



B BRISCOE
GROUP LIMITED

Full Year Addendum

52 WEEK PERIOD ENDED 26 JANUARY 2025



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Highlights

Full Year Ended 26 January 2025

Strong sales performance of 99.94% of last year's record sales despite extremely challenging economic and retail conditions.

Sales



- Group sales \$791.5m.
- 99.94% of LY record sales.
- Homeware sales -0.06% down to \$489.8m.
- Sporting Goods sales -0.06% down to \$301.7m.
- Group Sales +21.20% vs Pre-Covid \$791.5m vs \$653.0m.

Gross Profit Performance



- Gross Profit 40.37% down from 42.40%.
- Yet to see any recovery in the economic environment, the most challenging trading conditions for many years.

NPAT Performance



- FY NPAT \$68.0m (before impact of tax adjustment).
- Strong result in tough trading conditions.
- Total store and overhead costs well controlled at only +1.11% increase over last year.

Strong Balance Sheet



- Net cash at period end \$142.4m.
- Total inventories decreased by \$5.2m at year end to \$99.7m.
- Capex spend of \$58.2m.
- Total dividend 22.5cps, payout ratio 74%.

Solid Online Performance



- Online sales 19.69% of total Group sales.
- Total Customer database now over 2.1m.
- Continued growth in Direct to Customer sales.

Strategic Initiatives contributing to increased profitability



- Strategic projects on track and on budget.
- North Island Distribution centre making good progress with groundworks commenced in February 2025.
- New Warehouse Management System (WMS) successfully launched and now embedded.
- Roll out of Electronic Shelf Labels now completed and delivering on the business case.
- New range planning, allocation and replenishment tool on track to launch first modules in May 25.



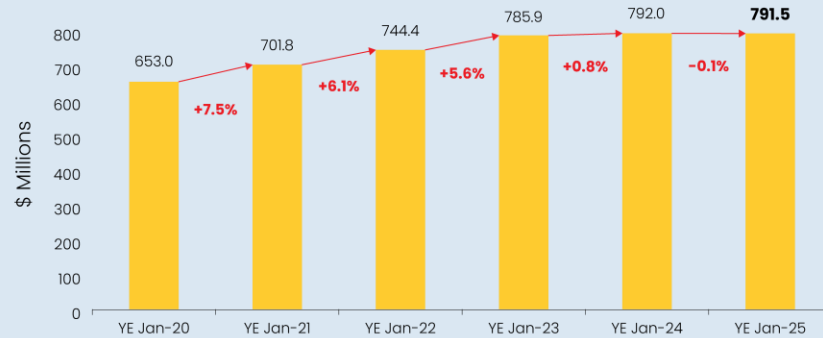
Sales

Both Homewares and Sporting Goods delivered near flat full year sales on last year's record sales.

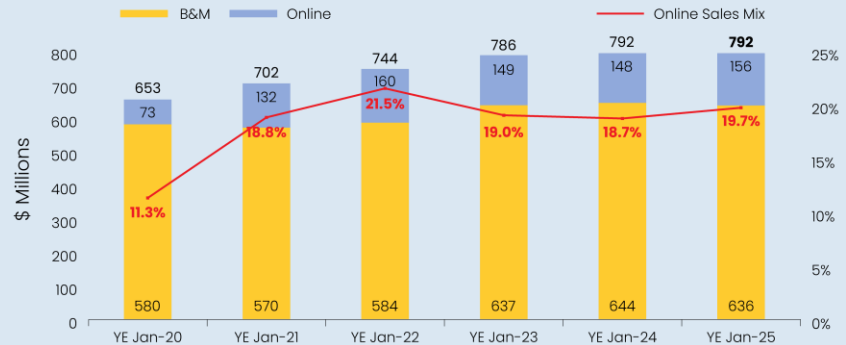
- Homeware and Sporting Goods achieved 99.94% of last year's sales.
- Good sales growth since Covid (YE Jan 2020) of 21.20%.
- Sales slowed due to very challenging market conditions.
- 47 Briscoes Homeware and 43 Rebel Sport stores.
- Online developments driving growth in online mix.



PERCENTAGE GROWTH



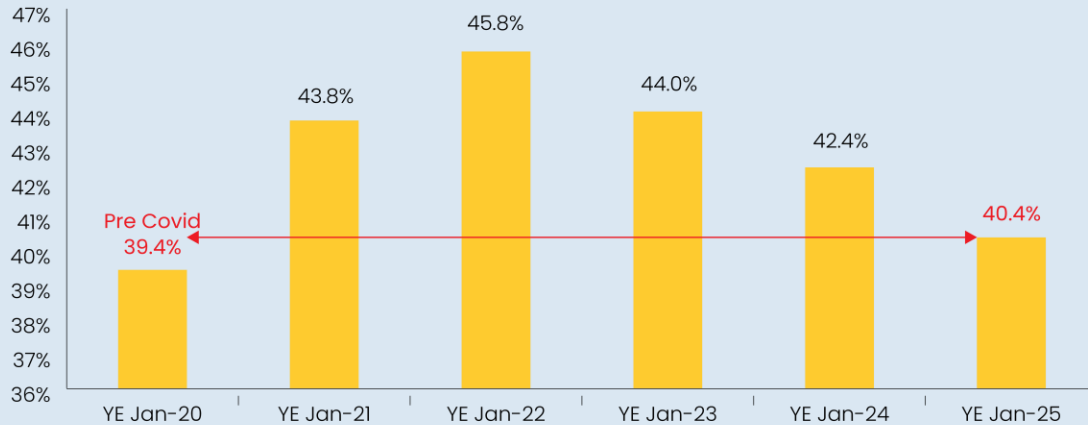
BRICKS & MORTAR VS ONLINE



Gross Profit Margin %

Continued pressure on gross profit margin due to promotional intensity.

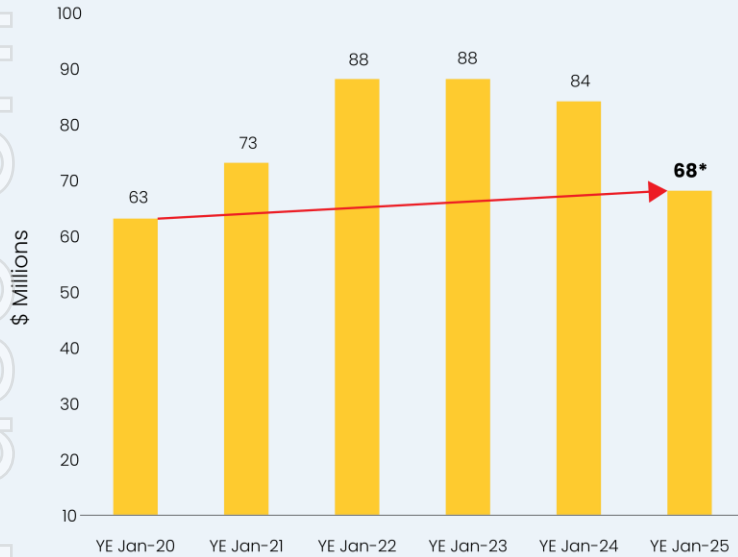
Margin rate despite the challenges, is still above pre-Covid levels by 94 basis points.



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Net Profit After Tax (NPAT)

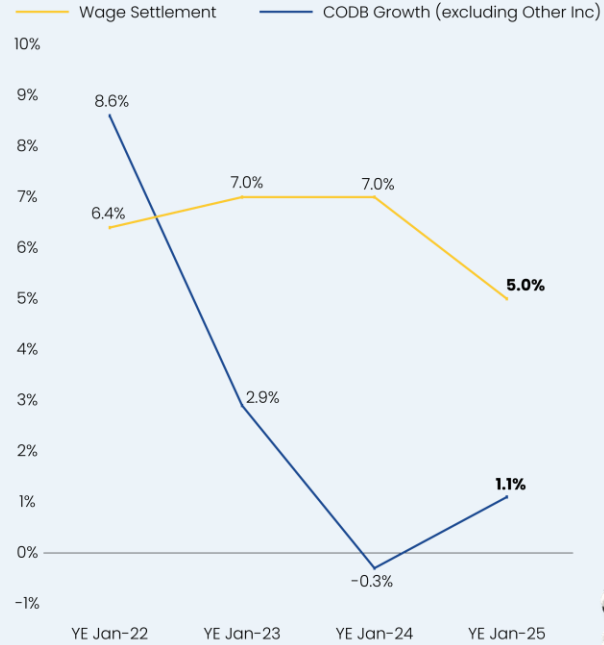
Continued solid NPAT performance despite difficult trading environment.



* Before impact of \$7.4m tax adjustment

COST OF DOING BUSINESS

Continued focus on costs and efficiency improvements.

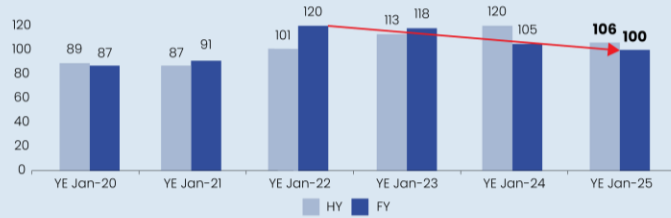


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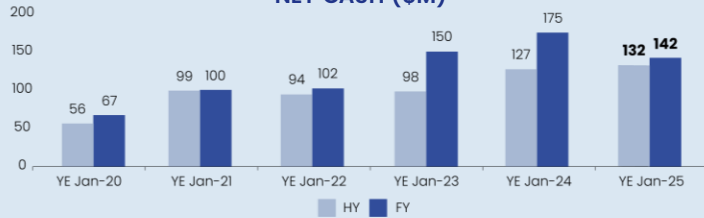
Balance Sheet

Internal use only

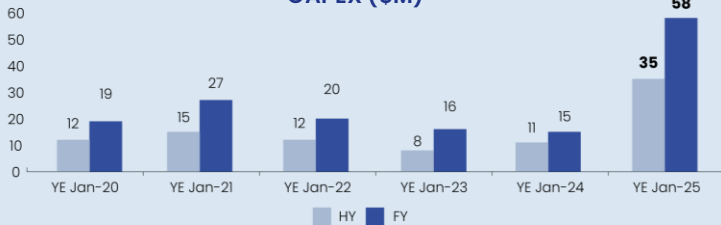
INVENTORY (\$M)



NET CASH (\$M)



CAPEX (\$M)



- Excellent improvement in both quantum and quality of inventory.
- Healthy cash position as strategic initiatives gain momentum.
- Continue to invest in our strategic growth plan despite tough ongoing market conditions.
- Investment in the strategic growth plan will require a funding facility in 2025 through to 2028.

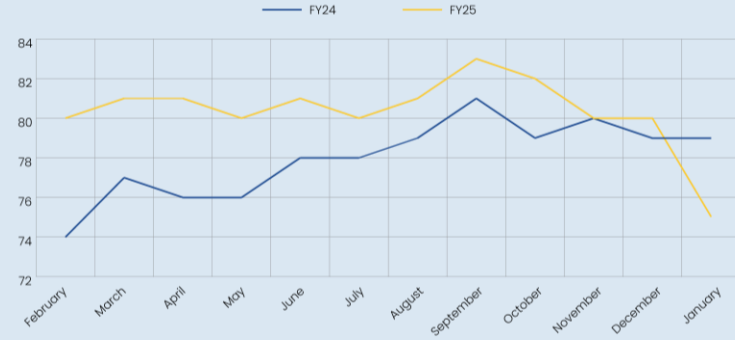


Customer Satisfaction at our Heart

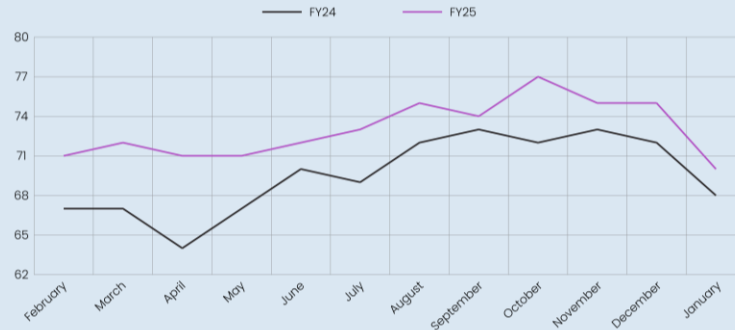


- Record levels of **satisfaction** achieved for the past three years in our NPS scores.
- On an annual basis Briscoes Homeware now running above 80 consistently and Rebel Sport over 72.
- The team continue to deliver Market leading service levels alongside excellent cost control.

BRISCOES HOMEWARE NPS



REBEL SPORT NPS



Online Platform Investment

This year we continued to invest in our online and store fulfilment technology, to bring our customers the best online experience.

We expanded our existing coupons offering and introduced evening express delivery, member pricing and a suite of AI tools designed to optimise work-flow.

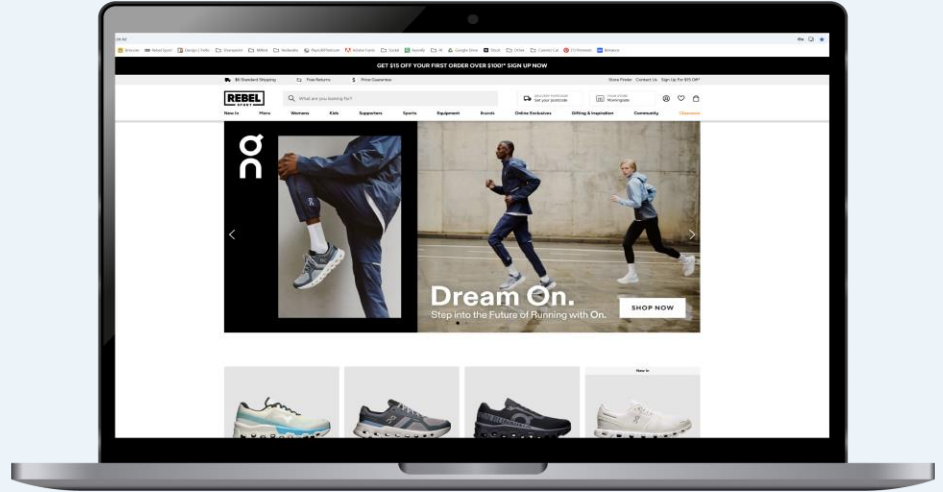
We will be delivering new eCommerce and Direct to Customer platforms in FY26 - Adobe Commerce and Marketplacer, two best in breed platforms that will provide a great experience for our customers.

Improvements in online fulfillment



Same-Day delivery launched in Auckland, Wellington, Christchurch and Hamilton.

We've dispatched
3,500,000 units!



SIGNIFICANT
GROWTH IN
CLICK & COLLECT



11%
YOY

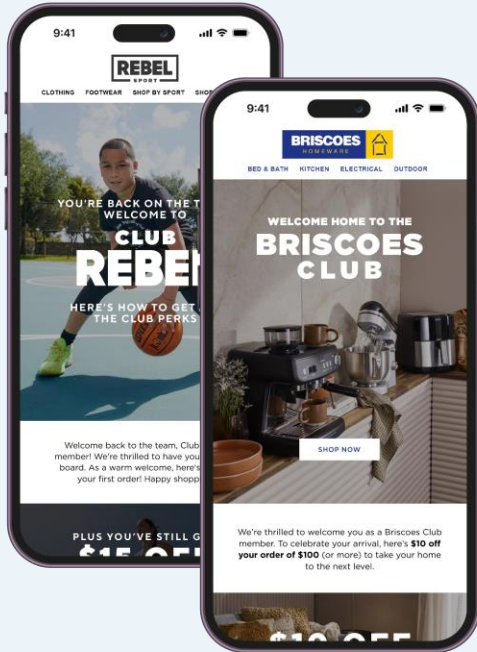
CLICK & COLLECT
SHARE UP 5%

LABOUR SPEND
DOWN 1%

1.6M TOTAL
ONLINE ORDERS

VIP Clubs

We have a large, growing and loyal customer membership programme with over 2.1 million club members.



CLUB REBEL	BRISCOES CLUB
FY25	FY25
Total database 1.03m +14.1%	Total database 1.125m +13.8%
Member frequency +24% v non-members	Member frequency +38% v non-members
Member annual spend +25% v non-members	Member annual spend +24.9% v non-members

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Our Team

TEAM DEVELOPMENT

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Our Management & Leadership Development Programme continues to be recognised and well received as a valuable aid in building organisational capability in both operational and support roles. FY25 saw a further four cohorts through the programme with a blend of participants from stores and support functions.

HEALTH & SAFETY

61%

Continued focus on avoiding injury at work saw further reductions in our Total Recordable Injury Frequency Rate (-61%) and our Lost Time Injury Frequency Rate (-68%). Vigilance in traffic management and reducing manual handling injuries is critical to the health, safety and wellbeing of our team. 2024 saw digitisation of 3 critical risk training programs, consistency in delivery, and complementing management training.

ENGAGEMENT

+0.3

Team member engagement continued to increase throughout the year with an overall increase of 0.3 which is also 0.3 above the industry benchmark for our industry.

A broad range of **investments in our people, systems and processes** are contributing to member capabilities, competence and confidence. Our team is well placed to drive the business forward.

GENDER PAY EQUITY

<1%

Our Retail Management Teams lead over 2,100 of our people throughout our stores. Not only do we continue to see an increasing proportion of women in our store leadership roles but ensuring pay equity has resulted in there being less than 1% variation in pay on the basis of gender across different roles and tiers.

RETENTION

19.6%

Labour turnover was reduced by almost 20% across the financial year. It's no surprise that a happy and contented team is critical for happy and satisfied customers. Our team tend to stay longer and provide excellent customer service based on a depth of knowledge and experience.

INNOVATIVE APPLIED LEARNING

79% – 85%

Initial assessment scores on our manual handling reinforcement program demonstrated high levels of retention of what had been learned using our innovative Virtual Reality training system. Eighty-six participants across our plot sites completed the first module with 50 also completing our second module. Full implementation of the solution will occur throughout FY26.



Sustainability

Our Steps To A Better Tomorrow

Community

60 community groups and sports clubs supported through our Grassroots Grant program, investing \$160K in NZ grassroots sport.

19,040 balls through the pass-it-forward program for the year.

A key sponsor of the Auckland Football Club (AFC), focusing on investing in the AFC development centre.



Environment

Committed to diverting 90% of our waste from landfill by 2030.

78,000 Kg's of product returns diverted from landfill through our product returns program for the year, reducing our environmental footprint and maximizing our social impact through product donation.

Our Ethical Supply Chain program continues to provide reassurance that ethical and environmental standards are followed by our suppliers.



Governance

Initial climate transition plan completed and incorporated in year 2 climate-related disclosures to be released in annual report.

Invested in team training and engagement, ensuring our teams are informed and equipped to strengthen our Sustainability impact.

Launched a Sustainability Webpage: providing stakeholders with easy access to key Sustainability information.



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Supply Chain Transformation

Phase 1 – Implementation of the Warehouse management System (WMS) at the current Auckland distribution centre (DC) is complete.

Phase 2 – the new Auckland DC construction has started and is on track.

Phase 1 WMS – Completed:

- The new Warehouse Management System (WMS) is now embedded in the current Distribution Center (DC).
- The team have adopted well to the new system and are utilising the enhanced functionality.
- Deploying the new system is fast tracking key learnings and will help to shape the operations process in our new North Island DC.

Phase 1 Design of new Auckland DC – Completed:

- DC facility design including automation, now complete.
- Earthworks commenced February 2025.

Phase 2 – In Progress 2025:

- Detailed operational design, processes and system requirements for our new dc is well underway and will be completed by the end of July 2025.
- Configuration, development and testing of the WMS for use in the new dc will take place through to the end of 2025.
- Automation software design and process flow optimisation kicks off in March 2025 and will be developed over several iterations with our international vendor Knapp.
- The automation software build will then commence late 2025.
- Initial target date for practical completion of the construction is July 2026.

Benefits for our Team and Customers

- State of the art facility and equipment.
- Reduced stock level in stores by holding more in the DC and regularly replenishing our stores in line with demand.
- Improved range of products and potential for new product categories in stores.



Group Strategy 2024 – 2026

Record Levels of Investment into Strategic Growth:

**GOAL:
DELIVER THE BEST RETAIL EXPERIENCE IN NEW ZEALAND**

Delivered in year end Jan 2025:

Key Deliverables for year end Jan 2026:

LONG TERM GROWTH ACCELERATION

Explore new business opportunities to drive significant growth.

Commercial opportunity. Direct To Customer (DTC) sales acceleration.

Online Platform upgrade.

- Expanded DTC to cover over 110 Suppliers.
- New online platform Adobe selected.

- New Adobe platform due to go live by July 2025.
- Test of new product categories on the Marketplacer DTC platform July 2025.

RETAIL EXPERIENCE EVOLUTION

Flagship store concepts. Electronic Shelf Labels (ESL).

Rebel Sport & Briscoes Homeware product range optimisation.

Cross-sell & up-sell focus. Loyalty evolution.

- ESL Labels rollout completed to all Briscoes and Rebel stores.
- Rebel flagship store design complete.

- Further optimisation of Briscoes and Rebel product ranges.
- New Rebel Flagship store due to open by January 2026.
- Completion of Briscoes Flagship store design.
- Loyalty platform test for Rebel Sport.

SUPPLY CHAIN TRANSFORMATION

New Auckland Distribution Centre.

Improved allocation and replenishment of inventory.

Rebel Sport inventory optimisation.

Optimisation of store space.

- New DC Site design completed.
- Rebel clearance stock reduction.
- The new Assortment Planning, Allocation & Replenishment system Impact Analytics (IA) on track.

- Early access to new Auckland DC site.
- IA Allocation and Replenishment modules launched by July 2025.
- IA Assortment Planning due to go live by October 2025.

BUILDING BLOCKS

Tech Architecture. People capability and capacity.

Automation and the use of AI to simplify processes.

Increase positive impact through sustainability.

- New Marketplacer platform selected and design well advanced.
- Over 60 team members completed our Leadership program.
- Over 200 ethical supplier audits completed.

- Roll out supplier audit program to local suppliers.
- Tech platform review for next 5 to 7 years underway.
- Continued focus on waste minimisation.

The Strength of Our Core Business Fundamentals Provides Platform for Continued Strategic Investment:

- Trading performance near flat with LY record sales and ahead of retail spend trends for both Homewares and for Sporting Goods.
- Continue to invest in our strategic growth plan whilst others are retrenching to survive the downturn.
- Key business health metrics continue to steadily improve, record levels of VIP club members, customer and team satisfaction achieved.
- Both Homewares and Sporting Goods are trading well despite challenging conditions.
- World class team with proven ability to deliver on both short term and longer-term priorities.
- Our biggest ever investment in supply chain transformation is on track with phase 1 of the systems completed and new Auckland DC construction started.
- Group inventory quality improved with relentless focus on optimising promotional and clearance events.
- The group business model continues to hold up strongly and take share from competitors in the challenging economic climate.



Financial Summary

	FY Jan 20	FY Jan 21	FY Jan 22	FY Jan 23	FY Jan 24	FY Jan 25
Homeware Revenue - \$000	410,908	439,234	460,887	487,501	490,116	489,810
Sporting Goods Revenue - \$000	242,109	262,563	283,563	298,353	301,837	301,659
Group Total Revenue - \$000	653,017	701,797	744,450	785,854	791,953	791,469
Online Mix of Sales - %	11.3%	18.8%	21.5%	19.0%	18.7%	19.7%
Group Gross Margin - \$000	257,502	307,116	340,642	345,922	335,762	319,541
Group Gross Margin - %	39.4%	43.8%	45.8%	44.0%	42.4%	40.4%
Group EBIT - \$000	97,223	115,886	136,468	135,494	126,296	104,401
Group EBIT - % to Sales	14.9%	16.5%	18.3%	17.2%	15.9%	13.2%
Group NPAT - \$000	62,583	73,199	87,909	88,437	84,221	68,008⁵
Group NPAT - % to Sales	9.6%	10.4%	11.8%	11.3%	10.6%	8.6%
Free Cash Flow - \$M (Operating Cash Flow less Capex)	60.3	81.1	76.6	128.0	108.3	51.6
Dividends Per Share - cps	8.5 ¹	28.5 ²	27.0	28.0	29.0	22.5
Earnings Per Share - cps	28.2	32.9	39.5	39.7	37.8	30.5⁵
Net Cash Position - \$M	67.4	100.4	102.5	149.9 ³	175.4 ⁴	142.4⁶
Inventory Turnover - X p.a. (COGS divided by average inventory)	4.7	4.4	3.8	3.7	4.1	4.6

1. Final dividend of 12.5cps cancelled as a result of Covid-19 pandemic.

2. Includes special dividend of 6cps.

3. Includes \$26 million of creditor payments made on 31 January 2023.

4. Includes \$20 million of creditor payments made on 31 January 2024.

5. Excludes \$7.4 million one-off non-cash tax expense adjustment.

6. Includes \$30 million of creditor payments made on 31 January 2025.

The Largest Range of Global Brands in Homewares and Sporting Goods

200+ Brands!

BRISCOES HOMEWARE



REBEL SPORT



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