

# TFG plans tech hiring spree after sliding to a loss

South Africa's largest fashion and lifestyle retailer TFG wants to build up its newly launched tech hub to more than 100 new staff, its chief executive said on Thursday, after the company swung to an annual operating loss. Many firms have been expanding digital and e-commerce services as the coronavirus crisis drives more business online.



A shopper walks past a Foschini store at a shopping centre in Lenasia, south of Johannesburg, 23 August 2013.  
Reuters/Siphwe Sibeko/File Photo

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TFG's tech hub, known as TFGLab, is headed by the co-founders of South Africa's leading online fashion retailer Superbalist.com, Claude Hanan and Luke Jedeikin, TFG group chief executive Anthony Thunström told investors.

"To win in this area you need to have the best pure-play talent available," Thunström said. Since launching TFGLab about six weeks ago, the retailer has been hiring one to two people a week and the pace of new hires would remain around that level for the rest of year, he added.

"We need to build up that tech team to at least 100 plus people," Thunström said.



Introducing TFGLabs: Investment in omnichannel technology continues to transform TFG  
TFG (The Foschini Group) 10 Jun 2021



## Turnover falls 6.7%

TFG's online turnover now contributes 12% to group retail turnover, up from 8.4% a year earlier, fuelled by a surge in online shopping and investments in technology and quick response local manufacturing. It said its medium-term target, usually a period of three to five years although it did not specify, was 20% to 30%.

Overall, retail turnover fell 6.7% to R33bn in the year ending 31 March, hurt by Covid-19 lockdowns and lack of demand for formal wear. As a result, TFG swung to an annual operating loss before finance costs of R719,2m, after posting an operating profit of R4,7bn a year earlier.

Its headline earnings per share, the main profit measure in South Africa, slumped by 80.8%. The clothes, homeware and jewellery retailer, formally known as The Foschini Group, held on to the final dividend, saying it plans to resume dividends in the year ending March 2022.

Thunström said the company's [newly acquired budget clothing business](#), Jet, would launch standalone homeware stores and would offer homeware products in 345 existing Jet stores to benefit from the home improvement trend spurred on by the coronavirus.

(Reporting by Nqobile Dludla; Editing by Emma Rumney and Edmund Blair)

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