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Cape Town, 7 November 2025

TFG navigates difficult trading conditions with steady sales performance

The Foschini Group (TFG) today reported steady sales growth and a measured response to a prolonged period of difficult trading across all regions.

Group revenue for the six months ended 30 September 2025 increased by 12,2% to R31,4 billion, supported by the inclusion of White Stuff in the UK and growth in TFG Africa. Online sales rose 55,3%, now contributing 14,7% of total Group sales. Operating profit declined 9,9% to R2,3 billion, reflecting persistent macroeconomic pressures and higher promotional intensity across winter months.

The period was marked by weak and uneven consumer demand in South Africa, particularly in June and September, which impacted margins and profitability. Despite these headwinds, TFG continued to manage its balance sheet conservatively, maintain investment in strategic growth areas, and return capital to shareholders through a R1 billion share buyback and an interim dividend of 130 cents per share.

Market performance and operational response

TFG Africa delivered sales growth of 5,3% whilst holding share across the Retail Liaison Committee categories. Beauty continued to perform strongly, achieving sales growth of 23,6% supported by new ranges and store expansion.

In the UK, White Stuff performed well, contributing to a 69% uplift in segmental sales, while Australia remained subdued in line with the broader retail market.

In response to the ongoing trading pressure, TFG is taking decisive actions to enhance efficiency and strengthen financial performance. These include a review of discretionary expenditure, optimisation of trading space, tighter inventory management, and operational efficiencies across the supply chain and logistics network. These initiatives will be implemented through the second half of the financial year.

Anthony Thunström, TFG Chief Executive Officer, said:

"The macro environment has been tough for longer than anyone anticipated. June and September were particularly difficult months across our markets. In these conditions, we are focused on taking firm, practical steps to maintain financial discipline, improve efficiency, and ensure that our key growth areas continue to develop."

"We are taking clear, deliberate actions to manage costs, optimise our store footprint, and build resilience into the business while advancing growth platforms like Bash, womenswear and beauty. Our focus is on execution and stability through this cycle."

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Outlook

TFG expects the second half of the financial year to remain constrained by weak consumer sentiment and competitive trading conditions. The Group is maintaining a sharp focus on cost control, working capital management, and capital efficiency, while continuing to invest selectively in growth categories and digital capabilities.

“Our priority for the remainder of the year is disciplined execution and efficiency,” Thunström said. “We will continue to adapt to trading conditions and ensure the Group remains well-positioned to capture opportunities as the environment improves.”

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For more information please contact:
TFG Media Office
media@tfg.co.za
www.tfglimited.co.za

NOTES TO EDITORS

About TFG Limited

TFG (The Foschini Group) is a leading, diversified retail group with operations in Africa, the UK and Australia. The Group owns 39 retail brands and trades from more than 4 900 outlets across 23 countries. Its retail offering spans fashion, beauty, jewellery, homeware and furniture.

With over 47 500 employees, TFG is a Level 2 B-BBEE contributor and operates Bash, South Africa’s top fashion and lifestyle shopping app.