



**RETAIL
IS OUR
WORLD.**



B BRISCOE
GROUP LIMITED

Half Year

26 week period ending 1 August 2021

BRISCOES
HOMEWARE



REBEL
SPORT

Living
& Giving





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Highlights

Half Year Period ended 1 August 2021



Record HY Sales

- Group sales +22.58% to \$358.4m
- Homeware sales +20.77% to \$222.6m
- Sporting goods sales +25.66% to \$135.8m



Online Performance Improvement

- Online sales 16.16% of total Group sales
- Front-end improvements enhance customer experience
- Phase 1 of personalisation functionality introduced
- Back-end productivity and process improvements



Strong Gross Profit Performance

- Gross Profit % up to 46.50% from 42.16%
- Gross Profit \$ +35.20% to \$166.7m
- Multiple supply chain initiatives underway to enhance and protect margin



Record HY NPAT

- NPAT up 69.63% to \$47.5m



Strong Balance Sheet

- Net cash at period end \$93.9m
- Increased inventories to meet ongoing consumer demand with uncertain global supply chain
- 11.5 cents per share Interim dividend



Strategic Initiatives Gaining Momentum And On Track

- Supply Chain improvements
- Enhancing the shopping experience
- Developing new streams of income

The Growth Equation



Foundations

- Consistent high financial performance
- Experienced management team
- Lean and effective business model
- Strong balance sheet
- Global brands
- Leading omnichannel retailer
- Large active customer base
- Relevant product markets
- Operating in in-demand product segments

Strategic Programme



- Customer segmentation
- Automated personalised email programme
- Digital picking
- Multi channel in store kiosks

Future Supply Chain

- Enhanced promotional analytics processes
- Hybrid Online fulfilment
- Digital picking

New Revenues

- Extended product range through Drop ship
- New store format performance

Sustainable Business Growth

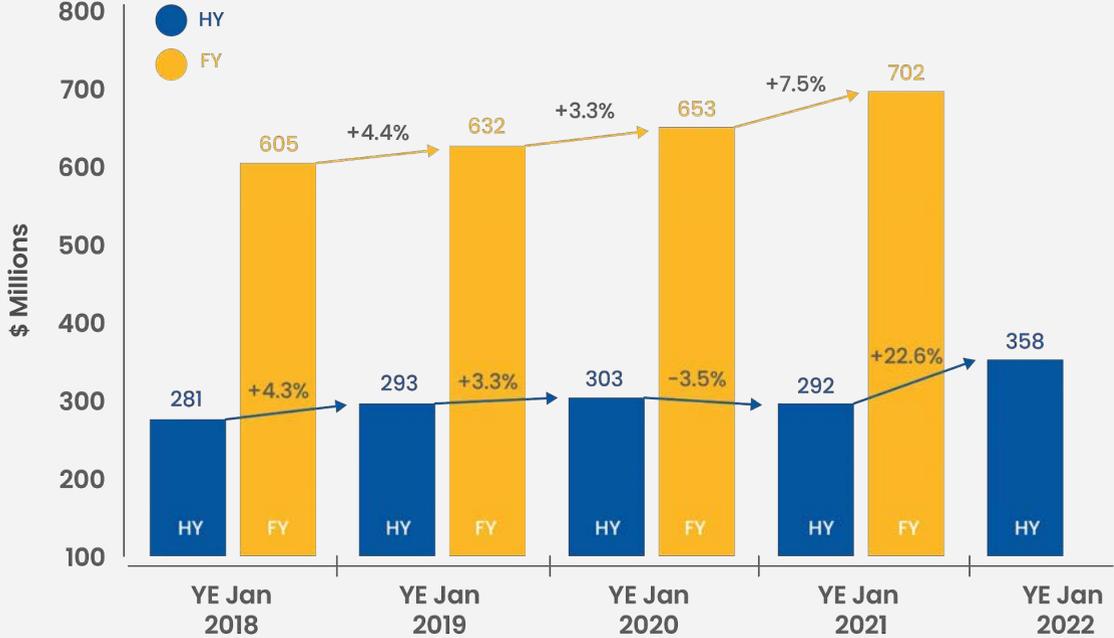
- Sales
- Gross Profit
- NPAT



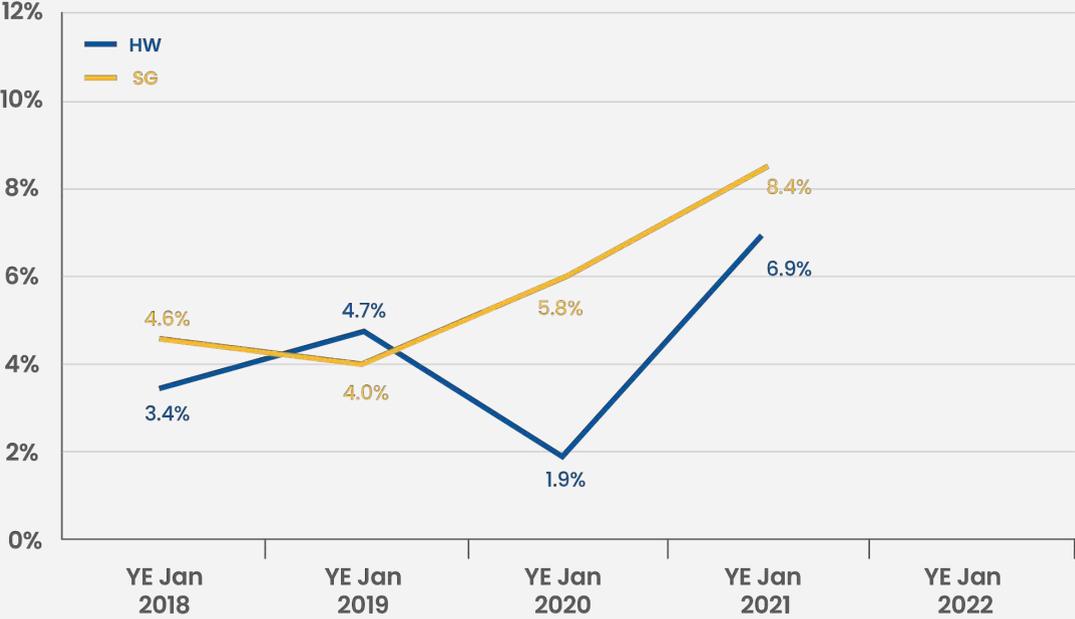
Sales



Percentage Growth



Sales Growth by Segment



Solid year-on-year sales **increases pre and post lockdowns**



Continuing strong **growth across both segments.**

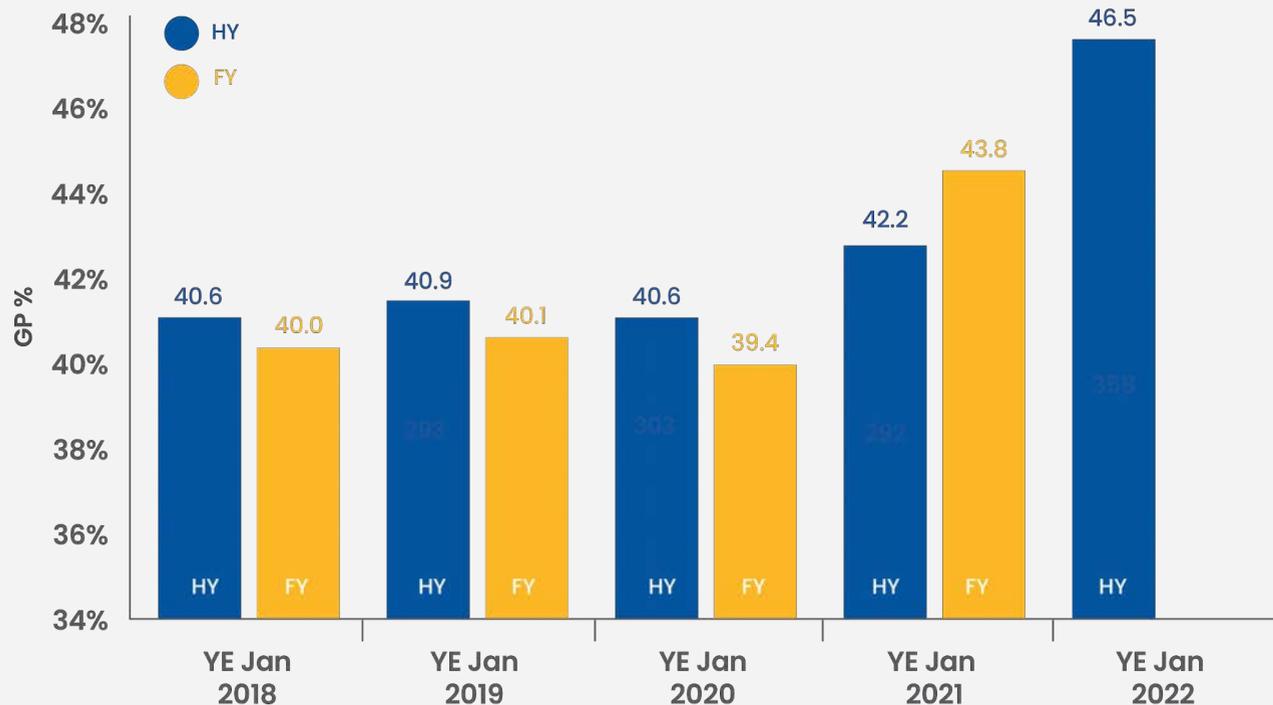


Combination of new stores, online and strategic initiatives **driving growth.**



6 new Rebel Sport, 2 new Briscoes Homeware stores.

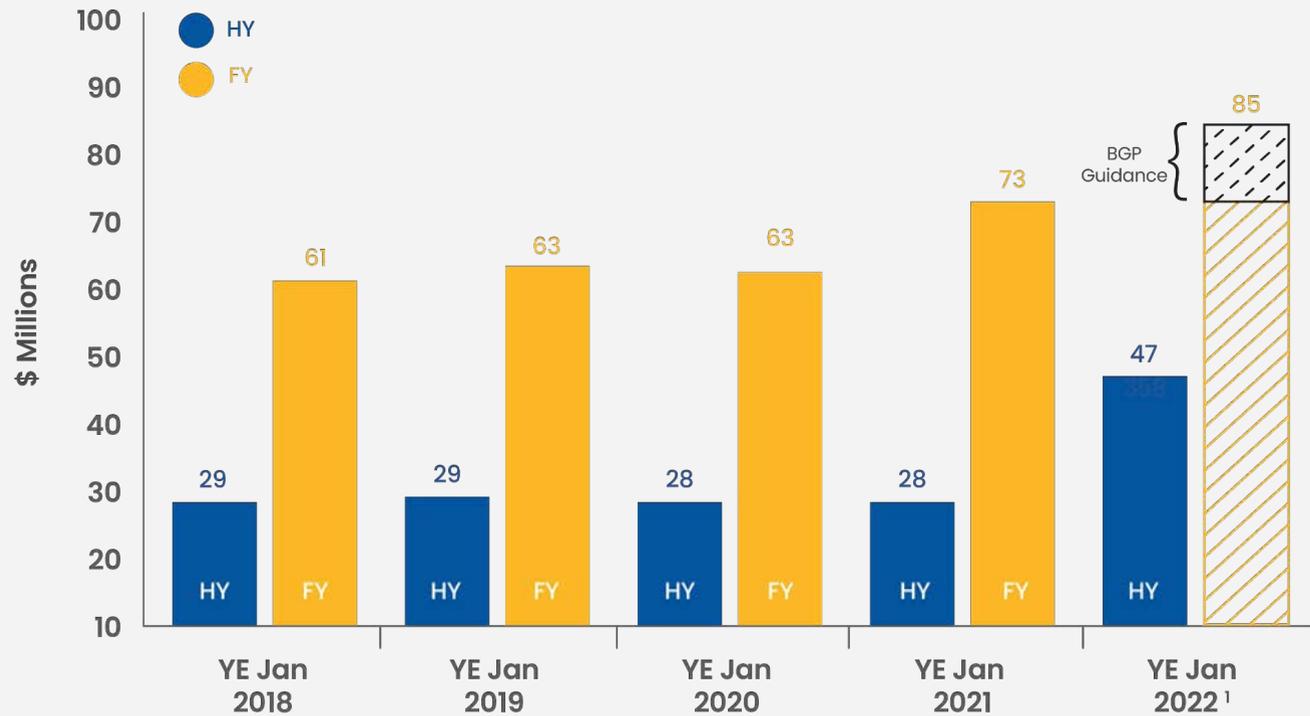
Gross Profit Margin %



- Strong margin gains across both Homewares and Sporting Goods
- Step-change increase in Group GP% driven by:
 - Post lockdown increased consumer demand
 - Enhanced analysis and management of promotional activity
- Supply chain initiatives to optimise:
 - Ordering
 - Allocations
 - Speed-to-shelf
 - Stock levels
 - Clearance product
 - Inventory between North and South Island



Net Profit After Tax (NPAT)



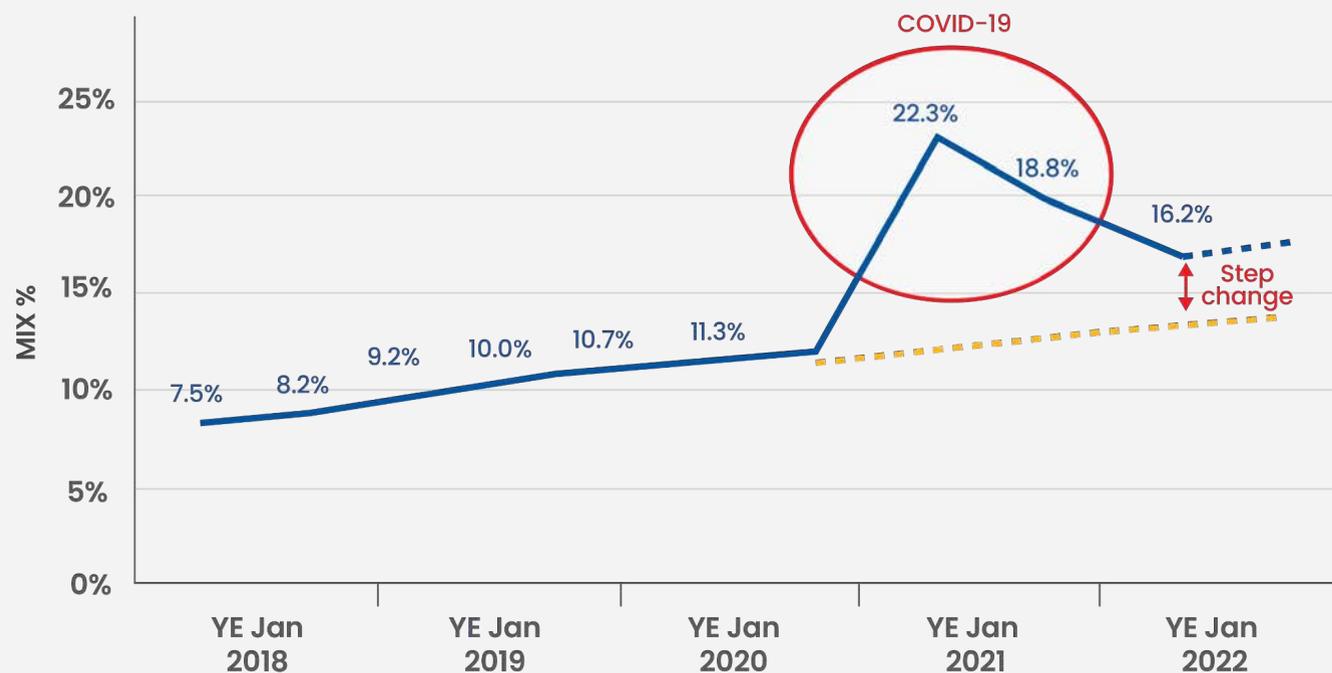
1. Source: BGP Half Year results announcement, 14/9/21



Significant increase in NPAT driven by:

- Post lockdown impact on consumer sentiment:
 - Lifestyle choice in relation to time at home and personal wellbeing
- Enhanced analysis and management of promotional activity
- Supply chain initiatives
- Online growth as a result of:
 - Post lockdown step-change to online usage.
 - Back-end and front-end system and process enhancements
- Ongoing focus on robust cost control

Online Share of Total Group Sales



Enforced store closures due to lockdowns spiked online mix 2020/21.

Post lockdown step-change in online mix further enhanced by:

- All stores achieving online fulfilment capability
- Nationwide roll-out of 'Click and Collect'
- Digital picking initiative introduced
- Phase 1 of personalisation functionality launched
- Enhanced onsite search capability
- Store stock availability indicator developed

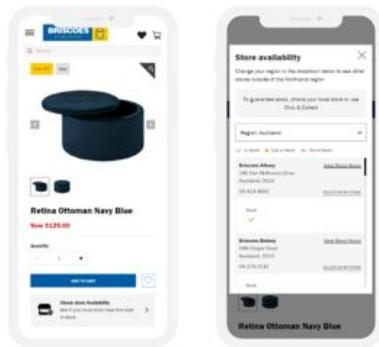


Online Experience

From customer UX to market leading fulfilment

CONNECTING ONLINE & OFFLINE

with find in store



1 results slides 3

PERSONALISED PRODUCT RECOMMENDATIONS

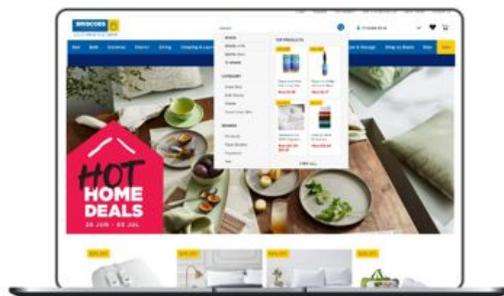
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H1 results slides 4

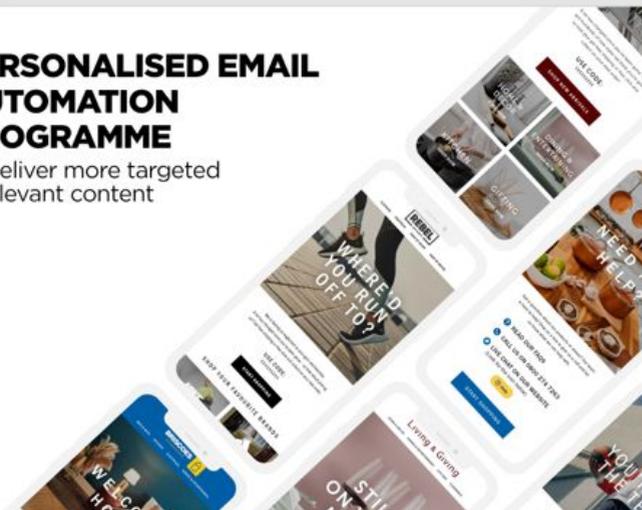
NEW ON SITE SEARCH

for an easier browsing experience



PERSONALISED EMAIL AUTOMATION PROGRAMME

to deliver more targeted & relevant content



SENT OVER

660,000

ORDERS SO FAR THIS YEAR

>**15,000** ORDERS/WEEK BRISCOES

>**9,700** ORDERS/WEEK REBEL

INCREASE IN ONLINE AVAILABILITY

AT THE START OF 2021

40

STORES FULFILLING

WE NOW HAVE ALL

88

STORES FULFILLMENT ENABLED

FAR GREATER AVAILABILITY WITH A HUGE REDUCTION IN OUT-OF-STOCK

SPEED TO DESPATCH



JULY 2020

2.04

AVG DAYS TO PICK & DESPATCH

JULY 2021

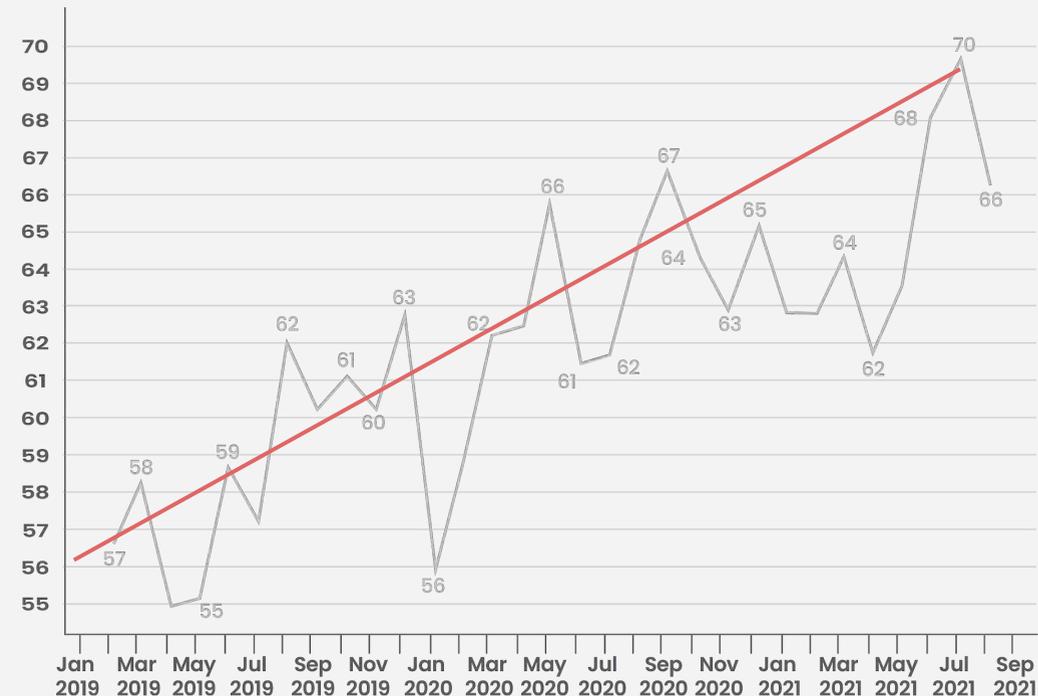
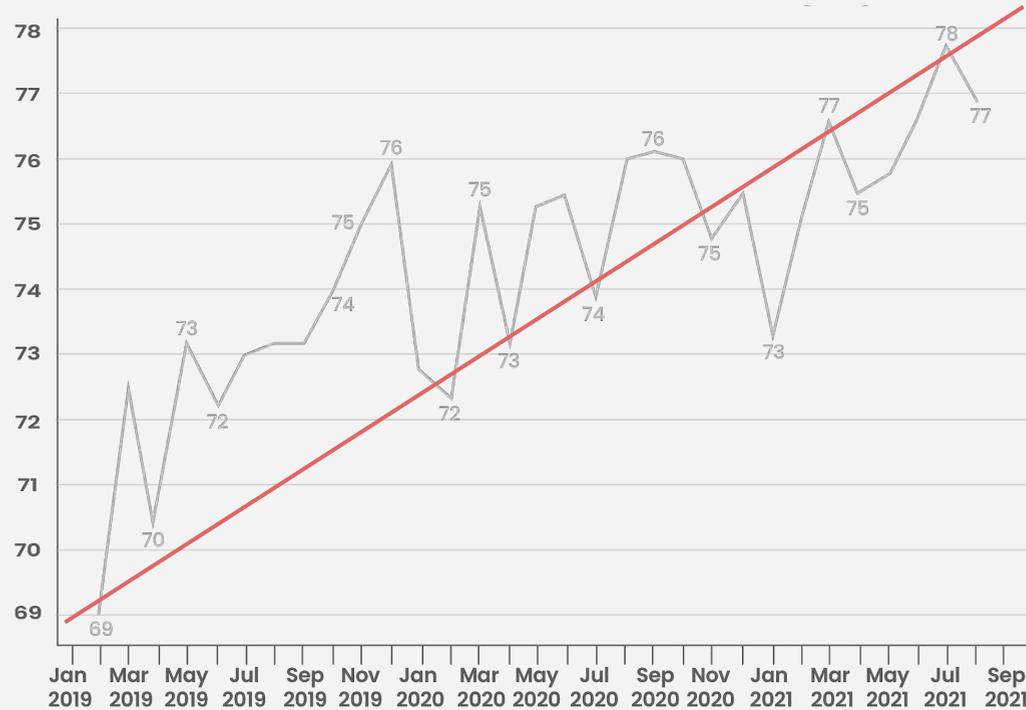
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AVG DAYS TO PICK & DESPATCH

Customer Satisfaction

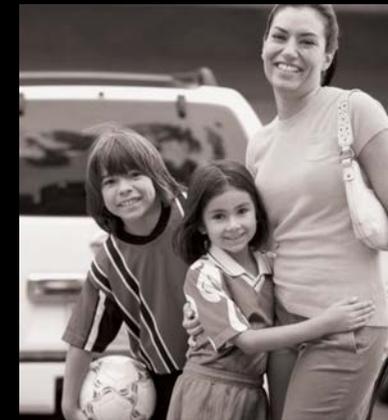
- Relentless focus on improving customer satisfaction is delivering great results – 3-year view
- Significant progress in Customer satisfaction score in both Briscoes and Rebel
- Over 230,000 pieces of customer feedback a year
- Both Briscoes and Rebel now approaching global best practice customer satisfaction scores

NPS Trend – Last Three Years (FY)



5 Distinct Customer Segments

with unique shopping behaviours



- Transactional data used to create 10 key customer segments
- Working with strategic supply partners to personalise events and promotions to maximise lifetime value
- Data used to identify new category sales opportunities and target the extended drop ship range extension
- New omnichannel strategies designed to capture more 1st party customer data

Team

Stronger together:

Investment in our team:

- Strategic focused Executive team
- Creation of a Briscoe Group specific management & leadership programme –
 - Creation in collaboration with EMA and capability group
 - Over 30 team members are currently enrolled on the programme
 - The objective is for all management to go through in the next 2 to 3 years
- Lean efficiency pilot
- Increased internal IT/Digital skills
- Enhanced Retail Zone management



Community

REBEL SPORT IS PROUD TO PARTNER WITH A LARGE RANGE OF SPORTING ORGANISATIONS



- Briscoe Group has been a proud partner of Cure Kids for over 17 years. 2021 has been a record-breaking year with over \$490k raised so far. We are on track to achieve our target to raise more than \$800k.
- Scholarships - Briscoe Group has been a proud First Foundation Partner since 2013



- Pass It Forward is Rebel Sport's key community partnership
- The Pass It Forward initiative provides sporting gear to underfunded schools
- In the past 5 years Rebel Sport and Pass It Forward have given away over 50,000 pieces of equipment, equating to more than \$1 million in value
- Grassroots Sports Partnerships: Within NZ there is a renewed focus on youth sports, with a shift in emphasis from performance to participation
- Through partnerships with sporting associations such as the Basketball New Zealand 3x3 and the Sanitarium Weetbix Tryathlon, we are working hard to make sport accessible and fun for New Zealand's youth



Strategic Plan 2020-2023 On Track



Market Leading Trusted Brands



Strong Supplier Partners



Our People



Multi-Year Initiatives



FUTURE SUPPLY CHAIN

NEW REVENUES

2021

- Customer segmentation created
- In store digital tools launch
- Online order digital picking live

- Enhanced size availability
- Hybrid Online fulfilment model live
- Warehouse efficiency program

- Drop ship 9 suppliers live
- Automated Email platform embedded

2022 & 2023

- In store electronic labelling Pilot
- Phase 2 of online digital picking
- Express online fulfilment & premium delivery choices

- Increased North and South island distribution capability
- Warehouse management system upgrade
- Enhanced DC facility in Auckland

- Accelerated new store concept refurbishment plan
- New product categories launched direct-to-customer

Moving Forward from a Position of Strength

- Continued strong trading performance in both Homewares and Sporting goods
- Strategic plan is delivering ahead of 1st year expectations
- Strong customer engagement from customer service improvements
- Enhanced promotional analytics has contributed to the step change in product margin
- Healthy inventory position will help protect from supply chain volatility
- Internal digital capability significantly enhanced
- Strong balance sheet provides financial protection and ability to fund strategic investment if required
- Experienced team across the business
- Business has proven record of performing well in times of economic uncertainty (GFC, COVID-19)



Financial Summary

	HY Jul 18	HY Jul 19	HY Jul 20	HY Jul 21	FY Jan 19	FY Jan 20	FY Jan 21	FY Jan 22 ¹
Homeware revenue \$000	186,701	191,503	184,347	222,628	403,159	410,908	439,234	
Sporting Goods revenue \$000	106,499	111,481	108,060	135,793	228,760	242,109	262,563	
Group Total Revenue \$000	293,200	302,984	292,407	358,421	631,919	653,017	701,797	
Online Mix of sales %	9.2%	10.7%	22.3%	16.2%	10.0%	11.3%	18.8%	
Group Gross Margin \$000	120,004	122,882	123,275	166,663	253,355	257,502	307,116	
Group Gross Margin %	40.9%	40.6%	42.2%	46.5%	40.1%	39.4%	43.8%	
Group EBIT \$000	40,615	45,659	45,948	73,040	85,995	97,223	115,886	
Group EBIT % to sales	13.9%	15.1%	15.7%	20.4%	13.6%	14.9%	16.5%	
Group NPAT \$000	29,342	28,347	27,979	47,461	63,393	62,583	73,199	73,300 - 85,000 ¹
Group NPAT % to sales	10.0%	9.4%	9.6%	13.2%	10.0%	9.6%	10.4%	
Free cash flow \$000 (Operating Cash Flow less Capex)	(1.9)	8.2	37.4	33.2	49.0	60.3	81.1	
Dividends per share cps	8.0	8.5	9.0	11.5	20.0	8.5 ²	28.5 ³	
Earnings per share cps	13.3	12.8	12.6	21.3	28.7	28.2	32.9	
Net debt /cash position \$000	46.2	55.5	98.6	93.9	80.8	67.4	100.4	
Inventory turnover Xp.a. (COGS divided by average inventory)					4.9	4.7	4.4	

¹ Source: BGP Half Year results announcement 14/9/2021

² Includes special dividends of 6cps

³ Final dividend of 12.5cps cancelled as a result of Covid-19 pandemic

