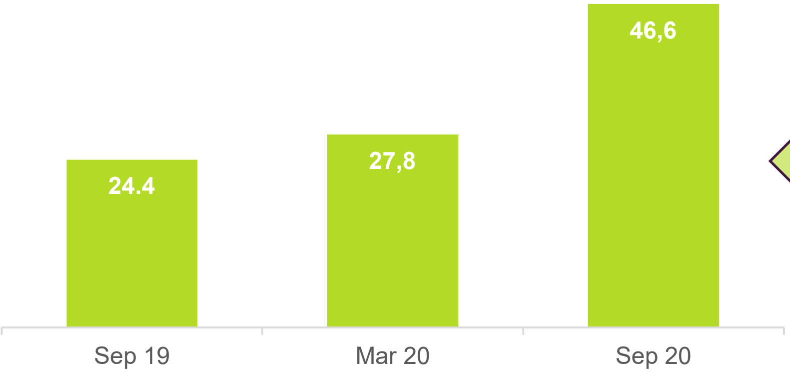
Employments costs down by 52,1% through stores closures, structured redundancy program, 20% pay cuts in April & May and the government job retention scheme

Other operating costs 47,0% lower as a result of lower concession commission and tight control of discretionary spend.

BALANCE SHEET & CASH FLOW

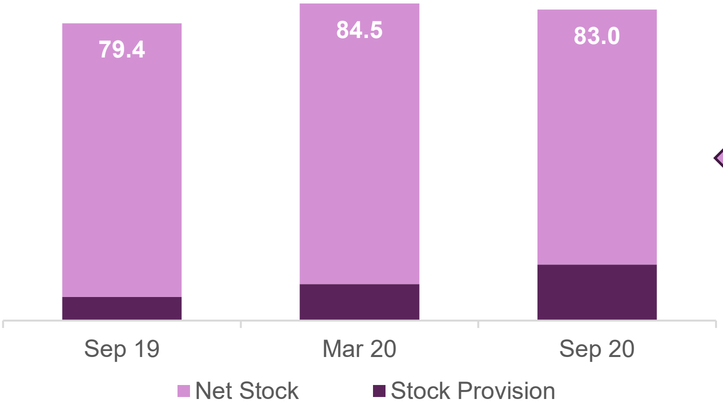
Robust balance sheet maintained despite trading losses

CASH BALANCES £m



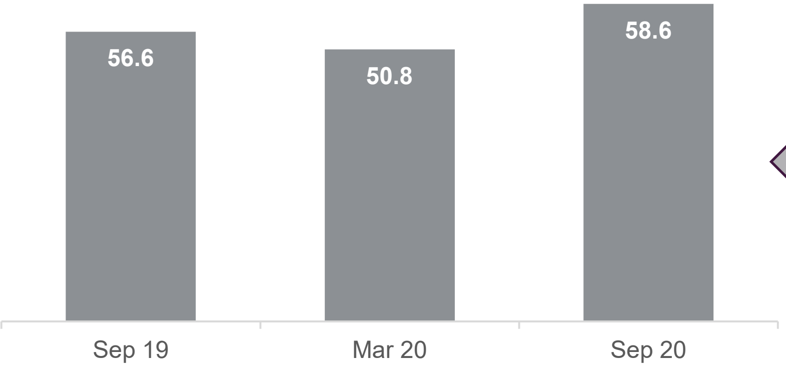
Renegotiated payment terms with stock suppliers, government agreed deferrals of direct and indirect taxes, deferred rent and rates relief, as well as loan facility draw down

STOCK BALANCES £m



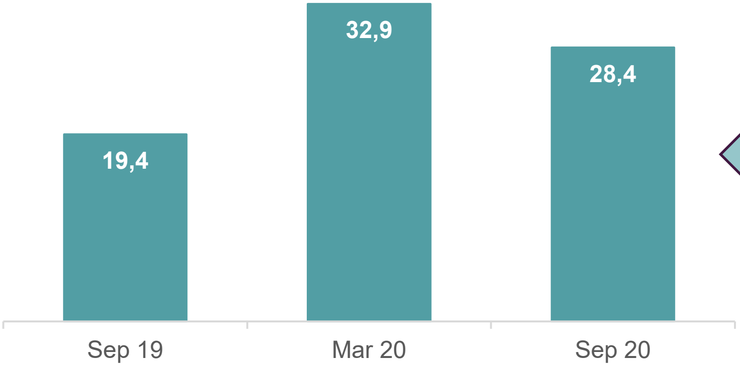
Gross stock at Mar 2020 of £85m reduces to £83m at Sept 2020 with provisions increasing from £10m to £15m

BORROWINGS £m



Revolving Credit Facility drawn down in full, 3 year term with ability to extend to 5 years.

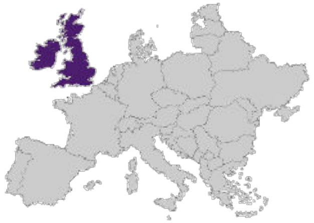
TRADE CREDITORS £m



Renegotiated payment terms with merchandise suppliers, offset by reduced new season purchase volumes

OUTLOOK

TFG London are repositioning for the post Covid recovery

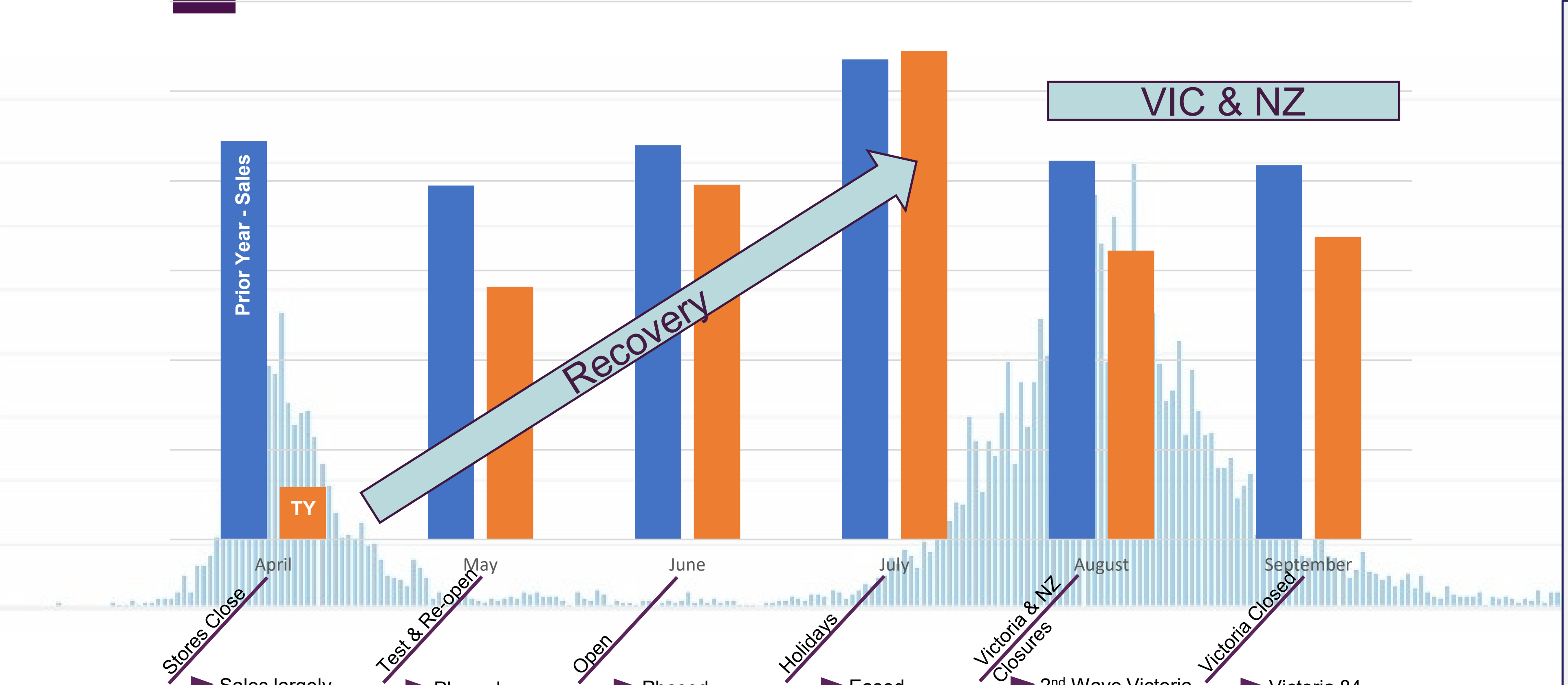


- UK retail market has rebounded strongly in recent months, with September showing total retail sales growth +3,4% on the prior year. Household goods have been in double digit growth
- Clothing sales have seen a stark divide between growing sales of casual, athleisure and sportswear and declining sales of formal work and occasion wear
- We firmly believe however that the strength of our brands is undiminished – our focus is on ensuring we are optimally positioned for a strong resumption of activity in S/S22
  - We continue to drive negotiations with landlords to secure advantageous rents with flexible lease terms
  - We continue to support our strong supplier relationships, retaining brand expertise in house and externally
  - We continue to communicate with our customer base, growing our use of social media to support remote engagement and the development of our casual clothing offer
- Recognising the acceleration of channel shift away from department store locations, we have accelerated our site reduction program, whilst driving efficiency gains in store and at head office

TFG AUSTRALIA

Gary Novis

TFG AUSTRALIA:
COVID-19 impact - sales



April	May	June	July	August	September
Sales largely digital only	Phased reopening	Phased reopening	Eased Restrictions	2nd Wave Victoria 84 stores closed 2nd August 2nd Wave NZ 17 stores closed for 2 weeks	Victoria 84 stores remain closed
Sales (87%)	Sales (29%)	Sales (10%)	Sales +2%	Sales (24%)	Sales (19%)
	Comp (21%)	Comp (14%)	Comp (2%)	Comp (12%)	Comp (4%)

Comments:

First Wave:
- All stores Closed on 27 March
- Tested COVID Safe re-opening April
- All stores re-opened by end of May

Second Wave:
- 84 Victorian stores closed 6 August, Govt imposed lockdowns
- 17 New Zealand stores closed for 2 weeks in August
- Victorian stores re-opened 28 October

Highlights:
- Strength of team culture
- Decisiveness of management team
- Grateful for Government initiatives (JobKeeper) &
- Landlord assistance

Industry Learnings:
- Athleisure sector accelerated;
- "Occasion" based categories declined with "all events cancelled";
- Strategy unchanged
- COVID has accelerated the trend to digital channels

TFG AUSTRALIA:
Decline in EBITDA less than turnover decline

	Sept 2020 A$m	% to turnover	Sept 2019 A$m	% to turnover	% change
Turnover	**194,1**		265,4		(26,9)
EBITDA	**60,9**	31,4	68,1	25,7	(10,6)
EBIT	**18,0**	9,3	27,2	10,2	(33,8)
Occupancy costs	**47,8**	24,6	50,0	18,8	(4,4)
Occupancy costs – IFRS 16	**(41,6)**	(21,4)	(40,0)	(15,1)	4,0
Depreciation	**5,0**	2,6	4,8	1,8	4,2
Depreciation - leases	**37,9**	19,5	36,1	13,6	5,0
Employment costs	**39,0**	20,1	75,1	28,3	(48,1)
Other operating costs	**11,6**	6,0	18,8	7,1	(38,3)
Total trading expenses	**99,7**	**51,4**	**144,8**	**54,5**	**(31,1)**

60,7%
Gross margin
(Sept 2019: 64,8%)

31,4%
EBITDA* margin
(Sept 2019: 25,7%)

9,3%
EBIT* margin
(Sept 2019: 10,2%)

** Post-IFRS 16 EBITDA and EBIT*

YTD turnover down on prior period due to COVID-19 store closures (initial closures and more recent closures in New Zealand and Victoria), lower footfall and weak demand for occasion wear

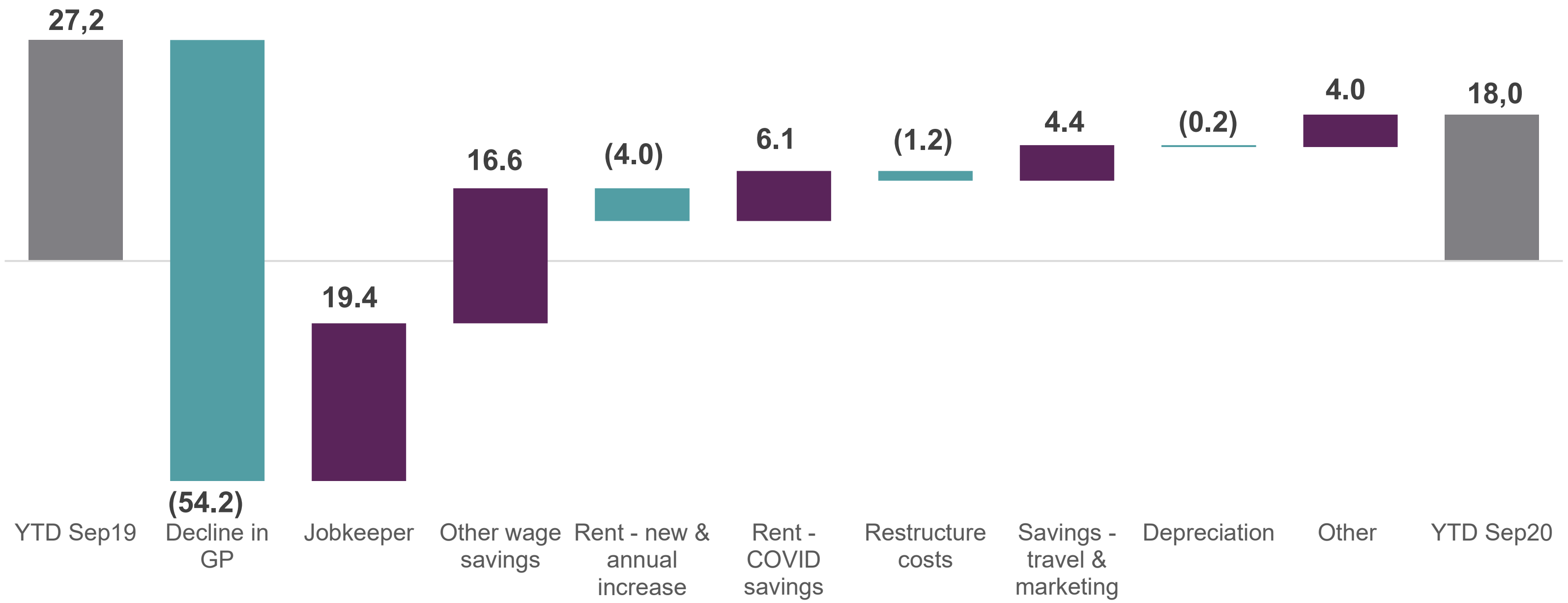
Shift to online accelerated with growth of 66,8%

Strong cost control, rental savings and Government support through salary support (JobKeeper program) ($19,4m); which mitigated some of the impact of drop in turnover and gross margin

Significant reduction in cost of doing business partially offsetting the reduction in turnover and containing the drop in EBITDA to 10,6%

TFG AUSTRALIA:
EBIT bridge

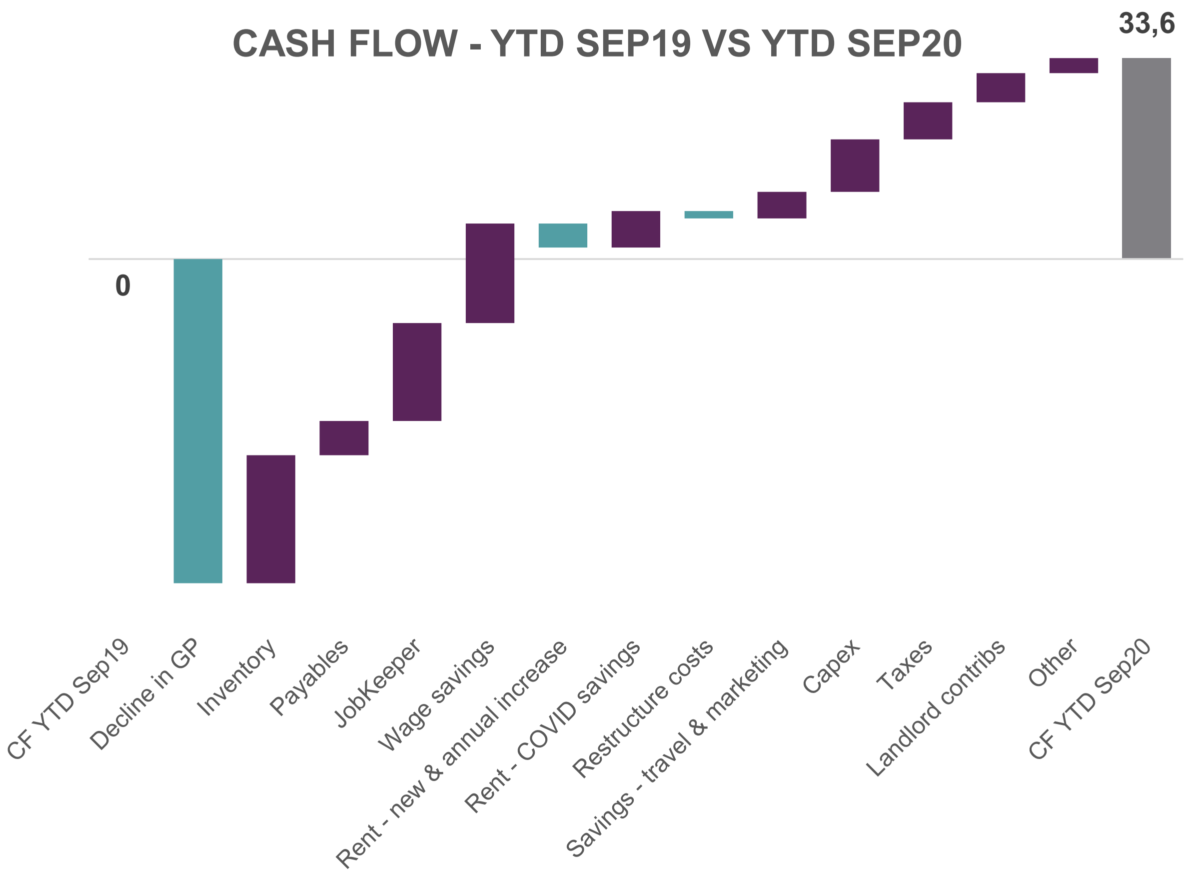
EBIT - YTD SEP 19 TO YTD SEP 20



- Sales down; mainly due to “closures”
- Underlying “Comp Store” sales numbers substantially better than the “total sales impact”
- Digital Sales have accelerated with the best result from Rockwear +110%
- “Occasion” based product impacted by cancellation of “events” and restrictions
- “Athleisurewear” growing strongly due to “daily” exercise permitted during lockdowns

- Negotiations with landlords resulted in $6,1m of Covid rent abatements
- Store wage savings from store closures and roster management
- Permanent expenditure savings across the board

TFG AUSTRALIA:
Cash, borrowings and facilities



Cash & Facilities:

- Cash in Bank $47,9m
- Available facility $65m (Utilised /drawn $0)
- Facility Covenants satisfied as at September 2020
- Improved cash position +$34,1m
- Support from Government & Landlords:
  - JobKeeper $16,4m (with $3m received in October)
  - COVID Rent Relief $6,1m
- Comparative (Mar19-Sep19) 6-monthly cash flow is zero, due to re-investment in growth

Balance Sheet:

- Appropriate provisions taken against inventory
- Supplier Payments all within standard terms except for negotiations with landlords; which progressed subsequent to half year end

TFG AUSTRALIA:
Outlook

- Strategy remains unchanged
- COVID-19 has highlighted numerous strengths including:
  - The ability to manage wind down and ramp up
  - The strength of supplier relationships
  - A sound business continuity plan
  - The growing online presence of the business
  - Confirmation of the strategy
  - Strong Culture
- Growth through expansion of existing brands in Australia and New Zealand continues subject to the appropriate terms being agreed with landlords
- Digital continues to outperform expectations; and we continue to invest to support the growth

OUTLOOK & CONCLUSION

Anthony Thunström

TFG

OUTLOOK: H2

RETAIL SALES FOR OCTOBER

- **Africa**
  Encouraging performance
  - Turnover **+8% (+22%** including Jet)
  - Credit sales down -11%
  - Cash sales +25% **(+52%** including Jet)

- **UK (-38%)**
  Remains a concern, further lockdowns in November to December

- **Australia (-15%)**
  Victoria reopened 28 October with first day of trade up 8% on LY; 28% up on prior week

H2: 2021 FIN YEAR

- Trading conditions and consumer confidence remain under pressure, further job losses expected
- 2nd COVID-19 lockdowns a real threat for near term
- Black Friday/ Christmas trade dependant on lockdowns
- Online turnover contribution expected to grow
- UK remains a key concern, with further lockdowns imminent from November for initial 30 days
  - Further parent support likely required, however quantum not significant
  - “Last man standing” will win
  - Value in use (£240m) to be tested H2 as part of ongoing management processes, once the landscape is better defined
- Australia well positioned for further growth, especially Rockwear and Johnny Bigg
- Jet: Increased stock purchases to boost turnover growth. Integration expected by end of the financial year

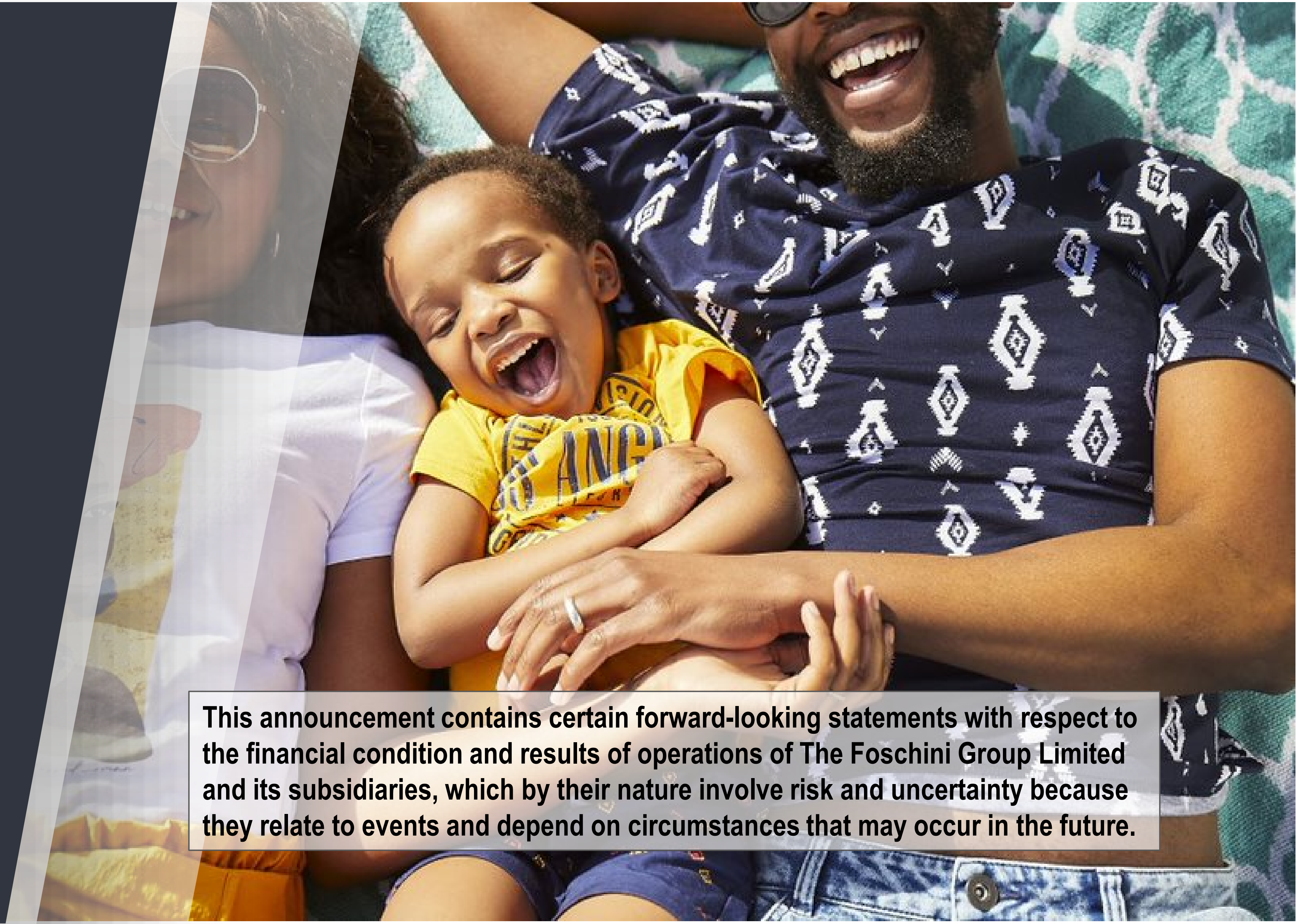
STRATEGIC OUTLOOK

- TFG remains a highly successful retailer with incredibly strong brand positioning
  - Over 4 500 outlets which includes c.425 new locations with JET – further TFG expansion / presence opportunities
  - 16m+ Rewards customers
  - World class in-house credit
  - Partially tapped VAS opportunity
  - Ongoing brand & product innovation opportunities
  - Customer and Digital **FIRST** mindset
- Benefit of brand diversification has been a strength
  - TFG is now across all LSM categories
  - JET anchor into lower LSM categories
- Strategic investments in digital transformation will continue to be prioritised
- Vertical integration of supply chain
  - Continued localised quick response manufacturing capacity build
  - Partnership approach with key suppliers
- Balance sheet strength
- Continued HO optimisation

GOING INTO THE NEW WORLD

- UK: cautiously confident of market share gains post economic recovery, minimal parent support envisaged
- Clean balance sheet and inventory levels
- Strong cash sales and very well run credit book

DISCLAIMER



This announcement contains certain forward-looking statements with respect to the financial condition and results of operations of The Foschini Group Limited and its subsidiaries, which by their nature involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future.

APPENDICES

COVID-19:
Impact on macro environment

GDP

All three major territories in recession

TFG Africa	-51%	Q2 2020 q-o-q
TFG London	-20%	Q2 2020 q-o-q
TFG Australia	-7%	Q2 2020

Business confidence

Improvement in business confidence as economies open – further deterioration expected as restrictions tightened again with 2nd wave of infections

TFG Africa	24	Q3 2020
	5	Q2 2020
TFG London	-1	Q3 2020
	-87	Q2 2020
TFG Australia	-4	Sep 2020
	-65	Mar 2020

Consumer confidence

Consumer spending remains under pressure

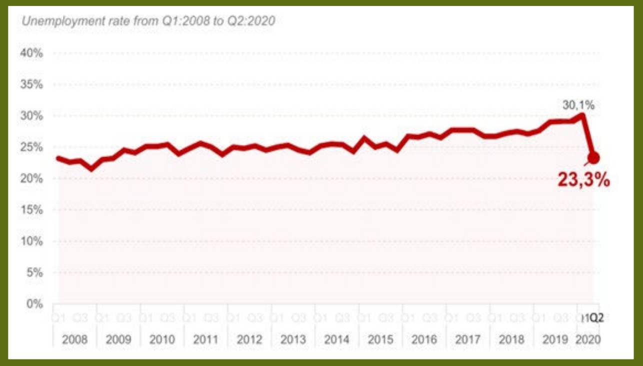
TFG Africa	-23	Q3 2020
TFG London	-25	Sept 2020
TFG Australia	93,8	Sep 2020
	75,6	Apr 2020

COVID-19:
Impact on employment

TFG AFRICA

23,3%
UNEMPLOYMENT
Q2 2020

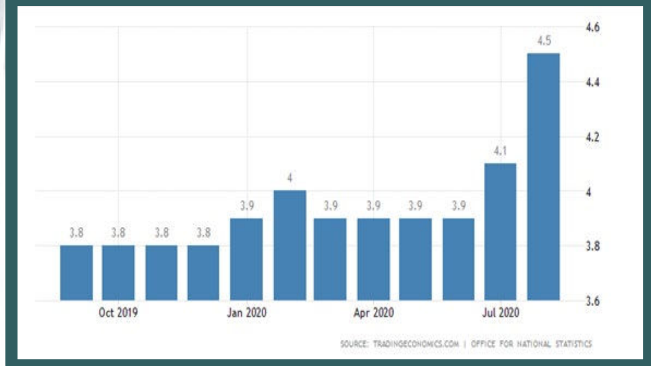
Expanded unemployment rate increased by 2,3%



TFG LONDON

4.5%
UNEMPLOYMENT
Aug 2020

Redundancies at highest level since July 2009



TFG AUSTRALIA

6.8%
UNEMPLOYMENT
Aug 2020

Highest levels since Sept 2015

SEPT 2020 RESULTS

INCOME STATEMENT

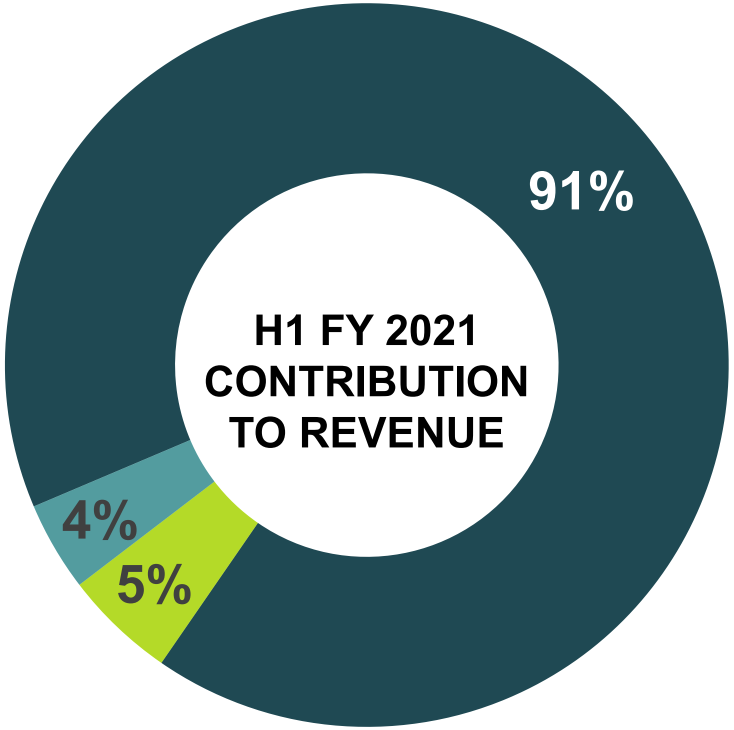
	GROUP Sept 2020	% to turnover	GROUP Sept 2019	% to turnover	% change
Revenue (Rm)	**13 861,8**		18 567,7		(25,3)
Retail turnover (Rm)	**12 530,0**		16 955,2		(26,1)
Cost of sales (Rm)	**(6 866,0)**	**54,8**	(7 928,2)	46,8	(13,4)
Gross profit (Rm)	**5 664,0**	**45,2**	9 027,0	53,2	(37,3)
Interest and other income (Rm)	**1 331,8**	**10,6**	1 612,5	9,5	(17,4)
Net bad debt (Rm)	**(778,4)**	**6,2**	(617,0)	3,6	26,2
Trading expenses (Rm)	**(5 937,6)**	**47,4**	(7 695,7)	45,4	(22,8)
Operating profit before acquisition costs, gain on bargain purchase and finance costs (Rm)	**279,8**	**2,2**	2 326,8	13,7	(88,0)
Acquisition costs (Rm)	**(14,3)**	**0,1**	-	-	100,0
Gain on bargain purchase (Rm)	**694,3**	**5,5**	-	-	100,0
Finance costs (Rm)	**(571,0)**	**4,6**	(650,5)	3,8	(12,2)
Profit before tax (Rm)	**388,8**	**3,1**	1 676,3	9,9	(76,8)
Income tax expense (Rm)	**27,5**	**0,2**	(443,4)	2,6	(106,2)
Profit for the year (Rm)	**416,3**	**3,3**	1 232,9	7,3	(66,2)
Earnings per share	**161,5**		533,4		(69,7%)

The above income statement is post-IFRS 16

GROUP STATEMENT OF FINANCIAL POSITION

	UNAUDITED Sept 2020 Rm	% change	AUDITED Mar-20 Rm
Non-current assets	**22 853,8**	6,8	**21 403,4**
Current assets	**20 377,7**	(1,8)	**20 755,3**
Inventory	7 457,2	(11,6)	8 431,1
Trade receivables - retail	6 793,1	(12,5)	7 762,4
Other receivables and prepayments	1 227,8	(17,6)	1 490,4
Concession receivables	80,2	27,9	62,7
Cash and cash equivalents	4 760,2	60,3	2 969,1
Taxation receivable	59,2	49,5	39,6
TOTAL ASSETS	**43 231,5**	2,5	**42 158,7**
Equity attributable to equity holders of The Foschini Group Limited	**20 263,0**	27,1	**15 942,6**
Non-current liabilities	**12 834,5**	3,1	**12 447,1**
Current liabilities	**10 134,0**	(26,4)	**13 769,0**
Interest-bearing debt	1 401,1	(76,0)	5 849,2
Trade and other payables	5 181,0	8,2	4 786,4
Lease liabilities	3 445,5	14,8	3 001,0
Taxation payable	106,4	(19,6)	132,4
TOTAL LIABILITIES	**22 968,5**	(12,4)	**26 216,1**
TOTAL EQUITY AND LIABILITIES	**43 231,5**	2,5	**42 158,7**

REVENUE BREAKDOWN



H1 Sept 2020 performance

-26,1%	Retail turnover of **R12,5bn**
-22,8%	Interest income of **R719m**
-10,1%	Other income of **R613m**

Interest income
- Interest rate decrease of 300 bps
- Reduced net debtors book (R7bn, down 9,6% since Sept 2019)

Other income
- Value-added services R346m, down 6,2%
- Collection cost recovery R255m, down 16,6%

TFG
AFRICA

Bongiwe Ntuli

TFG AFRICA

	Sept 2020 Rm	% to turnover	Sept 2019 Rm	% to turnover	% change
Turnover	**8 271,2**		10 619,6		(22,1)
EBITDA	**2 388,7**	28,9	3 039,4	28,6	(21,4)
EBIT	**1 182,7**	14,3	1 827,4	17,2	(35,3)
Occupancy costs	**1 042,5**	12,6	1 196,6	11,3	(12,9)
Occupancy costs – IFRS 16	**(1 137,5)**	(13,8)	(1 116,4)	(10,5)	1,9
Depreciation	**283,1**	3,4	280,8	2,6	0,8
Depreciation - leases	**922,9**	11,2	931,2	8,8	(0,9)
Employment costs	**1 368,4**	16,5	1 653,3	15,6	(17,2)
Other operating costs	**973,6**	11,8	1 258,6	11,9	(22,6)
Total trading expenses	**3 453,0**	**41,7**	**4 204,1**	**39,6**	**(17,9)**

41,1%
Gross margin
(Sept 2019: 47,4%)

28,9%
EBITDA* margin
(Sept 2019: 28,6%)

14,3%
EBIT* margin
(Sept 2019: 17,2%)

** Post-IFRS 16 EBITDA and EBIT*

Good turnover performance from cellular and homeware merchandise categories

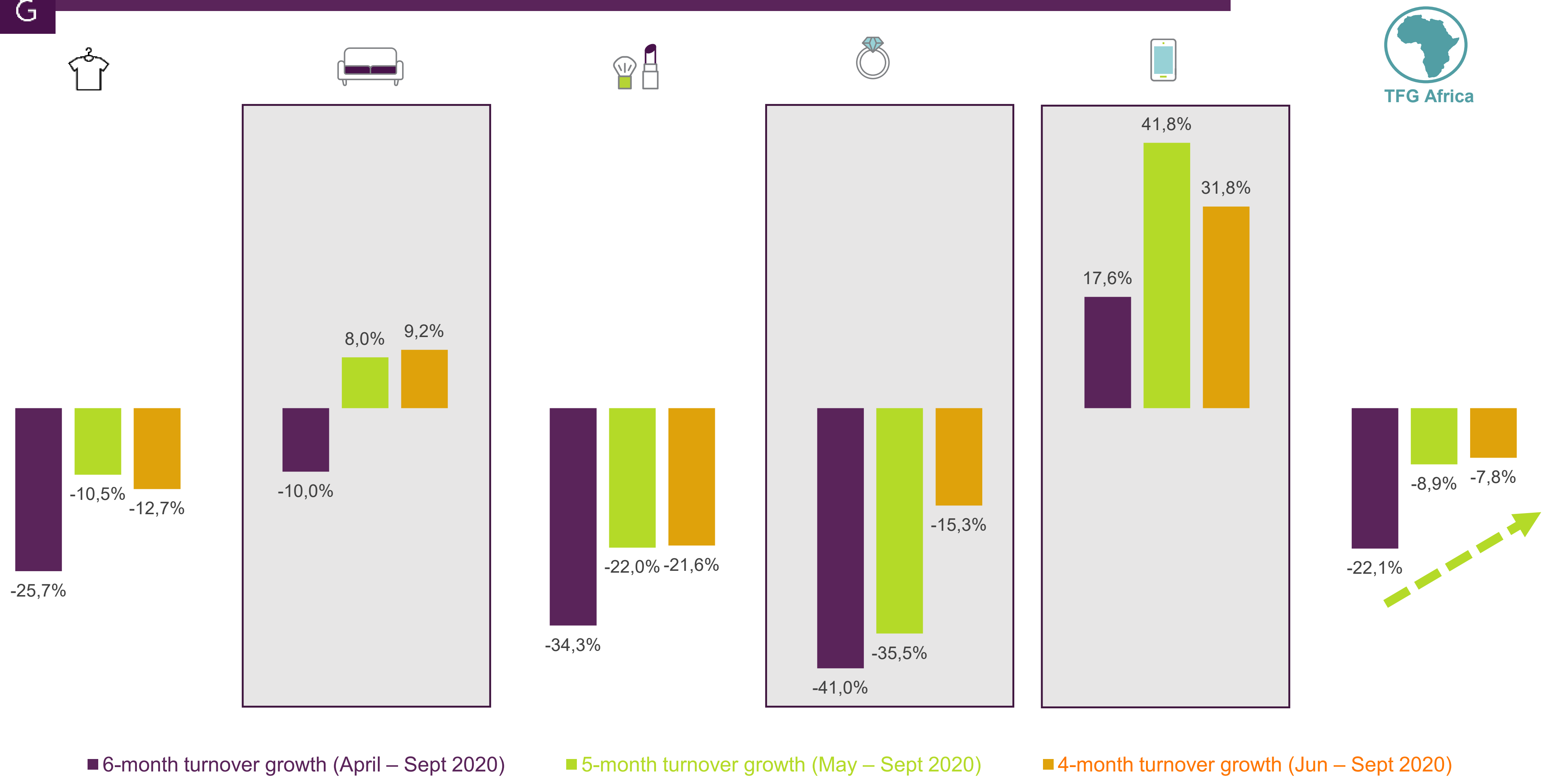
Margin negatively impacted by promotional activity linked to tough trading, stock provision and product mix

Product deflation of -3,6%

Continued focus on cost control

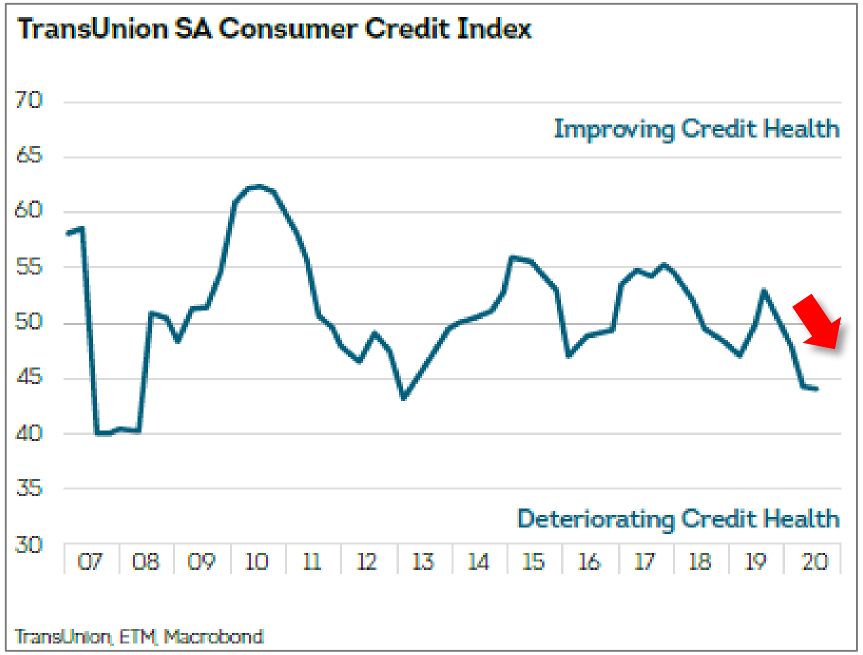
TFG AFRICA:

Turnover growth split per trading period – improving trends



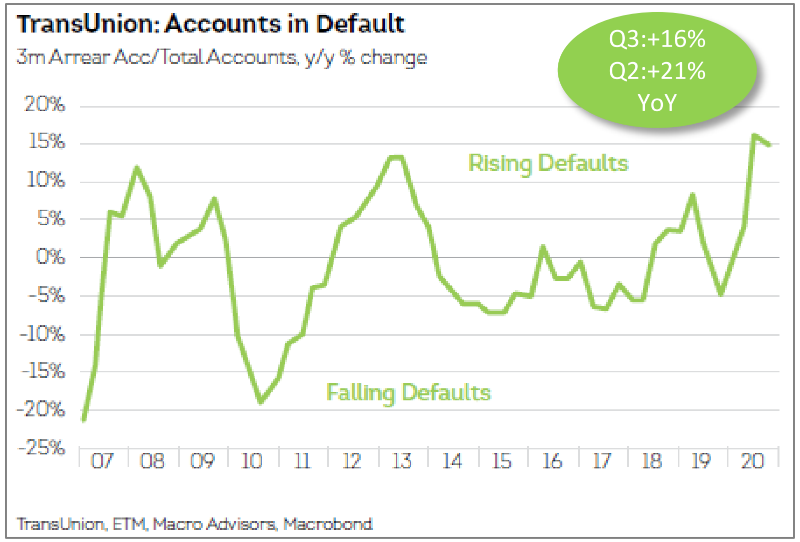
ADDITIONAL CREDIT INFORMATION

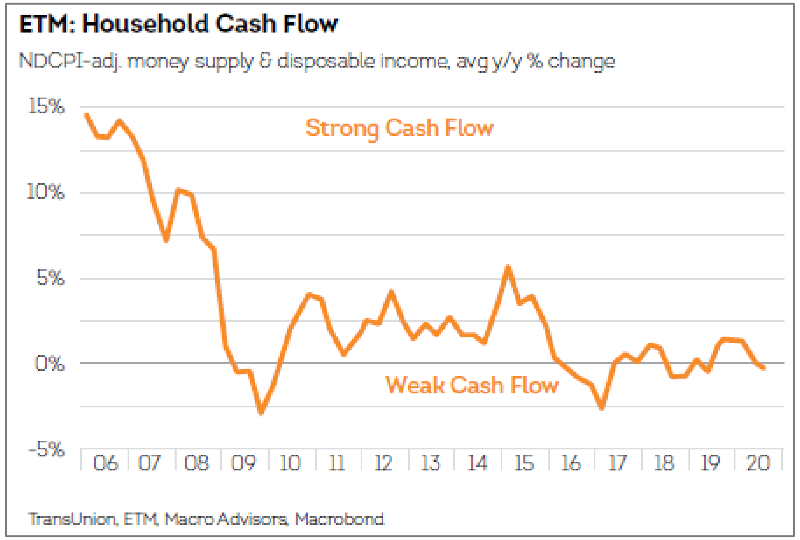
TRANSUNION:
DETERIORATING CREDIT HEALTH



- The CCI worsened to 44,0 in Q3 and Q2 of 2020 following significant YoY growth in defaults, despite payment holidays, TERS support, relatively flat household cash flow and reduced interest rates

- Further payment holidays are not expected, but the announced extension of TERS plus improved economic activity should moderate the negative trend in Q3





CREDIT KEY RATIOS

Key indicators	TFG AFRICA Sept 2020	TFG AFRICA Sept 2019	% change
Number of applications	503 613	1 119 000	-55,0%
Accept rates	9,1%	35,8%	
Number of new accounts	45 885	400 807	-88,6%
Number of active accounts (‘000)	2 594,3	2 723,6	-4.7%
Credit turnover (Rm)	2 934,4	4 495,3	-34,7%
Credit sales growth %	-34,7%	-0,5%	
Credit % of total turnover	35,5%	42,3%	
Gross debtors’ book (Rm)	9 063,3	9 349,1	-3,1%
Overdue values % to debtors’ book	18,2%	14,1%	
Buying position %	77,0%	82,4%	
Gross bad debt write-off year-on-year growth	-25,1%	20,2%	
Net bad debt write-off as % of credit transactions (12-month rolling)	11,4%	8,6%	
Recoveries year-on-year growth	-17,4%	-9,5%	
Allowance for impairment at reporting date year-on-year growth	23,5%	12,7%	
Allowance for impairment as % of debtors book	25,0%	19,7%	

BRAND OVERVIEW

BUSINESS OVERVIEW

MID TO UPPER MARKET

UPPER MARKET

MID MARKET

VALUE MARKET

OUR FOOTPRINT

TFG INTERNATIONAL FOOTPRINT

4 345

TFG OUTLETS

31

COUNTRIES

2 949

TFG AFRICA OUTLETS

66%

Contribution to turnover

861

TFG LONDON OUTLETS

16%

Contribution to turnover

535

TFG AUSTRALIA OUTLETS

18%

Contribution to turnover

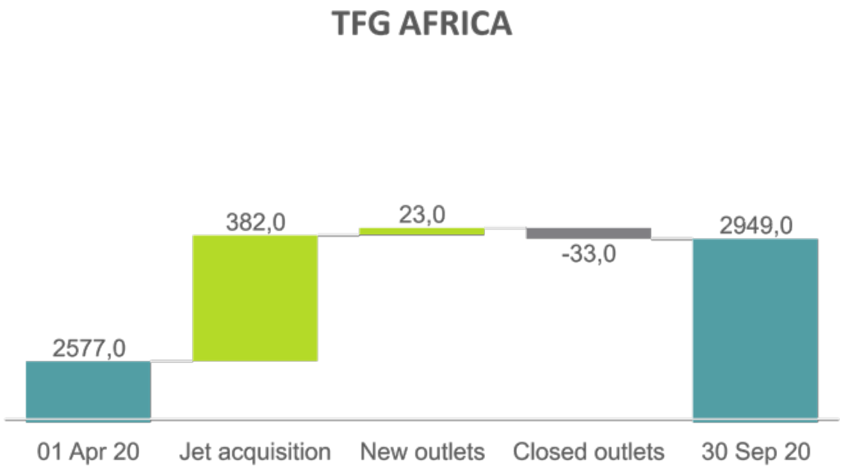
OUR FOOTPRINT MOVEMENT SINCE 1 APRIL

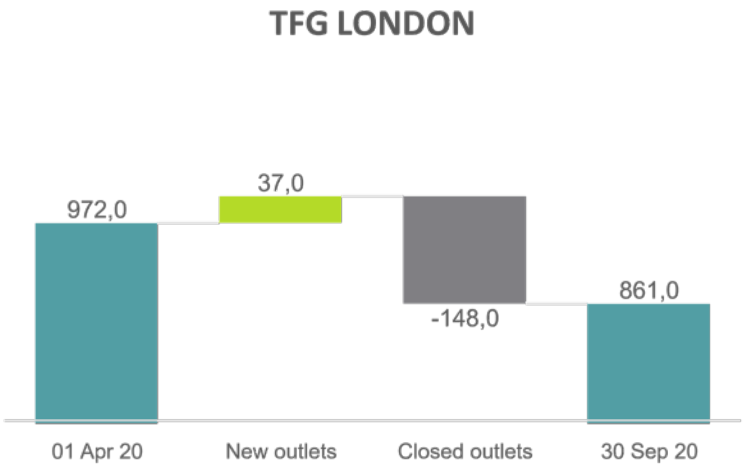
2 567

Sept 20 (excl Jet)

2 582

Sept 19





861

Sept 20

972

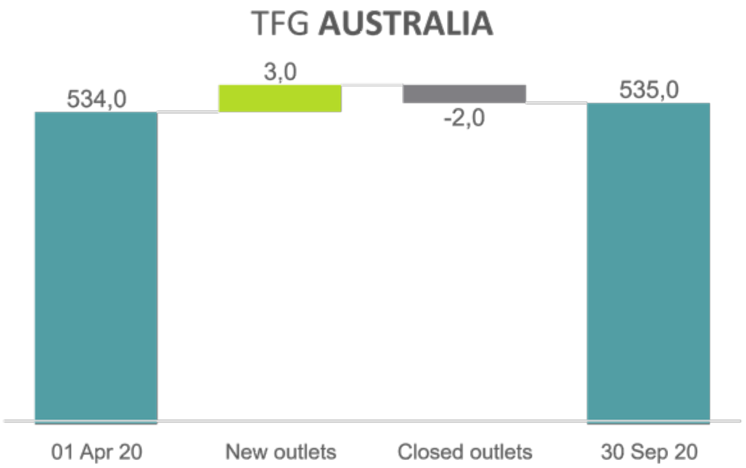
Sept 19

535

Sept 20

512

Sept 19



3 963

Sept 20 (excl Jet)

4 066

Sept 19

TFG AFRICA FOOTPRINT

COUNTRY	TOTAL	STORES	CONCESSIONS
South Africa	2 758	2 758	0
Namibia	102	102	0
Zambia	31	31	0
Botswana	30	30	0
Lesotho	12	12	0
Eswatini	12	12	0
Kenya	4	4	0

SOUTH AFRICA	TOTAL	STORES	CONCESSION
Gauteng	802	802	0
Western Cape	460	460	0
Kwazulu-Natal	338	338	0
Eastern Cape	248	248	0
Mpumulanga	240	240	0
Limpopo	233	233	0
Free State	172	172	0
North West	163	163	0
Northern Cape	102	102	0

TFG LONDON FOOTPRINT

EUROPE	TOTAL	STORES	CONCESSIONS
UK & Ireland	595	201	394
Switzerland	42	6	36
Germany	49	0	49
Spain	21	0	21
Netherlands	12	0	12
Sweden	9	1	8
Belgium	4	0	4
Estonia	2	0	2
Latvia	1	0	1

NORTH AMERICA	TOTAL	STORES	CONCESSIONS
USA	34	1	33
Mexico	21	0	21

AUSTRALASIA	TOTAL	STORES	CONCESSIONS
Hong Kong	20	18	2
Japan	8	0	8
Singapore	10	2	8
Australia	3	0	3
Macau	3	0	3

NORTH AFRICA	TOTAL	STORES	CONCESSIONS
UAE	7	0	7
Kuwait	5	0	5
Saudi Arabia	7	0	7
Qatar	5	0	5
Bahrain	2	0	2
Oman	1	0	1

TFG AUSTRALIA FOOTPRINT

AUSTRALIA	TOTAL	STORES	CONCESSIONS
Australia	505	480	25
New Zealand	30	30	0

RESULTS PRESENTATION

FOR THE HALF-YEAR ENDED
30 SEPTEMBER 2020

HALF-YEAR | 2021