AUDITED COMPANY ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

THE FOSCHINI GROUP LIMITED

2025

Contents

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

Preparer

These audited 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

For the year ended 31 March 2025

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 2025 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 which have been issued by the International Accounting Standards Board (IASB®), IFRIC Interpretations (IFRS Interpretations Committee), the Companies Act of South Africa, JSE Limited Listings Requirements and the SAICA Financial Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council.

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 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 Supervisory Board (Board) on 27 June 2025 and signed by:

A E Thunström
Chief Executive Officer
Authorised Director
27 June 2025

R R Buddle
Chief Financial Officer
Authorised Director
27 June 2025

CEO and CFO responsibility statement

For the year ended 31 March 2025

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

a. the annual financial statements set out on pages 17 – 36, 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 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 or senior management of the Company.

A E Thunström
Chief Executive Officer
Authorised Director
27 June 2025

R R Buddle
Chief Financial Officer
Authorised Director
27 June 2025

Directors' report

For the year ended 31 March 2025

Review of activities

Nature of business

The Foschini Group Limited (TFG) is the holding company of a diverse group with a portfolio of 39 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, yd, JD Sports and White Stuff. Our range of 39 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.

Authorised and issued share capital

At 31 March 2025, 1 million (2024: 1 million) shares are owned by a subsidiary of the company, 5 million (2024: 4 million) shares are held by employees of TFG in terms of share incentive schemes and 1 million (2024: 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 5.

Dividends

Interim ordinary

The directors declared a dividend of 160,0 cents (2024: 150,0) cents per ordinary share, which was paid on Monday, 6 January 2025, to ordinary shareholders recorded in the books of the company at the close of business on Friday 3 January 2025.

Final ordinary

The directors declared a final dividend of 230,0 (2024: 200,0) cents per ordinary share, payable on Monday 21 July 2025, to ordinary shareholders recorded in the books of the company at the close of business on Friday 18 July 2025.

Preference

The company paid the following dividends to holders of 3,25% cumulative preference shares:

10 March 2025 – R13 000 (11 March 2024 – R13 000)

16 September 2024 – R13 000 (18 September 2023 – R13 000)

Directors' report for the year ended 31 March 2025

Directors

The names of the company's directors as at publication date (27 June 2025):

Independent non-executive directors		
C Coleman		
G H Davin		
D Friedland		
B L M Makgabo-Fiskerstrand		
J N Potgieter		
N L Sowazi		
G Zondi	Appointed:	12 June 2025
Non-executive directors		
M Lewis (Chairman)		
A D Murray	Retiring:	4 September 2025
R Stein		
E Oblowitz		
Executive directors		
A E Thunström (CEO)		
R R Buddle (CFO)		

Changes to directors in the current financial year

As was announced on SENS:

- On 2 July 2024, Ms N Simamane retired from the Board with effect from 5 September 2024, following the conclusion of the Company's Annual General Meeting (AGM). Consequently, she also stepped down as a member of the Audit, Risk and Social & Ethics Committees.
- On 6 September 2024, Professor F Abrahams also retired from the Board with effect from 5 September 2024, following the conclusion of the Company's AGM. Consequently, she also stepped down as Chairperson of the Social & Ethics Committee and as a member of the Risk, Remuneration and Nomination Committees.
- On 11 February 2025, the composition of the Social and Ethics Committee was updated. With effect from 12 February 2025, Ms B Makgabo-Fiskerstrand has been appointed as the Chairperson of the Committee and Mr M Lewis has been appointed as a member of the Committee.
- On 12 June 2025, the Board announced the following:
  - Appointments of Mr G Zondi and Ms B Backman as independent non-executive directors of the Company with effect from 12 June 2025 and 1 September 2025, respectively.
  - Retirement of Mr D Murray with effect from 4 September 2025, following the conclusion of the Company's AGM.
  - Changes in the classification of Mr M Lewis, Mr R Stein and Mr E Oblowitz from independent non-executive directors to non-executive directors with effect from 12 June 2025.
  - Mr J Potgieter has been appointed as the Chairperson of the Audit Committee, replacing Mr E Oblowitz who will be stepping down as Chairperson and Member of the Committee.
  - For further changes to the composition of the Risk Committee, Social and Ethics Committee, Remuneration Committee and Nomination Committee, refer to the SENS announcement dated 12 June 2025.

In terms of the Company's Memorandum of Incorporation (MOI), the following directors will retire by rotation at the AGM to be held on 4 September 2025:

M Lewis

G Davin

C Coleman

AD Murray

Directors' report for the year ended 31 March 2025

The following directors, being eligible, offer themselves for re-election as directors at the AGM:

M Lewis

G Davin

C Coleman

In addition, Mr G Zondi and Ms B Backman will be proposed for re-election as independent non-executive directors.

For details of directors' interests in the company's issued shares, refer to note 5. Details of directors' remuneration are set out in note 14.

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

P O Box 6020
Parow East
Cape Town
7501

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.

Interest in subsidiaries

The names of, and certain financial information relating to the company's key subsidiaries are set out in note 2.

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

Earnings of subsidiaries	**2025** **Rm**	2024 Rm
Profits	3 232	3 096
Losses	(43)	(65)
Net consolidated profit after taxation	**3 189**	3 031

Special resolutions

On 5 September 2024, shareholders passed the following special resolutions:

- The remuneration to be paid to non-executive directors for the period 1 October 2024 to 30 September 2025;
- 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
- 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; and
- The directors are authorised, as an annual general authority, to issue the authorised but unissued securities of the Company for cash, upon such terms and conditions and to such persons as they in their discretion may determine.

Directors' report for the year ended 31 March 2025

Going concern

These audited 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 audited annual financial statements.

Details are reflected in note 21.1.

Subsequent events

Details are reflected in note 21.2.

Auditors

The company's external auditors are Deloitte & Touche and the designated auditor is Mr J M Bierman.

Company secretary's certificate

For the year ended 31 March 2025

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

27 June 2025

Audit committee report

For the year ended 31 March 2025

On behalf of the Audit Committee (the Committee), I am pleased to present this report for the financial year ended 31 March 2025 to the shareholders of TFG. The Committee is constituted as a statutory committee of TFG in respect of its duties in terms of section 94(7) of the South African Companies Act No. 71 of 2008 (Companies Act) and this report complies with Companies Act, the King Code of Governance™ for South Africa (King IV) and the JSE Limited (JSE) and A2X Listings Requirements.

Committee Composition as at 31 March 2025

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

1. *With effect from 12 June 2025, Mr Jan Potgieter has been appointed as the Chairman of the Committee, replacing Mr Eddy Oblowitz who has stepped down as Chairman and member of the Committee.*
2. *Ms Nomahlubi Simamane retired from the Board with effect from 5 September 2024. She attended the Committee meetings up to the date of her retirement.*

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, Mr Doug Murray and Mr Ronnie Stein, and relevant members of executive management, who are invited to attend all meetings on an ad hoc basis. The Chairman of the Board has an open invitation to attend all Committee meetings. In addition, the Chairman of the Committee has the prerogative to invite other attendees to attend these meeting as he deems appropriate.

Roles and responsibilities

Statutory duties as prescribed in the Companies Act

The Committee is responsible for fulfilling its statutory responsibilities under section 94(7) of the Companies Act and assists the Board in fulfilling its independent oversight responsibilities in areas such as internal and external audit functions, financial reporting, financial risk management, internal control systems and legal and regulatory requirements related to financial reporting by, particularly regarding the following key areas and related matters:

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, 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 pre-approve all 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 prior to the commencement of such 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.

Audit committee report for the year ended 31 March 2025

Financial results

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

Duties assigned and delegated by the Board

General

- Ensure 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 Board in carrying out its risk management, technology and information management responsibilities.

External auditors

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

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.
- Ensure 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 and analyse 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 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 Accounting Standards and/ or any other relevant reports issued by the JSE to audit Committees and confirm that appropriate action is taken, if required.
- Review the Company annual financial statements, interim reports, condensed reports and/or any other financial information prior to submission and approval by the Board.

Audit committee report for the year ended 31 March 2025

Specific responsibilities

The Committee confirms that it has carried out its functions in terms of the Committee charter and section 94(7) of the Companies Act, by undertaking appropriate measures in:

- 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 2026.
- Being satisfied that both Deloitte & Touche and Mr J M Bierman are independent of the company.
- Approving the terms of engagement and fees to be paid to Deloitte & Touche.
- Confirming the appointment of Deloitte & Touche complies with the provisions of the Companies Act, the JSE Listings Requirements, IRBA 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.
- Receiving and dealing appropriately with any relevant concerns or complaints that fall within the remit of the Committee's charter.
- Making submissions to the Board on any matter concerning the Group's accounting policies, financial controls, records and financial reporting.
- Preparing this report for inclusion in the annual financial statements.
- Performing any other specific oversight functions as determined from time-to-time by the Board.

Internal financial controls

The CEO and CFO, through delegated authority to executive management and regular report-backs, continually evaluate the internal 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 the 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 and mitigating 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 annual financial statements and the Group's ability to prepare and report on the 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.

Audit committee report for the year ended 31 March 2025

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 Ms Carmen van der Vyver, Head of Risk and Assurance, possesses the appropriate expertise, skills and experience to meet her responsibilities and that the internal audit function had adequate and competent resources and capacity to ensure that it was functioning effectively throughout the year under review.

Combined assurance

The combined assurance model in place is an overarching assurance model to ensure that the risks identified are managed between the various lines of assurance. Management and internal audit have implemented a coordinated structure for planning, executing and reporting on internal audit, compliance and risk activities. The Committee is satisfied that the Group has optimised the assurance deliverables obtained from the lines of assurance in accordance with the approved combined assurance model and that the model is effective in achieving the objectives of coordinating assurance and reporting to provide management and the Board with a coordinated assessment of the risks confronting the Group, how effective the relevant risk mitigations are and the resultant acceptable levels of residual risks.The Committee, in tandem with the Risk Committee, reviewed the combined assurance model, associated processes and related methodologies and the outcomes thereof and considers the current combined assurance model and its outputs to be relevant and effective.

Risk management

While the Board is ultimately responsible for the maintenance of an effective risk management process, the Committee, together with the Risk Committee, assists the Board in assessing and forming a conclusion on the adequacy of the risk management process.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 Committee Chairman is also a member of the Risk Committee, and the Chairman of the Risk Committee is also an invitee to this Committee. Other committee members and attendees are also members of various other Board sub-committees. This ensures a sharing of insights and aligns communication between the relevant Board sub- committees.

The strategies adopted by the Audit and Risk Committee's allow 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 through the evolution of our combined assurance model further enhances the Group's overall risk management coverage and focus. A particular joint focus of the Audit and Risk Committees is to assess reports received on fraud and IT risks as these relate to financial reporting for the purposes of the Audit Committee and operational risk reporting for the purposes of the Risk Committee.

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 and TFG Australia and typically meet twice a year.

During the year under review, the TFG London Audit and Risk Committee was chaired by Mr Ronnie Stein (the Group's Risk Committee Chairman) while the TFG Australia Audit and Risk Committee was chaired by Mr Eddy Oblowitz (the Group's Audit Committee Chairman). The Chairmen provide feedback to the Group's Audit and Risk Committees and the 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 at these international operations to assess those risks.

Financial and business environment

Refer to the Audit Committee report included in the Group consolidated annual financial statements.

Accounting matters

Refer to the Audit Committee report included in the Group consolidated annual financial statements.

Audit committee report for the year ended 31 March 2025

External auditors

The Group's external auditors are Deloitte & Touche and the designated partner for the year ended 31 March 2025 is Mr J M Bierman.

Deloitte & Touche is afforded unrestricted access to all of the Group's records, information and to 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 the conduct of their audit. Therefore, they are able to express an independent opinion on the annual financial statements. The Committee specifically considered Deloitte & Touche's tenure (eight years) and the nature and extent of non-audit services rendered. Non-audit services amounting to R5 million were provided during the current year (2024: R6 million). All non-audit assignments, its scope and related fees were pre-approved by the Chairman prior to the commencement of the work.

The Committee has nominated, for approval at the forthcoming AGM, Deloitte & Touche as the external auditor and Mr J M Bierman as designated audit partner for the 2026 financial year.

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 reappointment of both individual auditor and the audit firm.

Annual financial statements

The Committee reviewed the annual financial statements of the company and the Group and is satisfied that they comply with IFRS Accounting Standards and the requirements of the Companies Act.

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 Board that the Group is a going concern for the ensuing year.

The Committee is comfortable that any material or significant matters have been considered for disclosure and notes that there are no other matters which require disclosure or adjustment in the financial statements.

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.

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 of that position.

In addition, the Committee is satisfied that the expertise, resources, capacity 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.

Election of committee members

As was announced on SENS on 12 June 2025, Mr Jan Potgieter has been appointed as the Chairman of the Committee, replacing Mr Eddy Oblowitz who has stepped down as Chairman and member of the Committee. These changes to the Committee will be included in the proposal to shareholders at the upcoming AGM.

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

- Mr Jan Potgieter (Chairman)
- Mr Graham Davin
- Mr David Friedland
- Ms Boitumelo Makgabo-Fiskerstrand

Audit committee report for the year ended 31 March 2025

Approval

The Committee recommended the approval of the Company annual financial statements for the year ended 31 March 2025 to the Board on 27 June 2025.

The Board subsequently approved the Company annual financial statements for the year ended 31 March 2025, which will be tabled and open for discussion at the forthcoming AGM.

Closing comments

Having been a member of this Committee since 2010 and having chaired this Committee since 2020, I have, effective 12 June 2025, stepped down from the role, with my fellow board colleague, Mr Jan Potgieter having been appointed as my successor, effective from that date.

During my tenure as Chairman, I have strived to ensure that, at all times, the Committee has an open and constructive relationship with management and the external auditors as the most effective approach to discharging our specific fiduciary and related responsibilities aligned to the remit of this Committee.

I thank the CEO, Anthony Thunstrom, Ralph Buddle as CFO and the entire Executive Team in the various jurisdictions as well as the Deloitte & Touche engagement team, for their assistance, cooperation and inputs over the many years. I also express my immense appreciation to my fellow committee members and attendees, past and present, for their supportive efforts, diligence, engagement and sage counsel.

I am assured that under the new Chairmanship, the Committee remains committed to continuing to discharge its duties in an effective and diligent manner.

Eddy Oblowitz

Outgoing Audit Committee Chairman

27 June 2025

Deloitte.

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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 financial statements of The Foschini Group Limited (the company) set out on pages 17 to 36, which comprise the statement of financial position as at 31 March 2025; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Foschini Group Limited as at 31 March 2025, and its financial performance and 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 Financial 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' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

Independent auditor's report for the year ended 31 March 2025

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Company Financial Statements

Overall Materiality	R140 million (2024: R153 million)
How we determined it	Based on 1,5% of total assets.
Rationale for how we determined it	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. We determined that Total Assets is a key benchmark for the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document "2025 Integrated Annual Report of The Foschini Group Limited for the year ended 31 March 2025" and the document titled "The Foschini Group Limited Audited Company Annual Financial Statements for the year ended 31 March 2025", which includes the Directors' responsibility statement, the CEO and CFO responsibility statement, the Directors' report, the Company Secretary's Certificate as required by the Companies Act of South Africa and the Audit Committee's Report. The other information does not include the consolidated or the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do 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 financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 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 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 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 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 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 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 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 directors 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 directors with a statement that we have complied with relevant ethical requirements regarding independence, and 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 directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. 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

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of The Foschini Group Limited for 8 years.

Deloitte & Touche
Registered Auditor

Per: J M Bierman
Partner
27 June 2025

5 Magwa Crescent
Waterfall City
Waterfall
Johannesburg

Statement of financial position

As at 31 March

	Notes	2025 Rm	2024 Rm
Assets			
Non-Current Assets			
Investment in subsidiaries	2	**7 629**	7 629
Loans to group companies	3	**1 203**	1 146
		8 832	8 775
Current Assets			
Loans to group companies	3	**538**	1 422
Taxation receivable		**2**	–
Cash and cash equivalents	4	**2**	5
		542	1 427
Total Assets		**9 374**	10 202
Equity and Liabilities			
Equity			
Share capital	5	**4**	4
Share premium	5	**7 905**	7 905
Dividend reserve	6	**761**	662
Retained earnings		**641**	1 542
Total Equity		**9 311**	10 113
Total Equity and Liabilities			
Non-current Liabilities			
Deferred taxation liability		**19**	19
Current Liabilities			
Trade and other payables	7	**17**	27
Loans from group companies	3	**27**	27
Taxation payable		**–**	16
		44	70
Total Liabilities		**63**	89
Total Equity and Liabilities		**9 374**	10 202

Statement of comprehensive income

For the year ended 31 March

	Notes	2025 Rm	2024 Rm
Revenue	8	**451**	995
Operating expenses	9	**(32)**	(24)
Profit from operations		**419**	971
Other income	10	**–**	58
Profit before tax		**419**	1 029
Taxation	11	**(34)**	(80)
Profit for the year		**385**	949
Other comprehensive income		**–**	–
Total comprehensive income for the year		**385**	949

Statement of changes in equity

For the year ended 31 March

	Notes	Share capital Rm	Share premium Rm	Total share capital Rm	Dividend reserve Rm	Retained earnings Rm	Total equity Rm
Balance at 31 March 2023		4	7 905	7 909	497	1 746	10 152
Profit for the year		–	–	–	–	949	949
Total comprehensive income		–	–	–	–	949	949
Dividends		–	–	–	–	(988)	(988)
Transfer from dividend reserve	6	–	–	–	(497)	497	–
Transfer to dividend reserve	6	–	–	–	662	(662)	–
Balance at 31 March 2024		**4**	**7 905**	**7 909**	**662**	**1 542**	**10 113**
Profit for the year		**–**	**–**	**–**	**–**	**385**	**385**
Total comprehensive income		**–**	**–**	**–**	**–**	**385**	**385**
Dividends		**–**	**–**	**–**	**–**	**(1 187)**	**(1 187)**
Transfer from dividend reserve	6	**–**	**–**	**–**	**(662)**	**662**	**–**
Transfer to dividend reserve	6	**–**	**–**	**–**	**761**	**(761)**	**–**
Balance at 31 March 2025		**4**	**7 905**	**7 909**	**761**	**641**	**9 311**

Statement of cash flows

For the year ended 31 March

	Notes	2025 Rm	2024 Rm
Cash flows from operating activities			
Operating loss before working capital changes		**(30)**	(23)
Decrease (increase) in working capital		**11**	(8)
Cash utilised in operations	12	**(19)**	(31)
Interest income		**–**	21
Taxation paid	13	**(52)**	(66)
Dividends received		**297**	687
Dividends paid		**(1 187)**	(988)
Net cash outflows from operating activities		**(961)**	(377)
Cash flows from investing activities			
Decrease in loans to group companies		**958**	354
Payments to group companies		**(421)**	(692)
Receipts from group companies		**1 379**	1 046
Net cash inflows from investing activities		**958**	354
Cash flows from financing activities			
Increase in loans from group companies		**–**	25
Net cash inflows from operating activities		**–**	25
Net (decrease) increase in cash and cash equivalents		**(3)**	2
Cash and cash equivalents at the beginning of the year		**5**	3
Cash and cash equivalents at the end of the year	4	**2**	5

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

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.

Statement of compliance

The annual financial statements are prepared in accordance with the Group's accounting policies and in accordance with IFRS Accounting Standards which have been issued by the International Accounting Standards Board (IASB®), IFRIC Interpretations (IFRS Interpretations Committee), the Companies Act of South Africa, JSE Listings Requirements and the SAICA Financial Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The annual financial statements were authorised for issue by the directors on 27 June 2025.

1.1 Basis of preparation

Basis of measurement

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

The presentation currency is the South African rand, rounded to the nearest million, except where otherwise indicated.

The accounting policies applied are consistent with those adopted in the prior year, except where otherwise stated.

1.2 Dividends

Dividend distributions are accounted for in the period in which 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 statement of cash flows.

1.3 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.

1. Accounting policies (continued)

1.3 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.

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. Derecognition is considered applicable when a modification 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.

1. Accounting policies (continued)

1.4 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.

1.5 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.

1.6 Investment in subsidiaries

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

1.7 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. Accounting policies (continued)

1.8 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.

1.9 Significant judgements and estimates

The preparation of audited annual 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 audited annual 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.

2. Investment in subsidiaries

	Country of incorporation	2025 Rm	2024 Rm
Tapestry Home Brands (Pty) Ltd	South Africa	**2 212**	2 212
Quench Delivery (Pty) Ltd	South Africa	**159**	159
Foschini Retail Group (Pty) Ltd (refer to note 1 below)	South Africa	**103**	103
Cotton Traders (Pty) Ltd	South Africa	**45**	45
Foschini Finance (Pty) Ltd*	South Africa	**–**	–
Foschini Stores (Pty) Ltd*	South Africa	**–**	–
TFG Apparel Supply Company (Pty) Ltd*	South Africa	**–**	–
Prestige Clothing (Pty) Ltd*	South Africa	**–**	–
Customer Arrear Solutions (Pty) Ltd*	South Africa	**–**	–
TFG Retailers Proprietary Limited	Australia	**2 887**	2 887
Dress Holdco A Limited	United Kingdom	**2 168**	2 168
Fashion Retailers Zambia Limited	Zambia	**54**	54
Foschini (Lesotho) (Pty) Ltd*	Lesotho	**–**	–
Foschini (Swaziland) (Pty) Ltd*	Eswatini	**–**	–
Fashion Retailers (Pty) Ltd*	Namibia	**–**	–
Dormant and non-trading entities		**1**	1
		7 629	7 629

* *Zero as a result of rounding.*

[1.] *Included is an amount of R103 million (2024: R103 million) representing the fair value of 102 500 R1 preference shares issued on 28 February 2002.*

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

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

3. Loans to (from) group companies

Subsidiaries	2025 Rm	2024 Rm
Non-current assets		
Dress Holdco A Limited This loan is unsecured, bears interest monthly at a rate determined by the contract and is repayable on demand. The loan is denominated in GBP.	**823**	782
The following loans are unsecured, with no fixed repayment terms and are interest free:		
Tapestry Proprietary Limited	**265**	265
Cotton Traders Proprietary Limited	**49**	49
Quench Delivery Proprietary Limited	**35**	35
Customer Arrear Solutions Proprietary Limited	**31**	15
	1 203	1 146
The loans above are classified as non-current assets as they will not be recalled in the next 12 months.		
Current assets		
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.	**538**	1 422
	538	1 422
Current liabilities		
The following loans are unsecured, with no fixed repayment terms and are interest free:		
Foschini Finance Proprietary Limited	**(14)**	(14)
Simply Finance Proprietary Limited	**(12)**	(12)
Foschini Property Holdings Proprietary Limited	**(1)**	(1)
	(27)	(27)
	1 714	2 541

4. Cash and cash equivalents

	2025 Rm	2024 Rm
Bank balances	**2**	5

The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in note 18.

5. Share capital

	2025 Rm	2024 Rm
Authorised		
600 000 000 (2024: 600 000 000) ordinary shares of 1,25 cents each	**8**	8
200 000 (2024: 200 000) 6,5% cumulative preference shares of R2 each*	**–**	–
	8	8
Issued		
331 027 300 (2024: 331 027 300) ordinary shares of 1,25 cents each	**4**	4
200 000 (2024: 200 000) 6,5% cumulative preference shares of R2 each*	**–**	–
Share premium	**7 905**	7 905
	7 909	7 909

** Zero as a result of rounding.*

5. Share capital (continued)

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.

Ordinary dividends for the year:

Interim: 160,0 cents per share paid on 6 January 2025 (2024: 150,0 cents per share).

Final: 230,0 cents per share payable on 21 July 2025 (2024: 200,0 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.

Directors' interest

At 31 March 2025, the directors had the following interest in the Company's issued shares:

	Shares '000	Share appreciation rights accepted '000	Year of delivery	2025 Total '000	2024 Total '000
Non-executive					
M Lewis (indirect beneficial)	1 455	–		**1 455**	1 819
D Friedland (indirect beneficial)	20	–		**20**	30
A D Murray (direct beneficial)	500	–		**500**	647
A D Murray (indirect beneficial)	100	–		**100**	328
E Oblowitz (direct beneficial)	3	–		**3**	3
N V Simamane (direct beneficial)	–	–		**–**	2
R Stein (direct beneficial)	184	–		**184**	184
R Stein (indirect beneficial)	80	–		**80**	80
Total non-executive	2 342	–		**2 342**	3 093
Executive					
A E Thunström (direct beneficial)	409	–		**409**	353
A E Thunström (restricted forteitable shares)	397	–	2026 – 2028	**397**	302
A E Thunström (MSR shares)	–	–		**–**	14
A E Thunström (Deferred shares)	34	–	N/A	**34**	34
A E Thunström (Share appreciation rights)	–	1 600	2029	**1 600**	–
	840	1 600		**2 440**	703
R R Buddle (Share appreciation rights)	–	825	2029	**825**	–
Executive					
Total executive shares	840	2 425		**3 265**	703
Non-executive and executive					
Total shares	3 182	2 425		**5 607**	3 796

5. Share capital (continued)

Changes to directors' interest after year end

Acceptance of FSRs post year end	**FSRs accepted* Number of shares**	Indicative value** R'000
A E Thunström	**153 688**	20 130
R R Buddle	**58 133**	7 615

** The restricted forfeitable shares to be allocated as result of the deferred incentive portion of the single incentive..*

*** Indicative value based on the 30-day Volume Weighted Average Price (VWAP) of R131 on 31 March 2025.*

6. Dividend reserve

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

A final dividend of 230,0 (2024: 200,0) cents per ordinary share was declared on 6 June 2025 and is payable on 21 July 2025.

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

	2025 Rm	2024 Rm
Balance at 1 April	**662**	497
Transfer from dividend reserve to distributable earnings	**(662)**	(497)
Transfer to dividend reserve from distributable earnings	**761**	662
Balance at 31 March	**761**	662

7. Trade and other payables

	2025 Rm	2024 Rm
Trade payables	**–**	1
Payroll related liabilities	**1**	1
Accrued expenses	**16**	25
	17	27

The Company's management of and exposure to market, cash flow and liquidity risks are disclosed in note 18.

8. Revenue

	2025 Rm	2024 Rm
Dividends received		
Subsidiary companies	**297**	780
Interest income		
Bank	**1**	1
Subsidiary companies	**153**	214
	154	215
	451	995

9. Operating expenses

	2025 Rm	2024 Rm
Expenses		
Directors' fees	**12**	14
Statutory and secretarial expenses	**5**	4
Travel and subscriptions	**5**	4
Other expenses	**7**	–
Foreign exchange loss	**2**	–
Consulting fees	**1**	–
Bank charges and subscriptions*	**–**	1
Auditor's remuneration*	**–**	1
	32	24

* *Zero as a result of rounding.*

10. Other income

	2025 Rm	2024 Rm
Other income	**–**	1
Foreign exchange gain	**–**	57
	–	58

11. Taxation

	2025 Rm	2024 Rm
Major components of the tax expense		
South African current taxation		
Current year	**37**	57
Prior-year (over) under provision	**(9)**	16
Dividends withholding tax	**6**	8
South African deferred taxation		
Originating and reversing temporary differences[1]	**–**	15
Prior-year over provision	**–**	(16)
	34	80

	2025 %	2024 %
Reconciliation of tax rate		
Effective tax rate	**8.1**	8.0
Exempt income – dividends received	**19.2**	20.9
Non-deductible expenditure	**(2.3)**	(1.0)
Dividend withholding tax[1]	**–**	(1.0)
Prior-year under provision	**2.0**	0.1
Standard taxation rate	**27.0**	27.0

[1] *This relates to the revaluation of the foreign loan.*

12. Cash generated from operations

	2025 Rm	2024 Rm
Profit before taxation	**419**	1 029
Adjustments for:		
Interest income	**(154)**	(215)
Dividends received	**(297)**	(780)
Foreign currency loss/(gain)	**2**	(57)
Working capital changes:		
Decrease in trade and other payables	**11**	(8)
Cash utilised in operations	**(19)**	(31)

13. Reconciliation of taxation paid

	2025 Rm	2024 Rm
Balance at beginning of the year	**(16)**	(2)
Current tax for the year recognised in profit or loss	**(34)**	(80)
Balance at end of the year	**(2)**	16
	(52)	(66)

14. Directors' remuneration

2025	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	**1 695**	**–**	**–**	**–**	**–**	**–**	**1 695**	**–**
Prof. F Abrahams	**453**	**–**	**–**	**–**	**–**	**–**	**453**	**–**
E Oblowitz	**1 434**	**–**	**–**	**–**	**–**	**–**	**1 434**	**–**
N V Simamane	**422**	**–**	**–**	**–**	**–**	**–**	**422**	**–**
B L M Makgabo-Fiskerstrand	**889**	**–**	**–**	**–**	**–**	**–**	**889**	**–**
D Friedland	**892**	**–**	**–**	**–**	**–**	**–**	**892**	**–**
R Stein	**1 060**	**–**	**–**	**–**	**–**	**–**	**1 060**	**–**
G Davin	**1 014**	**–**	**–**	**–**	**–**	**–**	**1 014**	**–**
C Coleman	**789**	**–**	**–**	**–**	**–**	**–**	**789**	**–**
J N Potgieter	**1 034**	**–**	**–**	**–**	**–**	**–**	**1 034**	**–**
N L Sowazi	**486**	**–**	**–**	**–**	**–**	**–**	**486**	**–**
A D Murray	**2 309**	**–**	**–**	**–**	**–**	**–**	**2 309**	**–**
Total	**12 477**	**–**	**–**	**–**	**–**	**–**	**12 477**	**–**
Executive								
A E Thunström	**–**	**16 064**	**351**	**1 076**	**122**	**10 859**	**28 472**	**12 891**
R R Buddle	**–**	**7 491**	**351**	**–**	**58**	**4 108**	**12 008**	**–**
Total	**–**	**23 555**	**702**	**1 076**	**180**	**14 967**	**40 480**	**12 891**
Total remuneration	**12 477**	**23 555**	**702**	**1 076**	**180**	**14 967**	**52 957**	**12 891**

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	–	–	–	–	–	1 614	–
E Oblowitz	1 366	–	–	–	–	–	1 366	–
Prof. F Abrahams	890	–	–	–	–	–	890	–
R Stein	1 010	–	–	–	–	–	1 010	–
D Friedland	849	–	–	–	–	–	849	–
N V Simamane	830	–	–	–	–	–	830	–
B L M Makgabo-Fiskerstrand	830	–	–	–	–	–	830	–
G H Davin	966	–	–	–	–	–	966	–
A D Murray	2 199	–	–	–	–	–	2 199	–
C Coleman	752	–	–	–	–	–	752	–
J N Potgieter	744	–	–	–	–	–	744	–
N L Sowazi	119	–	–	–	–	–	119	–
Total	12 169	–	–	–	–	–	12 169	–
Executive								
A E Thunström	–	15 223	377	839	150	7 822	24 411	47 983
B Ntuli	–	5 304	243	348	53	–	5 948	8 640
Total	–	20 527	620	1 187	203	7 822	30 359	56 623
Total remuneration	12 169	20 527	620	1 187	203	7 822	42 528	56 623

Fees only relate to services as non-executive directors and are paid by the Company.

Other benefits include housing allowance and medical aid subsidy.

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

In the current year 103 572 shares were granted to A E Thunström based on the closing market price on 27 June 2024 of R124,46 shares vested to A E Thunström.

Performance bonus included in 2025 remuneration to be paid in FY2026 and accrued in 2025 relate to the performance period ending 31 March 2025. This represents 40% of the Single Incentive with the remaining 60% allocated in Forfeitable Shares based on a 30-day VWAP of R131 to vest in June 2028 subject to an employment condition.

Prof Abrahams and N Simimane resigned from the Board on 5 September 2024.

JN Potgieter was appointed to the Board on 10 July 2023.

NL Sowazi was appointed to the Board on 1 January 2024.

15. Related party transactions

Directors

Details relating to executive and non-executive directors' remuneration are disclosed in note 14.

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 3.

Related party transactions

	2025 Rm	2024 Rm
Interest received from subsidiaries		
Foschini Retail Group Proprietary Limited	**91**	152
Dress Holdco A Limited	**59**	60
Quench Delivery Proprietary Limited	**3**	2
	153	214
Dividends received from subsidiaries		
Foschini Finance Proprietary Limited	**11**	11
Foschini Retailers Proprietary Limited (Zambia)	**2**	1
Simply Finance Proprietary Limited	**54**	138
Foschini Stores Proprietary Limited	**4**	3
What U Want to Wear Proprietary Limited*	**–**	1
Foschini Retailers Proprietary Limited	**75**	110
Foschini (Lesotho) Proprietary Limited	**18**	21
TFG Retailers Proprietary Limited	**126**	488
	290	773
Preference dividends received from related parties		
Foschini Retail Group Proprietary Limited	**7**	7
Dividends paid to related parties		
Foschini Stores Proprietary Limited	**3**	3

** Zero as a result of rounding.*

Key management:

Key management relate to the directors of the Company.

Refer to note 14 for further disclosure regarding remuneration paid to non-executive directors of the Company. Refer to note 5 for details of shareholding. Executive directors are not paid by the Company.

16. Security

The company, together with other Group companies, have 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 R15,4bn (2024: R15,7bn).

The amount of such facilities utilised by Group companies as at 31 March 2025 was R8,1bn (2024: R8,0bn). The Company evaluated the guarantees given and no financial liability was deemed necessary.

17. 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.

18. 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 Board has overall responsibility for the establishment and oversight of the Company's enterprise risk management framework. The Board has delegated oversight over the related processes to the Risk and Audit Committees. The Committees report regularly on their activities to the 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 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 considers all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk for risk management purposes. 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 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.

Financial institution (Rm)	National scale	**2025**	2024
FirstRand	P-1	**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.

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.

18. Risk management (continued)

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:

	2025 Rm	2024 Rm
Loans to group companies	**1 741**	2 568
Cash and cash equivalents	**2**	5
	1 743	2 573

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 2025 - Rm	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**1 – 5 years**	**More than 5 years**
Loans from group companies	**27**	**27**	**27**	**–**	**–**
Trade and other payables	**17**	**17**	**17**	**–**	**–**
	44	**44**	**44**	**–**	**–**
31 March 2024 - Rm					
Loans from group companies	27	27	27	–	–
Trade and other payables	27	27	27	–	–
	54	54	54	–	–

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.

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:

	2025 Rm	2024 Rm
Variable rate instruments		
Loans to group companies	**1 361**	2 204
Cash and cash equivalents	**2**	5
	1 363	2 209

The loans to group companies exclude interest free loans.

18. Risk management (continued)

Capital risk management

The 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 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 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.

Currency risk

The Company is exposed to foreign exchange risk. The financial risk activities are governed by appropriate policies and procedures to identify financial risks, measured and managed in accordance with the Company's treasury policy.

Currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing activities. The Company is exposed to currency risk as a result of a loan with a foreign subsidiary that is denominated in a foreign currency. The loan is denominated in British Pound (GBP).

Sensitivity analysis

The Company is primarily exposed to the GBP currency. The following analysis indicates the Company's sensitivity at year end to the indicated movements in this currency on financial instruments, assuming that all other variables, in particular interest rates, remain constant. The rate of sensitivity is the rate used when reporting the currency risk to the Board and represent management's assessment of the potential change in foreign currency exchange rates at the reporting date.

A 10% strengthening of the Rand against the average interest rate of the following currency as at 31 March 2025 would have decreased equity and profit or loss by the amount shown below:

2025 (Rm)	**Profit or loss**	**Equity**
GBP	**(6)**	**–**

A 10% weakening of the Rand against the above currency as at 31 March would have had the equal but opposite effect on equity and profit or loss to the amounts shown above on the basis that all other variables remain constant.

19. 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
Amendments to IAS 1 : Non-current Liabilities with Covenants	1 January 2024
Amendment to IFRS 16 : Lease liability in a Sale and Leaseback	1 January 2024

20. 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
Amendments to the SASB standards to enhance their international applicability - Amendments to SASB standards	**1 January 2025**
Lack of exchangeability - Amendments to IAS 21	**1 January 2025**
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS7	**1 January 2026**
Annual Improvements to IFRS Accounting Standards – Volume 11	**1 January 2026**
Presentation and Disclosures in Financial Statements - IFRS 18	**1 January 2027**
Subsidiaries without Public Accountability: Disclosures - IFRS 19	**1 January 2027**

21. Going concern and subsequent events

21.1 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 2025 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.

21.2 Subsequent events

Changes to the Board – Appointment of independent Non-executive Directors:

The Board is pleased to announce the appointments of Mr Gcina Zondi and Ms Bridgitte Backman as independent non-executive directors of the Company with effect from 12 June 2025 and 1 September 2025, respectively.

Changes to the Audit Committee:

With effect from 12 June 2025, Mr Jan Potgieter has been appointed as the Chairperson of the Audit Committee, replacing Mr Eddy Oblowitz who will be stepping down as Chairperson and Member of the Committee.

For changes to other committees, refer to the SENS on 12 June 2025.

No other significant events took place between the year ended 31 March 2025 and date of issue of this report.

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