

21 August 2024

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Full Year Results Investor Presentation – Year Ended 30 June 2024

Attached is a copy of the Breville Group Limited Full Year Results Investor Presentation for the year ended 30 June 2024.

The release of this announcement was authorised by the Board.

Yours faithfully



Sasha Kitto and Craig Robinson
Joint Company Secretaries

BRG GROUP

Breville Sage LELIT BARATZA ChefSteps beanz.com

Breville Group Limited

(ASX : BRG)

FULL YEAR RESULTS

FY24 Investor Presentation
21st August 2024



Disclaimer

To the extent this Presentation contains any forward-looking statements, such statements are not guarantees of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of BRG, its Directors and management, and involve elements of subjective judgement and assumptions as to future events which may or may not be correct. Actual performance may differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. The forward-looking statements are based on information available to BRG as at the date of this Presentation. Except as required by law, including the ASX Listing Rules, BRG undertakes no obligation to provide any additional or updated information, whether as a result of new information, future events or results or otherwise.



Acknowledgement of Country

We would like to acknowledge the traditional custodians on whose land we meet today. We would like to pay respect to their Elders: past and present; and further extend that respect to all Aboriginal and Torres Strait Islanders present here today.

We celebrate the continuing contribution of their food culture, connection to, and custodianship of, this country.

Group Summary Result

Solid year with EBIT slightly above top end of guidance and a marked sales strengthening in 2H24

Commentary

- Record sales year in the face of subdued consumer backdrop
- Material 2H24 strengthening in sales growth, led by double-digit sales growth in Americas, EMEA and Coffee
- Gross Profit growth of 7.7% driving an 8.0% EBIT growth
- EBIT delivered at top end of guidance
- NPAT growth of 7.5% reflects reduced interest cost offset by change in the effective tax rate
- Fully franked dividend of 33.0 cents per share, an increase of 8.2%
- Net Cash position of \$53.6m, and strong cash inflow of \$174.9m in FY24, substantially delivered by forecasted inventory reduction

AUDm	FY24	FY23	% Chng
Revenue	1,530.0	1,478.6	3.5%
Gross Profit	556.9	516.9	7.7%
Gross Margin (%)	36.4%	35.0%	
EBITDA	245.5	218.2	12.5%
EBIT	185.7	172.0	8.0%
EBIT Margin (%)	12.1%	11.6%	
NPAT	118.5	110.2	7.5%
Basic EPS (cents)	82.7	77.2	7.1%
Dividend per share (cents)	33.0	30.5	8.2%
Franked (%)	100%	100%	
ROE¹ (%)	14.6%	15.9%	
Net cash / (debt)	53.6	(121.3)	

¹ ROE is calculated based on NPAT for the 12 months ended 30 June 2024 (FY23: 12 months ended 30 June 2023) divided by the average of shareholders' equity in June each year and 12 months earlier.

Segment Results

Global Product segment accelerating, both segments delivered Gross Profit gains

AUDm	Revenue			Gross Profit			Gross Margin	
	FY24	FY23	% Chng	FY24	FY23	% Chng	FY24	FY23
Global Product	1,336.0	1,279.2	4.4%	503.0	470.5	6.9%	37.7%	36.8%
% Change CC ¹			2.0%					
Distribution	194.0	199.3	(2.7)%	53.9	46.4	16.1%	27.8%	23.3%
TOTAL	1,530.0	1,478.6	3.5%	556.9	516.9	7.7%	36.4%	35.0%

¹CC: constant currency

Commentary

- Global Product sales growth of 4.4% lifted by materially higher 2H24 growth of 8.7% (7.1% cc¹)
- Coffee category delivered double-digit growth while Cooking and Food Prep showed improvement in the 2H with a slowing rate of decline
- New geographies continued to outperform, as did DTC (direct to consumer) channel
- Overall Group grew Gross Profit strongly by 7.7%
- Distribution fulfilled its role by growing Gross Profit by 16.1%, the clear priority for this segment



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Global Product Segment by Theatre

Americas and EMEA leading recovery in 2H24 revenue growth

AUDm	GLOBAL PRODUCT SEGMENT REVENUE				1H24 CC ¹	2H24 CC ¹
	FY24	FY23	% Chng	% Chng CC ¹		
Americas	735.5	701.2	4.9%	2.9%	(2.2)%	12.0%
EMEA	325.2	285.8	13.8%	8.5%	5.5%	12.3%
APAC	275.4	292.2	(5.8)%	(6.4)%	(5.7)%	(7.1)%
TOTAL	1,336.0	1,279.2	4.4%	2.0%	(1.3)%	7.1%

¹CC: constant currency

Commentary

- 7.1% constant currency revenue growth in 2H24 with two out of three Theatres in double-digit growth
- Strength of a geographically diverse portfolio with consumers resetting at different rates
- Good momentum leading into FY25

Americas

- 2H24 step up in growth with all categories improving their growth rates
- NPD (new product development) performing well, and Coffee in double-digit growth
- Positive growth in Food Preparation in 2H24 boosted by NPD



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EMEA

- Double-digit growth performance in direct countries across FY24; distributor countries improved in 2H24
- NPD continued to perform well, and DTC channel continued its growth trajectory

APAC

- Good signs of recovery in direct countries, with Australia, New Zealand and Korea, delivering positive 2H24 growth in Coffee
- South Korea delivered its first milestone: in the 2H24 South Korea's Gross Profit was larger than New Zealand's
- A decline in APAC distributor markets reduced overall reported 2H24 growth level



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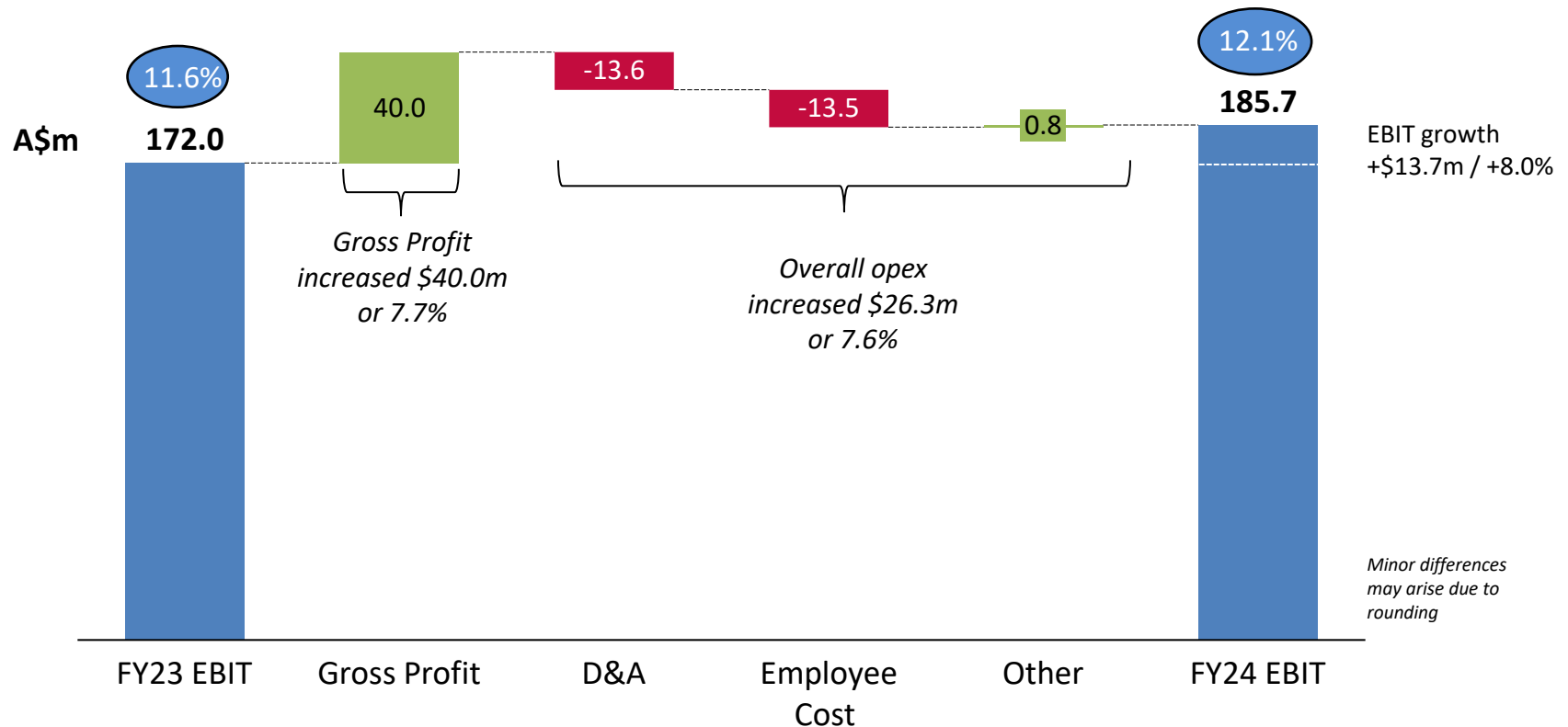
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Opex aligned to Gross Profit trajectory at 7.6%

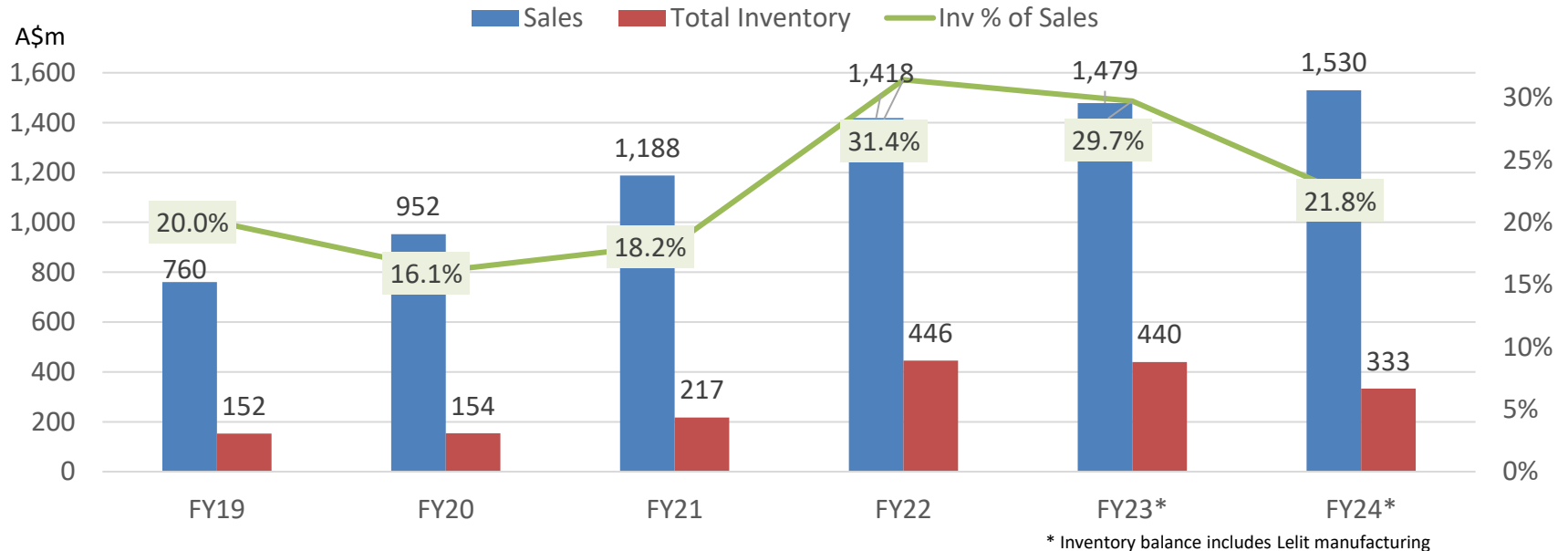


Commentary

- As planned, D&A increased following the accelerated launch of new products and solutions in recent periods and the ongoing strategic investment in R&D, technology services and solutions
- Employee cost increase of \$13.5m is driven by recovery in STI to 100% (pcp 58%) and general wage inflation. Headcount remained stable
- Spend in investment functions of marketing, R&D, technology services and solutions increased to 14.0% of sales (pcp 13.1%)

Inventory through the Covid cycle

Back to equilibrium



GM %	35.7%	33.7%	34.8%	34.3%	35.0%	36.4%
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Commentary

- Overall inventory back to equilibrium at 21.8% of sales at end of FY24 and \$107m lower than at end of FY23
- Inventory was depleted in early Covid years due to strong demand. Operationally inefficient and elevated transportation costs
- Inventory was successfully built as a hedge against supply chain disruptions during FY22 and 1H23
- Hedge was unwound in 2H23 and FY24 through constrained purchases, not clearance sales, with improved Gross Margin

Financial Position at 30 June

Balance sheet strengthened with seasonal return to net cash position

AUDm ¹	June 24	June 23
Inventory	332.8	439.6
Receivables	282.0	276.8
Trade and other payables	(273.2)	(261.3)
WORKING CAPITAL	341.6	455.1
PPE	62.9	53.8
Development costs & software	86.3	71.8
Goodwill and Brands	324.0	327.2
Other (liabilities) / assets	(20.2)	(16.9)
NET ASSETS EMPLOYED	794.6	891.0
Net (cash) / debt	(53.6)	121.3
Shareholders' equity	848.2	769.7
CAPITAL EMPLOYED	794.6	891.0

ROE%²	14.6%	15.9%
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Commentary

- Inventory levels successfully reduced by \$106.8m, or 24.3%, whilst Gross Margin increased
- Overall working capital decreased by \$113.5m or 24.9%
- Normal seasonal reduction in receivables, with days outstanding consistent with prior periods
- In line with strategy, a steady increase in capitalised development costs and software, with related amortisation step up, is led by a healthy pipeline of NPD
- PPE investment led by tooling for new products, in-store fit outs, manufacturing equipment and facilities
- Very strong cash movement returning Group to a Net Cash position, as forecast
- Unused debt facilities of \$190.8m, and cash of \$137.8m, provides flexibility for seasonal working capital build and expansion

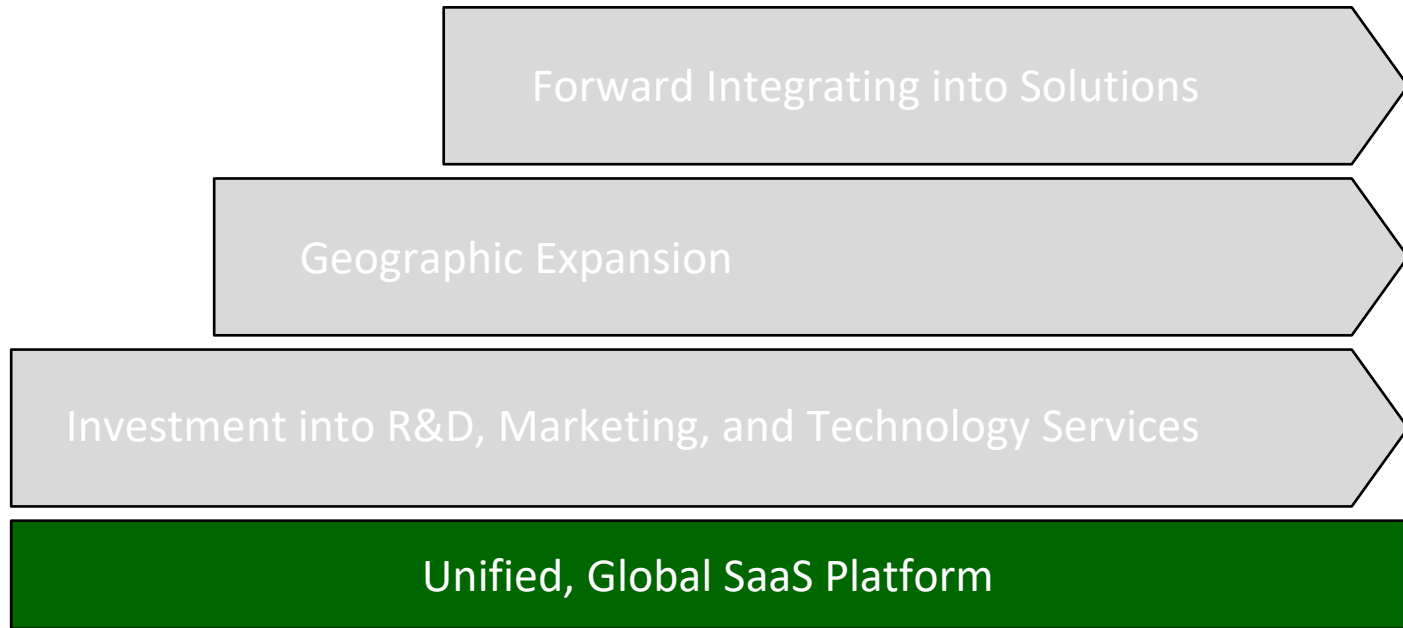
¹ Minor differences may arise due to rounding

² ROE is calculated based on NPAT for the 12 months ended 30 June 2024 (FY23: 12 months ended 30 June 2023) divided by the average of shareholders' equity in June each year and 12 months earlier.

Key Points FY24

- EBIT slightly above the top end of guidance driven by solid Gross Profit gains and well controlled Opex
- Revenues, Gross Profit and EBIT have all increased every year since FY15
- Another record year with sales of over A\$1.5bn - more than doubling over the last 5 years
- 2H24 sales growth shows marked strengthening over 1H24 with double-digit growth in Americas, EMEA and the Coffee category
- Forecasted inventory and net debt reduction fully delivered whilst Gross Margin improved
- Net Cash position at June 2024, with FY24 cash inflow of \$174.9m
- Strategy of increasing investment in R&D, marketing, technology services, solutions and geographic expansion, whilst delivering EBIT progression, remains unchanged

Reinforcing Growth Vectors



Multi-Brand B2B Portal

BRG GROUP

Enter keyword or SKU number

HOME SHOP BY BRAND SHOP BY CATEGORY

Welcome Partners

A new buying experience for select retail partners

Let's go! Help

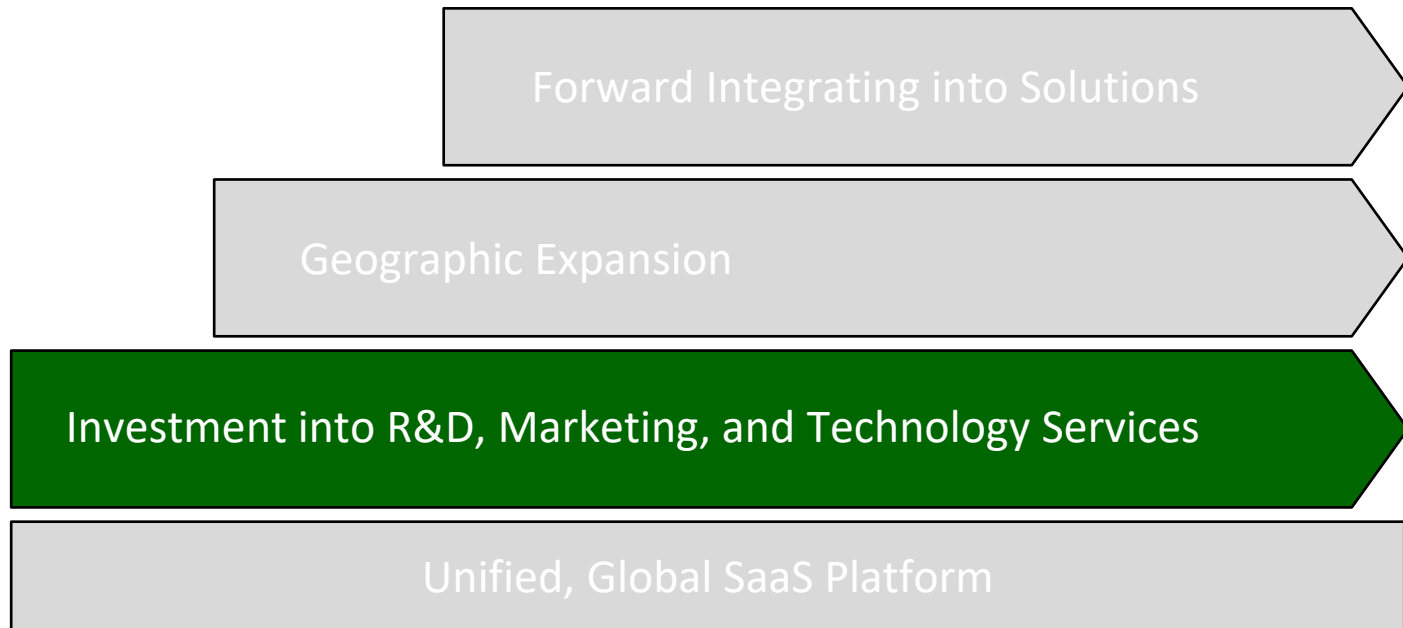
My Recent Orders

Order Summary Number	Ordered Date	Customer Reference	Status
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Multi-Brand B2B Portal (Breville, Baratza and Lelit) is now live in the US, the UK, the EU, and AU.



Reinforcing Growth Vectors



The Oracle[®] Jet

The Benchmark Redefined

The new standard in
performance,
automation & speed.

Powered by ThermoJet[®].



the Infizz™ Range

Sparkle Anything



New Food Processor Range

Breville⁺



The Paradise™ 16



The Kitchen Wizz® 16

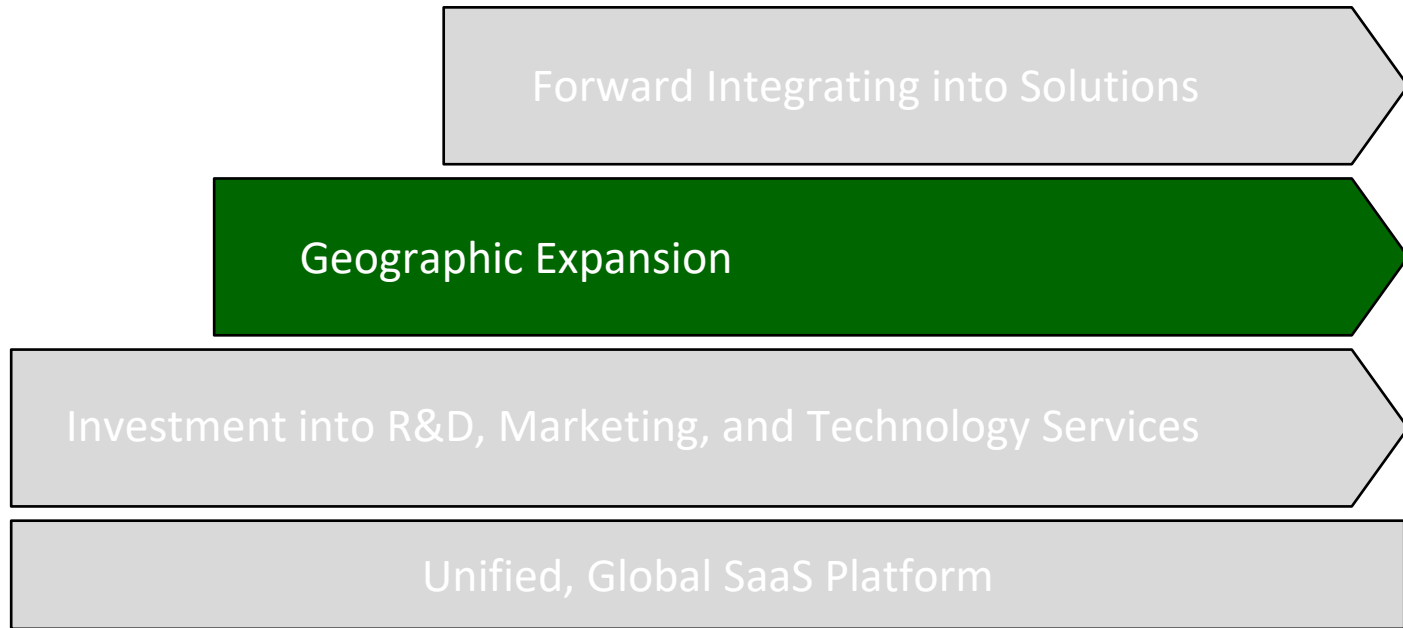


The Paradise™ 9



The Kitchen Wizz® 9

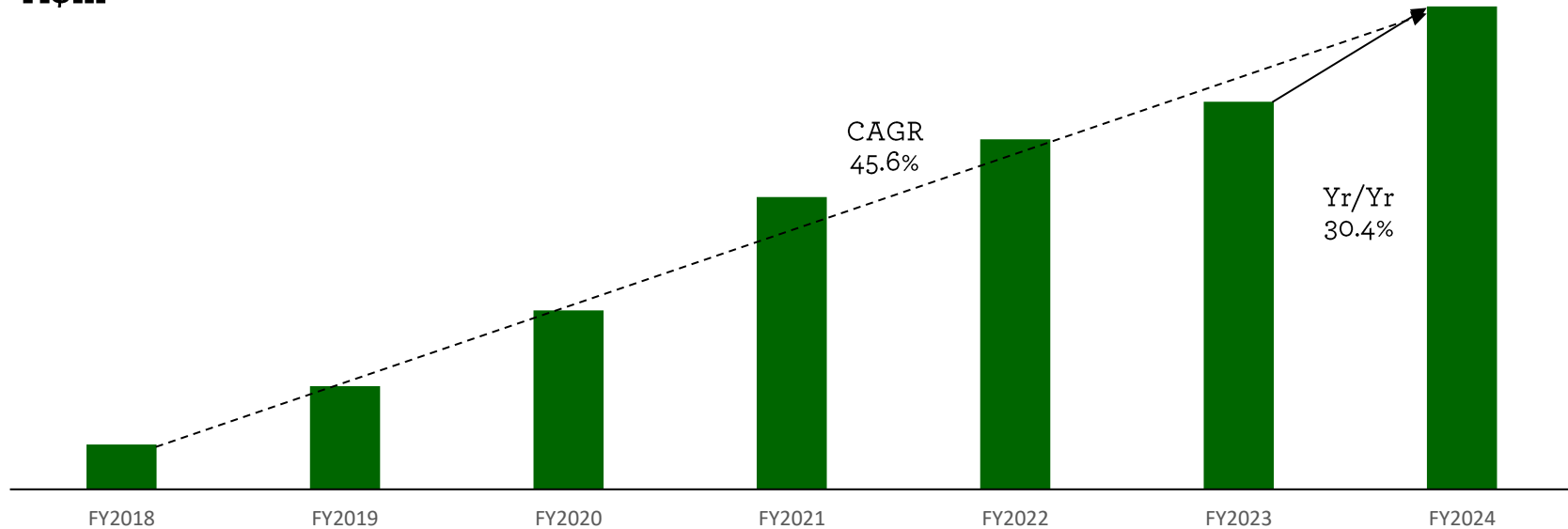
Reinforcing Growth Vectors



Breville|Sage Globalisation Performing Well

BREVILLE|SAGE SALES PERFORMANCE IN ALL NEW, FY18+ DIRECT MARKETS*

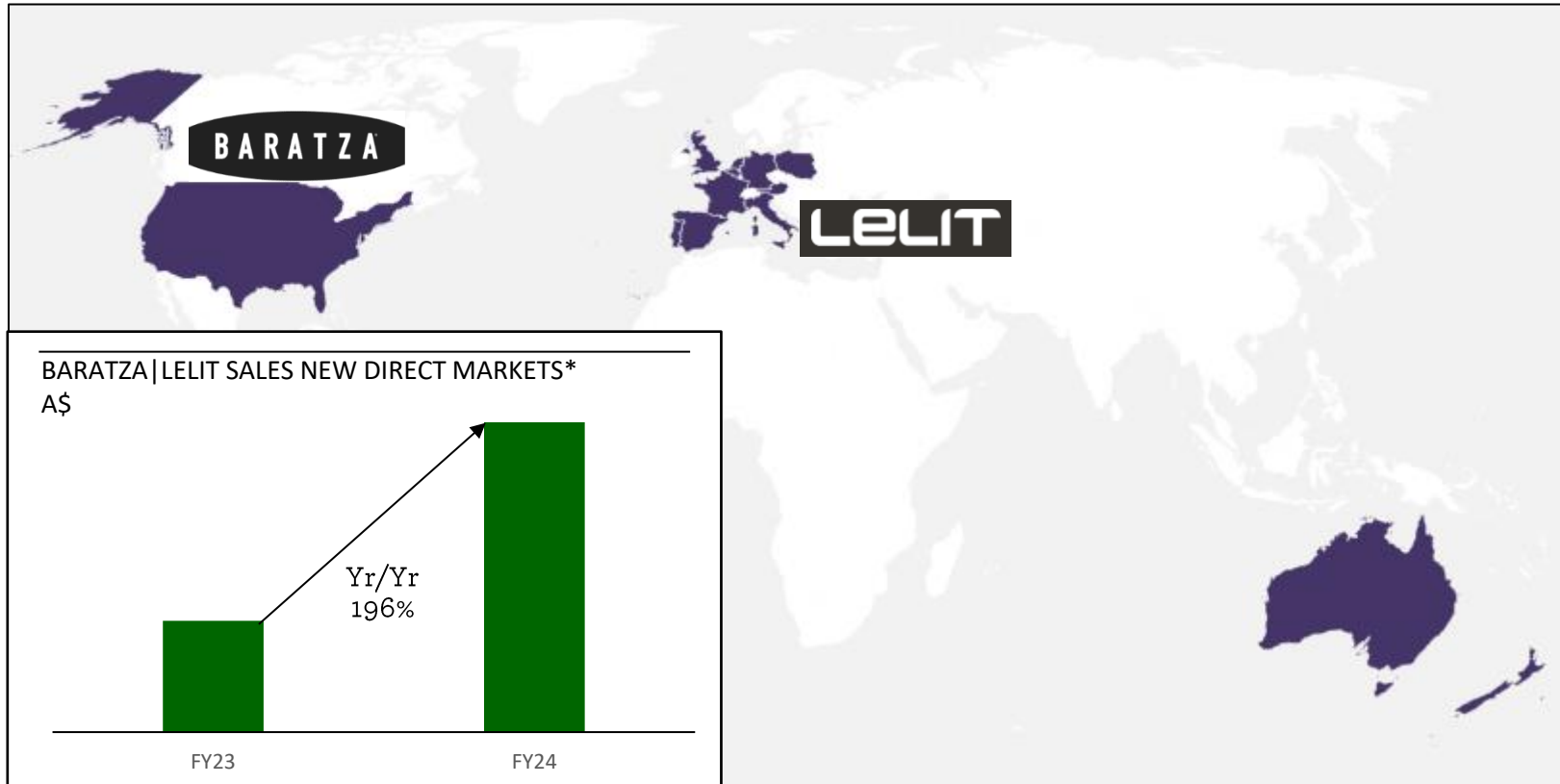
A\$m



As expected, the new Breville|Sage direct markets continue to outperform BRG as a whole.

* Aggregate sales includes Germany, Austria, Switzerland, Netherlands, Belgium, Luxembourg, Spain, France, Italy, Portugal, Poland, Mexico and South Korea.

Baratza & Lelit Globalisation Phase I



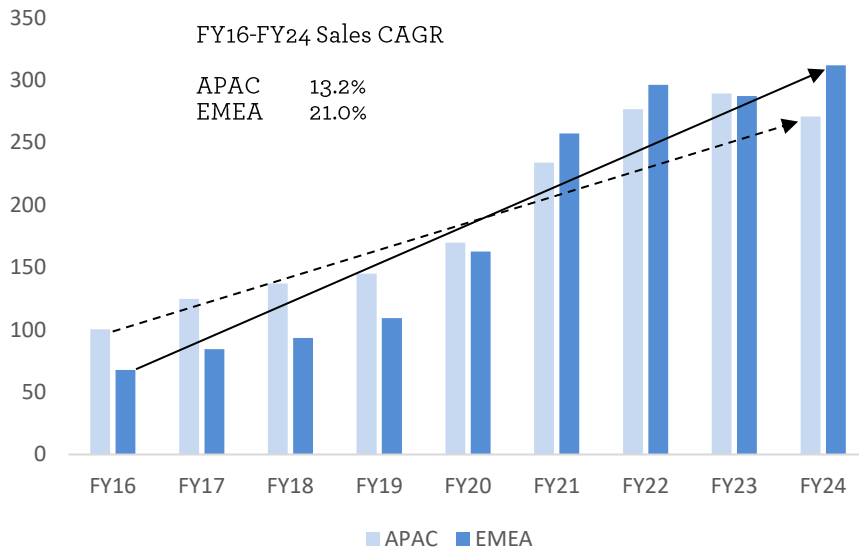
- Both brands now direct in the US, UK, Europe and Australia
- B2B Portal live in all direct countries, facilitating automation and dropship for smaller customers
- Selective entry into Breville|Sage channel

* Aggregate sales for Baratza includes Europe, the UK and Australia; for Lelit the new direct markets are the UK, Australia and the United States.

Global Segment FY24 Milestones

APAC vs. EMEA, Sales

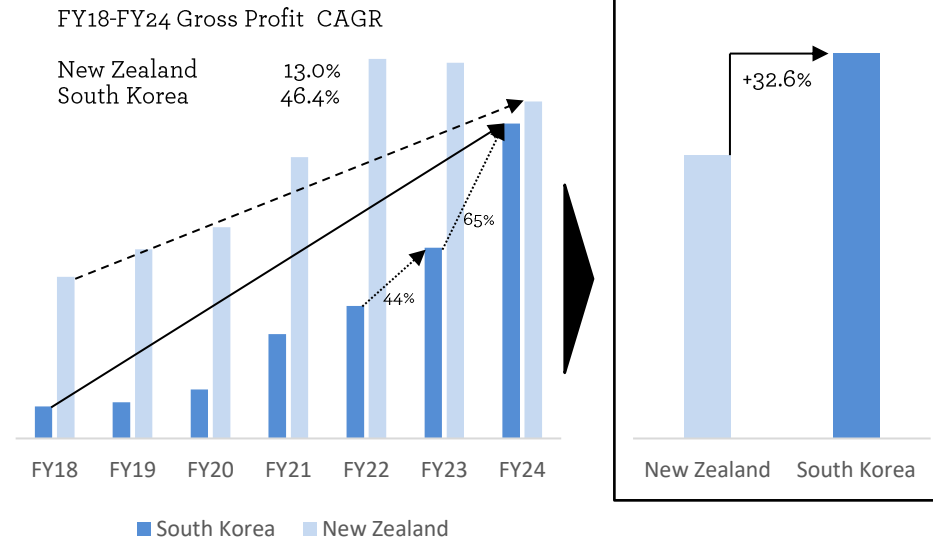
A\$ Constant Currency



The Global Segment in the EMEA Theatre is now comfortably larger than the APAC Theatre

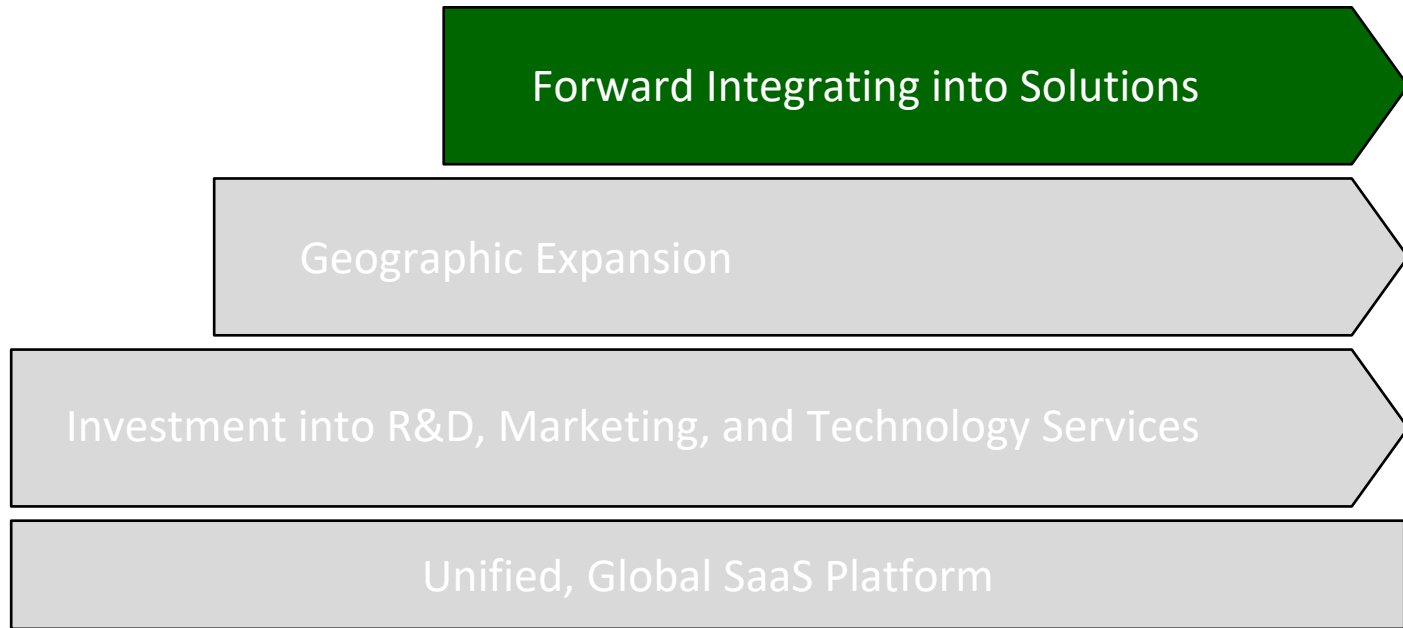
South Korea vs. New Zealand Gross Profit

A\$ Constant Currency



In the 2H of FY24, South Korea passed New Zealand in Gross Profit dollars delivered by the Global Segment

Reinforcing Growth Vectors



Breville+ – An Expanding Service



Food Processors Launched with the “Instruction Book”



40m · 30m
Essential Caesar Dressing



10m
Essential Mayonnaise



15m
Essential Basil Pesto



10m
Essential Guacamole



3h · 30m
Essential Yogurt Flat Bread



30m · 20m
Essential Hash Brown



1h · 15m
Essential Bolognese Sauce



2h 15m · 15m
Essential Pizza Dough



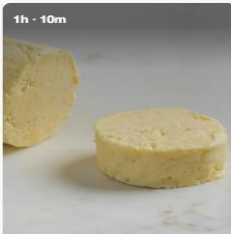
45m · 20m
Essential Baba Ghanoush



20m · 10m
Essential Coleslaw



2h 45m · 20m
Essential Soft Dinner Rolls



1h · 10m
Essential Horseradish Butter



4h · 30m
Essential Rough Puff Pastry



4h 45m · 15m
Essential Pie Crust



1h · 15m
Essential Herb and Garlic Butter



1h · 10m
Essential Blue Cheese Butter



1h 30m · 30m
Essential Red Wine Butter



1h · 15m
Essential Café de Paris Butter



15m · 1h
Essential Chili, Lime and Garlic Butter

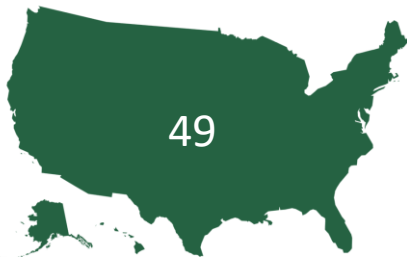


*Beanz is now live
in Germany*

Craft Roasters. Specialty Coffee.
Delivered Fresh.

Take our quiz to find your match

Number of Roaster Partners



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Sage

LELIT

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