



2023

**NOTICE**  
of annual  
general meeting  
THE FOSCHINI GROUP LIMITED

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# Dear shareholder

## NOTICE OF ANNUAL GENERAL MEETING

We have pleasure in enclosing the notice of annual general meeting (notice) and proxy form (grey) for The Foschini Group Limited's (TFG) 86th annual general meeting of shareholders (TFG shareholders or shareholders) to be held on Thursday, 7 September 2023, at 14h15.

The meeting will be conducted entirely by electronic communication as contemplated by section 63(2) of the Companies Act, No 71 of 2008 (Companies Act) and clause 22.6 of the company's memorandum of incorporation (MOI), for the purpose of considering and, if deemed fit, passing with or without modification, the special and ordinary resolutions set out below in the manner required by the Companies Act as read with the JSE Limited Listings Requirements (Listings Requirements).

In recent years, there has been a trend towards holding virtual or electronic meetings, and TFG has been no exception. We have found that electronic meetings have increased attendance, reduced costs, and provided a more convenient way for shareholders to participate in our annual general meeting. TFG shareholders wishing to participate electronically in the annual general meeting are required to follow the prescribed procedures set forth in the notice under the section titled, "electronic participation".

Included with this notice are the summary consolidated financial statements of TFG for the financial year ended 31 March 2023. The summary consolidated financial statements comprise a summary of the condensed consolidated financial statements of the Group for the year ended 31 March 2023. The condensed consolidated financial statements of the Group have been reviewed by Deloitte & Touche, in compliance with the applicable requirements of the Companies Act, and an unmodified review conclusion has been expressed thereon.

The summary consolidated financial statements have not been audited or reviewed, but have been extracted from the reviewed condensed consolidated financial statements. The directors of the Group take full responsibility for the summary consolidated financial statements and ensuring the financial information is correctly extracted from the underlying condensed consolidated financial statements.

TFG's 2023 integrated annual report and the audited annual financial statements for the year ended 31 March 2023 are available for viewing and downloading on the Group's website: [www.tfglimited.co.za](http://www.tfglimited.co.za).

Yours faithfully,

**Darwin van Rooyen**  
*Group Company Secretary*

21 July 2023

# Important dates and times

Record date to determine which shareholders are entitled to receive the notice	Friday, 14 July 2023
Posting (including by email) of the notice of annual general meeting to shareholders	Friday, 21 July 2023
Last day to trade in order to be eligible to participate in and vote at the annual general meeting	Tuesday, 29 August 2023
Voting record date in order to be eligible to participate in and vote at the annual general meeting	Friday, 1 September 2023
Last day and time for written request to be given by shareholders to exercise voting rights electronically in the annual general meeting to be delivered electronically to the transfer secretaries by 14h15 on	Tuesday, 5 September 2023
Recommended last day for proxy forms for the annual general meeting to be received (but are not required to) by the transfer secretaries by 14h15 on	Wednesday, 6 September 2023
Annual general meeting to be held at 14h15 on	Thursday, 7 September 2023
Results of annual general meeting released on SENS	Friday, 8 September 2023

## Notes

1. The above dates, times and other details of the annual general meeting are subject to amendment. Any such material amendment will be released on SENS.
2. All times quoted in the notice are local times in South Africa on a 24-hour basis, unless specified otherwise.
3. No orders to dematerialise or rematerialise TFG shares will be processed from the business day following the last day to trade up to and including the voting record date, but such orders will again be processed from the first business day after the voting record date.
4. The certificated register for shareholders will be closed between the last day to trade and the voting record date.
5. If the annual general meeting is adjourned or postponed, proxy forms submitted for the annual general meeting will remain valid in respect of any adjournment or postponement of the annual general meeting unless the contrary is stated on such proxy form (grey).
6. Any proxy form not delivered electronically to the transfer secretaries by the date and time stipulated herein may be submitted electronically to the transfer secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) before such shareholder's voting rights are exercised at the annual general meeting (or any adjournment or postponement thereof).

# Notice of annual general meeting

## **THE FOSCHINI GROUP LIMITED**

(Incorporated in the Republic of South Africa)

Registration number: 1937/009504/06

Share code: TFG – TFGP

(ISIN: ZAE000148466 – ZAE000148516)

(TFG or company or Group)

Notice is hereby given that the 86th annual general meeting of shareholders of TFG will be held entirely by electronic communication on Thursday, 7 September 2023, at 14h15 to:

1. deal with such business as may lawfully be dealt with at the meeting; and
2. consider and, if deemed fit, pass with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the company's memorandum of incorporation (MOI) as read with the Companies Act and the Listings Requirements, which meeting is to be participated in and voted at by shareholders as at the voting record date of Friday, 1 September 2023. Accordingly, the Last Day to Trade to be eligible to attend and vote at the annual general meeting is Tuesday, 29 August 2023.

It should be noted that TFG has made provision for its shareholders or their proxies to participate electronically in the annual general meeting as detailed later in this notice.

## **ORDINARY RESOLUTION NUMBER 1 (PRESENTATION OF ANNUAL FINANCIAL STATEMENTS)**

To receive and adopt the annual financial statements of the company and the Group for the year ended 31 March 2023. The consolidated audited annual financial statements of the company and its subsidiaries (as approved by the Supervisory Board), incorporating the independent auditors' report, the directors' report and the Audit Committee's report for the year ended 31 March 2023 as well as the Social and Ethics Committee's report contained in the 2023 integrated annual report have been made available and will be presented.

## **ORDINARY RESOLUTION NUMBER 2 (REAPPOINTMENT OF EXTERNAL AUDITORS)**

That upon the recommendation of the Audit Committee, Deloitte & Touche be reappointed as auditors (and Mr J H W de Kock as the designated partner) of the company until the following annual general meeting.

## **ORDINARY RESOLUTION NUMBER 3 (RE-ELECTION OF DIRECTOR)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders re-elect Mr R Stein, who is retiring by rotation as an independent non-executive director in accordance with the provisions of the MOI; Mr R Stein, being eligible and available, offers himself for re-election as an independent non-executive director.

A brief curriculum vitae in respect of Mr R Stein is included in annexure 1.

## **ORDINARY RESOLUTION NUMBER 4 (RE-ELECTION OF DIRECTOR)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders re-elect Ms N V Simamane, who is retiring by rotation as an independent non-executive director in accordance with the provisions of the MOI; Ms N V Simamane, being eligible and available, offers herself for re-election as an independent non-executive director.

A brief curriculum vitae in respect of Ms N V Simamane is included in annexure 1.

## **ORDINARY RESOLUTION NUMBER 5 (RE-ELECTION OF DIRECTOR)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders re-elect Mr D Friedland, who is retiring by rotation as an independent non-executive director in accordance with the provisions of the MOI; Mr D Friedland, being eligible and available, offers himself for re-election as an independent non-executive director.

A brief curriculum vitae in respect of Mr D Friedland is included in annexure 1.

## **ORDINARY RESOLUTION NUMBER 6 (RE-ELECTION OF DIRECTOR)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders re-elect Mr J N Potgieter as an independent non-executive director in accordance with the provisions of the MOI; Mr J N Potgieter, being eligible and available, offers himself for re-election as an independent non-executive director. Mr J N Potgieter was appointed on 10 July 2023 as an independent non-executive director of TFG by the Supervisory Board in terms of the MOI.

Mr J N Potgieter is required to retire his appointment at the end of the annual general meeting in terms of the MOI unless re-elected by the shareholders as contemplated herein.

A brief curriculum vitae in respect of Mr J N Potgieter is included in annexure 1.

## **ORDINARY RESOLUTION NUMBER 7 (ELECTION OF AUDIT COMMITTEE MEMBER)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Mr E Oblowitz, an independent non-executive director, as a member of the Audit Committee.

A brief curriculum vitae in respect of Mr E Oblowitz is included in annexure 2.

## **ORDINARY RESOLUTION NUMBER 8 (ELECTION OF AUDIT COMMITTEE MEMBER)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Ms B L M Makgabo-Fiskerstrand, an independent non-executive director, as a member of the Audit Committee.

A brief curriculum vitae in respect of Ms B L M Makgabo-Fiskerstrand is included in annexure 2.

## **ORDINARY RESOLUTION NUMBER 9 (ELECTION OF AUDIT COMMITTEE MEMBER)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Mr G H Davin, an independent non-executive director, as a member of the Audit Committee.

A brief curriculum vitae in respect of Mr G H Davin is included in annexure 2.

## **ORDINARY RESOLUTION NUMBER 10 (ELECTION OF AUDIT COMMITTEE MEMBER)**

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Ms N V Simamane, an independent non-executive director, as a member of the Audit Committee, subject to the passing of ordinary resolution number 4.

A brief curriculum vitae in respect of Ms N V Simamane is included in annexure 2.

## ORDINARY RESOLUTION NUMBER 11 (ELECTION OF AUDIT COMMITTEE MEMBER)

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Mr D Friedland, an independent non-executive director, as a member of the Audit Committee, subject to the passing of ordinary resolution number 5.

A brief curriculum vitae in respect of Mr D Friedland is included in annexure 2.

## ORDINARY RESOLUTION NUMBER 12 (ELECTION OF AUDIT COMMITTEE MEMBER)

That upon the recommendation of the Nomination Committee and the Supervisory Board, shareholders elect Mr J N Potgieter, an independent non-executive director, as a member of the Audit Committee, subject to the passing of ordinary resolution number 6.

A brief curriculum vitae in respect of Mr J N Potgieter is included in annexure 2.

## ORDINARY RESOLUTION NUMBER 13 (NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY)

That shareholders hereby endorse, by way of a non-binding advisory vote, the company's remuneration policy as set out in the Remuneration Committee report as it appears in the 2023 integrated annual report.

## ORDINARY RESOLUTION NUMBER 14 (NON-BINDING ADVISORY VOTE ON REMUNERATION IMPLEMENTATION REPORT)

That shareholders hereby endorse, by way of a non-binding advisory vote, the company's remuneration implementation report as set out in the Remuneration Committee report as it appears in the 2023 integrated annual report.

### Additional information in respect of ordinary resolutions numbers 13 and 14

In terms of the Listings Requirements, the company's remuneration policy and implementation report in regard to its remuneration policy must be tabled every year for separate non-binding advisory votes by the shareholders of the company at the annual general meeting. In the event that any of ordinary resolutions numbers 13 or 14, or both, is voted against by 25% or more of the votes exercised on each of them, the company shall engage with the dissenting shareholders in the manner as set out in the Remuneration Committee report as it appears in the 2023 integrated annual report.

## SPECIAL RESOLUTION NUMBER 1 (NON-EXECUTIVE DIRECTORS' REMUNERATION)

RESOLVED THAT, the remuneration to be paid to non-executive directors for the year 1 October 2023 to 30 September 2024 be approved in accordance with the table below:

Category	Amount excl. VAT
Chairman (all inclusive)	R1 653 750
Director (South African)	R474 075
Director (Foreign)	R715 412
Audit Committee chairperson	R388 962
Risk Committee chairperson	R286 650
Remco chairperson	R352 800
Social and Ethics Committee chairperson	R151 070
Member/Invitee of Audit Committee	R164 383
Member/Invitee of Risk Committee	R128 497
Member of Remco	R103 029
Member of Social and Ethics Committee	R83 349
Member of Nomination Committee	R54 755
Member of <i>ad hoc</i> Finance Committee	R54 755

### Explanatory note

The reason for and effect of special resolution number 1 is to approve the remuneration payable by the company to its non-executive directors for their services as directors of the company in terms of section 66(9) of the Companies Act for the calendar year commencing 1 October 2023 until 30 September 2024.

## **SPECIAL RESOLUTION NUMBER 2 (FINANCIAL ASSISTANCE TO RELATED OR INTERRELATED COMPANY OR CORPORATION)**

The shareholders approve that the company may provide direct or indirect financial assistance to a related or interrelated company or corporation provided that such financial assistance may only be provided within two (2) years from the date of the adoption of this special resolution and subject further to sections 44 and 45 of the Companies Act.

### **Explanatory note**

Section 44 of the Companies Act applies to financial assistance provided by a company to related or interrelated companies in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company.

Section 45 of the Companies Act applies to financial assistance provided by a company to related or interrelated companies and corporations, including, among others, its subsidiaries.

Thus, both sections 44 and 45 of the Companies Act provide that the financial assistance may only be provided pursuant to a special resolution passed by shareholders within the previous two (2) years.

The passing of this special resolution will have the effect of authorising the company to provide financial assistance to related and interrelated companies and corporations within the contemplation of sections 44 and 45.

## **SPECIAL RESOLUTION NUMBER 3 (GENERAL AUTHORITY TO ACQUIRE TFG ORDINARY SHARES)**

RESOLVED THAT the company and/or any subsidiary of the company, is hereby authorised, by way of a general authority from time to time, to repurchase ordinary shares in the share capital of the company upon such terms and conditions and in such amounts as the directors of the company may from time to time determine, but subject to the provisions of the MOI of the company, the provisions of the Companies Act and the Listings Requirements as presently constituted and which may be amended from time to time, and subject to the following:

1. The repurchase of securities being effected through the order book operated by the JSE Limited (JSE) trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited).
2. Approval by shareholders in terms of a special resolution of the company, in an annual general meeting, which shall be valid only until the next annual general meeting or for fifteen (15) months from the date of the resolution, whichever period is shorter.
3. Repurchases may not be made at a price greater than 10% above the weighted average of the market value for the securities for the five (5) business days immediately preceding the date on which the transaction is effected.
4. At any point in time, a company may only appoint one agent to effect any repurchase/s on the company's behalf.
5. TFG or its subsidiary may not repurchase securities during a prohibited period as defined in paragraph 3.67 of the Listings Requirements unless they have in place a repurchase programme. TFG will instruct only one independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company prior to the commencement of the prohibited period to execute the repurchase programme. The repurchase programme must be submitted to the JSE in writing prior to the commencement of the prohibited period and must include the following details: (i) the name of the independent agent; (ii) the date the independent agent was appointed by TFG; (iii) the commencement and termination date of the repurchase programme; and (iv) the quantities of securities to be traded during the relevant period are fixed (not subject to any variation).
6. The aggregate of acquisitions by subsidiaries of the company may not result in the subsidiaries holding more than 10% of the number of issued shares of any class of shares of the company.
7. The general repurchase by the company or any of its subsidiaries of TFG securities may not, in the aggregate in any one financial year, exceed 10% of the company's issued share capital of that class as at the beginning of the financial year.
8. A resolution by the Supervisory Board of Directors that it has authorised the repurchase, that the company and its subsidiary(ies) have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group.
9. An announcement containing full details of such acquisitions of shares will be published as soon as the company and/or its subsidiaries have acquired shares constituting, on a cumulative basis 3% of the number of shares in issue at the date of the annual general meeting at which this special resolution is considered and if approved, passed, and for each 3% in aggregate of the initial number acquired thereafter.



## Statement by the Supervisory Board

Pursuant to and in terms of the Listings Requirements, the Supervisory Board hereby states:

1. The intention of the directors of the company is to use the general authority if at some future date the cash resources of the company are in excess of its requirements. In this regard the directors will take account of, *inter alia*, an appropriate capitalisation structure for the company, the long-term cash needs of the company, and will ensure that any such use is in the interests of shareholders.
2. In determining the method by which the company intends to repurchase its securities, the maximum number of securities to be repurchased and the date on which such repurchase will take place, the Supervisory Board will ensure that:
  - i. the company and the Group will be able to pay their debts as they become due in ordinary course of business for a period of twelve (12) months following the date of the repurchase;
  - ii. the assets of the company and the Group, fairly valued, will be in excess of the liabilities of the company and the Group for a period of twelve (12) months following the date of the repurchase, and for this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements;
  - iii. the issued share capital and reserves of the company and the Group will be adequate for the purposes of the business of the company and the Group for a period of twelve (12) months following the date of the repurchase; and
  - iv. the working capital available to the company and the Group will be sufficient for the Group's requirements for a period of twelve (12) months following the date of the repurchase.

## Explanatory note

The reason for special resolution number 3 is to grant the company a general authority in terms of the Companies Act for the acquisition by the company or any of its subsidiaries of shares issued by the company, which authority shall be valid until earlier of the next annual general meeting of the company or the variation or revocation of such general authority by special resolution at any subsequent general meeting of the company, provided that the general authority shall not extend beyond fifteen (15) months from the date of this annual general meeting. The passing of this special resolution will have the effect of authorising the company or any of its subsidiaries to acquire ordinary shares issued by the company.

## Listings Requirements Disclosures

Paragraph 11.26 of the Listings Requirements requires the following disclosures:

- > Major shareholders (paragraph 11.26 (b)(i) – refer to appendix 2 of the 2023 annual financial statements)
- > Share capital of the company (paragraph 11.26(b)(iii) – refer to note 12 of the 2023 annual financial statements)

## Material changes

Other than the facts and developments reported on in this document, there were no material changes in the financial or trading position of the company and its subsidiaries since the date of signature of this document.

## Directors' responsibility statement

The directors whose names appear in the 2023 Integrated Annual Report collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts were made and that this special resolution contains all information required by law and the Listings Requirements.

## ORDINARY RESOLUTION NUMBER 15 (GENERAL AUTHORITY)

Any director of the company or the Company Secretary of the company is authorised to carry out and to do all such things and matters as may be or are necessary in connection with the subject matter of the ordinary resolutions 1 to 15 and special resolutions 1 to 3 proposed at the company's annual general meeting to be held on Thursday, 7 September 2023, including, without limitation, being authorised to make, amend and sign all and any such necessary documents, letters, applications, announcements and affidavits as may be required for purposes of and in connection with any such resolution.

To transact any other business that may be transacted at an annual general meeting.

## VOTING REQUIREMENTS

Unless stated otherwise, an ordinary resolution requires the support of more than 50% of the voting rights exercised by shareholders on the resolution to be adopted.

A special resolution requires the support of more than 75% of the voting rights exercised by shareholders on the resolution to be adopted.

## GENERAL INSTRUCTIONS

- > The annual general meeting will be conducted entirely by electronic communication (including voting) as contemplated by section 63(2) of the Companies Act and clause 22.6 of the MOI. TFG shareholders wishing to participate electronically in the annual general meeting are required to follow the prescribed procedures set forth in the notice under the section titled: “electronic participation” below.
- > In terms of section 63(1) of the Companies Act, before any person may attend or participate in the annual general meeting, that person must present reasonably satisfactory identification and the person presiding at the annual general meeting must be reasonably satisfied that the right of that person to participate and vote at the annual general meeting, either as a TFG shareholder, or as a proxy or representative for a TFG shareholder, has been reasonably verified. Acceptable forms of identification include a valid green bar-coded or smart card identification document issued by the South African Department of Home Affairs, South African driver’s license or a valid passport.
- > A TFG shareholder or its representative or proxy, as the case may be, must electronically deliver the necessary proof of their identification to the transfer secretaries to be received by the transfer secretaries by no later than 14h15 on Wednesday, 6 September 2023, before such person will be entitled to participate in the annual general meeting. Failure to do so may mean that the participant is unable to participate in the annual general meeting either at all, or promptly. TFG and the transfer secretaries shall not be liable for any failure by any TFG shareholder or its representative or proxy, as the case may be, to timeously deliver the requisite identification as aforesaid.
- > TFG shareholders who are entitled to attend, participate in and vote at the annual general meeting are reminded that they are entitled to appoint a proxy to attend, participate in and vote at the annual general meeting in place of such TFG shareholder, provided that in doing so such TFG shareholder completes the attached proxy form (grey) and follows the prescribed procedures set forth at the end of this notice of an annual general meeting under the title “Voting requirements and proxies”. A proxy need not also be a TFG shareholder.
- > As the meeting will cater for electronic participation only, it will not be desirable nor practical for voting to take place by way of show of hands. Accordingly, the Chairman may determine that all voting will be by way of poll through the facility provided by the electronic online facilities provider in accordance with the MOI. See prescribed procedures set forth in the notice under the title: “electronic participation”.
- > It is the shareholder’s sole responsibility to keep their voting link and access details safe and to not share same with any other person, other than to their authorised representative on the Proxy Form. The company will have no responsibility in relation to any unlawful access to or use of any such voting link or access details.

## ELECTRONIC PARTICIPATION

- > The annual general meeting will be conducted entirely through electronic communication. The electronic meeting facilities will enable all participants to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the annual general meeting. Voting via the electronic facility will be the only method available to TFG shareholders to vote their TFG shares at the annual general meeting. The electronic facility which has been elected by TFG for purposes of the annual general meeting is Computershare’s virtual meeting platform, an electronic facility which may be accessed by using a smartphone, tablet or computer.
- > Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication (Participants) must either:
  - a. register online using the online registration portal at [www.meetnow.global/za](http://www.meetnow.global/za); or
  - b. apply to Computershare, by sending a request by email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) so as to be received by Computershare by no later than 14:15 p.m. on Tuesday, 5 September 2023.Such shareholders may still register online to participate in and/or vote electronically at the annual general meeting after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the annual general meeting, they must be verified and registered before the commencement of the annual general meeting. Computershare will first validate such request and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided.
- > Participants must submit proof of identification before the Participant is provided with an invitation code.
- > Following successful registration, the transfer secretaries will provide the Participant with an invitation code in order to participate in the annual general meeting.
- > Participation in the annual general meeting is through the Computershare website as set out in the steps on [www.meetnow.global/za](http://www.meetnow.global/za).
- > Participants will receive a meeting link and invitation code from Computershare by email.
- > Click on the meeting link and follow the instructions provided to access the meeting.

- > Invitation codes can be requested from proxy@computershare.co.za as part of the above registration process or by registering at www.meetnow.global/za.
- > Computershare will inform Participants by no later than 17:00 on Wednesday, 6 September 2023, by email, of the relevant details through which they can participate electronically.
- > The cost of electronic participation in the annual general meeting is for the expense of the Participant and will be billed separately by the Participant's own service provider.
- > The Participant acknowledges that the electronic communication services are provided by third parties and indemnifies TFG against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against TFG, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Participant via the electronic services to the annual general meeting.
- > TFG cannot guarantee there will not be a break in electronic communication that is beyond the control of the Company.
- > Guests will be able to join the meeting by visiting www.meetnow.global/za and clicking on the TFG logo.
- > Click on "Join meeting now" and follow the instructions provided. Guests may listen to the meeting, but will not be able to ask any questions or vote.

## Voting requirements and proxies

All voting at the meeting will be by way of a poll. Accordingly, on a poll, every TFG shareholder, present in person or by proxy, shall have one vote for every TFG share held or represented.

Certificated shareholders and dematerialised shareholders with "own-name" registration are entitled to appoint a proxy or proxies (for which purpose a proxy form (grey) is included) to vote in their stead. The person so appointed need not be a TFG shareholder.

Proxy forms (grey) must be completed only by certificated shareholders and dematerialised shareholders with "own-name" registration.

TFG shareholders who have dematerialised their TFG shares, other than those TFG shareholders who have dematerialised their shares with "own-name" registration, must contact their Central Securities Depository Participant (CSDP) or broker to furnish their CSDP or broker with their voting instructions by the cut-off time and date advised by their CSDP or broker for instructions of this nature in the manner stipulated in their respective custody agreements. Should such shareholders wish to attend and vote at the meeting, they must request their CSDP or broker to furnish them with the necessary letter of representation.

**TFG does not accept any responsibility and will not be held liable for any failure on the part of the broker or CSDP of any holder of dematerialised shares to notify such TFG shareholder of this notice and/or the annual general meeting.**

Proxy forms (grey) must be lodged electronically with TFG's transfer secretaries, being Computershare Investor Services Proprietary Limited, so as to be received by no later than 14h15 on Wednesday, 6 September 2023 for administrative purposes only, to Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the transfer secretaries at Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za (Tel. +27 (0) 861 100 950).

The completion of a form of proxy (grey) does not preclude any TFG shareholder registered by the voting record date from participating in the annual general meeting, provided that such shareholder has complied with the requirements under "electronic participation" above.

By order of the Supervisory Board

**Darwin van Rooyen**  
Group Company Secretary

21 July 2023



## HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

### Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

**You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.**



Visit <https://meetnow.global/za>



#### Access

Access the online meeting at <https://meetnow.global/za>, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

#### If you are a shareholder:

Select 'Invitation' on the login screen and enter the applicable information included in the email received from [noreply@computershare.com](mailto:noreply@computershare.com). Accept the Terms and Conditions and click Continue.

#### If you are a guest:

Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

#### If you are a proxy holder:

You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the email invitation from [noreply@computershare.com](mailto:noreply@computershare.com) to access the meeting.



#### Contact

If you have any issues accessing the website please email [proxy@computershare.co.za](mailto:proxy@computershare.co.za).



#### Navigation



Broadcast



Vote



Q&A



Documents

When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder. The image highlighted blue indicates the page you have active.

The webcast will appear and begin automatically once the meeting has started.



#### Voting

Resolutions will be put forward once voting is declared open by the Chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears. To change your vote, select 'Change Your Vote'.



#### Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

# Notice of annual general meeting: **annexure 1**

## BRIEF CURRICULUM VITAE OF DIRECTORS STANDING FOR RE-ELECTION

In terms of the MOI, each year, one third (or a number closest to) of the non-executive directors are subject to retirement by rotation and are eligible for re-election.

The Nomination Committee has considered the confirmation, performance and attendance of the following directors retiring by rotation:

- > Mr R Stein;
- > Ms N V Simamane; and
- > Mr D Friedland.

The Nomination Committee has also considered the re-election of Mr J N Potgieter.

The Nomination Committee has no hesitation in recommending these directors for re-election by the shareholders.

### **R Stein (74)**

BCom, CA(SA)

**Appointed as a non-executive director:** 2015

**Member of:** Risk and Nomination Committees

**Chairman of:** Risk Committee

Ronnie was previously the Group's CFO. He retired from this position at the end of June 2015 after serving 19 years with the Group. Prior to joining the Group, he was an accountant and auditor in public practice. He was a partner at Kessel Feinstein for 15 years. Following his retirement, Ronnie remains on the Supervisory Board in a non-executive capacity.

### **N V Simamane (64)**

BSc (Chemistry & Biology) (Hons)

**Appointed:** 2009

**Member of:** Audit, Risk and Social and Ethics Committees

**Also a director of a South African listed as well as public companies:** enX Group, Oceana Group, The Hollard Insurance Company Limited and Lenmed Investments Limited

Nomahlubi has extensive business, marketing and communications experience, having previously held the positions of marketing manager at Unilever, marketing director of British American Tobacco and managing director of BLGK Bates Advertising Agency. She is currently the CEO of Zanusi Brand Solutions, a branding consultancy she founded in 2001. She has worked in the United States and Kenya and has been recognised as a seasoned business woman, having won two Business Women of the Year Awards in 2009. She was also named the 2013 Enterprising Woman in Fort Lauderdale, Florida, USA.

### **D Friedland (70)**

BCom, CA(SA)

**Appointed:** 2013

**Member of:** Audit, Remuneration and Risk Committees

**Also a director of South African listed companies:** Pick n Pay Stores Limited

David is a chartered accountant with extensive audit experience from a broad range of listed retail companies. He served as international partner at Arthur Andersen from 1990 and was a partner at KPMG from 2002. David was head of Audit and Risk at KPMG (Cape Town) and was the lead audit partner for several listed companies. In 2013, he retired and was appointed to the boards of Investec Limited, Investec PLC and Pick n Pay Stores Limited. David retired from the boards of Investec Limited and Investec PLC in August 2022, having served the maximum term of 9 years in terms of the Banks Act.

## **J N Potgieter (54)**

BCompt (Hons), CTA, CA(SA), Management Development Programme (University of Michigan), Strategic Planning and Management in Retailing (Monash University, Australia), Advanced Management Programme (INSEAD France)

**Appointed:** 2023

**Member of:** Audit and Risk Committees

**Also a director of South African listed companies:** Italtile Limited and Fortress Real Estate Investments Limited

Jan is a chartered accountant and has extensive senior level experience in the manufacturing, retail and supply chain sectors, having most recently served as CEO of Italtile Limited and formerly CEO of Massdiscounters (a division of Massmart). He also served as a business manager at Clover and spent eight years at SABMiller in senior financial roles. Jan currently serves as a non-executive director on the boards of Italtile Limited and Fortress Real Estate Investments Limited. He is also chairman of Janette Media Consulting.

The appointment of J N Potgieter will strengthen the Supervisory Board from a skills and independence perspective and is the outcome of the Nomination Committee and the Supervisory Board's continuous review of board composition, succession planning and board renewal.

# Notice of annual general meeting: **annexure 2**

## BRIEF CURRICULUM VITAE OF DIRECTORS PROPOSED FOR ELECTION TO THE AUDIT COMMITTEE

In terms of the MOI and section 94(2) of the Companies Act, the Audit Committee is required to be elected by shareholders at each annual general meeting.

In terms of the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)<sup>1</sup> all the members of the Audit Committee must be independent non-executive directors and further, in terms of the regulations of the Companies Act, at least one third of the members of the committee must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

Having regard to the above requirements, the Nomination Committee considered the expertise, experience and independence requirements of the members offering themselves for election and recommended to the Supervisory Board that the Supervisory Board propose the following candidates to shareholders:

- > Mr E Oblowitz;
- > Ms B L M Makgabo-Fiskerstrand;
- > Mr G H Davin;
- > Ms N V Simamane;
- > Mr D Friedland; and
- > Mr J N Potgieter.

### **E Oblowitz (66)**

BCom, CA(SA), CPA(Isr)

**Appointed:** 2010

**Member of:** Audit, Remuneration and Risk Committees

**Chairman of:** Remuneration and Audit Committees

**Also a director of South African listed as well as public companies:** Fortress Real Estate Investments Limited, Tencor Limited and BNP Paribas Personal Finance South Africa Limited

Eddy has considerable audit, finance and business advisory experience, having spent 21 years in professional practice, most notably as a senior partner of the Cape Town, Durban and Port Elizabeth offices of Arthur Andersen. He also served as a member of the firm's worldwide Retail and Distribution Industry Team. In addition to serving as a non-executive director and trustee to various companies and trusts, he is the Principal at Contineo Financial Services which provides specialist advisory and fiduciary services to high net worth South African and international families and their entities.

### **B L M Makgabo-Fiskerstrand (49)**

BA

**Appointed:** 2012

**Member of:** Audit, Risk and Social and Ethics Committees

Tumi is the founder and executive director of AfricaWorldwide Media and director of Tumi Makgabo Enterprises, focusing on enterprise development in South Africa and across the African continent. In addition, Tumi served as the vice-chairperson of the World Economic Forum's Global Agenda Council on Women's Empowerment and as a member of its Council on Africa for two years. In 2008, she was nominated to the World Economic Forum's Forum of Young Global Leaders, which is a multi-stakeholder community of exceptional leaders below the age of 40, selected from around the world.

<sup>1</sup> Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

## **G H Davin (67)**

*Lead Independent Non-Executive Director*

BCom, BAcc, CA(SA), MBA

**Appointed:** 2015

**Member of:** Audit and Nomination Committees

Graham is a chartered accountant and a career banker with extensive international financial and broad business experience. Graham is currently the deputy chair of United Trust Bank and Chair of Optalitix, a London based SaaS business supporting the insurance, medical and finance sectors. Graham qualified with Arthur Andersen in Johannesburg and joined Investec Bank after an MBA at UCT. He was a director of Investec Bank for 16 years and of Bank Insinger de Beaufort N.V., a Dutch private bank. He was responsible for the listing of Investec on the JSE and of Insinger on the Luxembourg Stock Exchange. In 2003, after moving to London, Graham led the management buyout of United Trust Bank, a fast-growing UK specialist bank of which he was CEO for 17 years.

## **N V Simamane (64)**

BSc (Chemistry and Biology) (Hons)

**Appointed:** 2009

**Member of:** Audit, Risk and Social and Ethics Committees

**Also a director of South African listed as well as public companies:** enX Group, Oceana Group Limited, The Hollard Insurance Company Limited and Lenmed Investments Limited

Nomahlubi has extensive business, marketing and communications experience, having previously held the positions of marketing manager at Unilever, marketing director of British American Tobacco and managing director of BLGK Bates Advertising Agency. She is currently the CEO of Zanusi Brand Solutions, a branding consultancy she founded in 2001. She has worked in the United States and Kenya and has been recognised as a seasoned businesswoman, having won two Business Women of the Year Awards in 2009. She was also named the 2013 Enterprising Woman in Fort Lauderdale, Florida, USA.

## **D Friedland (70)**

BCom, CA(SA)

**Appointed:** 2013

**Member of:** Audit, Remuneration and Risk Committees

**Also a director of South African listed companies:** Pick n Pay Stores Limited

David is a chartered accountant with extensive audit experience from a broad range of listed retail companies. He served as international partner at Arthur Andersen from 1990 and was a partner at KPMG from 2002. David was Head of Audit and Risk at KPMG (Cape Town) and was the lead audit partner for several listed companies. In 2013, he retired and was appointed to the boards of Investec Limited, Investec PLC and Pick n Pay Stores Limited. David retired from the boards of Investec Limited and Investec PLC in August 2022, having served the maximum term of 9 years in terms of the Banks Act.

## **J N Potgieter (54)**

BCompt (Hons), CTA, CA(SA), Management Development Programme (University of Michigan), Strategic Planning and Management in Retailing (Monash University, Australia), Advanced Management Programme (INSEAD France)

**Appointed:** 2023

**Member of:** Audit and Risk Committees

**Also a director of South African listed companies:** Italtile Limited and Fortress Real Estate Investments Limited

Jan is a chartered accountant and has extensive senior level experience in the manufacturing, retail and supply chain sectors, having most recently served as CEO of Italtile Limited and formerly CEO of Massdiscounters (a division of Massmart). He also served as a business manager at Clover and spent eight years at SABMiller in senior financial roles. Jan currently serves as a non-executive director on the boards of Italtile Limited and Fortress Real Estate Investments Limited. He is also chairman of Janette Media Consulting.



# Summary consolidated statement of financial position

	As at 31 March 2023 Reviewed Rm	Restated* As at 31 March 2022 Audited Rm
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5 184,6	3 209,6
Goodwill and intangible assets	9 813,4	6 923,7
Right-of-use assets	9 751,4	7 643,8
Investments	143,7	136,8
Deferred taxation assets	1 345,3	1 329,0
	<b>26 238,4</b>	<b>19 242,9</b>
<b>Current assets</b>		
Inventory (note 5)	13 074,0	9 349,2
Trade receivables – retail	7 745,5	7 012,4
Other receivables and prepayments	1 700,0	1 767,4
Concession receivables	236,7	195,0
Cash and cash equivalents	4 095,2	5 745,8
Taxation receivable	14,3	–
	<b>26 865,7</b>	<b>24 069,8</b>
<b>Total assets</b>	<b>53 104,1</b>	<b>43 312,7</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of The Foschini Group Limited</b>	<b>21 652,5</b>	<b>19 137,9</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Interest-bearing debt	5 990,0	3 850,0
Put option liability	43,5	32,6
Lease liabilities	7 266,5	5 449,5
Deferred taxation liabilities	1 073,3	839,9
Post-retirement defined benefit plan	233,0	221,1
	<b>14 606,3</b>	<b>10 393,1</b>
<b>Current liabilities</b>		
Interest-bearing debt	5 230,3	2 933,1
Trade and other payables	7 799,2	7 206,5
Lease liabilities	3 675,0	3 366,5
Taxation payable	140,8	275,6
	<b>16 845,3</b>	<b>13 781,7</b>
<b>Total liabilities</b>	<b>31 451,6</b>	<b>24 174,8</b>
<b>Total equity and liabilities</b>	<b>53 104,1</b>	<b>43 312,7</b>

\* Refer to note 19.

# Summary consolidated income statement

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm	% change
<b>Revenue (note 6)</b>	<b>55 121,3</b>	46 167,4	
Retail turnover	51 778,1	43 370,3	19,4
Cost of turnover	(26 959,6)	(22 343,5)	
<b>Gross profit</b>	<b>24 818,5</b>	21 026,8	
Interest income (note 7)	1 673,8	1 227,0	
Other income (note 8)	1 669,4	1 570,1	
Net bad debt	(1 351,1)	(983,8)	
Trading expenses (note 9)	(21 393,9)	(17 968,6)	
<b>Operating profit before acquisition costs</b>	<b>5 416,7</b>	4 871,5	11,2
Acquisition costs (note 17)	(5,6)	(58,8)	
<b>Operating profit before finance costs</b>	<b>5 411,1</b>	4 812,7	12,4
Finance costs (note 10)	(1 367,8)	(783,8)	
<b>Profit before tax</b>	<b>4 043,3</b>	4 028,9	
Income tax expense	(1 017,5)	(1 119,4)	
<b>Profit for the year</b>	<b>3 025,8</b>	2 909,5	
<b>Attributable to:</b>			
Equity holders of The Foschini Group Limited	3 025,8	2 909,5	

	Year ended 31 March 2023 Reviewed	Year ended 31 March 2022 Audited	% change
<b>Earnings per ordinary share (cents) – (note 12)</b>			
Basic	938,5	901,9	4,1
Diluted (basic)	930,2	894,6	4,0

# Summary consolidated statement of comprehensive income

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
<b>Profit for the year</b>	<b>3 025,8</b>	2 909,5
<b>Other comprehensive income (loss):</b>		
<b>Items that will never be reclassified to profit or loss</b>		
Actuarial gain on post-retirement defined benefit plan	–	43,8
Deferred tax on items that will never be reclassified to profit or loss	–	(12,2)
<b>Items that are or may be reclassified to profit or loss</b>		
Movement in effective portion of changes in fair value of cash flow hedges	<b>330,1</b>	(80,9)
Foreign currency translation reserve movements	<b>746,8</b>	(254,4)
Deferred tax on items that are or may be reclassified to profit or loss	<b>(96,5)</b>	22,6
<b>Other comprehensive income (loss) for the year, net of tax</b>	<b>980,4</b>	(281,1)
<b>Total comprehensive income for the year</b>	<b>4 006,2</b>	2 628,4
<b>Attributable to:</b>		
Equity holders of The Foschini Group Limited	<b>4 006,2</b>	2 628,4

## Supplementary information

	31 March 2023 Reviewed	31 March 2022 Audited
Net number of ordinary shares in issue (millions)	<b>322,4</b>	325,2
Weighted average number of ordinary shares in issue (millions)	<b>322,4</b>	322,6

# Summary consolidated statement of changes in equity

Attributable to equity holders of The Foschini Group Limited  
Rm

<b>Equity at 31 March 2021 – audited</b>	17 211,0
Total comprehensive income for the year	2 628,4
Income for the year	2 909,5
Other comprehensive loss	
Actuarial gain on post-retirement defined benefit plan	43,8
Movement in effective portion of changes in fair value of cash flow hedges	(80,9)
Foreign currency translation reserve movements	(254,4)
Deferred tax on movement in other comprehensive income	10,4
Share-based payments reserve movements	87,1
Dividends paid	(556,0)
Proceeds from sale of shares in terms of share incentive schemes	11,8
Shares purchased in terms of share incentive schemes	(244,4)
<b>Equity at 31 March 2022 – audited</b>	<b>19 137,9</b>

Attributable to equity holders of The Foschini Group Limited  
Rm

<b>Equity at 31 March 2022 – audited</b>	19 137,9
<b>Total comprehensive income for the year</b>	<b>4 006,2</b>
Income for the year	3 025,8
Other comprehensive income	
Movement in effective portion of changes in fair value of cash flow hedges	330,1
Foreign currency translation reserve movements	746,8
Deferred tax on movement in other comprehensive income	(96,5)
Share-based payments reserve movements	217,9
Dividends paid	(1 635,6)
Proceeds from sale of shares in terms of share incentive schemes	13,1
Shares purchased in terms of share incentive schemes	(87,0)
<b>Equity at 31 March 2023 – reviewed</b>	<b>21 652,5</b>

	Year ended 31 March 2023 Reviewed	Year ended 31 March 2022 Audited
<b>Dividend per ordinary share (cents)</b>		
Interim	170,0	170,0
Final	150,0	330,0
<b>Total</b>	<b>320,0</b>	<b>500,0</b>

# Summary consolidated cash flow statement

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
<b>Cash flows from operating activities</b>		
Operating profit before working capital changes (note 11)	10 631,6	9 490,6
Increase in working capital	(3 528,0)	(1 294,6)
Cash generated from operations	7 103,6	8 196,0
Interest income	145,4	65,1
Finance costs (note 10)	(1 367,8)	(783,8)
Taxation paid	(1 223,2)	(1 192,1)
Dividends received	93,4	82,4
Dividends paid	(1 635,6)	(556,0)
<b>Net cash inflows from operating activities</b>	<b>3 115,8</b>	<b>5 811,6</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(3 000,6)	(1 574,0)
Proceeds from sale of property, plant and equipment and intangible assets	15,8	90,4
Acquisitions during the year, net of cash acquired (note 17)	(2 096,2)	(220,3)
<b>Net cash outflows from investing activities</b>	<b>(5 081,0)</b>	<b>(1 703,9)</b>
<b>Cash flows from financing activities</b>		
Shares purchased in terms of share incentive schemes	(87,0)	(244,4)
Proceeds from sale of shares in terms of share incentive schemes	13,1	11,8
Net increase in interest-bearing debt	4 047,2	688,9
Lease liabilities	(4 006,6)	(3 536,9)
<b>Net cash outflows from financing activities</b>	<b>(33,3)</b>	<b>(3 080,6)</b>
<b>Net (decrease) increase in cash and cash equivalents during the year</b>	<b>(1 998,5)</b>	<b>1 027,1</b>
Cash and cash equivalents at the beginning of the year	5 745,8	4 843,2
Effect of exchange rate fluctuations on cash held	347,9	(124,5)
<b>Cash and cash equivalents at the end of the year</b>	<b>4 095,2</b>	<b>5 745,8</b>

# Summary consolidated segmental analysis

Year ended 31 March 2023	TFG Africa Retail Reviewed Rm	TFG Africa Credit Reviewed Rm	TFG London Reviewed Rm	TFG Australia Reviewed Rm	Total Reviewed Rm
External revenue	36 399,6	750,3	6 900,1	9 397,5	53 447,5
External interest income	126,6	1 528,4	–	18,8	1 673,8
<b>Total revenue*</b>	<b>36 526,2</b>	<b>2 278,7</b>	<b>6 900,1</b>	<b>9 416,3</b>	<b>55 121,3</b>
External finance costs	(736,1)	–	(56,5)	(1,3)	(793,9)
External finance costs on lease liabilities	(459,5)	–	(30,4)	(84,0)	(573,9)
Depreciation and amortisation	(790,2)	–	(75,5)	(192,7)	(1 058,4)
Depreciation on right-of-use assets	(2 711,8)	–	(199,5)	(1 056,9)	(3 968,2)
(Impairment) impairment reversal of property, plant and equipment and intangible assets	(45,2)	–	32,5	(13,4)	(26,1)
Impairment reversal (impairment) of right-of-use assets	16,8	–	(16,2)	(49,2)	(48,6)
Group profit before tax					4 043,3
Segmental profit before tax	1 944,8	311,5	397,0	1 390,0	4 043,3

Year ended 31 March 2022	TFG Africa Retail Audited Rm	TFG Africa Credit Audited Rm	TFG London Audited Rm	TFG Australia Audited Rm	Total Audited Rm
External revenue	31 264,1	581,0	6 253,8	6 841,5	44 940,4
External interest income	65,1	1 161,9	–	–	1 227,0
<b>Total revenue*</b>	<b>31 329,2</b>	<b>1 742,9</b>	<b>6 253,8</b>	<b>6 841,5</b>	<b>46 167,4</b>
External finance costs	(213,1)	–	(75,5)	(4,3)	(292,9)
External finance costs on lease liabilities	(376,7)	–	(40,7)	(73,5)	(490,9)
Depreciation and amortisation	(641,1)	–	(94,8)	(124,7)	(860,6)
Depreciation on right-of-use assets	(2 377,6)	–	(202,1)	(873,8)	(3 453,5)
(Impairment) impairment reversal of property, plant and equipment and intangible assets	(11,2)	–	41,9	(6,6)	24,1
Impairment of right-of-use assets	(82,9)	–	(35,9)	–	(118,8)
Group profit before tax					4 028,9
Segmental profit (loss) before tax	2 665,6	174,6	372,4	816,3	4 028,9

\* Includes retail turnover, interest income and other income.

The Group has identified that the Chief Executive Officer (CEO) in conjunction with the Operating Board fulfils the role of the Chief Operating Decision-Maker (CODM). The Operating Board, is distinct from the Group's Supervisory Board, consists only of executive directors. All operating segments' operating results are reviewed regularly by the CODM to make decisions about the allocation of resources to the operating segment and to assess its performance.

Performance is measured based on segmental profit before tax, as included in the monthly management report reviewed by the CODM.

The merchandise category information per segment is presented in the table below:

	TFG Africa Reviewed Rm	TFG London Reviewed Rm	TFG Australia Reviewed Rm	Total Reviewed Rm
<b>Year ended 31 March 2023</b>				
Clothing	25 868,8	6 900,1	9 397,5	42 166,4
Homeware	4 270,6	–	–	4 270,6
Cosmetics	981,3	–	–	981,3
Jewellery	1 449,5	–	–	1 449,5
Cellphones	2 910,3	–	–	2 910,3
<b>Total retail turnover</b>	<b>35 480,5</b>	<b>6 900,1</b>	<b>9 397,5</b>	<b>51 778,1</b>
	TFG Africa Audited Rm	TFG London Audited Rm	TFG Australia Audited Rm	Total Audited Rm
<b>Year ended 31 March 2022</b>				
Clothing	22 740,4	6 253,8	6 841,5	35 835,7
Homeware	2 251,2	–	–	2 251,2
Cosmetics	959,8	–	–	959,8
Jewellery	1 449,7	–	–	1 449,7
Cellphones	2 873,9	–	–	2 873,9
<b>Total retail turnover</b>	<b>30 275,0</b>	<b>6 253,8</b>	<b>6 841,5</b>	<b>43 370,3</b>

Summary consolidated segmental analysis continued

Year ended 31 March 2023	TFG Africa Retail Reviewed Rm	TFG Africa Credit Reviewed Rm	TFG London Reviewed Rm	TFG Australia Reviewed Rm	Total Reviewed Rm
<b>Segment revenue</b>					
South Africa	33 451,1	2 230,2	–	–	35 681,3
Rest of Africa	1 820,0	48,5	–	–	1 868,5
United Kingdom and Ireland	–	–	3 324,8	–	3 324,8
Australia	–	–	–	8 294,3	8 294,3
Rest of the World	–	–	732,6	529,0	1 261,6
E-commerce**	1 255,1	–	2 842,7	593,0	4 690,8
<b>Total segment revenue*</b>	<b>36 526,2</b>	<b>2 278,7</b>	<b>6 900,1</b>	<b>9 416,3</b>	<b>55 121,3</b>
<b>Segment non-current assets</b>					
South Africa					15 044,5
Rest of Africa					405,7
United Kingdom and Ireland					3 019,5
Australia					6 094,8
Rest of the World					184,9
<b>Total segment non-current assets***</b>					<b>24 749,4</b>

Year ended 31 March 2022	TFG Africa Retail Audited Rm	TFG Africa Credit Audited Rm	TFG London Audited Rm	TFG Australia Audited Rm	Total Audited Rm
<b>Segment revenue</b>					
South Africa	28 753,2	1 703,9	–	–	30 457,1
Rest of Africa	1 633,9	39,0	–	–	1 672,9
United Kingdom and Ireland	–	–	2 868,3	–	2 868,3
Australia	–	–	–	5 866,7	5 866,7
Rest of the World	–	–	559,1	341,8	900,9
E-commerce**	942,1	–	2 826,4	633,0	4 401,5
<b>Total segment revenue*</b>	<b>31 329,2</b>	<b>1 742,9</b>	<b>6 253,8</b>	<b>6 841,5</b>	<b>46 167,4</b>
<b>Segment non-current assets</b>					
South Africa					9 312,2
Rest of Africa					327,3
United Kingdom and Ireland					2 622,9
Australia					5 238,3
Rest of the World					276,4
<b>Total segment non-current assets***</b>					<b>17 777,1</b>

\* Includes retail turnover, interest income and other income.

\*\* E-commerce sales is revenue earned throughout the world in which the segments operate.

\*\*\* Non-current assets consist of property, plant and equipment, right-of-use assets, goodwill and intangible assets.



# Selected explanatory notes to the summary consolidated financial statements

## 1. BASIS OF PREPARATION

The provisional condensed consolidated financial statements for the year ended 31 March 2023 are prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional condensed financial statements and the provisions of the South African Companies Act No. 71 of 2008, as amended (Companies Act) applicable to provisional condensed financial statements. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting. The accounting policies and methods of computation applied in the preparation of these provisional condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements except as noted otherwise. These results were prepared by the TFG Finance Centre of Excellence department acting under supervision of Bongwiwe Ntuli CA(SA), CFO of The Foschini Group Limited.

The provisional condensed consolidated financial statements are presented in South African Rand, which is the Group's functional currency, rounded to the nearest million, unless otherwise stated.

## 2. NON-IFRS PERFORMANCE MEASURES

Non-IFRS performance measures are measures that:

- (i) are not defined by IFRS;
- (ii) are not uniformly defined or used by all entities; and
- (iii) may not be comparable with similar labelled measures and disclosures provided by other entities.

The directors are responsible for compiling the non-IFRS performance measures.

### Pre-IFRS 16 net debt

Pre-IFRS 16 net debt is a non-IFRS measure defined by the Group and presented as additional information to the shareholders. Pre-IFRS 16 net debt is the total interest-bearing debt, net of cash and cash equivalents and IFRS 16 lease liabilities. Management considers it to be a key measure within the Group's debt reporting. The following adjustments are made to total interest-bearing debt to determine Pre-IFRS 16 net debt:

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
Total interest-bearing debt	22 161,8	15 599,1
Less: Cash and cash equivalents	(4 095,2)	(5 745,8)
Net debt	18 066,6	9 853,3
Less: Lease liabilities	(10 941,5)	(8 816,0)
Net debt pre-IFRS 16	7 125,1	1 037,3

## 2. NON-IFRS PERFORMANCE MEASURES continued

### Pre-IFRS 16 adjusted EBITDA

Pre-IFRS 16 adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) ratio is a non-IFRS measure defined by the Group and presented as additional information to the shareholders. Pre-IFRS 16 adjusted EBITDA is determined by adjusting operating profit before finance costs for depreciation and amortisation, IFRS 16-related income and expenses and acquisition costs. EBITDA represents operating profit before depreciation and amortisation adjusted for specific non-trading items. Management considers it to be a key measure within the Group's debt reporting. The following adjustments are made to operating profit before finance costs to determine the pre-IFRS16 adjusted EBITDA.

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
Operating profit before finance costs	5 411,1	4 812,7
Add: Depreciation and amortisation	1 058,4	860,6
Add: Depreciation on right-of-use assets	3 968,2	3 453,5
EBITDA	10 437,7	9 126,8
Add: Acquisition costs	5,6	58,8
Adjusted EBITDA	10 443,3	9 185,6
Less: Occupancy costs lease reversal	(4 560,6)	(4 027,8)
Less: Profit on termination of leases	(33,6)	(58,3)
Add: Impairment of right of use assets	48,6	118,8
Pre-IFRS 16 adjusted EBITDA	5 897,7	5 218,3

### Group retail turnover excluding Tapestry

Retail turnover growth excluding the acquisition of Tapestry is a non-IFRS measure defined by the Group and presented as additional information to the shareholders. Management considers it to be more reflective of the operating performance of the Group.

The measure provides an indicative retail turnover growth for TFG Africa excluding the acquired Tapestry business. Tapestry retail turnover for the period since acquisition on 1 August 2022 to 31 March 2023 was removed as if the acquisition did not take place.

Group	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm	Growth %
Group retail turnover including Tapestry	51 778,1	43 370,3	19,4%
Less: Tapestry retail turnover	(1 800,0)		
Group retail turnover excluding Tapestry	49 978,1	43 370,3	15,2%

  

TFG Africa	2 month trading period to May 2023 Unaudited Rm	2 month trading period to May 2022 Unaudited Rm	Growth %
TFG Africa retail turnover including Tapestry	6 168,3	5 347,1	15,4%
Less: Tapestry retail turnover	(509,0)		
TFG Africa retail turnover excluding Tapestry	5 659,3	5 347,1	5,8%

## 3. NEW AND REVISED ACCOUNTING STANDARDS

No material new accounting standards were adopted by the Group during the current year.

The Group has implemented the following change in estimate during the current year:

The Group reassessed certain variables used within the inventory provision obsolescence model in TFG Africa valued on the Retail Inventory Method (RIM). The calculation has been enhanced by assessing the ageing of inventory starting at the receipt of inventory at the distribution centre compared to previously being assessed at receipt into stores as well as changes to certain ageing bucket provisioning rates. The change in estimate has not resulted in a material change in the provision.

## 4. BASIS OF CONSOLIDATION

These condensed financial statements incorporate the financial statements of the company, all its subsidiaries and all entities over which it has operational and financial control.

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
<b>5. INVENTORY</b>		
Inventory at year end	13 074,0	9 349,2
Inventory provision as a % of gross inventory	11,1%	11,0%
Inventory losses	754,4	448,1
Inventory loss as a % of gross inventory	5,1%	4,3%
<b>6. REVENUE</b>		
Retail turnover	51 778,1	43 370,3
Interest income (note 7)	1 673,8	1 227,0
Other income (note 8)	1 669,4	1 570,1
	<b>55 121,3</b>	<b>46 167,4</b>
Retail turnover consists of:		
Cash sales*	42 081,6	34 632,7
Credit sales*	9 696,5	8 737,6
	<b>51 778,1</b>	<b>43 370,3</b>
* Retail turnover included in the revenue disclosed under segmental reporting for TFG Africa retail includes both cash and credit sales. For the TFG London and TFG Australia segments, revenue only includes cash sales.		
Retail turnover per merchandise category consists of:		
Clothing	42 166,4	35 835,7
Homeware	4 270,6	2 251,2
Cosmetics	981,3	959,8
Jewellery	1 449,5	1 449,7
Cellphones	2 910,3	2 873,9
	<b>51 778,1</b>	<b>43 370,3</b>
<b>7. INTEREST INCOME</b>		
Trade receivables – retail	1 528,4	1 161,9
Sundry**	145,4	65,1
	<b>1 673,8</b>	<b>1 227,0</b>
** Sundry primarily relates to bank interest income earned.		
<b>8. OTHER INCOME</b>		
Value-added services	816,9	767,2
Collection cost recovery	750,3	581,0
Sundry income	102,2	221,9
	<b>1 669,4</b>	<b>1 570,1</b>

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
<b>9. TRADING EXPENSES</b>		
Net occupancy costs <sup>^</sup>	(859,5)	(632,5)
Occupancy costs	(5 420,1)	(4 660,3)
Occupancy costs lease reversal	4 560,6	4 027,8
Depreciation on right-of-use assets	(3 968,2)	(3 453,5)
Depreciation and amortisation	(1 058,4)	(860,6)
Employee costs	(9 019,6)	(7 366,8)
Other operating costs	(6 488,2)	(5 655,2)
	<b>(21 393,9)</b>	<b>(17 968,6)</b>
<p><sup>^</sup> Net occupancy costs include occupancy costs and occupancy costs lease reversal. Occupancy costs refers to costs associated with the rental of property leases. Occupancy costs lease reversal refers to the costs associated with property leases that are accounted for under the IFRS 16 standard.</p>		
<b>10. FINANCE COSTS</b>		
Finance costs on lease liabilities	(573,9)	(490,9)
Interest-bearing debt	(793,9)	(292,9)
	<b>(1 367,8)</b>	<b>(783,8)</b>
<p>Finance costs increased predominantly due to the increase in interest rates.</p>		
<b>11. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		
Profit before tax	4 043,3	4 028,9
Finance costs (note 10)	1 367,8	783,8
Operating profit before finance costs	5 411,1	4 812,7
Interest income – sundry	(145,4)	(65,1)
Dividends received	(93,4)	(82,4)
Non-cash items	5 459,3	4 825,4
Depreciation and amortisation	1 095,9	880,6
Depreciation on right-of-use assets	3 968,2	3 453,5
Share-based payments	217,9	87,1
Post-retirement defined benefit medical aid movement	11,9	18,1
Employee-related provisions	22,1	63,9
Foreign currency transactions	33,2	(12,5)
Put option liability movement	5,7	(10,8)
Fair value adjustment	1,9	(13,0)
Loss on disposal of property, plant and equipment and intangible assets	63,1	367,9
Impairment (impairment reversal) of property, plant and equipment and intangible assets	26,1	(24,1)
Profit on disposal of property, plant and equipment and intangible assets	(1,7)	(45,8)
Impairment of right-of-use assets	48,6	118,8
Profit on termination of leases	(33,6)	(58,3)
	<b>10 631,6</b>	<b>9 490,6</b>

	<b>Year ended 31 March 2023 Reviewed Rm</b>	Year ended 31 March 2022 Audited Rm
<b>12. RECONCILIATION OF PROFIT FOR THE YEAR TO HEADLINE EARNINGS</b>		
Profit for the year attributable to equity holders of The Foschini Group Limited	<b>3 025,8</b>	2 909,5
Adjusted for:		
Loss on disposal of property, plant and equipment and intangible assets	<b>63,1</b>	367,9
Impairment (impairment reversal) of property, plant and equipment and intangible assets	<b>26,1</b>	(24,1)
Profit on disposal of property, plant and equipment and intangible assets	<b>(1,7)</b>	(45,8)
Impairment of right-of-use assets	<b>48,6</b>	118,8
Change in South African tax rate	<b>–</b>	(7,4)
Change in UK tax rate	<b>–</b>	49,7
Headline earnings before tax	<b>3 161,9</b>	3 368,6
Tax on headline earnings adjustments	<b>(38,1)</b>	(113,9)
Headline earnings	<b>3 123,8</b>	3 254,7

	<b>Year ended 31 March 2023 Reviewed</b>	Year ended 31 March 2022 Audited	%
<b>Earnings per ordinary share (cents)</b>			
Basic	<b>938,5</b>	901,9	4,1
Headline	<b>968,9</b>	1 009,0	(4,0)
Diluted (basic)	<b>930,2</b>	894,6	4,0
Diluted (headline)	<b>960,3</b>	1 000,8	(4,0)

## 13. RELATED PARTIES

During the year, the Group entered into related party transactions in the ordinary course of business, the substance of which are similar to those disclosed in the Group's annual financial statements for the year ended 31 March 2022.

## 14. CHANGES TO DIRECTORS

Other than as set out above, there were no changes in directors during the current year.

## 15. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND GOODWILL AND INTANGIBLES

### Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are assessed at an individual store level for indicators of impairment. Stores with indicators of impairment are often marginally profitable and loss-making stores that the Group potentially seek to close by no later than the next lease renewal date. These stores usually contribute negatively to the future projected cash flows or are not aligned with our expansion strategy. The Group continually assesses the current store base and does not anticipate that these stores will return to profitability in the future until their respective closures.

### Goodwill and intangibles

Indefinite life intangible assets and goodwill are tested at each reporting period for impairment. Prior to the testing of the relevant cash generating units (CGUs) for impairment, the indefinite life brands are individually assessed for impairment. The Group is required to assess the recoverable amount in accordance with IAS 36 Impairment of assets. A detailed assessment is performed with a number of scenarios which have been weighted and stress tested accordingly. The key assumptions used by management in setting the financial budgets for the initial five-year period include forecasted sales growth rates, expected changes to gross margin and EBITDA margins. The key assumptions included in the impairment assessments are derived from the weighted average cost of capital (WACC) and applicable royalty rate. The Group assessed the recoverable amount of goodwill and brands and there is no indication of impairment.

## 16. JUDGEMENTS AND ESTIMATES APPLIED IN THE CURRENT FINANCIAL RESULTS

The preparation of these financial statements for the Group requires management to make estimates that affect the amounts reported in these financial statements and accompanying notes. Management applies their judgement based on historical evidence, current events and actions that may be undertaken in future. Actual results may ultimately differ from estimates.

### Financial performance during the current year:

#### TFG Africa

TFG Africa's retail turnover increased by 17,2% (ZAR) when compared to the same period in the previous financial year. Online retail turnover, increased by 33,2% (ZAR) and now contributes 3,5% (ZAR) to total TFG Africa retail turnover. Outlet retail turnover, increased by 16,7% (ZAR) and now contributes 96,5% (ZAR) to total TFG Africa retail turnover.

This region experienced heightened consumer pressure, unprecedented load shedding and consequently surplus inventories which resulted in a higher level of promotional activity which negatively impacted gross margin.

#### TFG Africa credit

Average approval rates for new accounts decreased to c.19% as the demand for TFG credit increased but stringent approval criteria was maintained. During the year, the Group successfully implemented credit within the newly acquired Tapestry businesses. For the year ended 31 March 2023, credit retail turnover grew by 11,0% compared to the same period in the previous financial year (FY2022: 24,2%). Credit sales now contributes 27,3% (FY2022: 28,9%) to total TFG Africa retail turnover.

The retail net debtors' book of R7,7 billion increased by 10,5% year-on-year (FY2022: 5,7%). Customer payment behaviour remains better than expected, but the allowance for impairment ratio increased to 20,0% (March 2022: 19,1%) in line with economic conditions.

#### TFG London

The growth in TFG London's retail turnover increased by 9,4% (GBP) when compared to the same period in the previous financial year. Online retail turnover, decreased by 0,3% (GBP) and now contributes 41,2% (GBP) to total TFG London retail turnover. Outlet retail turnover, increased by 17,4% (GBP) and now contributes 58,8% (GBP) to total TFG London retail turnover.

## 16. JUDGEMENTS AND ESTIMATES APPLIED IN THE CURRENT FINANCIAL RESULTS continued

### Financial performance during the current year continued

#### TFG Australia

TFG Australia's retail turnover grew by 29,8% (AUD) when compared to the same period in the previous financial year. Online retail turnover, decreased by 11,5% (AUD) and now contributes 6,3% (AUD) to total TFG Australia retail turnover. Outlet retail turnover, increased by 34,0% (AUD) and now contributes 93,7% (AUD) to total TFG Australia retail turnover.

### Statement of financial position:

#### Property, plant and equipment

The Group continued to invest in capital expenditure to improve its logistics infrastructure, local manufacturing, ecommerce capabilities and its store network (new and revamped stores); a robust balance sheet position was maintained despite the acquisition of Tapestry Home Brands Proprietary Limited ('Tapestry'), strategic capital investments and higher levels of load shedding.

#### Interest-bearing debt

To further reinforce its statement of financial position, the Group restructured its debt facilities at an Africa level, successfully raising R14,5 billion in facilities, which was an additional R2,8 billion and on more favourable lending terms.

### Going concern

The going concern assumption is evaluated based on information available up to the date on which the results are approved for issuance by the Supervisory Board. The going concern assumption was considered to be appropriate for the preparation of the Group's results for the year ended 31 March 2023 and management is not aware of material uncertainties related to events or circumstances that may cast significant doubt upon the Group's ability to do so. The Group continues to adapt the business as effectively as possible to deal with the dynamic environment within which we operate and continues to make significant progress in respect of our ongoing cost saving initiatives. In this regard, key considerations included:

- > **the Group's outlook regarding trading conditions that will persist into the foreseeable future:** the Group delivered a strong performance for the year ended 31 March 2023. This performance was achieved despite load shedding in South Africa. Group retail turnover grew by 19,4%, supported by continued market share gains, expansion of our footprint and brand portfolio and further growth in online retail turnover;
- > **the Group's debt service and covenants requirements:** the Group has complied with its financial covenants for the reporting period. The Group currently has adequate available unutilised facilities in place of R6,8 billion, as well as available cash of R4,1 billion as at 31 March 2023; and
- > the Group continues to manage its cash resources through various working capital initiatives and also continues to prioritise cost savings initiatives across all operations.
- > Debt covenants are measured within the specific segments in which the debt is obtained. The covenants have been met as at the period end and the directors are satisfied that there is sufficient headroom between the measured metric obtained and the debt covenant triggers.

Management is confident that there is adequate short-term available funding to meet working capital requirements in the normal course of its operations. The Supervisory Board has assessed the solvency and liquidity of the Group and is satisfied with the Group's ability to continue as a going concern for the foreseeable future.

## 17. ACQUISITION DURING THE YEAR

With effect from 1 August 2022, TFG acquired 100% of the issued share capital of Tapestry Home Brands Proprietary Limited ('Tapestry') for a cash equivalent purchase consideration of R2,2 billion (a net cash purchase consideration of R2,1 billion), obtaining control as of this date. TFG acquired the sale shares from Westbrooke Investments Proprietary Limited, funds managed by Actis, as well as the current and previous management of Tapestry in South Africa, Botswana and Namibia. Tapestry is a direct-to-consumer, vertically integrated designer, manufacturer and omnichannel cash retailer of home furnishings serving consumers' living and sleeping needs, targeting the middle to upper LSM markets.

The acquisition seeks to provide the Group with exposure to new and diverse products and categories as well as gaining new customers to complement the current TFG customer base in existing categories. The transaction is in line with TFG's stated strategy of vertical integration in key product categories and the continued development of its quick response local manufacturing capability.

## 17. ACQUISITION DURING THE YEAR continued

TFG measured the identifiable assets and liabilities of Tapestry at their acquisition-date fair values.

The values are presented below:

	Rm
<b>Non-current assets</b>	<b>1 353,9</b>
Property, plant and equipment	138,5
Goodwill and intangible assets	534,8
Right-of-use assets	662,2
Deferred taxation assets	18,4
<b>Current assets</b>	<b>686,3</b>
Inventory	544,9
Other receivables and prepayments	25,3
Cash and cash equivalents	116,1
<b>Non-current liabilities</b>	<b>803,5</b>
Lease liabilities	405,0
Interest-bearing debt	243,9
Deferred taxation liabilities	154,6
<b>Current liabilities</b>	<b>754,1</b>
Trade and other payables	458,5
Taxation payable	38,4
Lease liabilities	257,2
<b>Total identifiable net assets at fair value</b>	<b>482,6</b>
Goodwill arising from acquisition	1 729,7
<b>Purchase consideration</b>	<b>2 212,3</b>
Less: Cash and cash equivalents acquired	(116,1)
<b>Net cash outflow on acquisition</b>	<b>2 096,2</b>

Goodwill of R1,7 billion and the Tapestry brands of R530,6 million has been recognised as intangible assets at acquisition. Goodwill represents the value paid in excess of the provisional fair value of the net assets. This consists largely of the value assigned to the unique operating business model and future growth prospects. The goodwill recognised is not tax depreciable or otherwise recognised for tax purposes.

Retail turnover and profit and loss for the eight-month trading post acquisition amounted to R1,8 billion and R157,6 million respectively. Once-off acquisition costs of R2,9 million related to the acquisition have been expensed in the current period (March 2022: R36,6 million).

If Tapestry was acquired on 1 April 2022, the retail turnover and earnings before interest and tax for the 12-month period is estimated to be R2,6 billion and R350 million respectively.



## 18. FAIR VALUE HIERARCHY OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Year ended 31 March 2023 Reviewed Rm	Year ended 31 March 2022 Audited Rm
<b>Level 2</b>		
Forward exchange contracts – asset	144,2	–
Forward exchange contracts – liability	–	(185,7)
Insurance cell captive receivables	239,0	278,4
Investments	143,7	136,8
<b>Level 3</b>		
Put option liability	(43,5)	(32,6)

There are no level 1 financial instruments in the Group.

There were no transfers between levels during the current year.

### Measurement of fair values:

The following valuation techniques were used for measuring level 2 fair values:

#### Forward exchange contracts

The fair values are based on authorised financial institution quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

#### Insurance cell captive receivables

The insurance cell captive receivables have been valued at its net asset value at the reporting date and approximates fair value.

#### Investments

The investments has been valued at its net asset value at the reporting date and approximates fair value.

The following valuation techniques were used for measuring level 3 fair values:

#### Put option liability

The Group has put/call arrangements with certain joint venture partners which is payable on a basis of 7 times pre-IFRS 16 EBITDA less pre-IFRS 16 net debt<sup>^</sup>. The put/call liability will increase/(decrease) in line with the pre-IFRS 16 EBITDA increase/(decrease) times the multiple less pre-IFRS 16 net debt<sup>^</sup>.

<sup>^</sup> Pre-IFRS 16.

## 19. RESTATEMENT OF NON-CURRENT INTEREST BEARING DEBT AS CURRENT INTEREST BEARING DEBT

In February 2020, TFG London's existing funding arrangement with a consortium of UK based banks ("the consortium") was extended to cover a five-year period. The arrangement provided for a facility of three years and two further periods where the Group has the right to request extensions for 12 months each, subject to the approval of the consortium. In October 2022 the first extension was granted by the consortium, extending the facility to February 2024 with no changes to the existing terms as described above.

Subsequent to the extension and on further analysis of the contractual terms of the funding arrangement, the Group has revised the classification of the liability previously disclosed as Non-current liabilities, to current liabilities, restating the March 2022 financial information as illustrated below. The extension approval took place after year end, which did not give the Group the substantive right as at 31 March 2022 to defer repayment beyond 12 months of that date, and in accordance with IAS1 Presentation of Financial Statements (IAS1), this liability should be classified as current in this financial period and in the comparative financial period. The Group has classified the liability as current through a restatement thereby complying with IAS1 in line with the financial impacts as detailed below.

This restatement only impacts certain classifications within the Statement of Financial Position and the relevant notes reflecting current and non-current interest bearing debt, and has no impact on the profit or cash flows of the Group. The restatement had no impact on the Group's income statement, Statement of changes in equity and Statement of cash flows. The restatement had no impact on the Statement of Financial Position at 31 March 2021.

The Group has already commenced discussions with the consortium and based on the actual and projected trading results of the Group, TFG London is confident that the facility will be further extended to February 2025 on the existing terms.

The impact of the restatements on the Group's statement of financial position is detailed as follows:

	As at 31 March 2022		
	As previously reported Rm	Restatement Rm	Restated Rm
<b>Non-current liabilities</b>			
Interest-bearing debt	4 883,7	(1 033,7)	<b>3 850,0</b>
<b>Current liabilities</b>			
Interest-bearing debt	1 899,4	1 033,7	<b>2 933,1</b>
	As at 30 September 2022		
	As previously reported Rm	Restatement Rm	Restated Rm
<b>Non-current liabilities</b>			
Interest-bearing debt	5 542,4	(1 092,4 )	<b>4 450,0</b>
<b>Current liabilities</b>			
Interest-bearing debt	6 625,0	1 092,4	<b>7 717,4</b>

## 20. SUBSEQUENT EVENTS

Shareholders of TFG ("Shareholders") are referred to the announcement released by the Company on SENS on 23 January 2023 advising that the Group, through its value athletic and leisure footwear retail brand, Sneaker Factory, had entered into an agreement to acquire Street Fever, an independent retailer of affordable branded footwear and apparel ("Transaction").

As further announced on SENS on 10 May 2023, all conditions precedent to the Transaction have either been fulfilled or waived as set out in the agreement, it being noted that the approval from the relevant competition authorities was obtained. Accordingly, the Transaction is now unconditional in accordance with the terms of the agreement and was implemented with an effective date of 26 April 2023. The integration has been seamless.

No further significant events took place between the year ended 31 March 2023 and date of issue of this report.

## 21. AUDITOR'S REVIEW REPORT

The condensed consolidated financial statements have been reviewed by the company's auditors, Deloitte & Touche. They have issued an unmodified review conclusion on the condensed consolidated financial statements. The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

# Company information

## THE FOSCHINI GROUP LIMITED

Registration number 1937/009504/06  
JSE codes: TFG – TFGP  
ISIN: ZAE000148466 – ZAE000148516

## REGISTERED OFFICE

Stanley Lewis Centre  
340 Voortrekker Road  
Parow East 7500  
South Africa

## HEAD OFFICE

Stanley Lewis Centre  
340 Voortrekker Road  
Parow East 7500  
South Africa  
Telephone +27(0) 21 938 1911

## COMPANY SECRETARY

D van Rooyen, BAcc (Hons), CA(SA)  
Stanley Lewis Centre  
340 Voortrekker Road  
Parow East 7500  
South Africa  
PO Box 6020, Parow East 7501  
South Africa

## SPONSOR

RAND MERCHANT BANK (A division of FirstRand Limited)

## AUDITORS

Deloitte & Touche

## ATTORNEYS

Baker & McKenzie Inc.

## PRINCIPAL BANKER

FirstRand Bank Limited

## TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited  
Rosebank Towers  
15 Biermann Avenue  
Rosebank 2196  
South Africa  
Telephone +27(0) 11 370 5000

## WEBSITE

[www.tfglimited.co.za](http://www.tfglimited.co.za)

# Proxy form



## THE FOSCHINI GROUP LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1937/009504/06

Share codes: TFG – TFGP

(ISIN: ZAE000148466 – ZAE000148516)

To be returned to the transfer secretaries, being Computershare Investor Services Proprietary Limited, via email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) or delivered to Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 (Private Bag X9000, Saxonwold, 2132) as soon as possible and should (but is not required to) be received by no later than 14h15 on Wednesday, 6 September 2023.

### For use only by:

- > holders of certificated shares; and
- > holders of dematerialised shares held through a Central Securities Depository Participant (CSDP) or broker and who have selected “own-name” registration, at the annual general meeting to be held at 14h15 on Thursday, 7 September 2023 and at any adjournment thereof.

The annual general meeting will only be accessible through electronic participation, as permitted by the relevant provisions of the Companies Act and memorandum of incorporation (MOI).

TFG shareholders are required to submit completed proxy forms as provided for in the notice of annual general meeting in order for their votes to be counted. TFG shareholders are encouraged to submit their votes electronically by proxy in advance of the annual general meeting to reduce unnecessary complexity and complications.

If you are a TFG shareholder, as referred to above, and are entitled to vote at the annual general meeting, you can appoint a proxy or proxies to vote and speak in your stead at the annual general meeting. A proxy need not be a TFG shareholder. If you are a TFG shareholder and have dematerialised your TFG shares through a CSDP (and have not selected “own-name” registration in the subregister maintained by a CSDP), do not complete this proxy form but provide your CSDP with your voting instructions in terms of your custody agreement entered into with it. Generally, a TFG shareholder will not be an own-name dematerialised shareholder unless the TFG shareholder has specifically requested the CSDP to record the TFG shareholder as the holder of shares in the TFG shareholder’s own name in TFG’s subregister.

## ANNUAL GENERAL MEETING: THURSDAY, 7 SEPTEMBER 2023

I/We (full names)

of (address)

Tel (home):

Cell:

Email:

being a shareholder(s) of The Foschini Group Limited and entitled to

votes (ONE PER SHARE HELD)

hereby appoint

or failing him/her

or failing him/her the Chairman of the meeting as my/our proxy to act for me/us at the annual general meeting of the company to be held at 14h15 on Thursday, 7 September 2023, and at any adjournment thereof as follows:

		Insert X in appropriate block		
		For	Against	Abstain
Ordinary resolution no. 1	Presentation of annual financial statements			
Ordinary resolution no. 2	Reappointment of external auditors			
Ordinary resolution no. 3	Re-election of Mr R Stein as a director			
Ordinary resolution no. 4	Re-election of Ms N V Simamane as a director			
Ordinary resolution no. 5	Re-election of Mr D Friedland as a director			
Ordinary resolution no. 6	Re-election of Mr J N Potgieter as a director			
Ordinary resolution no. 7	Election of Mr E Oblowitz as a member of the Audit Committee			
Ordinary resolution no. 8	Election of Ms B L M Makgabo-Fiskerstrand as a member of the Audit Committee			
Ordinary resolution no. 9	Election of Mr G H Davin as a member of the Audit Committee			
Ordinary resolution no. 10	Election of Ms N V Simamane as a member of the Audit Committee			
Ordinary resolution no. 11	Election of Mr D Friedland as a member of the Audit Committee			
Ordinary resolution no. 12	Election of Mr J N Potgieter as a member of the Audit Committee			
Ordinary resolution no. 13	Non-binding advisory vote on remuneration policy			
Ordinary resolution no. 14	Non-binding advisory vote on remuneration implementation report			
Special resolution no. 1	Non-executive directors' remuneration			
Special resolution no. 2	Financial assistance to related or interrelated company or corporation			
Special resolution no. 3	General authority to acquire TFG ordinary shares			
Ordinary resolution no. 15	General authority			

Signed this

day of

2023

Signature

Assisted by (where applicable)

**Please read the notes overleaf.**

## NOTES

A TFG shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of TFG) to speak and vote or abstain from voting in the place of that shareholder at the annual general meeting.

1. A TFG shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the TFG shareholder's choice in the space provided, with or without deleting the words "the Chairman of the meeting". The person whose name appears first on the proxy form and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A TFG shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box or if a TFG shareholder wishes the proxy to cast votes in respect of a lesser number of TFG shares than the TFG shareholder owns, the requisite number of TFG shares should be inserted in the appropriate box. Failure to comply with the above will be deemed to authorise and instruct the Chairman of the meeting, if he is the authorised proxy, to vote in favour of the resolutions concerned at the annual general meeting, or any other proxy to vote or abstain from voting at the annual general meeting as he deems fit, in respect of the TFG shareholder's total holding.
3. The completion and lodging of this proxy form will not preclude a TFG shareholder from participating in the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such TFG shareholder wish to do so.
4. In case of joint holders, the vote of the most senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, for which purpose seniority will be determined by the order in which the names appear on TFG's register of shareholders in respect of the joint holding.
5. The Chairman of the annual general meeting may reject or accept any proxy form which is completed and/or received otherwise than in accordance with these notes.
6. Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the transfer secretaries or waived by the Chairman of the annual general meeting.
7. Any alteration or correction to this proxy form must be initialled by the signatory/ies but will only be validly made if such alteration or correction is accepted by the Chairman of the annual general meeting.
8. Proxy forms must preferably be emailed to TFG, c/o Computershare Investor Services Proprietary Limited, at proxy@computershare.co.za, to be received preferably by no later than 14h15 on Wednesday, 6 September 2023.
9. If the annual general meeting is adjourned or postponed, proxy forms submitted for the annual general meeting will remain valid in respect of any adjournment or postponement of the annual general meeting unless the contrary is stated on such proxy form.
10. The appointment of a proxy or proxies:
  - a. is suspended at any time and to the extent that a TFG shareholder chooses to act directly and in person in the exercise of any rights as a TFG shareholder;
  - b. is revocable, in which case a TFG shareholder may revoke the proxy appointment by:
    - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
    - ii. delivering a copy of the revocation instrument to the proxy and the transfer secretaries, Computershare Investor Services Proprietary Limited, via email to proxy@computershare.co.za;
  - c. if the instrument appointing a proxy or proxies has been delivered to the transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act, as amended or the MOI to be delivered by TFG to the TFG shareholder must be delivered by TFG to:
    - i. the TFG shareholder; or
    - ii. the proxy or proxies, if the TFG shareholder has directed TFG to do so in writing and paid any reasonable fee charged by TFG for doing so.

## SUMMARY OF THE RIGHTS OF A TFG SHAREHOLDER TO BE REPRESENTED BY PROXY

For purposes of this summary, the term “shareholder” shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

Shareholders’ rights regarding proxies in terms of section 58 of the Companies Act include, *inter alia*, to at any time appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, and speak and vote at, a shareholders’ meeting on behalf of the shareholder.

A proxy appointment:

- > must be in writing, dated and signed by the shareholder; and
- > remains valid for:
  - one year after the date on which it was signed; or
  - any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c); or expires earlier as contemplated in section 58(8)(d) of the Companies Act.

Except to the extent that the MOI of TFG provides otherwise:

- > a shareholder of that company may appoint two (2) or more persons concurrently as proxies, and may appoint more than one (1) proxy to exercise voting rights attached to the different securities held by the shareholder;
- > a proxy may delegate the proxy’s authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- > a copy of the instrument appointing a proxy must be delivered to TFG, or to any other person on behalf of TFG, before the proxy exercises any rights of the shareholder at a shareholders’ meeting.

Irrespective of the form of instrument used to appoint a proxy:

- > the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
- > the appointment is revocable unless the proxy appointment expressly states otherwise;
- > if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy; and
- > delivering a copy of the revocation instrument to the proxy and to TFG.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the shareholder as of the later of the date:

- > stated in the revocation instrument, if any; or
- > upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.

Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company’s MOI to be delivered by such company to the shareholder must be delivered by such company to:

- > the shareholder; or
- > the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by TFG for doing so.

A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI of the relevant company or the instrument appointing the proxy provide otherwise.

If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:

- > such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
- > the invitation or proxy form must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, contain adequate space to enable a shareholder to write in the name, and if so desired an alternative name, of a proxy chosen by the shareholder and provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or abstain from voting;
- > TFG must not require that the proxy appointment be made irrevocable; and
- > the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.











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| <b>@home</b><br><small>IMAGINE MORE</small>   | <b>@homelivingspace</b><br><small>IMAGINE MORE</small> |
|  <b>AMERICAN SWISS</b><br><small>FINE JEWELLERS SINCE 1860</small> | <b>ARCHIVE</b>   |
| <b>bash</b>   | <b>the bedstore</b>                                    |
| <b>CONNOR</b>   | <b>CORICRAFT</b>                                       |
| <b>Dial-a-Bed</b>   | EXACT  |
| FABIANI   | <b>FIX</b>   |
| FOSCHINI  | GALAXY*CO  |
|    | <b>G-STAR RAW</b>                                      |
| <b>hi°</b>  | HOBBS<br><small>LONDON</small>                         |
| <b>Jet</b>  | <i>JetHome</i>   |
|    | <b>MARKHAM</b>   |
| <i>Phase Eight</i>  | <b>RJ RELAY JEANS</b>                                  |
| <b>RFO</b><br><small>RENEGADE FASHION OUTLET</small>  | <b>ROCKWEAR</b><br><small>ESTD 1984 SINCE 1981</small> |
| <b>SNEAKER FACTORY</b>  | <b>sportscene</b>                                      |
| STERNS<br><small>1876</small>   | TAROCASH   |
| <b>TOTALSPORTS</b>  | <b>VOLPES</b><br><small>THE HOME OF LINEN</small>      |
| <b>WHISTLES</b>   | <b>yd.</b>   |

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