

Lewis Group Limited
 Incorporated in the Republic of South Africa
 Registration number: 2004/009817/06
 JSE share code: LEW
 ISIN: ZAE000058236
 Bond code: LEWI
 (“Lewis Group” or “the group”)

TRADING STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Shareholders are advised that the group’s financial results for the year ended 31 March 2022 (“the period”) reflect a strong trading and operational performance from the traditional retail brands of Lewis, Best Home and Electric, and Beares, with debtor costs continuing to decline owing to the improving health of the debtors’ book.

Earnings have been adversely impacted by impairment charges relating to the group’s right-of-use assets of R99.2 million and UFO’s goodwill of R31.4 million.

Operating profit before impairments and capital items is expected to increase by between 2% and 6% for the period, with operating profit declining between 6% and 2%.

Net profit benefited from lower finance costs and is expected to increase by between 8% and 14%.

Headline earnings for the period are expected to be between 15% and 25% higher than the R463.0 million reported for the prior corresponding period.

The earnings per share metrics reflect the positive leverage effect from the group’s aggressive share repurchase programme and are expected to be as follows:

| | Year ended 31 March 2021 Reported | Year ended 31 March 2022 Expected ranges | |
|-----------------------------|---|--|------------------|
| Earnings per share | 576.4 | 692 cps – 749 cps | 20% - 30% higher |
| Headline earnings per share | 616.5 | 801 cps – 863 cps | 30% - 40% higher |

The forecast financial information on which this trading statement is based is the responsibility of the directors and has not been reviewed or reported on by the group’s independent auditor.

The group’s financial results for the year ended 31 March 2022 will be released on SENS on 26 May 2022.

Cape Town
18 May 2022

Sponsor
The Standard Bank of South Africa Limited (effective 1 March 2022)

Debt sponsor
Absa Bank Limited acting through its Corporate and Investment Banking Division