

TFG returns to profit, resumes dividend

By [Ngobile Dlodla](#)

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South African fashion and lifestyle retailer TFG swung to a half-year headline profit, it said on Thursday, as it recovered from Covid-19 restrictions which forced store closures across its markets.



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TFG, formerly known as The Foschini Group, said it was resuming dividends after halting them last year and declared an interim payout of 170 cents per share.

Clothing retailers were among the hardest hit by lockdowns imposed in April 2020 for over a month, when non-essential retailers were forced to close stores in South Africa and subsequently only allowed to sell a few items. Similar lockdowns had impacted TFG's London and Australia operations.

Restrictions on events and working from home had also impacted demand for formal wear.

The clothes, homeware and jewellery retailer said headline earnings per share (Heps), the main profit measure in South Africa, came in at 393.4 cents in the six months ended 30 Sept, up from a loss of 83.3 cents in the same period last year.

Group retail turnover grew by 51.8% to R19bn, supported by continued market share gains in men's and women's clothing and related products, expansion of its footprint and further growth in online retail turnover.



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Performance in Africa and abroad

Sales in TFG Africa, which contributes just over 69% of group retail turnover, jumped 59.5%. The Australia and London businesses saw sales growth of 39.2% and 65.6%, respectively, the owner of British womenswear brand Hobbs and Whistles said.

The performance was achieved despite continued disruptions during the current period, including extended lockdowns in Australia and New Zealand; and the July civil unrest, which looted and damaged 198 stores, and resumption of power cuts in South Africa.

The group estimates that retail turnover in excess of R400m was lost as a result of the civil unrest.

ABOUT THE AUTHOR

Reporting by Nqobile Dladla; Editing by Susan Fenton and Keith Weir

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