



# 2018 Annual General Meeting

24<sup>th</sup> October 2018



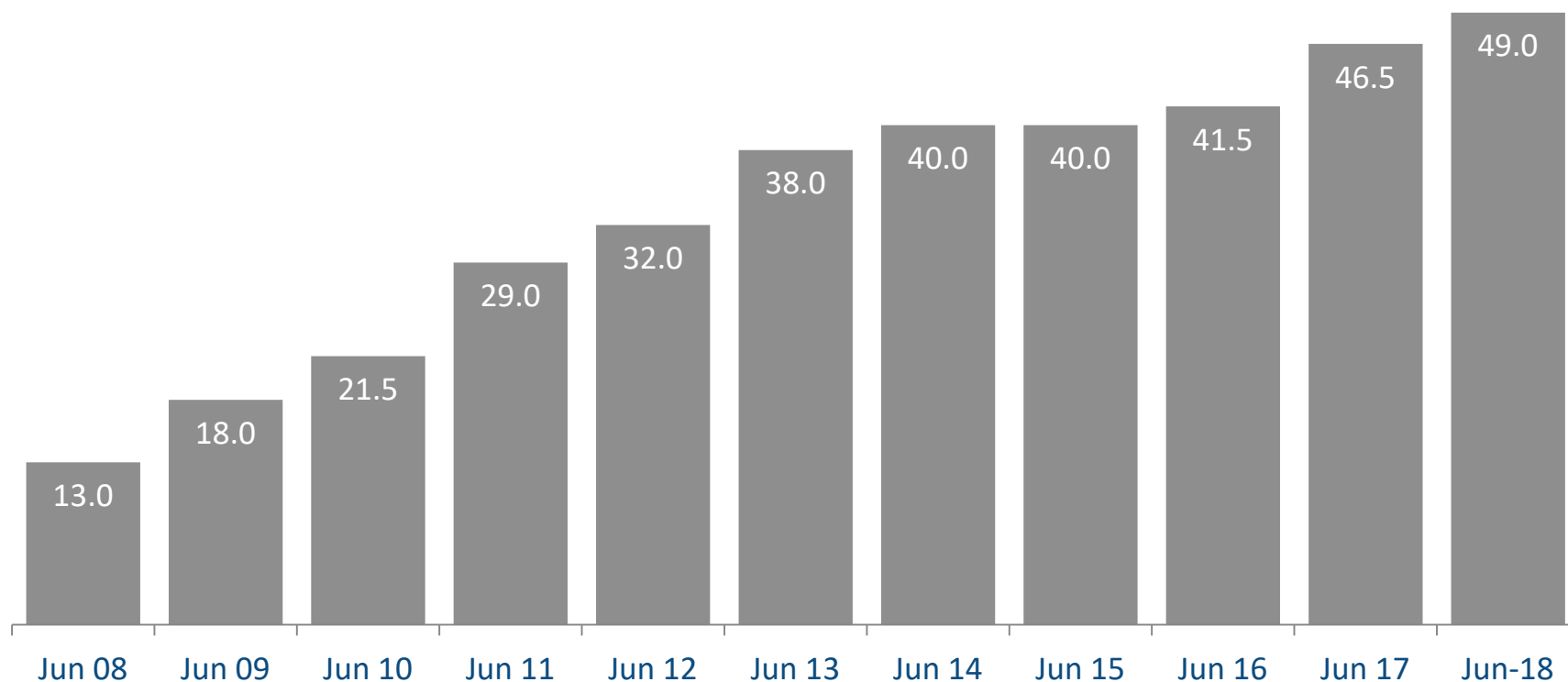


# Chair's Presentation

Dr Sally Pitkin

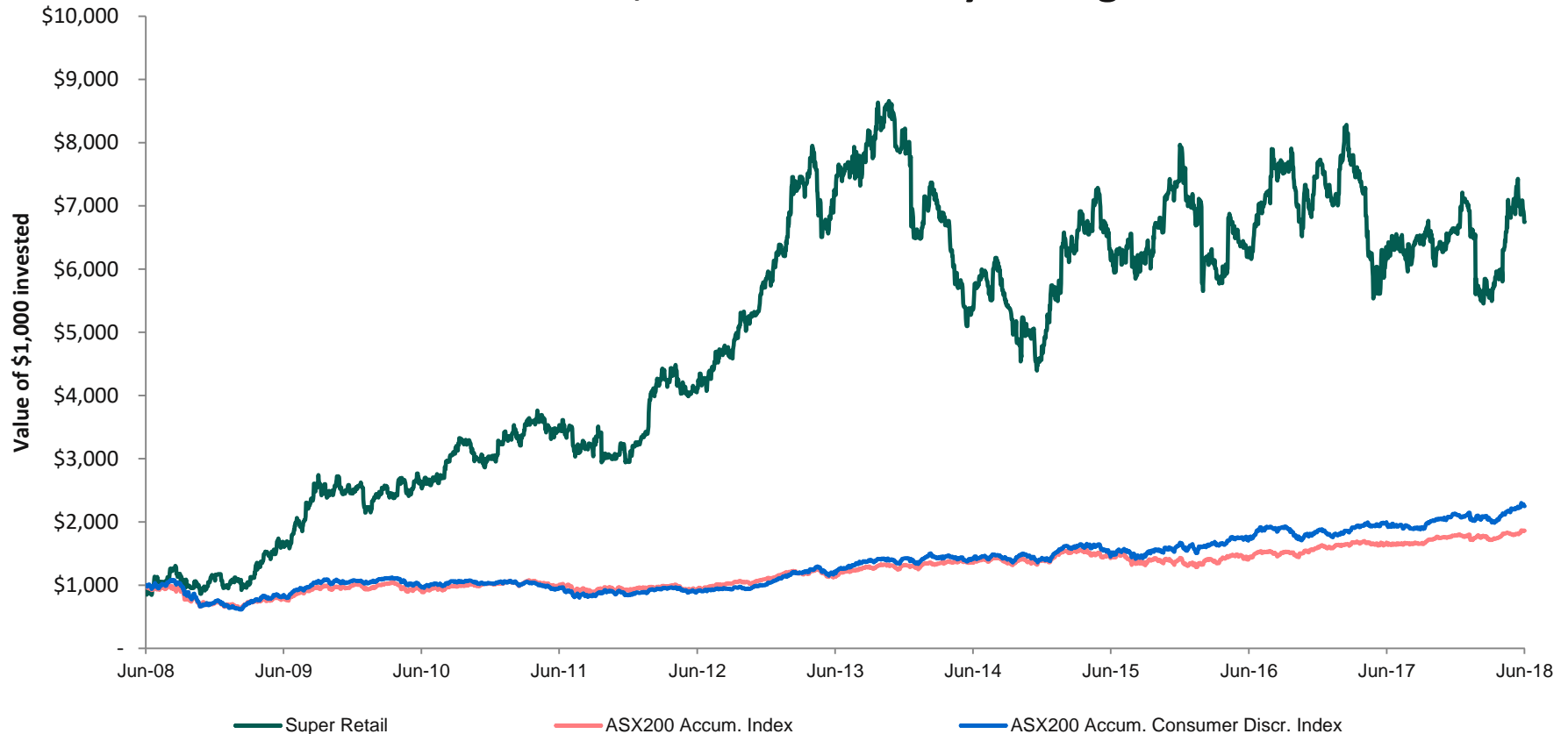
# Dividend Per Share Trends

## Reported DPS (c)



# Long Term Shareholder Returns

## Value of \$1,000 invested 10 years ago

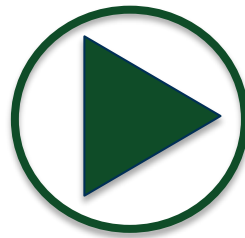






# Chair's Presentation

Dr Sally Pitkin



Play Video



## Our Year in Review





# Group MD & CEO's Presentation

Peter Birtles





# Contents

2017/18 Performance

2018/19 Trading Update

Group Strategy



## FINANCIAL PERFORMANCE

- ✓ Total Group sales of \$2.57 billion up by 4.2% on pcp
- ✓ Total Segment EBIT of \$219.6 million up by 5.9% on pcp
- ✓ Normalised NPAT of \$145.3 million up by 7.0% on pcp
- ✓ Operating cash flow of \$308.4 million up by \$73.9 million on pcp
- ✓ Full year dividend of 49.0 cents per share up by 5.4% on pcp

## Core businesses growing faster than retail sales



rebel



- |  |      |      |      |
|--|------|------|------|
| - Total Sales Growth   | 5.3% | 3.2% | 3.7% |
| - 2.9% Annual Growth in Total Nominal Retail Sales (per ABS Retail Trade 3 Aug 2018) |      |      |      |

## Transformation initiatives delivering expected benefits

### Sports

- Customer NPS higher than PCP
- Like for like sales growth building
- Cost synergies built into FY19 budget
- Margin synergies on track for end FY19
- Rebel 2.0 initiatives in trial phase

### Outdoor

- Macpac trading ahead of business case
- 9 Rays converting stores delivering strong LFL sales growth
- Rays losses will be eliminated by end FY19

## Investment in omni-retail capabilities underpinning growth



rebel



- Total On-line Sales Growth	85%	152%	76%
- Increase in our Online Market Share <sup>(1)</sup>	+5.8%	+13.2%	+3.2%

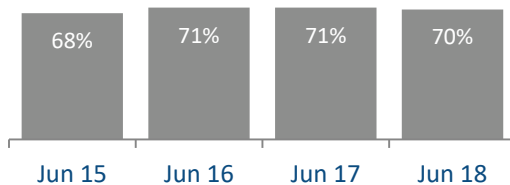
<sup>(1)</sup> Source : Compare to key category competitors - Quantum NAB Data: 12 months ending June 2018.

## Continued strong cash generation through transformation

\$m	2017/18	2016/17	2015/16	2014/15
Pre tax operating cash flow	352	288	203	228
Timing benefits	(17)		38	
Underlying pre tax operating cash flow	335	288	241	228
Cash conversion ratio to normalised EBITDA	114%	104%	98%	99%

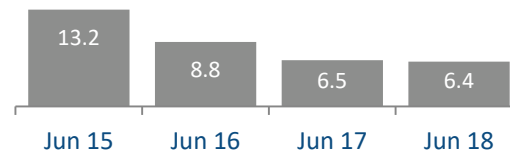
## Team

### Team Engagement

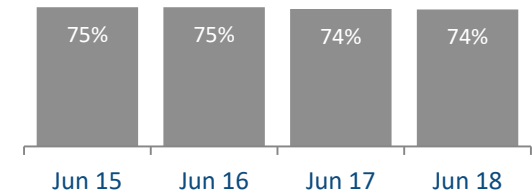


### Safety

Lost Time Injury Frequency Rate

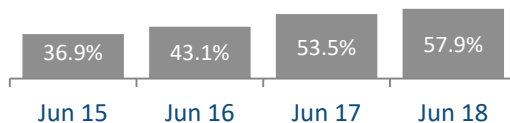


### Team Retention

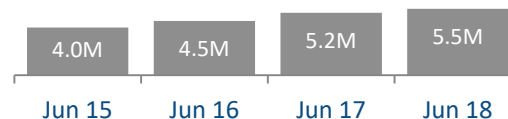


## Customer

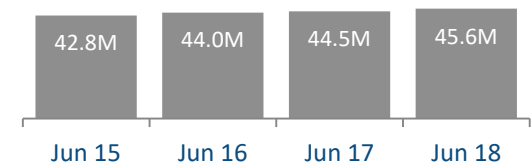
### Average Net Promoter Score



### Active Club Members



### Customer Transactions



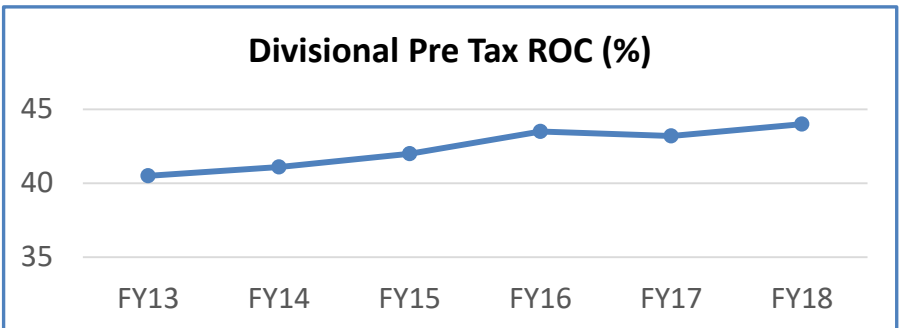
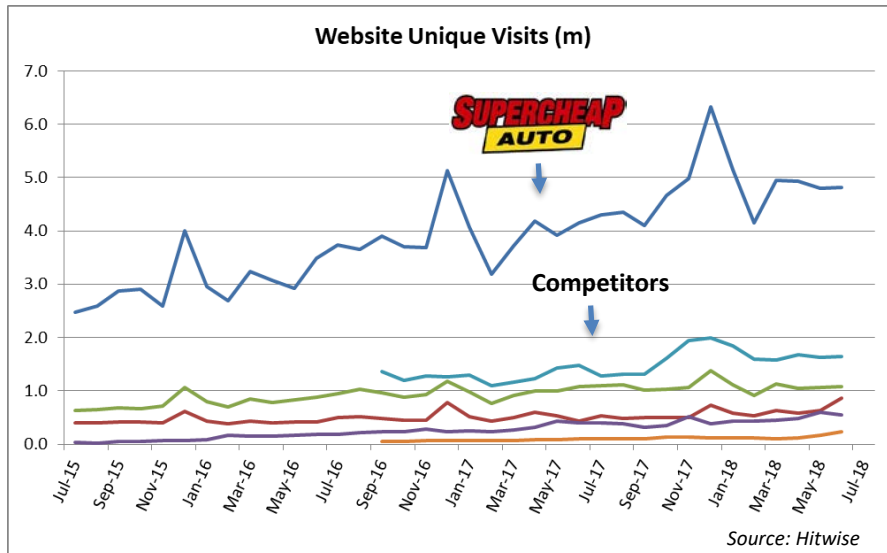
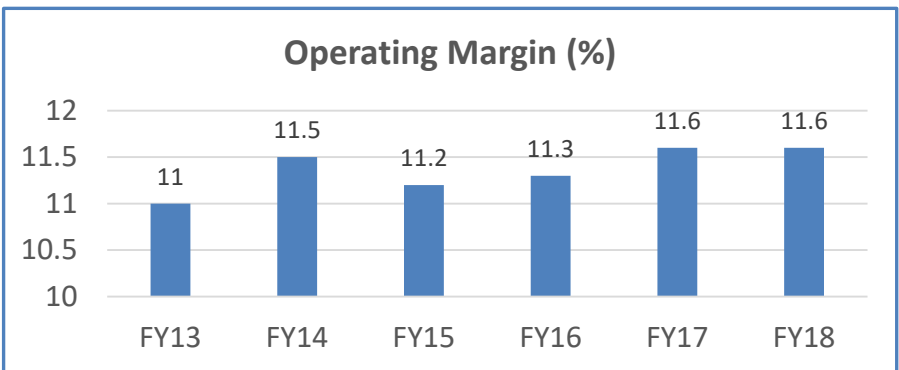
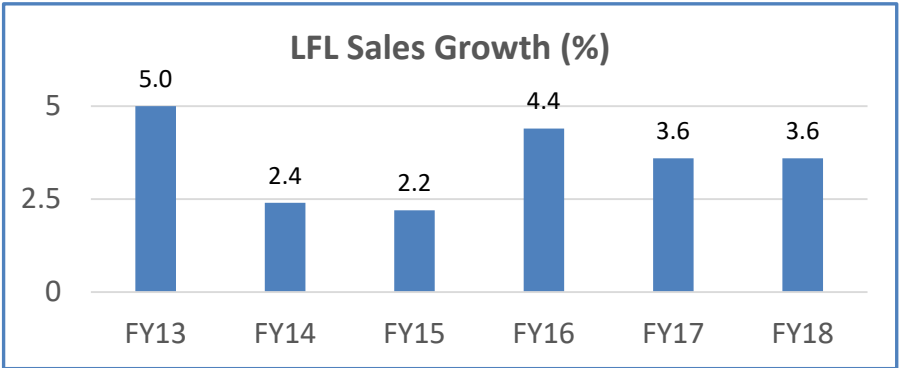
- Average of club member NPS scores of each Division



# Auto Retailing



Key Statistics Snapshot (latest available data)	Trend	
Active club members	↑	1.47m
Club members NPS	↑	59%
Club sales % total sales	↑	37%
Store numbers	↑	319
Share of online spending in auto retailers <sup>(1)</sup>	↑	24%
Online sales % total sales	↑	5%
Click and collect % online sales	↑	>50%
Private brand mix	↑	44%

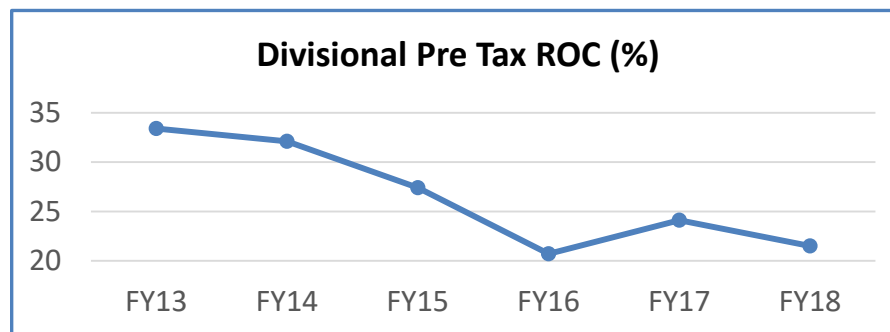
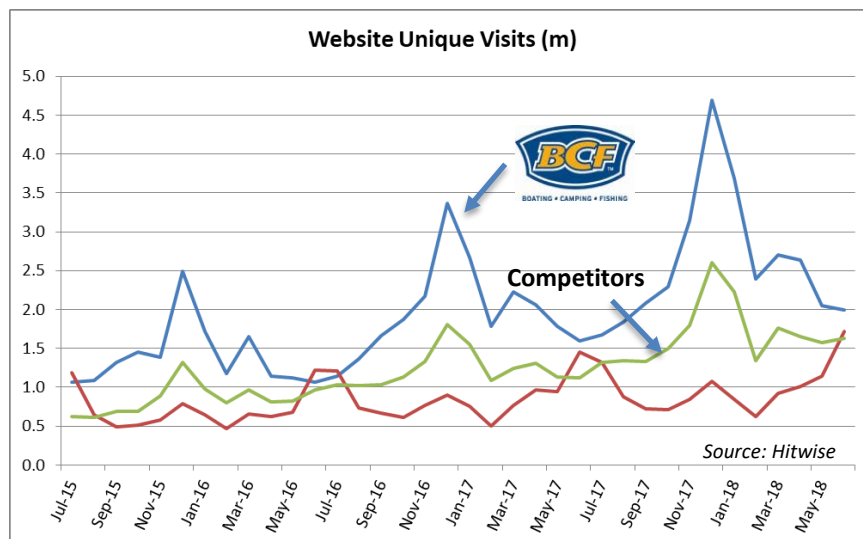
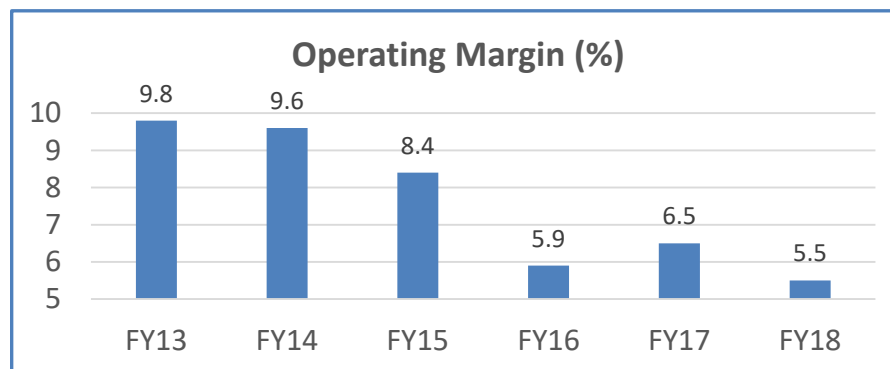
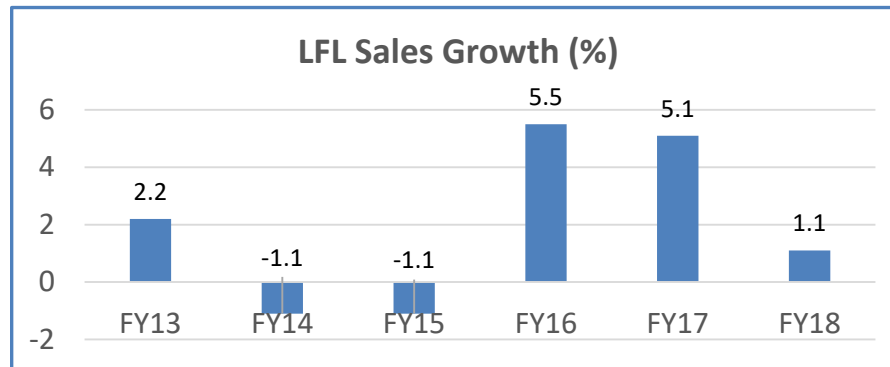


<sup>(1)</sup>Source : Compare to key category competitors - Quantum NAB Data: 12 months ending June 2018.

# Outdoor Retailing - BCF



Key Statistics Snapshot (latest available data)	Trend	
Active club members	↑	1.36m
Club members NPS	↑	57%
Club sales % total sales	↑	79%
Store numbers	↑	134
Share of online spending in leisure retailers <sup>(1)</sup>	↑	12%
Online sales % total sales	↑	6%
Click and collect % online sales	↑	>50%
Private brand mix	↑	31%

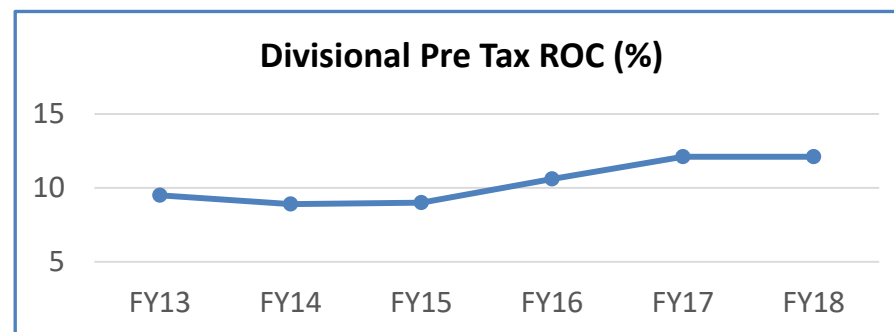
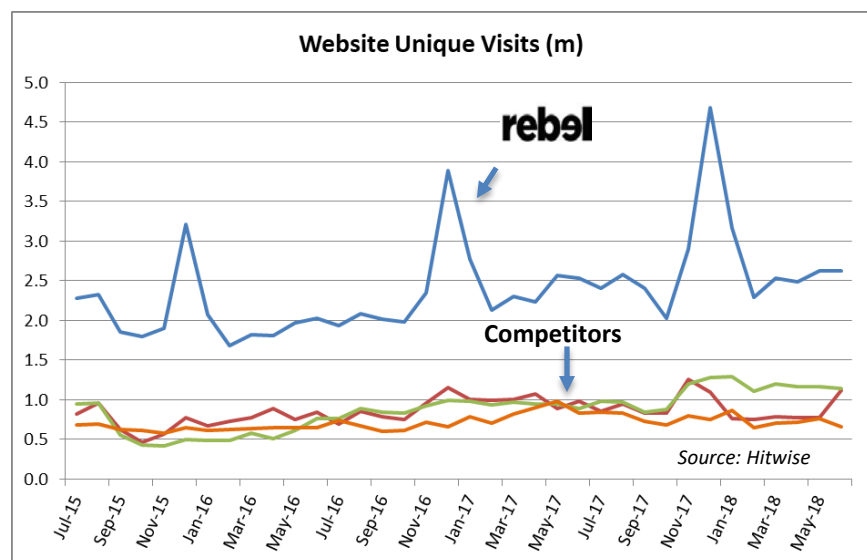
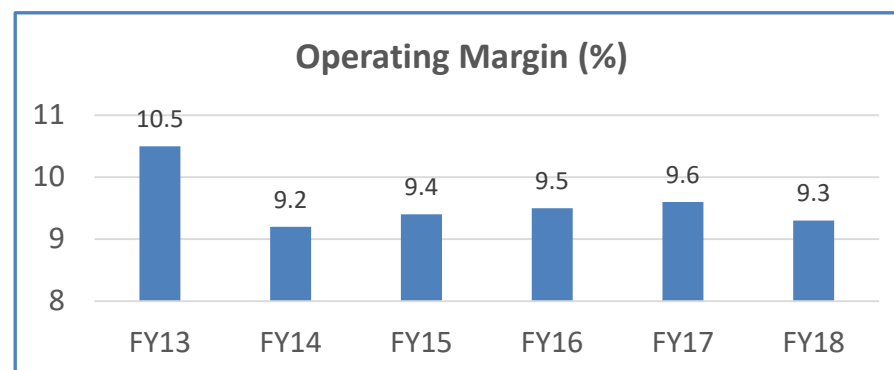
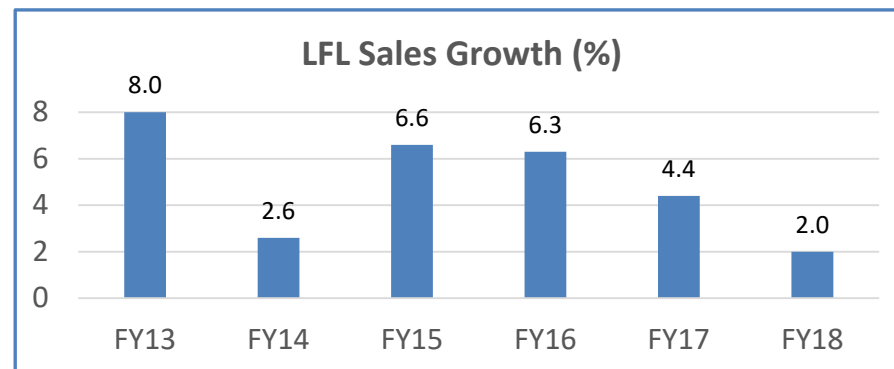


<sup>(1)</sup> Source : Compare to key category competitors - Quantum NAB Data: 12 months ending June 2018.

# Outdoor Retailing - Macpac and Rays

	2017/18 \$Am
Macpac contribution post acquisition	
- Sales	31.4
- EBIT	7.8
Rays	
- Sales	50.1
- EBIT	(5.5)
52 week LFL sales growth	
- Macpac	circa 8%
- Rays continuing stores	8.2%
Macpac Proforma Full Year	
- Sales	94.7
- EBIT	15.0

Key Statistics Snapshot (latest available data)	Trend	
Active club members	↑	2.47m
Club members NPS	↑	55%
Club sales % total sales	↑	61%
Store numbers	↓	159
Share of online spending in sports retailers <sup>(1)</sup>	↑	25%
Online sales % total sales	↑	8%
Click and collect % online sales	↑	>30%
Private and exclusive brand mix	↓	16%



<sup>(1)</sup> Source : Compare to key category competitors - Quantum NAB Data: 12 months ending June 2018.





# Contents

2017/18 Performance

2018/19 Trading Update

Group Strategy

## Auto Retailing

- Supercheap Auto sales growth in the first 16 weeks of 2018/19
  - Total 4.1%
  - LFL 3.1%

## Outdoor Retailing

- BCF sales growth in the first 16 weeks of 2018/19
  - Total 1.7%
  - LFL 2.4%
- Macpac sales growth in the first 16 weeks of 2018/19
  - Total 17.6%
  - LFL 8.4%

## Sports Retailing

- rebel sales growth in the first 16 weeks of 2018/19
  - Total 4.0%
  - LFL 2.4%



# Contents

2017/18 Performance

2018/19 Trading Update

Group Strategy

# Our Group Strategy

---

## OUR VISION

Inspiring you to live your passion

## OUR PURPOSE

To provide solutions and engaging experiences that inspire our customers to make the most of their leisure time



# Our Group Strategy

---

## OUR GOALS

Healthy, passionate  
and high  
performing team

Inspired, engaged  
and satisfied  
customers

Sustainable omni-  
retail capabilities

Top quartile  
shareholder returns

# Our Group Strategy

---

## OUR STRATEGY

Growing businesses in high involvement categories

Engaging capable team members who share our customers' passions

Building a world class omni-retail organisation

# Our Group Strategy

---

## OUR CUSTOMER PROMISE

### INSPIRATION

Inspiring our communities with our passion

### EXPERIENCE

Engaging you and providing outstanding service & expertise

### SOLUTIONS

Determining the best solution for your needs

### DELIVERY

Delivering how, when and where you choose

### CONFIDENCE

Guaranteeing the competitive value of our solutions

# Our Group Strategy

## OUR VISION

Inspiring you to live your passion

## OUR PURPOSE

To provide solutions and engaging experiences that inspire our customers to make the most of their leisure time

## OUR GOALS

Healthy, passionate  
and high  
performing team

Inspired, engaged  
and satisfied  
customers

Sustainable omni-  
retail capabilities

Top quartile  
shareholder returns

## OUR STRATEGY

Growing businesses in high  
involvement categories

Engaging capable team  
members who share our  
customers' passions

Building a world class  
omni-retail organisation

## OUR CUSTOMER PROMISE

### INSPIRATION

Inspiring our  
communities  
with our  
passion

### EXPERIENCE

Engaging you  
and providing  
outstanding  
service &  
expertise

### SOLUTIONS

Determining the  
best solution for  
your needs

### DELIVERY

Delivering how,  
when and  
where you  
choose

### CONFIDENCE

Guaranteeing  
the competitive  
value of our  
solutions

## OUR VALUES



PASSION



OPENNESS



INTEGRITY



CARE



DISCIPLINE



# Our Group Strategy

Growing businesses in  
high involvement  
categories

Engaging capable team  
members who share our  
customers' passions

Building a world class  
omni-retail organisation



rebel



OUR SUPER TEAM

ONE SUPER WAY

COMPETITIVE  
ORGANISATION

SUSTAINABLE  
FOUNDATIONS

TECHNOLOGY  
SUPPLY CHAIN  
SUSTAINABILITY



# Group MD & CEO's Presentation

Peter Birtles



# Items of Business

# Item 1

---

## STATEMENTS OF REPORTS AND ACCOUNTS

Resolution Required: NO

Questions?

# Procedure for the remainder of the meeting

---



Each item requires a formal vote.



Shareholders will be given the opportunity to ask questions.



Voting on each item will be by Poll rather than by show of hands.



Attendees wishing to vote should use the Voting Card provided on registration.

# Item 2 – Remuneration Report

## Resolution Required:

*“That the Remuneration Report for the year ended 30 June 2018 be adopted” by passing a non-binding resolution as an ordinary resolution as set out in the notice of meeting.*

## VOTES RECEIVED:

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	91,644,684	99.05%
Undirected (Chair)	352,644	0.38%
Undirected (Other)	176,169	0.19%
Against	347,125	0.38%
Abstain	3,450,772	

The Chair of the Meeting intends to vote all available proxies **in favour** of this resolution.



# Item 3 – Re-election of Director: Sally Pitkin

## Resolution Required:

*“That Dr Sally Pitkin, who retires in rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4 and, being eligible, offers herself for election, be re-elected as a Director of the Company” by passing an ordinary resolution as set out in the notice of meeting.*

## VOTES RECEIVED:

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	152,788,802	99.25%
Undirected (Chair)	343,747	0.22%
Undirected (Other)	177,169	0.12%
Against	631,835	0.41%
Abstain	1,095,813	

The Chair of the Meeting intends to vote all available proxies **in favour** of this resolution.

# Item 4 – Election of Director: Peter Everingham

## Resolution Required:

*“That Mr. Peter Everingham, in accordance with 9.8 of the Company’s Constitution and, being eligible, offers himself for election, as a Director of the Company” by passing an ordinary resolution as set out in the notice of meeting.*

## VOTES RECEIVED:

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	153,379,855	99.64%
Undirected (Chair)	343,977	0.22%
Undirected (Other)	177,169	0.12%
Against	40,184	0.03%
Abstain	1,096,181	

The Chair of the Meeting intends to vote all available proxies **in favour** of this resolution.

# Item 5 – Issue of Securities: Peter Birtles

## Resolution Required:

*“That approval is given for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of 131,924 performance rights to Mr. Peter Birtles under the Performance Rights Plan, in respect of the 2019 financial year as summarised in the explanatory notes accompanying this Notice of Annual General Meeting” by passing an ordinary resolution as set out in the notice of meeting.*

## VOTES RECEIVED:

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	151,698,295	99.46%
Undirected (Chair)	348,192	0.23%
Undirected (Other)	175,083	0.11%
Against	306,220	0.20%
Abstain	1,116,980	

The Chair of the Meeting intends to vote all available proxies **in favour** of this resolution.

# Item 6 – Approval of Financial Assistance

## Special Resolution Required:

*“That, in accordance with sections 260A and 260B (2) of the Corporations Act, and for all other purposes, approval is given for:*

- a) the provision of financial assistance by Macpac Holdings Pty Ltd and / or its subsidiaries in connection with the acquisition by SRG Leisure Retail Pty Ltd of all of the issued shares in Macpac, as described in the Explanatory Notes accompanying this Notice of Meeting; and*
- b) the execution and performance by each Macpac Group Member of all documents required to give effect to or implement the financial assistance relating to the Macpac Acquisition, as described in the Explanatory Notes” by passing a special resolution as set out in the notice of meeting.”*

## VOTES RECEIVED:

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	153,202,100	99.54%
Undirected (Chair)	401,234	0.26%
Undirected (Other)	176,169	0.11%
Against	134,746	0.09%
Abstain	1,123,117	

The Chair of the Meeting intends to vote all available proxies **in favour** of this resolution.



# POLLS

1. Please complete your voting card
2. Place it in one of the polling boxes





# THANK YOU

I extend an invitation to join the Board for light refreshments







# 2018 Annual General Meeting

24th October

