The Foschini Group Limited

(Registration number 1937/009504/06)
Audited annual financial statements
for the year ended 31 March 2024

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The reports and statements set out below comprise the audited annual financial statements presented to the shareholder:

Preparer

These annual financial statements were prepared by the TFG Finance department under the supervision of Ralph Buddle CA(SA), Chief Financial Officer (CFO) of The Foschini Group Limited.

Directors' Responsibility Statement

The directors are responsible for the preparation and fair presentation of the annual financial statements of The Foschini Group Limited, comprising the statement of financial position at 31 March 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and the notes to the financial statements which includes a summary of significant accounting policies and other explanatory notes, in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa and JSE Limited listings requirements.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedule included in these annual financial statements.

The directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe that the business will not be a going concern in the foreseeable future.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with IFRS Accounting Standards.

Approval of annual financial statements

The annual financial statements of The Foschini Group Limited were approved by the Board on 19 July 2024 and signed by:

A E Thunström
Chief Executive Officer
Authorised Director

19 July 2024

R R Buddle
Chief Financial Officer
Authorised Director

19 July 2024

CEO and CFO Responsibility Statement

The directors, whose names are stated below, hereby confirm that:

a) the annual financial statements set out on pages 18 - 40, fairly present in all material respects the financial position, financial performance and cash flows of The Foschini Group Limited in terms of IFRS Accounting Standards;

b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

c) internal financial controls have been put in place to ensure that material information relating to The Foschini Group Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements of The Foschini Group Limited;

d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

e) where we were not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and

f) we are not aware of any fraud involving directors.

A E Thunström
Chief Executive Officer
Authorised Director

19 July 2024

R R Buddle
Chief Financial Officer
Authorised Director

19 July 2024

Directors' Report

The directors submit their report for the year ended 31 March 2024.

1. Review of activities

Nature of business

The Foschini Group Limited (TFG) is the holding company of a diverse group with a portfolio of 34 leading fashion and lifestyle retail brands – @home, @homelivingspace, American Swiss, Archive, Bash, The Bed Store, Connor, Coricraft, Dial-a-Bed, Exact, Fabiani, The FIX, Foschini, Galaxy & Co., Granny Goose, G-Star RAW, Hi, Hobbs, Jet, Jet Home, Johnny Bigg, Markham, Phase Eight, Relay Jeans, RFO, Rockwear, Sneaker Factory, Sportscene, Sterns, Tarocash, Totalsports, Volpes, Whistles and yd. Our range of 34 retail brands offers clothing, jewellery, cellphones, accessories, cosmetics, sporting and outdoor apparel and equipment, homeware and furniture across value to upper market.

The operating results and state of affairs of the company are fully set out in the annual financial statements and do not, in our opinion require any further comment.

2. Authorised and issued share capital

At 31 March 2024, 1,1 (2023: 1,1) million shares are owned by a subsidiary of the company, 3,9 (2023: 6,4) million shares are held by employees of TFG in terms of share incentive schemes and 1,1 (2023: 1,1) million shares are owned by the share incentive trust. These were eliminated on consolidation. For further details of authorised and issued share capital, refer to note 10.

3. Dividends

Interim ordinary

The directors declared a dividend of 150,0 (2023: 170,0) cents per ordinary share, which was paid on Monday, 8 January 2024, to ordinary shareholders recorded in the books of the company at the close of business on Friday, 5 January 2024.

Final ordinary

The directors declared a final dividend of 200,0 (2023: 150,0) cents per ordinary share, payable on Monday, 22 July 2024, to ordinary shareholders recorded in the books of the company at the close of business on Friday, 19 July 2024.

Preference

The company paid the following dividends to holders of 3,25% cumulative preference shares:
11 March 2024 - R13 000 (2023: 13 March 2023 - R13 000)
18 September 2023 - R13 000 (2023: 19 September 2022 - R13 000)

4. Directors

The names of the company's directors as at publication date (19 July):

Independent non-executive directors	**Nationality**	**Changes**
M Lewis (Chairman)	British	
Prof. F Abrahams	South African	
C Coleman	South African	
G H Davin	South African	
D Friedland	South African	
B L M Makgabo-Fiskerstrand	South African	
E Oblowitz	South African	
J N Potgieter	South African	Appointed 10 July 2023
N V Simamane	South African	
N L Sowazi	South African	Appointed 01 January 2024
R Stein	South African	

Non-executive director	**Nationality**	**Changes**
A D Murray	British	

Executive directors	**Nationality**	**Changes**
A E Thunström (CEO)	South African	
R R Buddle (CFO)	South African	Appointed 01 April 2024

Directors' Report

Changes to directors in the current financial year

As was announced on SENS on 7 July 2023, Mr Jan Potgieter was appointed as an independent non-executive director of the Board and member of the Audit and Risk Committees with effect from 10 July 2023. Mr Nkululeko Sowazi was appointed as an independent non-executive director of the Board with effect from 1 January 2024.

As was announced on SENS on 13 October 2023, Ms Bongiwe Ntuli resigned as Chief Financial Officer as well as executive director of the Company with effect from 30 November 2023.

Following the confirmation from the JSE Limited, Mr Anthony Thunström fulfilled the role of both Chief Executive Officer and executive financial director for the period 1 December 2023 until the appointment of the new Chief Financial Officer.

As was announced on SENS on 28 March 2024, Mr Ralph Buddle was appointed as Chief Financial Officer and executive director with effect from 1 April 2024. Mr R R Buddle was also appointed as a member of the Risk Committee with effect from 1 April 2024.

As was announced on SENS on 2 July 2024, Ms N V Simamane will be retiring from the Supervisory Board with effect from 5 September 2024, following the conclusion of the Company's AGM. Consequently, she will also step down as a member of the Audit, Risk and Social & Ethics Committees.

In terms of the Companies Memorandum of Incorporation (MOI), the following directors will retire by rotation at the Annual General Meeting (AGM) to be held on 5 September 2024 and, being eligible, offer themselves for re-election as directors:

Prof. F Abrahams
B L M Makgabo-Fiskerstrand
E Oblowitz
N L Sowazi

In addition, the current CFO Mr R R Buddle will be proposed for re-election as an executive director.

For details of directors' interests in the company's issued shares, refer to note 10. Details of directors' remuneration are set out in note 15.

5. Secretary

The secretary of the company is D van Rooyen.

Business address

Stanley Lewis Centre
340 Voortrekker Road
Parow East
Cape Town
7500

Postal address

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7501

6. Audit committee

The directors confirm that the Audit Committee addressed the specific responsibilities required in terms of section 94(7) of the Companies Act of South Africa. Further details are contained within the Audit Committee report.

7. Interest in subsidiaries

The names of, and certain financial information relating to the company's key subsidiaries are set out in note 7.

The total profits (losses) of consolidated subsidiaries after elimination of intra-group transactions are as follows:

Earnings of subsidiaries	2024 R'm	2023 R'm
Profits	3,096.0	3,161.3
Losses	(64.8)	(135.5)
Net consolidated profit after taxation	3,031.2	3,025.8

Directors' Report

8. Special resolutions

On 7 September 2023, shareholders passed the following special resolutions:

- The remuneration to be paid to non-executive directors for the period 1 October 2023 to 30 September 2024;

- 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 the special resolution and subject further to Sections 44 and 45 of the Companies Act; and

- That the company and/or any subsidiary of the company, by way of a general authority, from time to time, may repurchase ordinary shares in the share capital of the company upon such terms and conditions and amounts as the Directors of the company may from time to time determine but subject to the proviso's set out in the notice convening the meeting.

9. Subsequent events

Details are reflected in note 22.2.

10. Going concern

These annual financial statements have been prepared on the going concern basis.

The cash flows and liquidity projections for the company have been prepared for a period exceeding twelve months from the reporting date.

The board has performed a review of the company's ability to continue trading as a going concern in the foreseeable future and, based on this review, the directors are satisfied that the company is a going concern and have continued to adopt the going concern basis in preparing the annual financial statements.

Details are reflected in note 22.1

11. Auditors

The company's external auditors are Deloitte & Touche and the designated auditor is Mr J H W de Kock.

Company Secretary's Certificate

I certify that The Foschini Group Limited has lodged with the Companies and Intellectual Property Commission (CIPC) all returns as required by a public company in terms of the Companies Act of South Africa, and that all such returns appear to be true, correct and up to date.

D van Rooyen
Company Secretary

19 July 2024

Audit Committee Report

The Audit Committee is pleased to present its report for the financial year ended 31 March 2024 to the shareholders of TFG. This report complies with the Companies Act of South Africa, the JSE Listings Requirements, King IV and any other relevant requirements.

Membership as at 31 March 2024

	Appointed to committee	Meetings attended/possible meetings
Eddy Oblowitz (Chairman)	1 October 2010	3/3
Graham Davin	1 July 2022	3/3
David Friedland	1 April 2016	3/3
Boitumelo Makgabo-Fiskerstrand	1 October 2015	3/3
Jan Potgieter*	10 July 2023	2/2
Nomahlubi Simamane	24 February 2010	3/3

* *Jan Potgieter was appointed to the Audit Committee with effect from 10 July 2023 and attended all the relevant meetings after that date.*

The CEO, the CFO, the Head of Group Assurance, the Head of Internal Audit, the Company Secretary and the partner and senior members of the external auditors' team attended committee meetings by way of standing invitations. Additional attendees included non-executive directors Doug Murray and Ronnie Stein, and relevant members of executive management, who are invited to attend all meetings on an ad hoc basis. The Chairman of the Group has an open invitation to attend all Audit Committee meetings.

ROLES AND RESPONSIBILITIES

Statutory duties as prescribed in the Companies Act of South Africa

General

- Receive and deal appropriately with any concerns or complaints (whether internal, external or on its own initiative) relating to the accounting practices and internal audit of the Group, the content or auditing of the Group's financial statements, the internal financial controls or any related matter.

External auditors

- Evaluate the appointment of the external auditors on an annual basis and establish whether such appointment is in terms of the provisions of the Companies Act of South Africa, section 3.84(g)(ii) of the Listings Requirements and any other legislation and/or regulations and interrogate the external audit annual audit plan, the related scope of work and the overall appropriateness of the key audit risks identified.
- Evaluate the independence, effectiveness and performance of the external auditor.
- Approve the audit fee and fees in respect of any non-audit services.
- Determine the nature and extent of any non-audit services the auditors may provide to the Group and pre-approve all proposed agreements for non-audit services.
- Obtain assurance from the auditors that adequate accounting records are being maintained and that appropriate accounting policies are in place, which have been consistently applied.
- Review the findings and recommendations of the external auditors and establish that there are no significant unresolved matters as at the date of the approval of the annual financial statements.

Financial results

- Make submissions to the Supervisory Board on any matters concerning the Group's accounting policies, financial controls, records and reporting.
- Provide an Audit Committee report as part of the integrated annual report and consolidated annual financial statements.

Duties assigned and delegated by the Supervisory Board

General

- Guarantee the respective roles and functions of external audit and internal audit are sufficiently clarified and, where relevant, coordinated.
- Assess the effectiveness of the arrangements in place for combined assurance.
- Assist the Supervisory Board in carrying out its risk management, technology and information management responsibilities.

Audit Committee Report

External auditors

- Consider and respond to any questions from the Supervisory Board and shareholders regarding the resignation or dismissal of the external auditors, if necessary.
- Review and approve the annual external audit plan.
- Make sure the scope of the external audit has no limitations imposed by executive management and that there is no impairment of its independence.

Internal control and internal audit function

- Review the effectiveness of the Group's systems of internal control, including internal financial controls, financial reporting procedures and risk management, and maintain their operational effectiveness.
- Guarantee that written representations on internal controls are submitted to the committee annually – being representations that provide assurance on the adequacy and effectiveness of the Group's systems of internal control.
- Monitor and supervise the effective functioning and performance of the internal audit function.
- Review and approve the annual internal audit plan and any proposed amendments thereto, prior to their implementation, and the internal audit charter.
- Make sure the scope of the internal audit function has no limitations imposed by executive management and that there is no impairment of its independence.

Finance function

- Consider the appropriateness of the expertise and experience of the CFO.
- Satisfy itself with the expertise, resources and experience of the finance function and its related activities.

Financial results

- Consider any accounting treatments, significant, unusual, sensitive and complex transactions, or accounting judgements and estimates that could be contentious.
- Review executive management's assessment of going concern and make a recommendation to the Supervisory Board that the Group adopt the validity of the going concern concept.
- Consider the JSE's report on the proactive monitoring of financial statements for compliance with IFRS and/ or any other relevant reports issued by the JSE to audit committees and guarantee that appropriate action is taken, if required.
- Review the integrated annual report, consolidated annual financial statements, interim reports, condensed reports and/or any other financial information prior to submission and approval by the Supervisory Board.

SPECIFIC RESPONSIBILITIES

The committee confirms that it has carried out its functions in terms of the Audit Committee charter and section 94(7) of the Companies Act of South Africa, by:

- Confirming the nomination of Deloitte & Touche as the Group's registered auditor, and Mr J M Bierman as the designated partner, for the year ending 31 March 2025.
- being satisfied that both Deloitte and Mr J M Bierman are independent of the company.
- Approving the terms of engagement and fees to be paid to Deloitte & Touche.
- Confirming that appointment of Deloitte & Touche complies with the provisions of the Companies Act of South Africa, the JSE Listings Requirements and any other regulations.
- Determining the nature and extent of any non-audit services, which the external auditors provide to the company or any related company prior to the provision of such non-audit services.
- Pre-approving proposed agreements with Deloitte & Touche for the provision of any non-audit services.

Audit Committee Report

- Receiving and dealing appropriately with any relevant concerns or complaints that fall within the remit of the committee's charter.

- Making submissions to the Supervisory Board on any matter concerning the Group's accounting policies,financial controls, records and financial reporting.

- Preparing this report for inclusion in the consolidated annual financial statements and the integrated annual report.

- Performing any other oversight functions as determined by the Supervisory Board.

INTERNAL FINANCIAL CONTROLS

The CEO and CFO, through delegated authority to executive management and regular report-backs, continually evaluate the controls and control environment. This evaluation includes:

- Identifying risks and determining their materiality.

- Testing the design and implementation of controls that address significant and high-risk areas impacting the financial reporting process.

- Utilising the internal audit function to test the operating effectiveness of these controls.

- Reviewing of control self-assessments performed by management.

Deficiencies in the design and operational effectiveness of internal controls which are identified during the evaluation are presented to the committee together with the relevant compensating controls, any additional procedures performed and the plans to remediate.

The committee considered the information provided in respect of the design and operational effectiveness of internal controls for the current financial year and noted the contents of the CEO and CFO final attestation. The committee is of the opinion that TFG's system of internal financial controls and financial reporting procedures are effective and form a basis for the preparation of reliable financial statements in respect of the year under review.

This assessment included consideration of all the entities included in the consolidated annual financial statements and the Group's ability to prepare and report on the consolidated annual financial statements effectively.

The committee was not made aware of any material breaches of any laws or regulations or material breaches of internal controls or procedures.

INTERNAL AUDIT

The Group's internal audit function provides assurance over TFG Africa, TFG London and TFG Australia operations. Internal audit continues to develop and refine its auditing approach and methodologies with new digital enablement and associated interventions.

This approach facilitates the increased automation of processes, and enhanced generation of more risk-focused assurance and related insights and reporting through the implementation of a suite of technologies to broaden assurance coverage. It supports efficiencies of the internal audit processes, enabling greater coverage while optimising costs and providing enhanced value through more focused risk-oriented insight. These technologies include the applications of data analytics, robotic process automation, artificial intelligence, and other enterprise technology tools.

The committee believes that Mr R Kusel, the Head of Internal Audit, possesses the appropriate expertise, skills and experience to meet his responsibilities and that the internal audit function was functioning effectively throughout the year under review.

COMBINED ASSURANCE

The Audit Committee reviewed the combined assurance process and related methodologies and the outcomes thereof and considers these processes to be effective.

Read more about combined assurance on page 23 of the Governance report.

RISK MANAGEMENT

While the Supervisory Board is ultimately responsible for the maintenance of an effective risk management process, the committee, together with the Risk Committee, assists the Supervisory Board in assessing and forming a conclusion on the adequacy of the risk management process.

The committee Chairman is also a member of the Risk Committee, and the Chairman of the Risk Committee is an invitee to this committee. This aligns the communication between the two committees. The committee fulfils an oversight role regarding financial reporting risks, internal financial controls, fraud risk, information management and technology risks as they relate to financial reporting.

The strategies adopted by the Audit Committee and the Risk Committee allows for the timely review of any internal control weakness identified by any assurance providers. In addition, continual improvements in the development of Enterprise Risk Management (ERM) methodologies further enhances the Group's overall risk management coverage and focus.

Audit Committee Report

Read more about our risk management approach on page 16 of the Governance report.

TFG INTERNATIONAL OPERATIONS

The Group's international operations, TFG London and TFG Australia, have well established combined Audit and Risk Committees.

These committees play an important role in the governance oversight of TFG London, TFG Australia and the Group. These committees typically meet twice a year.

The TFG London Audit and Risk Committee is chaired by Ronnie Stein (the Group's Risk Committee Chairperson) while the TFG Australia Audit and Risk Committee is chaired by Eddy Oblowitz (the Group's Audit Committee Chairman). The Chairmen provide feedback to the Group's Audit and Risk Committees and the Supervisory Board on matters of risk and the financial results of TFG's international operations.

Internal audit compiles assurance plans responsive to the significant risks identified and appropriate assurance reviews and audits were conducted during the year to assess those risks.

THE FINANCIAL AND BUSINESS ENVIRONMENT

TRADING ENVIRONMENT

The Group delivered solid results for the year ended 31 March 2024 despite tough trading conditions and significant headwinds. Our results reflect two distinct halves, influenced by various macroeconomic factors in all three territories that affected customers and our performance.

Retail turnover grew by 8,6%, supported by the expansion of our footprint and brand portfolio, and further growth in online retail turnover in South Africa via our Bash platform.

The strong trading performance and sustained gross profit margins, along with our continued focus on resetting the cost base, enabled growth of 9,9% in operating profit before finance costs, which pleasingly was ahead of retail turnover growth. Despite increased finance costs and a higher effective tax rate, the Group's strong H2 2024 supported HEPS growth of 0,2%.

Group inventories were 11,6% lower than the elevated position in the prior year brought about by load shedding in South Africa, and the post-COVID-19 normalisation in trading conditions in other territories.

The Group generated cash from operations of R12,5 billion for the year (FY2023: R7,1 billion), delivered through robust trading performance and effective working capital management.

With effect from 26 April 2023, the Group acquired Street Fever, a South African independent retailer of affordable branded footwear and apparel. The integration of the 91 Street Fever stores into Sneaker Factory has allowed us to quickly scale this business to 213 stores.

ACCOUNTING MATTERS

As recommended by King IV, the committee has concentrated primarily on the following financial captions with the actions taken to address the risks listed:

Provision for impairment in respect of Trade receivables - retail

The provision for impairment in respect of Trade receivables – retail amounts to R1,9 billion (FY2023: R1,9 billion). Further details of the provision for impairment is set out in note 24 of the consolidated annual financial statements.

During the year, the committee received detailed presentations from the TFG Africa Group director responsible for credit on the processes and procedures undertaken in controlling the granting of credit and the optimisation of the collection of receivables. These reports detailed trends in the credit environment, recoveries, bad debt write-offs and other relevant patterns associated with the status of customer accounts. Similar presentations are made to the Supervisory Board at regular intervals.

Executive management and the Audit Committee, have reviewed the assessments and related calculations that the provision for impairment is based on.

The committee is satisfied that the level of the provision carried is appropriate responsive to the determining assumptions in South Africa.

The external auditors have considered this a key audit matter (KAM) for the purposes of their audit. More details on their assessment is provided in their audit opinion on page 16 of the consolidated annual financial statements.

Audit Committee Report

Inventory

The value of inventory at year-end amounts to R11,6 billion (FY2023: R13,1 billion).

The valuation method of certain inventories within TFG Africa changed from the retail inventory method (RIM) to weighted average cost (WAC). The change from RIM to WAC was implemented to maintain a more consistent inventory valuation method across the Group, and to drive improved margin management. The Group inventory is measured at the lower of cost and net realisable value.

Inventory provisions are made for slow-moving, obsolete and damaged items and have been assessed for obsolescence using an appropriate inventory provision model.

The change in accounting policy has not resulted in a change in the cost or net realisable value of inventory as the retail inventory method approximates the weighted average cost of inventory.

The CEO provides regular reports to the Audit Committee in respect of inventory management. The report includes comments made by each brand head on:

- Their inventory holdings, inventory turn statistics and write-down information.

- The adequacy or otherwise of the overall quantum of their inventory holdings per business unit.

The CFO also provides the Audit Committee with regular updates on the level of inventory provisioning.

In addition, the external auditors provided a detailed year-end report on their work undertaken to satisfy themselves that the Group's inventory is fairly stated.

After considered debate and review of the external and internal auditors' reports, together with detailed operational inputs from senior executives and brand heads, the Audit Committee is satisfied that the value of inventory reflected on the statement of financial position at 31 March 2024 is fairly stated.

Goodwill and intangible impairment assessment

The goodwill and intangible assets value amounts to R10,3 billion (FY2023: R9,8 billion) and makes up 37,5% (FY2023: 36,8%) of the total non-current assets of the Group.

Due to the challenging macroeconomic conditions, including high levels of inflation and increasing interest rates, management, the external auditors, and the Audit Committee continued to apply stress-testing valuation scenarios to critically assess the carrying values of intangibles in TFG Africa, TFG London and TFG Australia, respectively. Notwithstanding the macroeconomic headwinds experienced during FY 2024, all three trading territories delivered sufficient levels of profitability and cash flow generation.

The committee specifically considered the recoverable amount of the Group's goodwill and intangible assets using the value-in-use technique. The assumptions and estimates used were supported by comprehensive calculations, analyses, forecasts and assumptions as prepared by management. Management also received inputs from independent external consultants to corroborate several of the most critical assumptions and estimates used in the value-in-use calculations.

Reports from the external auditors on their work carried out was done independently of management's calculations. The external auditors supported that no impairments are required regarding the Group's goodwill and intangible assets.

Following the review of the carrying values of the intangibles, it was concluded that the relevant operations had adequate headroom to sustain the current carrying values of intangibles.

The external auditors have considered this a KAM for their audit. More details on their assessment is provided in their audit opinion on page 16 of the consolidated annual financial statements.

EXTERNAL AUDITORS

The Group's external auditors are Deloitte & Touche and the designated partner for FY 2024 is Mr J H W de Kock.

Deloitte & Touche is afforded unrestricted access to the Group's records and management and were free to present any issues arising from their annual audit to the committee. In addition, the designated partner has unrestrained opportunity to raise any matters of concern directly with the committee Chairman, where necessary.

The committee gave due consideration to the independence of the external auditors and is satisfied that Deloitte & Touche remained independent of the Group and executive and senior management throughout their audit. Therefore, they are able to express an independent opinion on the Group's consolidated annual financial statements. The committee specifically considered Deloitte & Touche's tenure (seven years) and the nature and extent of non-audit services rendered. Non-audit services amounting to R6,3 million were provided during the current year (FY2023: R3,4 million).

Audit Committee Report

The committee has nominated, for approval at the AGM, Deloitte & Touche as the external auditor and Mr J M Bierman as designated audit partner for the 2025 financial year. Mr J M Bierman has been nominated as a result of the IRBA Code of Professional Conduct and the Companies Act rotation policy requirements for audit partners.

The committee made this nomination having satisfied itself (by obtaining and reviewing the information specified in Paragraph 3.84(g) of the JSE Listings Requirements) of the suitability of the appointment and reappointment of the individual auditor and the audit firm, respectively.

FINANCIAL STATEMENTS

The committee reviewed the annual financial statements of the company and the Group and is satisfied that they comply with IFRS and the requirements of the Companies Act of South Africa.

This review included a consideration of the JSE's reports on the proactive monitoring of financial statements. In addition, the committee reviewed executive management's assessment of going concern and recommended to the Supervisory Board that the Group is a going concern for the ensuing year.

INTEGRATED ANNUAL REPORT

The committee fulfils an oversight role with respect to the contents of the integrated annual report. The committee considered the need for assurance on the sustainability information in this report and concluded that obtaining any independent assurance would not be required at this stage.

The committee considered the sustainability information as disclosed in the integrated annual report, assessed its consistency with the consolidated annual financial statements and Inspired Living report and is satisfied that the sustainability information is in no way contradictory to information disclosed in the consolidated annual financial statements.

EXPERTISE OF CFO AND FINANCE FUNCTION

The committee considers the appropriateness of the expertise and experience of the CFO and finance function on an annual basis. The committee believes that the CFO, Ralph Buddle, possesses the appropriate expertise and experience to meet his responsibilities in that position.

In addition, the committee is satisfied that the expertise, resources and experience of the current senior incumbents of the finance function are appropriate based on the nature, complexities and size of the Group's operations.

It is noted that the JSE granted a dispensation to the Group for Anthony Thunström to act in the dual role as Chief Executive Officer and executive financial director for the period 1 December 2023 to 31 March 2024, being the period from the resignation of TFG's previous CFO (Bongiwe Ntuli) until the appointment of TFG's new CFO (Ralph Buddle).

ELECTION OF COMMITTEE MEMBERS

The following members made themselves available for election to the committee. Their election was recommended by the Nomination Committee and will be proposed to shareholders at the upcoming AGM:

- Eddy Oblowitz (Chairperson)

- Graham Davin

- David Friedland

- Boitumelo Makgabo-Fiskerstrand

- Jan Potgieter

APPROVAL

The committee recommended the approval of the consolidated annual financial statements and the integrated annual report for the year ended 31 March 2024 to the Supervisory Board on 19 July 2024.

The Supervisory Board subsequently approved the consolidated annual financial statements and the integrated annual report for the year ended 31 March 2024, which will be tabled and open for discussion at the forthcoming AGM.

Audit Committee Report

APPRECIATION

I acknowledge and thank my fellow committee members and attendees, the CEO, CFO and executives, management and the Deloitte & Touche engagement team for their continuing efforts, assistance, guidance and support rendered to me and to this committee during the year under review.

Eddy Oblowitz
Chairperson: Audit Committee

19 July 2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of The Foschini Group Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the separate financial statements of The Foschini Group Limited (the Company) set out on pages 18 to 40, which comprise the Statement of Financial Position as at 31 March 2024, and the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the separate financial statements, including a summary of material accounting policy information.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of The Foschini Group Limited as at 31 March 2024, and its separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statements section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate financial statements of the current period. There are no key audit matters pertaining to the separate financial statements. The group key audit matters have been disclosed in the consolidated annual financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “The Foschini Group Limited Audited Annual Financial Statements for the year ended 31 March 2024” and the document titled “2024 Integrated Annual Report of The Foschini Group Limited for the year ended 31 March 2024”, which includes the Directors’ Responsibility Statement, Directors’ Report, Company Secretary’s Certificate and Audit Committee Report, as required by the Companies Act of South Africa, and the CEO and CFO Responsibility Statement and the Detailed Income Statement, which we obtained prior to the date of this report.

The other information does not include the separate financial statements and our auditor’s report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters, where applicable. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of The Foschini Group Limited for 7 years.

Deloitte & Touche
Registered Auditor

Per: JHW de Kock
Partner
19 July 2024

Statement of Comprehensive Income

	Note	2024 Rm	2023 Rm
Revenue	2	994.7	2,542.0
Operating expenses		(24.1)	(23.2)
Profit from operations		**970.6**	**2,518.8**
Other income	3	58.2	74.7
Operating profit before finance costs		**1,028.8**	**2,593.5**
Finance costs	4	-	(1.4)
Profit before taxation	5	**1,028.8**	**2,592.1**
Taxation	6	(79.8)	(68.1)
Profit for the year		**949.0**	**2,524.0**

Statement of Comprehensive Income (continued)

	2024 Rm	2023 Rm
Profit for the year	**949.0**	**2,524.0**
Other comprehensive income	-	-
Total comprehensive profit for the year	**949.0**	**2,524.0**

The Foschini Group Limited

(Registration number 1937/009504/06)
Audited Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March

	Note	2024 Rm	2023 Rm
Assets			
Non-current assets			
Investments in subsidiaries	7	7,629.4	7,629.4
Loans to group companies	8	1,145.7	671.6
		8,775.1	**8,301.0**
Current assets			
Other receivables		0.4	0.2
Loans to group companies	8	1,421.6	2,008.6
Cash and cash equivalents	9	4.9	2.5
		1,426.9	**2,011.3**
Total Assets		**10,202.0**	**10,312.3**
Equity and Liabilities			
Equity			
Share capital	10	4.5	4.5
Share premium	10	7,905.3	7,905.3
Dividend reserve	11	662.1	496.5
Retained earnings		1,541.4	1,745.6
Total Equity		**10,113.3**	**10,151.9**
Liabilities			
Non-current liabilities			
Deferred taxation liability		19.2	20.2
Current liabilities			
Trade and other payables	12	26.5	43.9
Loans from group companies	8	26.5	94.9
Taxation payable		16.5	1.4
		69.5	**140.2**
Total Liabilities		**88.7**	**160.4**
Total Equity and Liabilities		**10,202.0**	**10,312.3**

Statement of Changes in Equity

	Share capital Rm	Share premium Rm	Total share capital Rm	Dividend reserve Rm	Retained earnings Rm	Total equity Rm
Balance at 31 March 2022	**4.5**	**7,905.3**	**7,909.8**	**1,092.4**	**266.7**	**9,268.9**
Profit for the year	-	-	-	-	2,524.0	2,524.0
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**2,524.0**	**2,524.0**
Dividends paid	-	-	-	-	(1,641.0)	(1,641.0)
Transfer from dividend reserve	-	-	-	(1,092.4)	1,092.4	-
Transfer to dividend reserve	-	-	-	496.5	(496.5)	-
Balance at 31 March 2023	**4.5**	**7,905.3**	**7,909.8**	**496.5**	**1,745.6**	**10,151.9**
Profit for the year	-	-	-	-	949.0	949.0
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**949.0**	**949.0**
Dividends paid	-	-	-	-	(987.6)	(987.6)
Transfer from dividend reserve	-	-	-	(496.5)	496.5	-
Transfer to dividend reserve	-	-	-	662.1	(662.1)	-
Balance at 31 March 2024	**4.5**	**7,905.3**	**7,909.8**	**662.1**	**1,541.4**	**10,113.3**
Note	10	10	10	11		

The Foschini Group Limited

(Registration number 1937/009504/06)
Audited Annual Financial Statements for the year ended 31 March 2024

Statement of Cash Flows

	Note	2024 Rm	2023 Rm
Cash flows from operating activities			
Operating (loss) profit before working capital changes		(22.7)	50.1
Movement in working capital		(8.2)	(40.3)
Cash generated from operations	13	(30.9)	9.8
Interest income		20.8	101.8
Taxation paid	14	(65.7)	(47.1)
Dividends received		686.5	2,380.4
Dividends paid		(987.6)	(1,641.0)
Net cash (outflows) inflows from operating activities		**(376.9)**	**803.9**
Cash flows from investing activities			
Acquisition of investment in subsidiary companies		-	(2,212.2)
Decrease in loans to group companies		354.3	1,314.3
Payments to group companies		(691.8)	(414.8)
Receipts from group companies		1,046.1	1,729.1
Net cash inflows (outflows) from investing activities		**354.3**	**(897.9)**
Cash flows from financing activities			
Increase in loans from group companies		25.0	94.0
Net cash inflows from financing activities		**25.0**	**94.0**
Net increase in cash and cash equivalents during the year*		**2.4**	**-**
Cash and cash equivalents at the beginning of the year		2.5	2.5
Cash and cash equivalents at the end of the year	9	**4.9**	**2.5**

*Zero as a result of rounding.

Accounting Policies

1. Reporting entity

The Foschini Group Limited (the "company") is a company domiciled and incorporated in South Africa. The address of the company's registered office is Stanley Lewis Centre, 340 Voortrekker Road, Parow East, Cape Town, 7500, South Africa.

1.1 Basis of preparation

Statement of compliance

The annual financial statements are prepared in accordance with the Group's accounting policies and the JSE Limited Listings Requirements, which comply with IFRS Accounting Standards and its interpretations adopted by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied are consistent with those applied in the previous annual financial statements, except where otherwise stated.

The financial statements were authorised for issue by the directors on 19 July 2024.

Basis of measurement

The financial statements are prepared on the going concern and historical cost basis, except where otherwise stated.

Functional and presentation currency

The financial statements are presented in South African Rands, which is the company's functional currency. The financial statements have been rounded to the nearest million.

1.2 Dividends

Dividend distributions are accounted for in the period when the dividend is declared. Dividends declared on equity instruments after the reporting date, are accordingly not recognised as liabilities at the reporting date. However, final dividends declared after the reporting date are transferred to a dividend reserve. The company has chosen to classify dividend income and dividend paid as operating activities in the cash flow statement.

1.3 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The accruals for employee entitlements to wages, salaries, bonus, annual and sick leave represent the amount the Company has a present obligation to pay as a result of employees' services provided to the reporting date. The short-term employee benefits are calculated at undiscounted amounts based on current wage and salary rates and expensed when incurred.

1.4 Financial instruments

A financial instrument is recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial asset that is created or retained by the company is recognised as a separate asset or liability.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Initial measurement

Financial instruments are initially recognised at fair value plus any directly attributable transaction costs. Except in the case of financial assets measured at fair value through profit or loss (FVTPL) where, transaction costs are recognised in profit or loss. Subsequent to initial recognition, financial instruments are measured as described below.

Financial assets are classified and measured on the basis of the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The company determines the business model at a level that reflects how categories of financial assets are managed together to achieve a particular business objective. The company performs a continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate. If the business model is no longer appropriate, a prospective change to the classification of those assets is considered.

Accounting Policies

1.4 Financial instruments (continued)

Non-derivative financial instruments

Non-derivative financial instruments recognised in the statement of financial position include cash and cash equivalents, other receivables, loans to and from group companies and trade and other payables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and amounts held on deposit at financial institutions. Cash and cash equivalents is measured at amortised cost, based on the relevant exchange rates at reporting date.

Loans to group companies

The loans to group companies are held with an objective to collect contractual cash flows and have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial measurement, loans are measured at amortised cost using the effective interest method, less any accumulated impairment losses.

Other receivables

Other receivables are classified at amortised cost using the effective interest method, less any accumulated impairment losses.

Financial liabilities measured at amortised cost

Non-derivative financial liabilities including loans from group companies and trade and other payables are recognised at amortised cost, comprising original debt less principal payments and amortisations.

The fair value of non-derivative financial liabilities determined for disclosure purposes is estimated based on the present value of future principal and interest cash flows discounted at the relevant market rate of interest for a similar instrument at the reporting date.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

When a financial asset is modified the company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms and resultant cash flows, to those applicable at initial recognition.

The company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay in respect thereof. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received thereon.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income (OCI) and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at fair value through other comprehensive income (FVTOCI), where the cumulative gain or loss previously recognised in OCI is not subsequently reclassified to profit or loss.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

Accounting Policies

1.5 Share capital

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share instruments are recognised as a deduction from equity, net of any tax effects.

Preference share capital

Preference share capital is classified as equity. Dividends thereon are recognised as distributions within equity.

1.6 Impairment of assets

Non-derivative financial assets

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can objectively be related to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets, and the amortised cost is presented on the face of the statement of financial position.

Non-financial assets

The carrying values of the company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.7 Investments in subsidiaries

Investment in subsidiary companies are carried at cost less accumulated impairment losses. Acquisition costs relating to investments are expensed in profit or loss.

1.8 Revenue

Revenue is defined as the sum of the items described in further detail below:

Interest income

Interest income from loans to group companies is recognised as interest income in the statement of comprehensive income using the effective interest method.

Dividends income

Dividends received on equity instruments are recognised in profit or loss when the right to receive payment is established.

1.9 Taxation

Income tax expense comprises current and deferred taxation as well as dividend tax (where relevant).

Income tax expense is recognised in profit or loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or in equity, in which case it is recognised in other comprehensive income or equity as appropriate. Current tax is the expected taxation payable, calculated on the basis of taxable income for the year, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment of taxation payable for previous years.

Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred taxation is recognised in respect of temporary differences between the tax base of an asset or liability and its carrying amount. Deferred taxation is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred taxation is measured at the tax rates expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred taxation assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Deferred taxation assets are recognised for all deductible temporary differences and assessed losses to the extent that it is probable that taxable profit will be available against which such deductible temporary differences and assessed losses can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The company withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised directly as part of the company's tax charge but rather as part of the dividend paid recognised directly in equity. Where withholding tax is withheld on dividends received, the dividend is recognised at the gross amount with the related withholding tax recognised as part of tax expense unless it is otherwise reimbursable in which case it is recognised as an asset.

1.10 Significant judgements and estimates

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements made in applying the company's accounting policies, that potentially have a significant effect on the amounts recognised in the financial statements are as follows:

Impairment assessment of loans and investments

The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumption may change which may then impact our estimations and may then require a material adjustment.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

Notes to the Financial Statements

	2024 Rm	2023 Rm
2. Revenue		
Dividends received		
Subsidiary companies	779.9	2,380.4
Interest income		
Bank and other cash	0.9	1.8
Subsidiary companies (loans to subsidiary companies)	213.9	159.8
	214.8	**161.6**
	994.7	**2,542.0**

3. Other income

	2024 Rm	2023 Rm
Other income*	1.4	-
Foreign exchange gain	56.8	74.7
	58.2	**74.7**

*Zero as a result of rounding.

4. Finance costs

	2024 Rm	2023 Rm
Interest expense	-	1.4

5. Profit before taxation includes the following significant expenditure items:

	2024 Rm	2023 Rm
Expenses		
Auditor's remuneration	0.6	0.4
Acquisition costs	-	3.1
Directors' fees	13.7	12.1
	14.3	**15.6**

	2024 Rm	2023 Rm
6. Taxation		
Major components of the tax expense		
South African current taxation		
Current year	57.2	43.3
Prior year under (over) provision	15.8	(1.2)
Dividends withholding tax	7.8	5.8
South African deferred taxation		
Originating and reversing temporary differences*	15.3	20.2
Prior year over provision	(16.3)	-
	79.8	**68.1**
Reconciliation of tax rate		
Effective tax rate	7.76 %	2.63 %
Exempt income - dividends received	20.47 %	24.79 %
Non-deductible expenditure	(0.52)%	(0.24)%
Dividend withholding tax	(0.76)%	(0.22)%
Prior year under provision	0.05 %	0.04 %
Standard taxation rate	**27.00 %**	**27.00 %**

* This relates to the revaluation of the foreign loan.

Notes to the Financial Statements

7. Investments in subsidiaries

	Country of incorporation	2024 Rm	2023 Rm
Customer Arrear Solutions (Pty) Ltd*	South Africa	-	-
Fashion Retailers (Pty) Ltd	Namibia	0.3	0.3
Fashion Retailers (Zambia) Limited	Zambia	54.1	54.1
Foschini Finance (Pty) Ltd*	South Africa	-	-
Foschini (Lesotho) (Pty) Ltd*	Lesotho	-	-
Foschini Retail Group (Pty) Ltd (refer to note 2 below)	South Africa	102.5	102.5
Foschini Stores (Pty) Ltd*	South Africa	-	-
Foschini (Swaziland) (Pty) Ltd	Eswatini	0.1	0.1
TFG Retailers Proprietary Limited	Australia	2,887.6	2,887.6
Dress Holdco A Limited	United Kingdom	2,167.7	2,167.7
TFG Apparel Supply Company (Pty) Ltd*	South Africa	-	-
Dormant and non-trading entities		1.0	1.0
Prestige Clothing (Pty) Ltd*	South Africa	-	-
Cotton Traders (Pty) Ltd	South Africa	45.0	45.0
Quench Delivery (Pty) Ltd	South Africa	158.9	158.9
Tapestry Home Brands (Pty) Ltd	South Africa	2,212.2	2,212.2
		7,629.4	**7,629.4**

* Zero as a result of rounding.

Notes

1. The company owns, directly, all the ordinary shares in the subsidiaries listed above.

2. Included is an amount of R102,5 (2023: R102,5) million representing the fair value of 102 500 R1 preference shares issued on 28 February 2002. The directors' valuation thereof at 31 March 2024 is R102,5 (2023: R102,5) million.

A schedule of the above is available on request from the registered office of the company.

Notes to the Financial Statements

	2024 Rm	2023 Rm
8. Loans to (from) group companies		
Subsidiaries		
Foschini Retail Group Proprietary Limited This loan is unsecured, bears interest at rates determined from time to time and no fixed terms of repayment have been determined.	1,421.6	1,651.1
Dress Holdco A Limited This loan is unsecured, bears interest monthly at a rate determined by the contract and is repayable on demand, but within limitations of the contract agreement.	782.2	671.6
Simply Finance Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	(11.5)	(79.9)
Foschini Stores Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	(0.1)	(0.1)
Customer Arrear Solutions Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	14.7	8.8
Foschini Finance Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	(14.0)	(14.0)
Tapestry Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	265.5	275.3
Fashion Retailers Australia Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	-	0.1
Foschini Property Holdings Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	(0.9)	(0.9)
Cotton Traders Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	48.7	48.8
Quench Delivery Proprietary Limited This loan is unsecured, with no fixed repayment terms and is interest free.	34.6	24.5
Other* This loan is unsecured with, no fixed repayment terms and is interest free.	-	-
	2,540.8	**2,585.3**

* Zero as a result of rounding.

	2024 Rm	2023 Rm
Non-current assets	1,145.7	671.6
Current assets	1,421.6	2,008.6
Current liabilities	(26.5)	(94.9)
	2,540.8	**2,585.3**

9. Cash and cash equivalents

	2024 Rm	2023 Rm
Bank balances	4.9	2.5

The company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in note 19.

Notes to the Financial Statements

10. Share capital

	2024 Rm	2023 Rm
Authorised		
600 000 000 (2023: 600 000 000) ordinary shares of 1,25 cents each	7.5	7.5
200 000 (2023: 200 000) 6,5% cumulative preference shares of R2 each	0.4	0.4
	7.9	**7.9**
Issued		
331 027 300 (2023: 331 027 300) ordinary shares of 1,25 cents each	4.1	4.1
200 000 (2023: 200 000) 6,5% cumulative preference shares of R2 each	0.4	0.4
Share premium	7,905.3	7,905.3
	7,909.8	**7,909.8**

Distribution and voting rights

The holders of ordinary shares are entitled to receive distributions as declared from time to time and are entitled to one vote per share at meetings of the company. Holders of the cumulative preference shares receive a cumulative dividend of 6,5 cents per share at interim (September) and year end (March) of each year.

Holders of ordinary shares received the following dividend for the year.

Interim: 150,0 cents per share paid on Monday, 8 January 2024 (2023: 170,0 cents per share).

Final: 200,0 cents per share payable on Monday, 22 July 2024 (2023: 150,0 cents per share).

Unissued ordinary shares

In terms of the provisions of the Companies Act and limited to the issuing of shares in terms of the company’s obligations under the staff share incentive schemes, the unissued ordinary shares are under the control of the directors only until the forthcoming annual general meeting.

Notes to the Financial Statements

	2024 Rm	2023 Rm

10. Share capital (continued)

Directors' interest

At 31 March 2024, the directors had the following interest in the company's issued shares:

	Shares '000	Year of delivery	2024 Total '000	2023 Total '000
Non-executive				
M Lewis (indirect beneficial)	1 818,8		1 818,8	-
M Lewis (indirect non-beneficial)	-		-	1 818,8
Prof. F Abrahams	-		-	-
C Coleman	-		-	-
G H Davin	-		-	-
D Friedland (indirect beneficial)	30,0		30,0	30,0
B L M Makgabo-Fiskerstrand	-		-	-
A D Murray (direct beneficial)	647,0		647,0	647,0
A D Murray (indirect beneficial)	327,5		327,5	532,5
E Oblowitz (direct beneficial)	3,0		3,0	3,0
J N Potgieter	-		-	-
N V Simamane (direct beneficial)	2,3		2,3	2,3
N L Sowazi	-		-	-
R Stein (direct beneficial)	184,2		184,2	184,2
R Stein (indirect beneficial)	80,0		80,0	80,0
Total non-executive	**3 092,8**		**3 092,8**	**3 297,8**
Executive				
B Ntuli^ (direct beneficial)	-		-	18,9
B Ntuli^ (performance-based restricted forfeitable shares)	-		-	97,1
B Ntuli^ (restricted forfeitable shares)	-		-	53,2
	-		-	**169,2**
A E Thunström (direct beneficial)	352,9		352,9	60,1
A E Thunström (performance-based restricted forfeitable shares)	-		-	189,2
A E Thunström (restricted forteitable shares)	302,4	2025-2027	302,4	497,0
A E Thunström (MSR shares)	13,5	2025	13,5	13,5
A E Thunström (Deferred shares)	33,8	2025	33,8	33,8
	702,6		**702,6**	**793,6**
Executive **Total executive shares**	**702,6**		**702,6**	**962,8**
Non-executive and executive **Total shares**	**3 795,4**		**3 795,4**	**4 260,6**

** Price per share equates to the strike price.*
^ With effect from 30 November 2023, Ms Bongiwe Ntuli resigned as Chief Financial Officer as well as executive director of the company.

10. Share capital (continued)

Changes to director's interest after year end

- On 14 June 2024, SZL Investment Limited Partnership, which is ultimately owned by family trusts of which M Lewis and his family are beneficiaries, sold 363 766 shares pursuant to a portfolio rebalancing of the trust interests of a sibling of the director (refer SENS announcement published on 18 June 2024).

- On 19 June 2024, 20 June 2024 and 21 June 2024, The Krisalex Trust, in which A D Murray is a trustee and discretionary beneficiary, sold 200 000 shares pursuant to a portfolio rebalancing (refer SENS announcement published on 24 June 2024).

- On 27 June 2024, A E Thunström sold a portion (47 331 shares) and retained a portion (56 241 shares) of vested shares previously granted (with time based restricted conditions) on 1 July 2021 and 6 July 2022 in terms of and subject to the rules of the company’s 2020 Forfeitable Share Plan in order to settle the resultant tax obligation (refer SENS announcement published on 2 July 2024).

	FSRs accepted* Number of shares	Indicative value** Rm
Acceptance of FSRs in June 2024:		
A E Thunström	127 538	13 519,0

** These restricted forfeitable shares (FSRs) accepted is as a result of the deferred incentive portion of the single incentive which will vest equally in June 2026 and June 2027.*
*** Indicative value based on the 30-day Volume Weighted Average Price (VWAP) of R106 on 31 March 2024.*

Notes to the Financial Statements

	2024 Rm	2023 Rm

11. Dividend reserve

An amount equal to dividends declared subsequent to the reporting date is transferred to the dividend reserve.

A final dividend of 200,0 (2023: 150,0) cents per ordinary share was declared on 7 June 2024 and is payable on 22 July 2024.

No liability has been raised as this distribution was declared subsequent to the reporting date.

	2024 Rm	2023 Rm
Balance at 1 April	496.5	1,092.4
Transfer from dividend reserve to distributable earnings	(496.5)	(1,092.4)
Transfer to dividend reserve from distributable earnings	662.1	496.5
Balance at 31 March	**662.1**	**496.5**

12. Trade and other payables

	2024 Rm	2023 Rm
Trade payables	1.0	0.4
Payroll related liabilities	1.0	3.1
Accrued expenses	24.5	40.4
	26.5	**43.9**

The company's management of and exposure to market and cash flow and liquidity risk is disclosed in note 19.

13. Cash generated from operations

	2024 Rm	2023 Rm
Profit before taxation	1,028.8	2,592.1
Adjustments for:		
Interest income	(214.8)	(161.6)
Dividends received	(779.9)	(2,380.4)
Foreign currency gain	(56.8)	-
Working capital changes:		
Decrease in trade and other payables	(8.0)	(40.3)
Increase in trade and other receivables	(0.2)	-
Total cash generated from operations	**(30.9)**	**9.8**

14. Reconciliation of taxation paid

	2024 Rm	2023 Rm
Balance at beginning of the year	(1.4)	(0.6)
Current tax for the year recognised in profit or loss	(80.8)	(47.9)
Balance at end of the year	16.5	1.4
	(65.7)	**(47.1)**

15. Directors' remuneration

2024	Fees^ R'000	Remuneration R'000	Pension fund R'000	Dividends R'000	Other benefits* R'000	Performance bonus*** R'000	Total R'000	LTI Vested Value R'000
Non executive								
M Lewis	1 614,4	-	-	-	-	-	1 614,4	-
E Oblowitz	1 365,8	-	-	-	-	-	1 365,8	-
Prof. F Abrahams	889,7	-	-	-	-	-	889,7	-
R Stein	1010,0	-	-	-	-	-	1010,0	-
D Friedland	849,3	-	-	-	-	-	849,3	-
N V Simamane	830,1	-	-	-	-	-	830,1	-
B L M Makgabo-Fiskerstrand	830,1	-	-	-	-	-	830,1	-
G H Davin	965,8	-	-	-	-	-	965,8	-
A D Murray	2 198,9	-	-	-	-	-	2 198,9	-
C Coleman	751,8	-	-	-	-	-	751,8	-
J N Potgieter	744,2	-	-	-	-	-	744,2	-
N L Sowazi	118,5	-	-	-	-	-	118,5	-
Total	**12 168,6**	**-**	**-**	**-**	**-**	**-**	**12 168,6**	**-**
Executive								
A E Thunström	-	15 222,7	377,4	839,1	149,9	7 822,4	24 411,5	47 982,8
B Ntuli**	-	5 303,6	243,1	347,8	53,3	-	5 947,8	8 639,8
Total	**-**	**20 526,3**	**620,5**	**1 186,9**	**203,2**	**7 822,4**	**30 359,3**	**56 622,6**
Total remuneration 2024	**12 168,6**	**20 526,3**	**620,5**	**1 186,9**	**203,2**	**7 822,4**	**42 527,9**	**56 622,6**

2023	Fees^ R'000	Remuneration R'000	Pension fund R'000	Dividends R'000	Other benefits* R'000	Performance bonus R'000	Total R'000	LTI Vested Value R'000
Non executive								
M Lewis	1 537,5	-	-	-	-	-	1 537,5	-
E Oblowitz	1 300,7	-	-	-	-	-	1 300,7	-
Prof. F Abrahams	847,4	-	-	-	-	-	847,4	-
R Stein	961,9	-	-	-	-	-	961,9	-
D Friedland	808,8	-	-	-	-	-	808,8	-
N V Simamane	790,5	-	-	-	-	-	790,5	-
B L M Makgabo-Fiskerstrand	790,5	-	-	-	-	-	790,5	-
G H Davin	919,8	-	-	-	-	-	919,8	-
A D Murray	2 094,2	-	-	-	-	-	2 094,2	-
C Coleman	716,0	-	-	-	-	-	716,0	-
Total	**10 767,3**	**-**	**-**	**-**	**-**	**-**	**10 767,3**	**-**
Executive								
A E Thunström	-	14 128,4	685,4	2 934,0	186,2	14 500,8	32 434,8	25 539,2
B Ntuli	-	7 451,0	449,9	600,9	99,0	6 105,6	14 706,4	5 077,5
Total	**-**	**21 579,4**	**1 135,3**	**3 534,9**	**285,2**	**20 606,4**	**47 141,2**	**30 616,7**
Total remuneration 2023	**10 767,3**	**21 579,4**	**1 135,3**	**3 534,9**	**285,2**	**20 606,4**	**57 908,5**	**30 616,7**

Mr Ralph Buddle was appointed as Chief Financial Officer and executive director with effect from 1 April 2024.

In the current year 155 366 shares were granted to A E Thunstrom and 65 417 to B Ntuli based on the closing market price on 30 June 2023 of R94,02. 539 227 shares and 97 093 shares vested to A E Thunstrom and B Ntuli respectively.

^ Fees only relate to services as directors.
* Other benefits include housing allowance and medical aid subsidy.
** With effect from 30 November 2023, Ms Bongiwe Ntuli resigned as Chief Financial Officer as well as executive director of the company.
*** Performance bonus included in 2024 remuneration to be paid in FY2025 and accrued in 2024 relate to the performance period ending 31 March 2024. This represents 40% of the Single Incentive with the remaining 60% allocated in Forfeitable Shares based on a 30-day VWAP of R106 to vest 50% in June 2026 and 50% in June 2027 subject to an employment condition. The full Single Incentive value is disclosed in the single total figure of remuneration as per page 57 of the Governance Report.

Notes to the Financial Statements

	2024 Rm	2023 Rm

16. Related party transactions

Directors

Details relating to executive and non-executive directors' remuneration are disclosed in note 15.

Interest of directors in contracts

No directors have any interests in contracts that are in contravention of section 75 of the Companies Act No. 71 of 2008 of South Africa.

Executive directors are bound by service contracts.

Loans to directors

No loans have been made to directors.

Related party balances

Related party loan balances are disclosed in note 8.

Related party transactions

	2024 Rm	2023 Rm
Interest received from subsidiaries		
Foschini Retail Group Proprietary Limited	151.9	99.0
Dress Holdco A Limited	59.6	59.8
Quench Delivery Proprietary Limited	2.4	1.0
	213.9	**159.8**
Dividends received from subsidiaries		
Foschini Finance Proprietary Limited*	11.5	-
Foschini (Botswana) Proprietary Limited	-	-
Foschini Retail Group Proprietary Limited	-	500.0
Foschini Retailers Proprietary Limited (Zambia)	1.0	-
Simply Finance Proprietary Limited	138.1	-
Foschini Stores Proprietary Limited	3.3	-
What U Want to Wear Proprietary Limited	0.5	-
Foschini Retailers Proprietary Limited	110.0	95.0
Foschini (Lesotho) Proprietary Limited	20.6	10.0
TFG Retailers Proprietary Limited	488.0	1,770.6
	773.0	**2,375.6**

* Zero as a result of rounding.

	2024 Rm	2023 Rm
Preference dividends received from related parties		
Foschini Retail Group Proprietary Limited	6.9	4.8
Dividends paid to related parties		
Foschini Stores Proprietary Limited	3.2	5.4

Key management:

Key management relate to the directors of the company.

Refer to note 15 for further disclosure regarding remuneration paid to non-executive directors of the company. Executive directors are not paid by the company.

17. Security

The company, together with other Group companies, has provided unlimited cross suretyship, for the joint and several obligations, of and by and between the respective companies to various institutions in the aggregate amount of R15,8bn (2023: R15,8bn).

The amount of such facilities utilised by Group companies as at 31 March 2024 was R8,0bn (2023: R9,9bn).

18. Consolidated financial statements

These are the company's separate financial statements. Consolidated financial statements are prepared and presented separately. They are available from the company's registered office or on the company's website www.tfglimited.co.za.

19. Risk management

Overview

The company has exposure to the following risks from its use of financial instruments:
- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the company’s exposure to each of the above risks and the company’s objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Supervisory Board has overall responsibility for the establishment and oversight of the company’s enterprise risk management framework. The Supervisory Board has delegated oversight over the related processes to the Risk and Audit Committees. The Committees report regularly on their activities to the Supervisory Board.

The company’s risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company’s activities. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Committee reviews the enterprise risk management framework and the related policies and processes regularly.

The Risk and Audit Committees assist the Supervisory Board in the assessment of the adequacy of the risk management process.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises on other receivables and cash and cash equivalents. The company does not consider there to be any significant concentration of credit risk in respect of which adequate impairment has not been raised. The company considers all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk for risk management purposes.

The table below shows the cash invested at the reporting date at financial institutions grouped per Moody's short term credit rating of the financial institutions.

	National scale	2024	2023
FirstRand	P-1	4.9	2.5

Cash and cash equivalents

The company limits its exposure to credit risk through dealing with well-established financial institutions with high credit standing, and thus management does not expect any counterparty to fail to meet its obligations.

	2024 Rm	2023 Rm

19. Risk management (continued)

Loans to group companies

The company limits its exposure to credit risk through a stringent company policy on the granting, continual review and monitoring of loan advances. The company does not consider there to be any significant concentration of credit risk in respect of which adequate impairment has not been raised. No expected credit loss (ECL) allowance has been raised against these loans as there is no indication of default.

Other receivables

The company actively manages collection of other receivables and provides adequate provision for any long outstanding balances. The company is not exposed to significant credit risk as there is no significant other receivables by a single counterparty or any balances past due that have not been adequately provided for.

Exposure

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The maximum exposure to credit risk at the reporting date was:

	2024 Rm	2023 Rm
Loans to group companies	2,567.3	2,680.2
Other receivables	0.4	0.2
Cash and cash equivalents	4.9	2.5
	2,572.6	**2,682.9**

The company believes that there is no significant concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure that it will always have sufficient cash flow to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

This risk is managed through cash flow forecasts, the optimisation of daily cash management and by ensuring that adequate borrowing facilities are maintained. In terms of the articles of association, the company's borrowing powers are unlimited.

The following are the contractual maturities of financial liabilities:

31 March 2024	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**1 - 5 years**	**More than 5 years**
Loans from group companies	26.5	26.5	26.5	-	-
Trade and other payables	25.5	25.5	25.5	-	-
	52.0	**52.0**	**52.0**	**-**	**-**

31 March 2023	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**1 - 5 years**	**More than 5 years**
Loans from group companies	94.9	94.9	94.9	-	-
Trade and other payables	40.8	40.8	40.8	-	-
	135.7	**135.7**	**135.7**	**-**	**-**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the company's profit or loss or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return.

The company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the company does not hold or issue derivative financial instruments for trading purposes.

Notes to the Financial Statements

19. Risk management (continued)

Interest rate risk

The company is exposed to interest rate risk as it both borrows and invests funds. This risk is managed by maintaining an appropriate mix of fixed and floating rate instruments with reputable financial institutions. There is no interest rate risk on trade payables.

Profile

At 31 March the interest rate profile of the company's interest-bearing financial instruments was:

	2024 Rm	2023 Rm
	Carrying amount	
Variable rate instruments		
Loans to group companies	2,567.3	2,680.2
Cash and cash equivalents	4.9	2.5
	2,572.2	**2,682.7**

Capital risk management

The Supervisory Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence, to sustain future development of business and to ensure that the company continues as a going concern. The company primarily makes use of equity for capital management purposes.

Equity consists of ordinary share capital and retained earnings of the company. The Supervisory Board monitors its use of equity, as measured by the return on equity, which the company defines as profit for the year divided by total average equity. The Supervisory Board also monitors the level of dividends to shareholders.

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities reasonably approximate their carrying values in the statement of financial position.

20. Accounting standards and interpretations adopted in the current year

There are standards and interpretations in issue that are effective in the current year. These include the following standards and interpretations that are applicable to the company. These did not have a material impact on the current financial statements:

	Effective in the current period
Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023

	2024 Rm	2023 Rm

21. Accounting standards and interpretations to be adopted in future years

There are standards and interpretations in issue that are not yet effective. These include the following standards and interpretations that are applicable to the company. These are not expected to have a material impact on future financial statements:

	Effective for periods starting on or after
Classification of Liabilities as Current or Non-current - Amendment to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback - Amendment to IFRS 16	1 January 2024
Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
Amendments to IAS 21	1 January 2025
Presentation and Disclosures in Financial Statements - Amendments to IFRS 18	1 January 2027
Subsidiaries without Public Accountability: Disclosures	1 January 2027

22. Going concern and subsequent events

23.1 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 directors. The going concern assumption was considered to be appropriate for the preparation of the company's results for the year ended 31 March 2024 and management is not aware of material uncertainties related to events or circumstances that may cast significant doubt upon the company's ability to do so.

The company 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.

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

23.2 Subsequent events

No significant events took place between the year ended 31 March 2024 and date of issue of this report.

Detailed Income Statement

	Notes	2024 Rm	2023 Rm
Revenue			
Dividends received	2	779.9	2,380.4
Interest income	2	214.8	161.6
		994.7	**2,542.0**
Other income			
Other Income*		1.4	-
Foreign exchange gains		56.8	74.7
		58.2	**74.7**
Operating expenses			
Consulting fees		(0.4)	(4.1)
Auditor's remuneration		(0.6)	(0.4)
Bank charges and subscriptions*		(0.5)	-
Directors' fees		(13.7)	(12.1)
Acquisition cost		-	(3.1)
Marketing and advertising		(0.2)	0.2
Other expenses		(0.4)	(0.1)
Skills development levy		(0.1)	(0.1)
Statutory and secretarial expenses		(4.7)	(2.1)
Travel and subscriptions		(3.5)	(1.4)
		(24.1)	**(23.2)**
Operating profit		**1,028.8**	**2,593.5**
Finance costs	4	-	(1.4)
Profit before taxation		**1,028.8**	**2,592.1**
Taxation	6	(79.8)	(68.1)
Profit for the year		**949.0**	**2,524.0**

* Zero as a result of rounding.