

Announcement

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

DFI RETAIL GROUP HOLDINGS LIMITED

Interim Management Statement

23rd May 2024 – DFI Retail Group Holdings Limited today issues its Interim Management Statement for the first quarter of 2024.

The Group's underlying subsidiary revenues (excluding the impact of divestments) increased by 2% in the first quarter, compared to the same period in 2023. The Group's underlying profits grew by over 60% in the period, driven primarily by improved profit performance across its subsidiaries.

The Food Retail division reported like-for-like sales slightly behind the first quarter of 2023. Within North Asia, like-for-like sales continued to be impacted by reduced consumer spending on groceries and increased outbound travel. Despite the challenges it faced, Wellcome continued to see good market share growth. In Southeast Asia, like-for-like sales marginally increased relative to the same period last year, supported by good festive trading performance, despite a slow start to the year. Overall PBIT for the Food Retail division improved compared to the previous year, driven by disciplined margin and cost control.

Like-for-like sales for the Group's Convenience division in the first quarter increased compared to the same period last year, supported by good performance in Macau, South China and Singapore. 7-Eleven Hong Kong's like-for-like sales in the first quarter were adversely impacted by reduced cigarette demand. Profits for the division more than doubled in the first quarter, however, due to a combination of strong like-for-like sales performance, particularly in non-cigarette categories, and sales mix shift towards higher margin products.

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The Health and Beauty division reported high-single-digit like-for-like sales growth in the first quarter. In North Asia, tourism recovery in the first quarter relative to the same period last year, together with strong in-store execution, underpinned good sales performance. In Southeast Asia, Guardian reported strong like-for-like performance across key markets, particularly Malaysia and Indonesia. Underlying PBIT for the division increased by around 20% in the quarter, driven by strong like-for-like sales growth, improved gross margins and ongoing disciplined cost control.

Home Furnishings reported significantly lower underlying profit, due to the challenging macroeconomic environment. The Hong Kong and Indonesia markets were negatively affected by high-interest rates, a dampened housing market and higher levels of outbound travel. In Taiwan, however, IKEA reported solid like-for-like sales performance. In the face of these challenges, IKEA continues to work hard to drive operating efficiencies and manage costs.

Maxim's, the Group's 50%-owned associate, reported sales and profits broadly in line with the prior year. Maxim's restaurant performance was adversely affected by cautious consumer sentiment and increased outbound travel in Hong Kong. Cost-control initiatives in the first quarter, however, offset the weaker performance of restaurants.

Yonghui's sales performance in the quarter was impacted by softer consumer sentiment. Yonghui's profit growth in local currency terms was underpinned by disciplined cost management. Robinsons Retail's reported profit was supported by one-off gains following the BPI-Robinsons Bank merger, which was completed earlier in the year. Robinsons saw like-for-like sales growth driven primarily by the Food and Drugstores segments, and reported low-single-digit operating income growth.

On 22nd April 2024, the Group announced that it had agreed to divest its Hero Supermarket business unit in Indonesia. The transaction is forecast to be slightly earnings accretive to the Group and is expected to complete by the end of June. DFI's operations in Indonesia will fully pivot to the Guardian and IKEA businesses after completion. The Company remains confident in the long-term prospects of these two businesses and the opportunity for further market share growth.

The Group confirms its guidance in analyst presentation published on 8th March 2024 and continues to expect underlying profit attributable to shareholders for the 2024 full year to be

between US\$180 million and US\$220 million. Although the Group has reported strong profit growth in the first quarter, the growth trend is expected to decelerate over the remainder of the year, reflecting the Group's stronger performance in the comparable period last year.

DFI Retail Group is a leading pan-Asian retailer. The Group, together with its associates and joint ventures, operates some 11,000 outlets with more than 5,000 stores operated by subsidiaries, employing some 213,000 people with some 48,000 people employed by subsidiaries, and had total annual revenue in 2023 exceeding US\$26 billion and reported revenue of US\$9 billion. The Group (including associates and joint ventures) operates under a number of well-known brands across Food, Convenience, Health and Beauty, Home Furnishings, restaurants and other retailing. The Group's parent company, DFI Retail Group Holdings Limited, is incorporated in Bermuda and has a primary listing in the standard segment of the London Stock Exchange, with secondary listings in Bermuda and Singapore. DFI Retail Group is a member of the Jardine Matheson Group.

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This and other Group announcements can be accessed through the Internet at 'www.DFIretailgroup.com'.