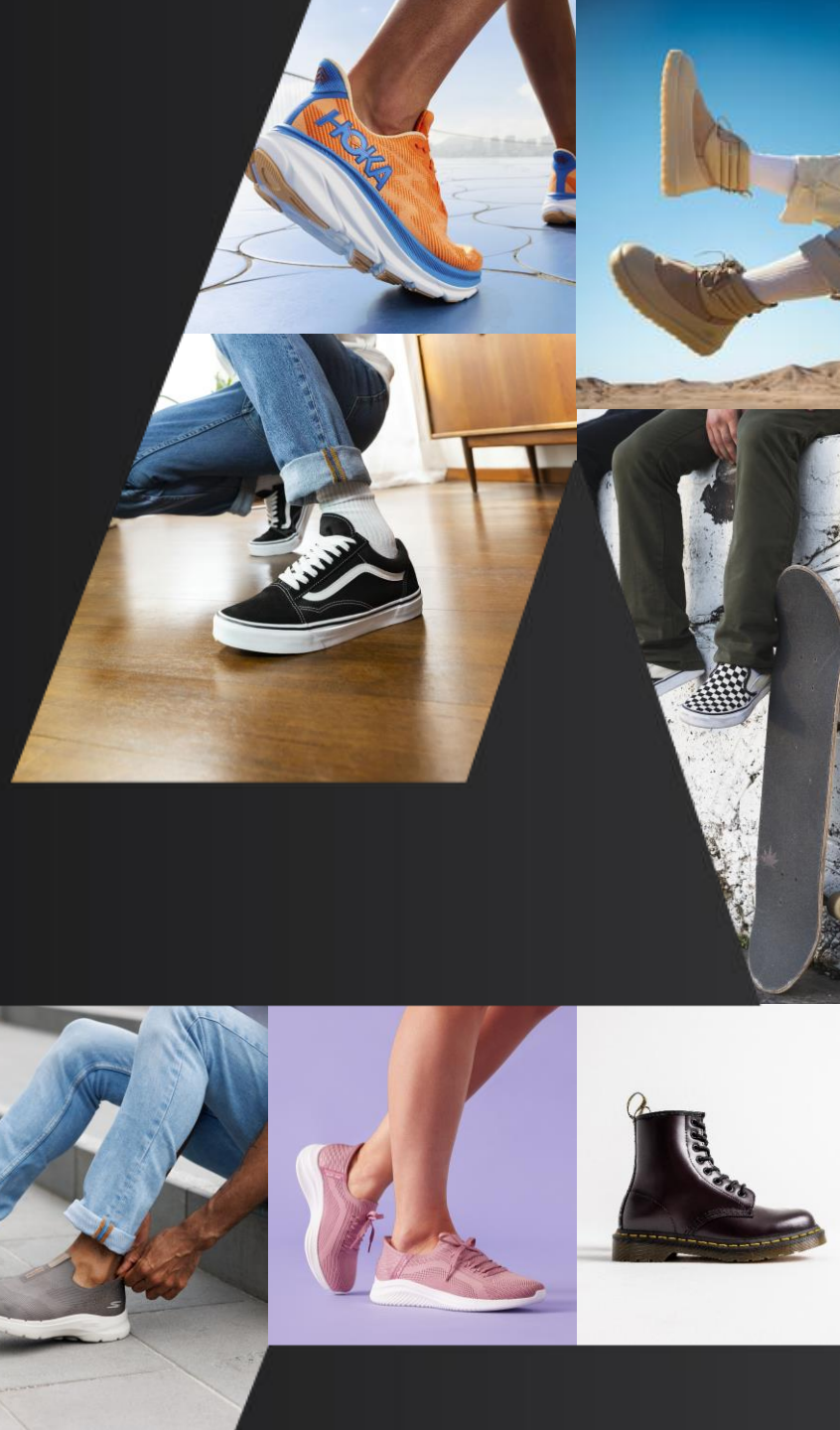


Results Presentation

Half Year ended 1 January 2023

Accent Group



Value creation and investor value proposition

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Operational highlights

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H1 FY23 results summary

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13

SKECHERS

PLATYPUS

VANS
"OFF THE WALL"

 **HYPE**

 **The Athlete's Foot**

Dr. Martens

Timberland

CAT

MERRELL

STYLERUNNER

TRYBE

Glue.
STORE

saucony

NUDELUCY

SEBAGO

AUTRY
ACTION PEOPLE

UGG

HOKA
TIME TO FLY


SNEAKER LAB

SUBTYPE

Kappa

PALLADIUM
L'ORIGINAL
DEPUIS 1947

ALPHA

SUPERGA

I-T-N-O

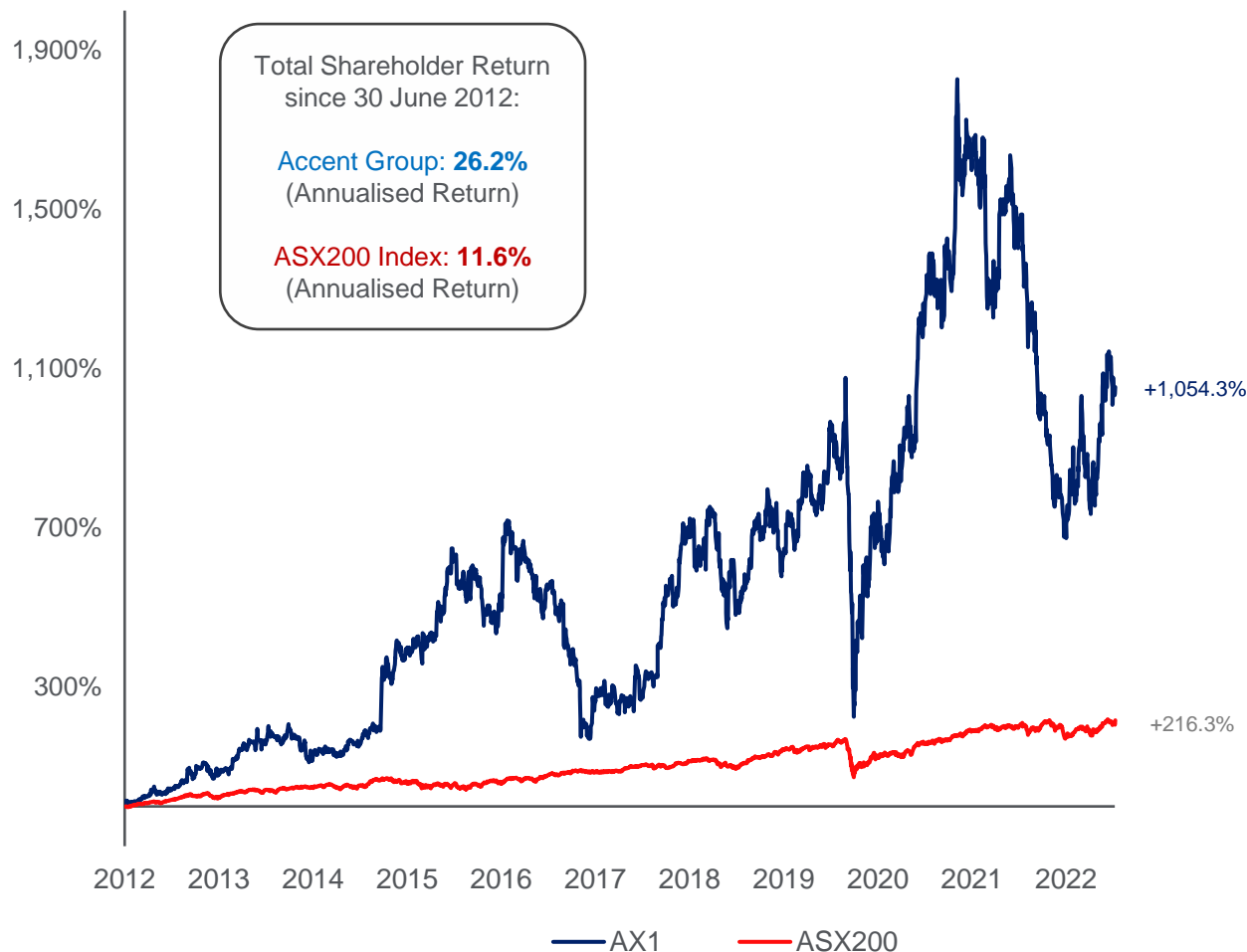

le coq sportif

Herschel
THE
SUPPLY CO. BRAND

Value creation and investor value proposition



Total Shareholder Return⁽¹⁾ comparison of Accent and the ASX200 (30 June 2012 to 30 December 2022)



Source: Bloomberg, Accent Filings.

1. Assumes 100% dividend reinvestment on the ex-dividend date.

- A market leading digitally integrated consumer business with 35 websites, 10 owned and 17 distributed brands, 770 retail stores facilitating omnichannel distribution across both Australia and New Zealand
- An established customer database with over 9.6 million contactable customers
- A market leader in the youth lifestyle and performance market
- Best in class margins through gross margin expansion initiatives and drive for cost efficiency
- A group consistently growing with the goal of maximising its growth in the +\$6 billion performance and lifestyle market segment in Australia and New Zealand

Total Sales (inc Franchises)

\$825 million

+39% on H1 FY22

H1 FY23: 27 Weeks Vs H1 FY22: 26 Weeks

New Stores

53

with a further **20** new stores
forecasted for H2 FY23

PLATYPUS

14

new stores opened across
Australia and New Zealand

Digital Share

19%

of total retail sales



VIP & Loyalty

9.6 million

Contactable customers

+0.3m increase since June '22

Vertical Owned Brands Sales

>\$50 million

7% of total sales

SKECHERS

13

new stores opened across
Australia and New Zealand

NUDELUCY

15

stores now open representing a
fast-growing lifestyle apparel
brand



Key Metrics

\$'000's	H1 FY23 ¹ 27 Weeks	H1 FY22 26 Weeks	% Change	H1 FY23 ² 26 Weeks
Group Sales (inc. Franchisees)	825,247	593,963	+38.9%	789,247
EBITDA	170,159	99,545	+70.9%	
EBIT	91,167	30,301	+200.9%	81,167
PBT	81,818	22,123	+269.8%	
NPAT	58,327	14,759	+295.2%	
Digital EBIT (YoY) Growth	10.5%			
Inventory	267,372	230,512		
Interim Dividend	12.00 cents	2.50 cents		

Commentary

- Sales and profit for H1 FY23 are a **record** for the Group.
- H1 FY23 had **no COVID related impact from store closures**. Prior year was affected by more than 400 store closures during July to October of H1 FY22.
- **Continued investment** in growth plans across new stores, digital, new distributed and owned vertical brands

1. The current reporting period, **27 June 2022 to 1 January 2023**, represents **27 weeks** and the comparative reporting period is from **28 June 2021 to 26 December 2021** which represents **26 weeks**. From time to time, management may change prior year comparatives to reflect classifications applied in the current year.
2. Pro-Forma unaudited non-statutory management estimate. The company estimates that the impact of week 27 was approximately **\$36 million in sales**, and approximately **\$10 million in marginal EBIT contribution**.

Operational update

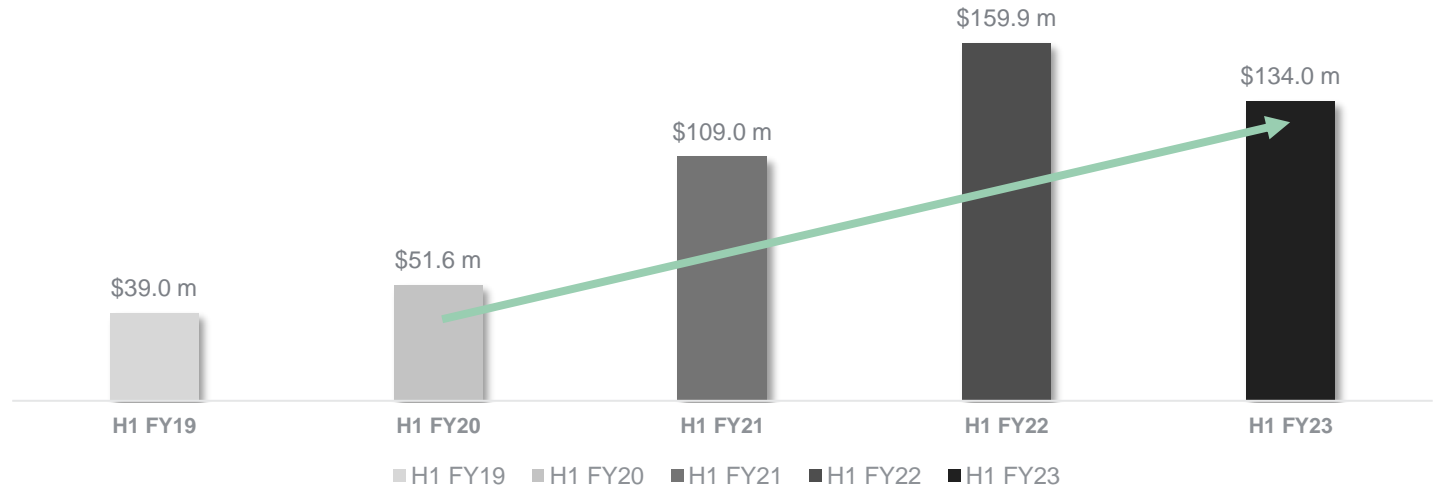
Accent
Group



Digital Sales Growth

Digital sales increased to **\$134.0m, 160%** on H1 FY20 comparative

Digital sales contributed to **18.9%** of total retail sales¹



1. Digital sales and total retail sales include The Athlete's Foot franchises

9.6m contactable customers **+300k** on FY22

EBIT growth of **10.5%** from H1 FY20

3 New and re-platformed websites
SUBTYPE **CAT** **Herschel**

Fulfilled **106.4%** more orders than H1 FY20

Growth in **Hype & Platypus Loyalty Programs**

Conversion rate increased by **8.7%** in comparison to H1 FY20

Key Metrics²

Digital Sales

Website Sessions

Orders

Conversion Rate

Avg. Order Value

Digital as a % of Total Retail Sales

**FY20
H1**

+32.4%

+26.0%

+47.2%

+16.8%

(10.1%)

11.6%

**FY23
H1**

+159.8%

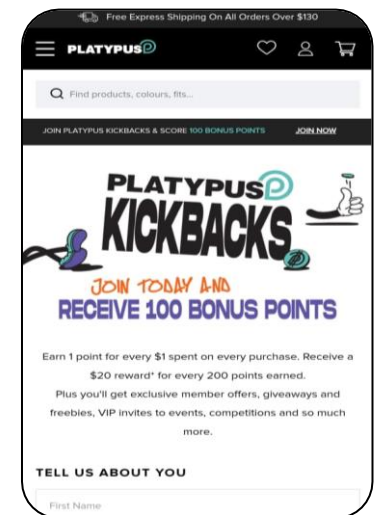
+89.9%

+106.4%

+8.7%

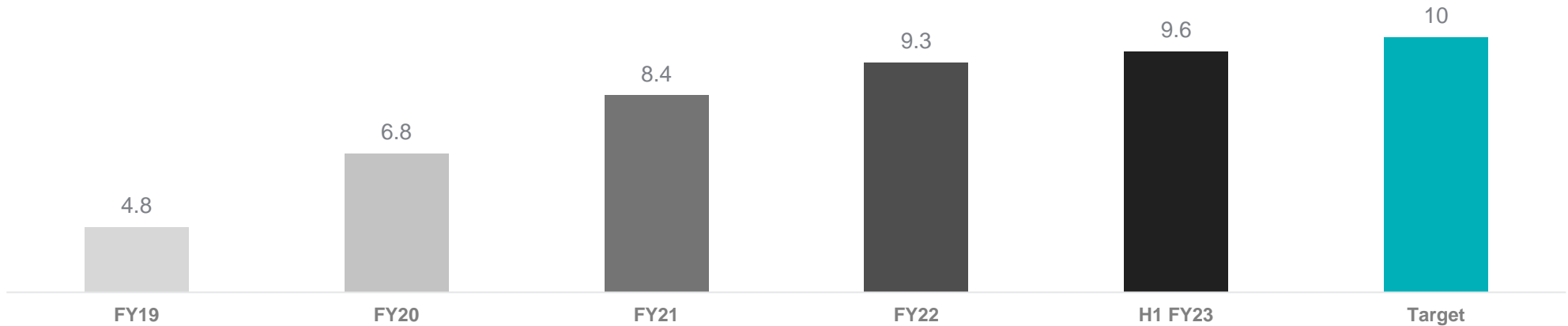
+21.5%

18.9%



2. Percentages shown for FY23 represent growth on H1 FY20 period; FY20 represents growth on H1 FY19 period

Accent Group Contactable Customers (Millions)



- **9.6 million** contactable customers
- Platypus, Skechers and Hype continue to grow their customer base and drive repeat customer behaviour
- New customer data platform successfully launched enabling greater customer insight and targeting
- Loyalty program membership now **7.4 million** across TAF, Hype DC, Platypus, Merrell, Skechers

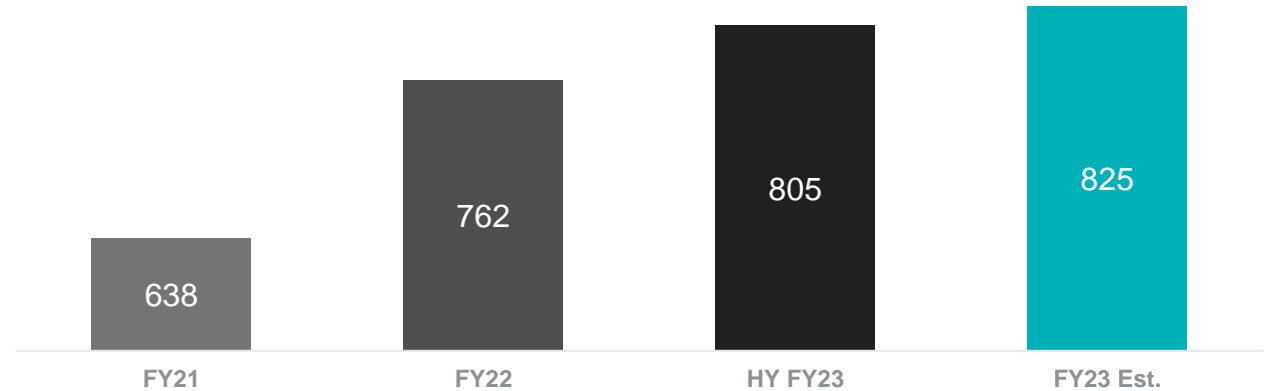
Retail & Wholesale

- Opened 53 new stores
- Transitioned 13 stores from discontinued brands to existing brands
- Strong retail performance in banners such as Skechers, Platypus, Hype and Dr. Martens
- At least 20 new stores to be opened in H2 FY23
- 15 Nude Lucy stores with strong early results
- Wholesale sales continued to grow strongly

Vertical Owned Brands

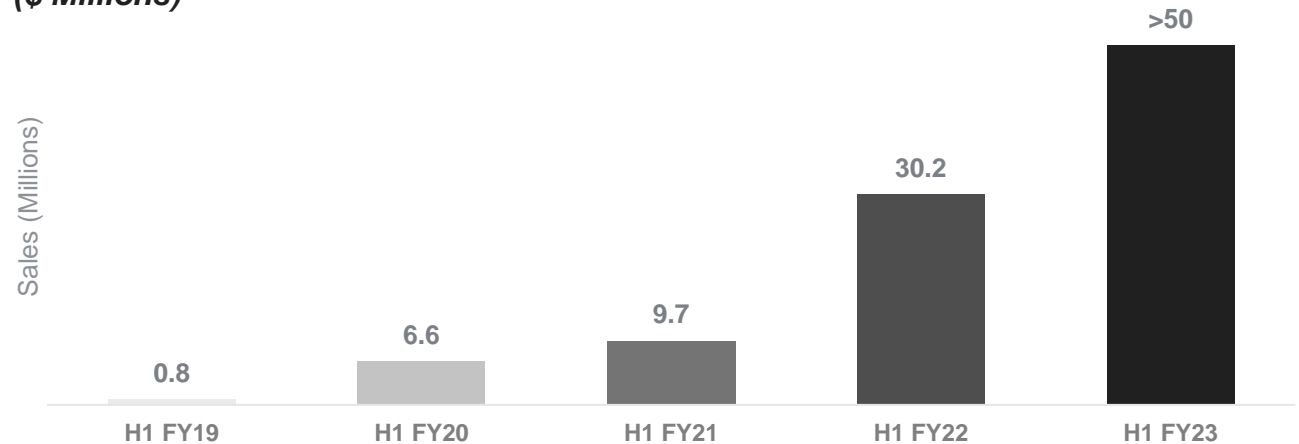
- 80% growth of Vertical Owned Brand sales compared to H1 FY22
- Sales of over \$50 million, representing c.7% of total sales

Store Network¹



1. Includes store closures and websites. For a breakdown by banner refer to page 13

Vertical Owned Brands Sales (\$ Millions)



Dividends and trading update

Accent
Group



Dividends

- Accent Group has announced an interim dividend for H1 FY23 of **12.00 cents** per share, fully franked, payable on **9 March 2023** to shareholders registered on **1 March 2023**
- Accent Group continues to be defined by strong cash conversion and the consistent strong returns it delivers on shareholders' funds

Trading Update

- Trade for the first 7 weeks of H2 FY23 has been strong
- Like for Like¹ ("LFL") retail sales for the first 7 calendar weeks (2 January 2023 to 19 February 2023) of H2 are up 16% on the prior year. Including week 27 (26 December 2022 to 19 February 2023) LFL sales are up 23.9%

Outlook

- No guidance has been provided
- We continue to focus on full margin sales. H2 FY23 will benefit from the sales of 53 stores opened in the first half of the year and the at least 20 stores planned to open in H2 FY23



1. Like for like ("LFL") retail sales include TAF Franchises sales, digital sales and Glue stores. The Like for Like measurement is consistent with prior releases and includes the year on year sales comparison for all stores in which a sale has been recorded on the same day of the prior year.

Appendix

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Group**



Store network and distribution agreements



Store Network

Store Network									
Dec-22									
Store Network ¹	Platypus	Skechers	TAF	Other Distributed Brands	Hype, Subtype Trybe	Glue, Nude Lucy, Stylerunner	Other Brands	Discontinued	Total
Stores as at FY22	168	153	153	90	106	55	8	29	762
FY23									
Stores Opened	14	13	2	4	3	16	1	0	53
Stores Transitioned ²	0	2	2	2	2	5	0	(13)	0
Stores Closed	0	0	(1)	0	0	0	(1)	(8)	(10)
Stores as at HY FY23	182	168	156	96	111	76	8	8	805
Projection FY23									20
Expected as at FY23									825

1. Includes websites (35) and franchises (65)

2. Store transitions occurred while shifting discontinued brands into current brands

Distribution Agreements

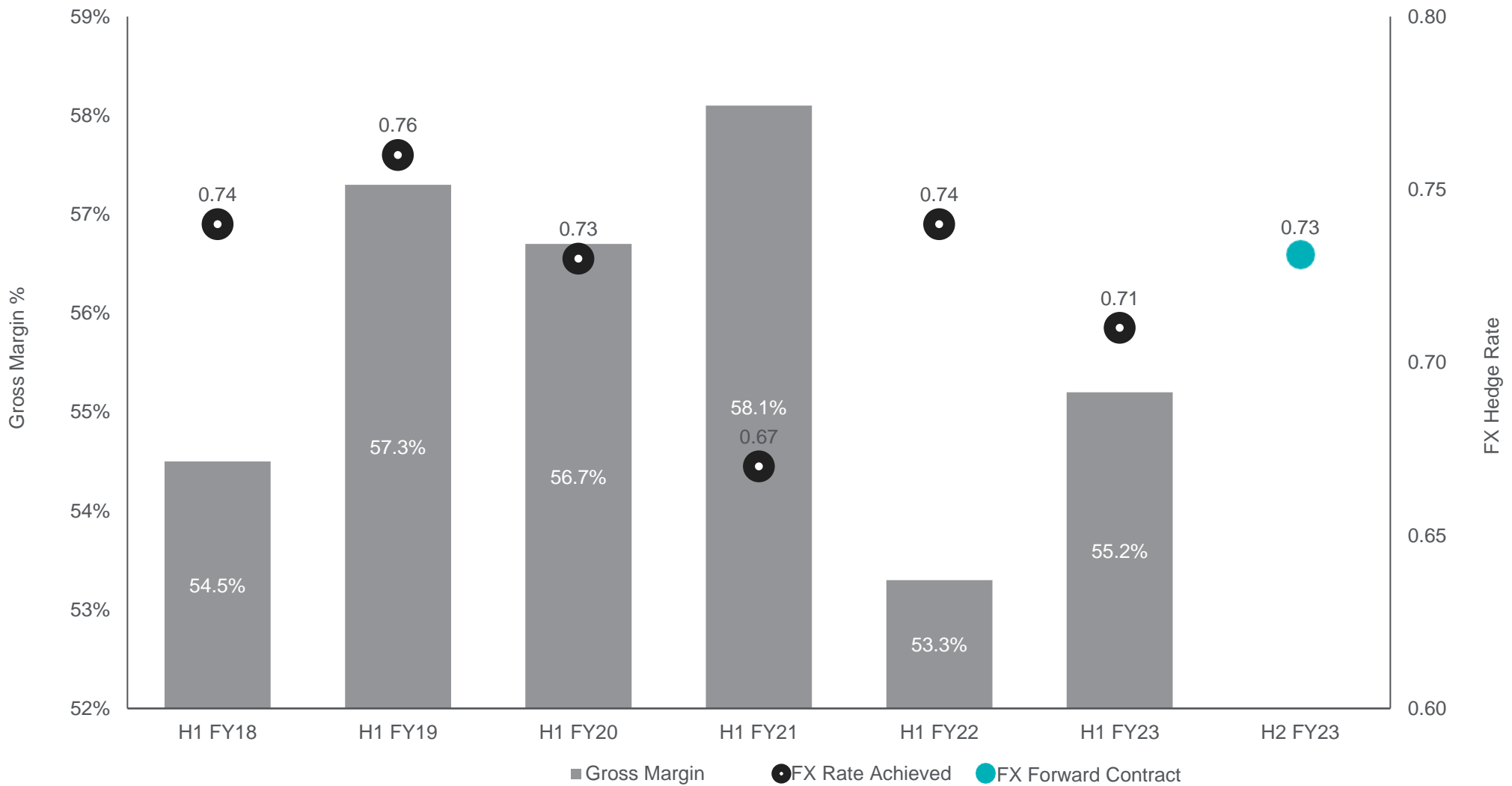
Total Active Distribution Agreements: 17

Ageing Distribution (years until expiry):





Statutory Gross Margin % and FX Rate Overview



H1 FY23 summary of financial performance



Financial Summary— Comparable Financial Information

Profit & Loss (\$000's)	H1 FY23	H1 FY22	% Change
Owned sales	746,488	525,208	42.1%
Gross profit	412,402	280,096	
Gross margin (%)	55.2%	53.3%	1.9%
CODB – excl. lease depreciation & interest	(253,827)	(191,833)	
CODB % – excl. lease depreciation & interest	34.0%	36.5%	(2.5%)
CODB %	42.0%	46.7%	(4.7%)
Other income – inc. royalties and franchise fees	11,584	11,282	
EBITDA	170,159	99,545	70.9%
Depreciation on leases	(53,377)	(47,471)	
Depreciation & amortisation	(25,615)	(21,773)	
EBIT	91,167	30,301	200.9%
Net finance costs on lease liabilities	(6,207)	(5,917)	
Net interest (paid) / received	(3,142)	(2,261)	
PBT	81,818	22,123	269.8%
Tax	(23,491)	(7,364)	
Net Profit After Tax	58,327	14,759	295.2%

Operating Highlights

Sales	<ul style="list-style-type: none"> Total company owned sales of \$746 million, up 42.1% on prior year Prior period comparative disrupted due to lockdowns & store closures – over 400 stores closed for approximately 4 months in that period
Gross Margin	<ul style="list-style-type: none"> Prior period Gross Margin % impacted by discounting throughout the half due to requirement to keep inventories right-sized during store closures Gross margin improvement offset by the clearance of inventory in discontinued businesses and the negative impact of AUD-USD rates during October and November
CODB	<ul style="list-style-type: none"> A decrease of 470bps reflecting continued drive for cost efficiency
NPAT	<ul style="list-style-type: none"> NPAT of \$58.3 million



Balance Sheet

\$000's	1 Jan 2023 H1 FY23	26 Jun 2022 FY22	26 Dec 2021 H1 FY22
Trade receivables and prepayments	53,709	55,895	51,099
Inventories	267,372	241,631	230,512
Trade payables and provisions	(188,973)	(159,600)	(172,057)
Net working capital	132,108	137,926	109,554
Intangible assets	380,431	374,741	372,260
Property, plant and equipment	145,568	139,188	144,265
Capital investments	525,999	513,929	516,525
Lease receivable	19,954	20,695	22,821
Right of use asset	312,291	299,884	321,314
Lease liabilities	(449,212)	(431,310)	(452,982)
Lease balances	(116,967)	(110,731)	(108,847)
Net cash/(debt)	(63,559)	(119,282)	(90,287)
Deferred income	(21,027)	(15,682)	(16,509)
Tax and derivatives	18,129	34,066	20,269
Net assets/equity	474,683	440,226	430,705

Commentary

- Inventory has grown in H1 FY23 compared to H1 FY22 due to the addition of 88 new store openings and the growth in the wholesale business
- A net debt decrease of \$27m from 26 December 2021



The Accent business model



Accent Group's mission is to be the market leading, digitally integrated retail and distribution business, in the performance lifestyle market for footwear, apparel and accessories across Australia and New Zealand.



The Accent Business model
Scalable, flexible and defensible

Multi-Brand Retail Banners
Range global third party brands, global distributed brands, and owned vertical brands and products through online and stores

Global Distributed Brands
Dedicated retail stores and online sites, as well as wholesale customer channels

Vertical Apparel Owned Brands
Supports margin growth and product differentiation in multi-brand banners, as well as having dedicated online sites

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