

TFG CMD  
TFG Australia strategy  
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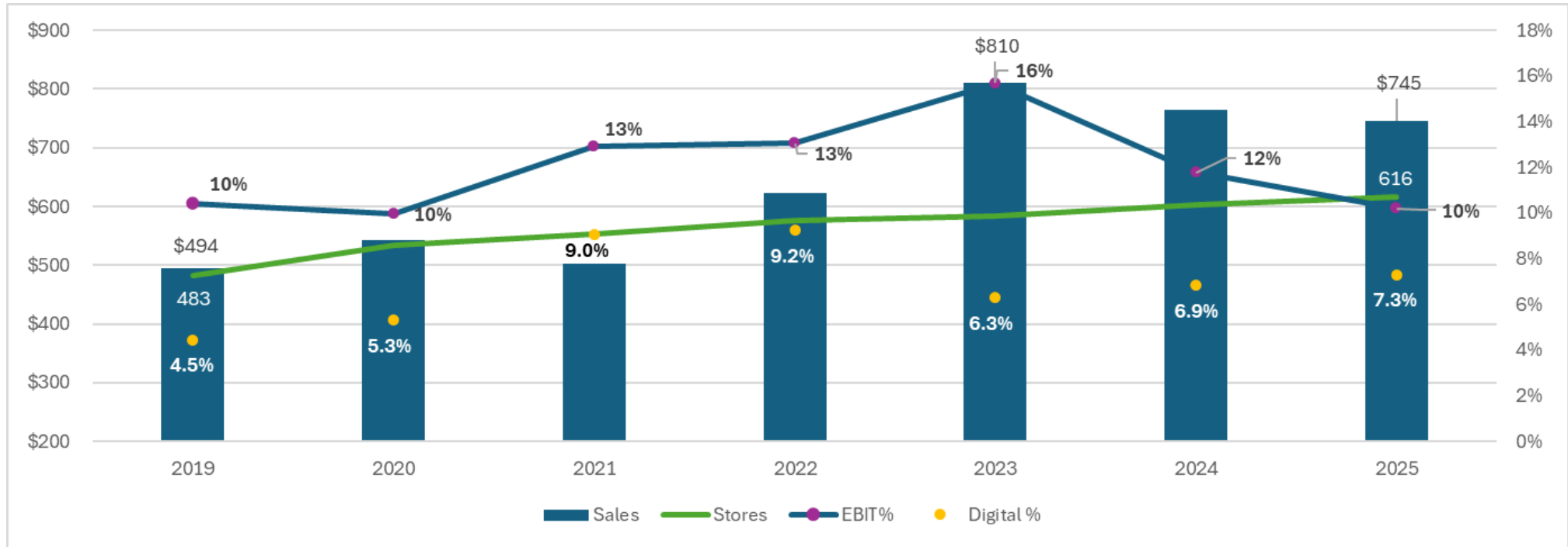


The logo for TFG, consisting of the letters 'TF' stacked above the letter 'G', all in white on a purple square background.

# Market background and consumer sentiment

Economic Outlook	Retail Conditions	Consumer behaviour	Risks & Opportunities
<p><b>Negatives:</b></p> <ul style="list-style-type: none"> <li>- Slow retail growth</li> <li>- Cost of living pressures</li> <li>- Low consumer confidence</li> </ul> <p><b>Positives:</b></p> <ul style="list-style-type: none"> <li>- Low unemployment</li> <li>- Anticipating interest rate reductions</li> <li>- Economy supported by Govt spend and mining</li> </ul>	<ul style="list-style-type: none"> <li>- Retail apparel sector remains flat</li> <li>- Inconsistencies across geographies</li> <li>- Continued evolution in the competitive landscape - from Zara, HM, UNIQLO to Shein, Temu &amp; HLA</li> </ul>	<ul style="list-style-type: none"> <li>- Increased choice and global trend awareness</li> <li>- Continued move to Brand awareness through social media</li> <li>- Further diversity in channels, with ChatGPT and AI tools</li> </ul>	<p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>- Marketing strategy doesn't evolve with the trend in behaviour (eg: AI, Social)</li> <li>- Stores don't evolve with customer expectation</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>- Enhance marketing content through digital channels</li> <li>- Continue to optimise Store footprint to enhance customer experience</li> </ul>
Short / Medium term	Short / Medium term	Continued trend	Short & medium term

# Business evolution



*Strong performance v Competitors and market*

### Team:

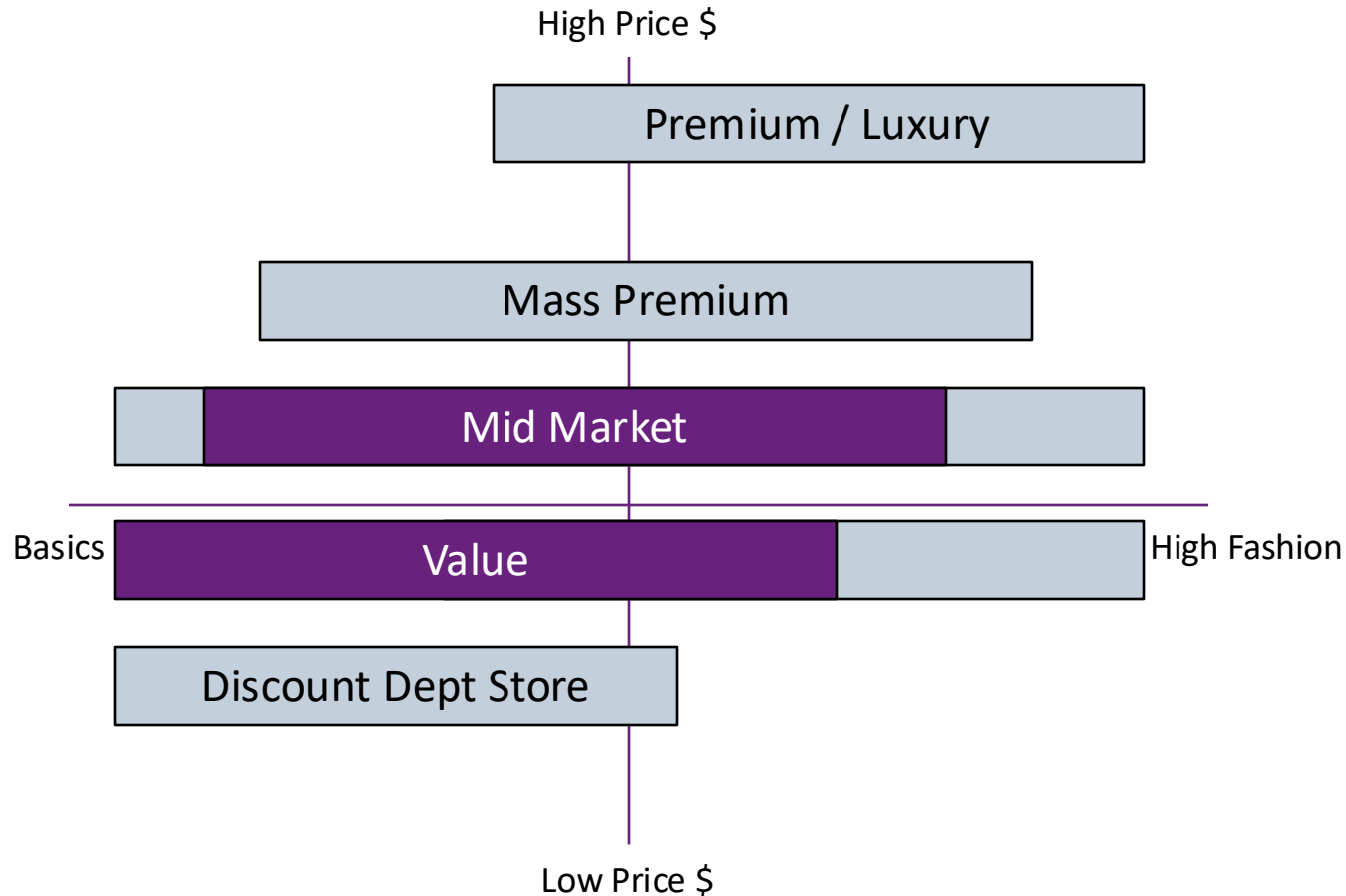
- Average GM tenure +5years
- Customer, Product, Team

### Store Focus:

- Store Optimisation
- Refurbishments
- Technology & Logistics

### Digital focus:

- Customer centric
- Channel agnostic
- Evolving Marketing Tech stack



## Australia's competitive differentiation:

- **Customer** centric  
*“every decision is driven by our Customer”*
  - Passion for **product**  
*“Product is our hero”*
  - **People** based business  
*“Our Team determines how good we are”*
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- Value and Mid-market focus
  - Goal = Value  
*“Quality product; Superior experience”*
  - Channel Agnostic / Omni approach  
*“customer friendly”*
  - Largest specialty Menswear Business in Australia

## Value creation strategy (3 - 5 year horizon)

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### ✅ Evolving the Business:

- **Store Optimisation:**
  - Productivity and profitability
  - Channel agnostic / omni
- **Store refresh:**
  - New store fitouts
  - Experiential design
- **Martech Stack:**
  - Enhancing view of the customer
  - AI for responsiveness
- **Category Opportunities:**
  - Trialling additional categories
  - Enhanced responsiveness to trends

### 🌱 Trials - Unlocking growth:

- **Current trials:**
  - JB USA – closed
  - AXL+CO – continues
- **Next:**
  - Connor SEA (2x leases signed)
  - Others incubating
- **Acquisition** – ready

Value creation strategy – Store Refresh example “Rockwear”

Rockwear 2017 design:



# Value creation strategy – Store Refresh example “Rockwear”

Rockwear 2025 design:



## Growth Aspirations:

- Revenue Goal: Targeting a \$1 billion business.
- Profitability Target: Aiming for an EBIT margin >10%

## Defining Success: 12–24 Month Horizon

### 1. Business Health

- Maintain operational performance in an increasingly competitive and challenging market.

### 2. Strategic Growth Initiatives

- Unlock at least one “new growth” opportunity

### 3. Continued Customer-Focused Investment

- Marketing Technology stack
- Store Optimisation & refresh

