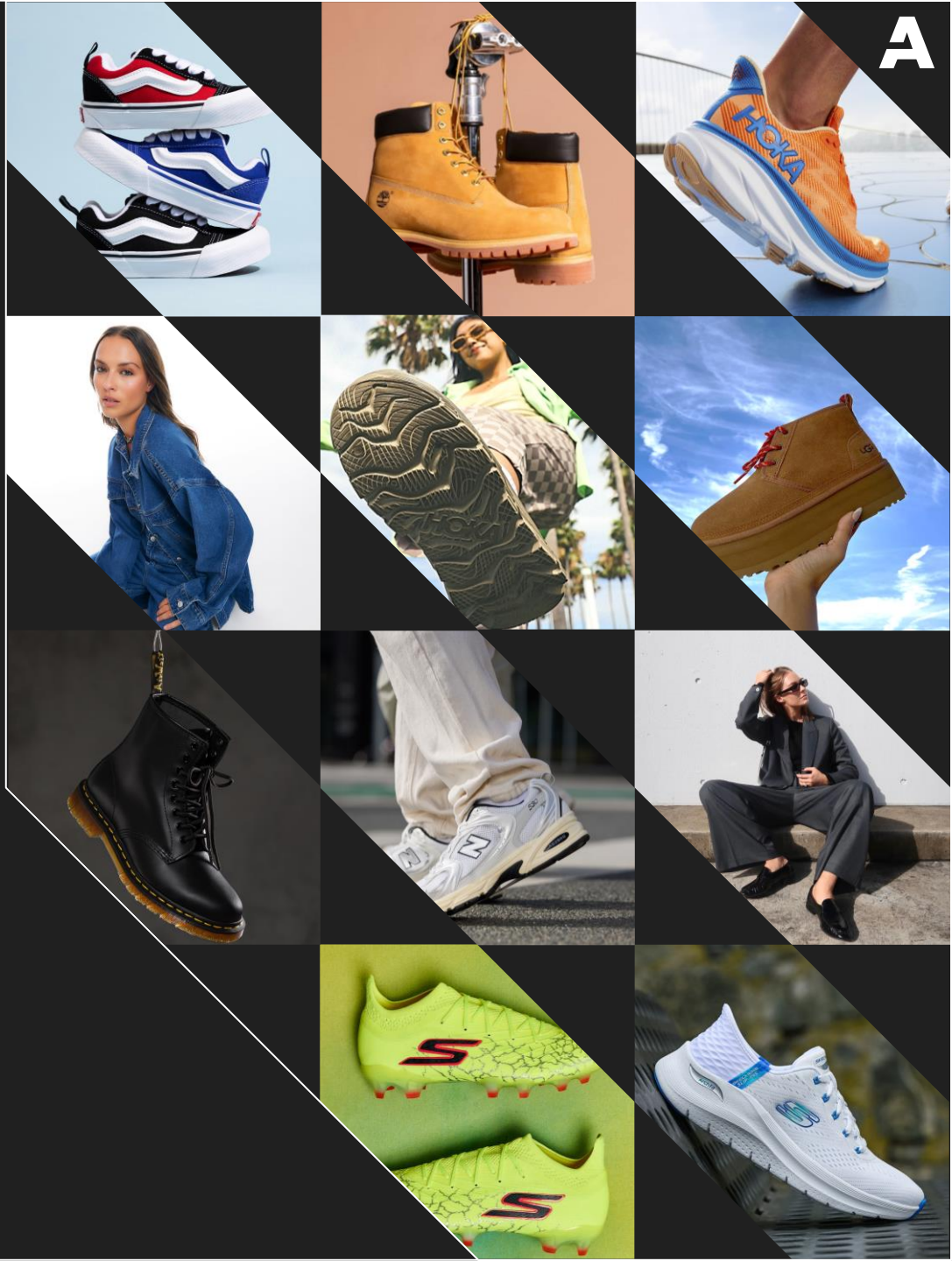


# Accent Group

## FY2024 Results

Year ended 30 June 2024



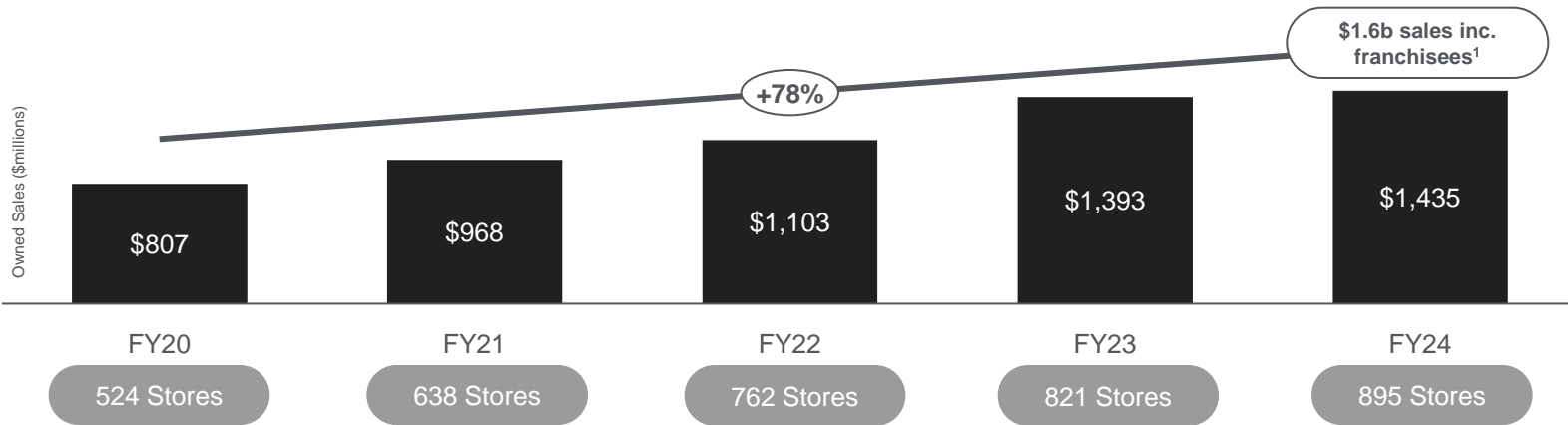
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# The Accent growth journey



Demonstrated track record of retail sales growth driven by store rollout and new banners



Expansion of omni-channel capabilities and contactable customer database

- ✓ Click and dispatch
- ✓ Endless aisle
- ✓ Same day delivery



17 websites  
4.8m contactable customers

>9m CUSTOMERS



32 websites  
10.2m contactable customers

Growth in existing and new distributed brands



14 distribution agreements

Apparel and vertical sales growth strategy



2% of sales



NUDELUCY



STYLERUNNER  
THE LABEL

LULU AND ROSE  
ARTICLE ONE

7% of sales

ODE



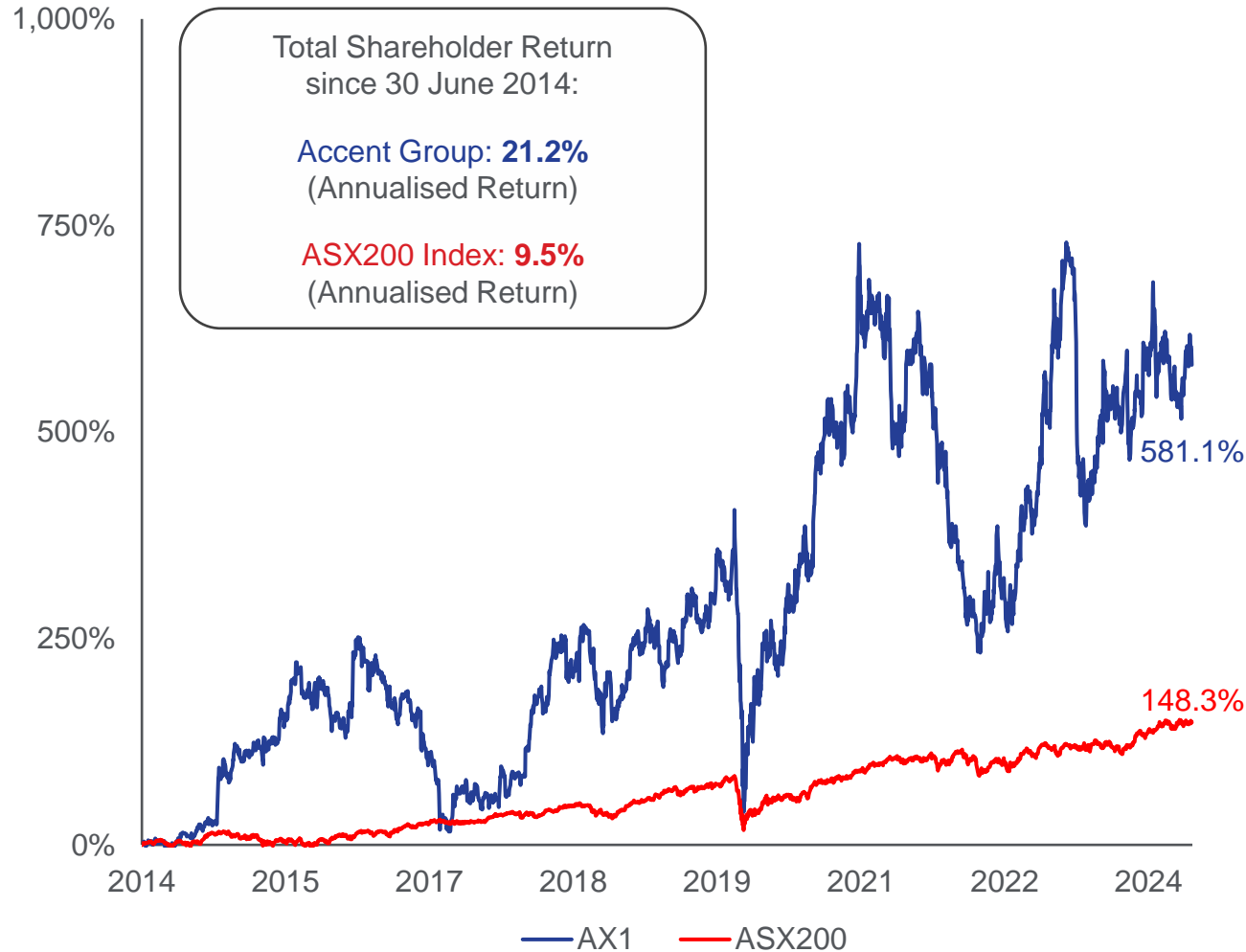
c.9% of sales

1. Includes stores and digital sites, non-IFRS measure

# Value creation and investor value proposition



Total Shareholder Return<sup>(1)</sup> comparison of Accent and the ASX200  
(30 June 2014 to 28 June 2024)



**Accent Group has a unique value and investor proposition in the ANZ market, characterised by:**

- Significant scale in the ANZ performance and lifestyle footwear market with 895 direct to consumer stores (including owned stores, franchise stores and websites) and 1,200 wholesale customers with more than 2,000 consumer direct points of sale
- Access to 10.2 million customers across digital, retail and wholesale channels
- Exclusive brand distribution agreements across 14 global brands
- A growing portfolio of owned vertical brands in apparel, footwear and accessories
- Best in class omnichannel operational capabilities

Source: Bloomberg.

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



## Total Sales (inc Franchises)

**\$1.61 billion<sup>1</sup>**

+2.7% on FY23



## Vertical Owned Brand Sales

**>\$125 million**

c.9% of total sales

## New Stores

**93**

new stores opened during FY24 across Australia and New Zealand

## NUDELUCY

**36**

stores now open representing a fast-growing world class lifestyle apparel brand

## PLATYPUS

**26**

new stores opened across Australia and New Zealand

## SKECHERS

**23**

new stores opened across Australia and New Zealand



## Customers & Loyalty

**10.2 million**

Contactable customers  
400,000 increase since June 23



1. Financial results for the 52 weeks ended 30 June 2024, are presented on a statutory post AASB 16 basis unless otherwise noted. Prior year comparisons are presented on the same basis for the 53 weeks ended 2 July 2023.





## Key Metrics

\$'000's	FY24 52 Weeks	FY23 <sup>1</sup> 53 Weeks	% Change
Group Sales (inc. Franchisees)	1,608,100	1,566,141	2.7%
EBITDA	293,687	298,221	(1.5%)
EBIT	110,394 <sup>2</sup>	138,788	(20.5%)
PBT	84,416	119,616	(29.4%)
NPAT	59,530	88,653	(32.9%)
Net debt	(122,202)	(119,582)	
Full Year Dividend	13.00 cents	17.50 cents	

1. Financial results for the 52 weeks ended 30 June 2024, are presented on a statutory post AASB 16 basis unless otherwise noted. Prior year comparisons are presented on the same basis for the 53 weeks ended 2 July 2023.

2. Included in the **\$110.4 million EBIT**, is a non-recurring charge of **\$17.3m** relating to store transition costs and carrying value provisions in underperforming Glue stores. The \$17.3m comprises of: **\$14.1m** impairment provision charge attributable to PPE/ROU assets; **\$0.6m** PPE write-off in relation to stores already transitioned in FY24; and **\$2.6m** provision for write-down of inventories to net realisable value.

# FY24 summary of financial performance



## Financial Summary FY24 vs FY23<sup>1</sup>

Profit & Loss (\$000's)	FY24	FY23	% Change
Owned sales	1,434,898	1,393,257	3.0%
Gross profit	800,144	768,842	
Gross margin (%)	55.8%	55.2%	58bps
CODB – excl. lease depreciation & interest	(525,911)	(498,052)	
CODB % – excl. lease depreciation & interest	36.7%	35.7%	90bps
CODB %	45.9%	44.5%	138bps
Other income – inc. royalties and franchise fees	19,454	27,431	
<b>EBITDA</b>	<b>293,687</b>	<b>298,221</b>	(1.5%)
Depreciation on leases	(115,200)	(107,893)	
Depreciation & amortisation	(68,093)	(51,540)	
<b>EBIT</b>	<b>110,394</b>	<b>138,788</b>	(20.5%)
Net finance costs on lease liabilities	(16,798)	(13,702)	
Net interest (paid) / received	(9,180)	(5,470)	
<b>PBT</b>	<b>84,416</b>	<b>119,616</b>	(29.4%)
Tax	(24,886)	(30,963)	
<b>Net Profit After Tax</b>	<b>59,530</b>	<b>88,653</b>	(32.9%)

## Operating Commentary

<b>Sales</b>	<ul style="list-style-type: none"> <li>Total owned sales of \$1.43 billion up 3.0% to prior year (Owned Retail up 6.3%, Wholesale down 16.9%).</li> <li>Like for Like (LFL) retail sales for the year of 1.7% (H2: 4.1%).</li> </ul>
<b>Gross Margin</b>	<ul style="list-style-type: none"> <li>Gross margin of 55.8% up 58 basis points.</li> <li>Reflecting a higher retail sales mix, effective inventory management and the continued strategy to drive our distributed and vertical brands.</li> </ul>
<b>CODB</b>	<ul style="list-style-type: none"> <li>CODB % of 45.9% was 138 basis points above the prior year, Cost inflation in store rents and team costs along with lower LFL sales impacted CODB. YoY CODB% performance improved in H2 due to strengthening LFL sales and the impact of a range of ongoing cost efficiency initiatives across lease renewals, support office team costs, distribution and other store costs</li> </ul>
<b>NPAT</b>	<ul style="list-style-type: none"> <li>NPAT of \$59.5 million</li> </ul>



1. Financial results for the 52 weeks ended 30 June 2024, are presented on a statutory post AASB 16 basis unless otherwise noted. Prior year comparisons are presented on the same basis for the 53 weeks ended 2 July 2023.

# Operating Review

**Accent**  
Group







## Retail

- Retail sales of \$1.27 billion, up 6.3% on FY23
- 93 new stores added to the Accent Group network in FY24
- Strong retail performance across Skechers, Hype, TAF, Stylerunner, Nude Lucy and others
- 36 Nude Lucy stores now open with consistently growing results YoY

## Wholesale

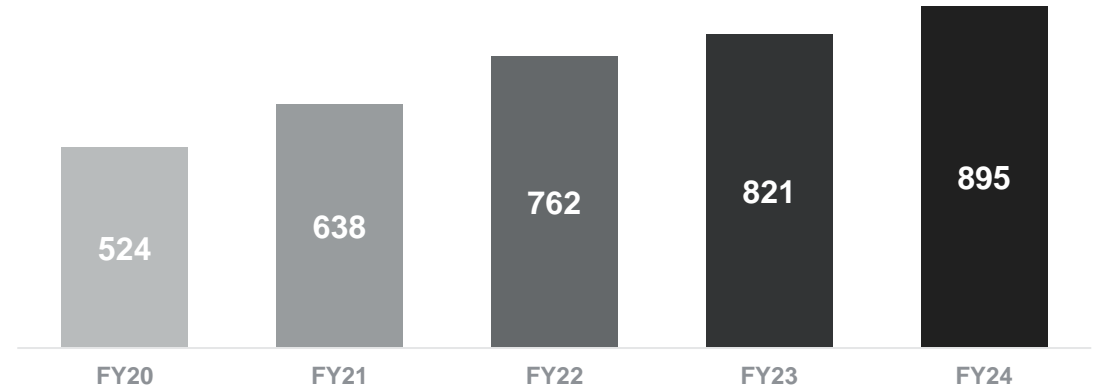
- Wholesale sales of \$164 million, down 16.9% on FY23

## Vertical Owned Brands

- Strong continued double-digit growth in Vertical Owned sales
- Sales of over \$125 million, representing c.9% of total owned sales

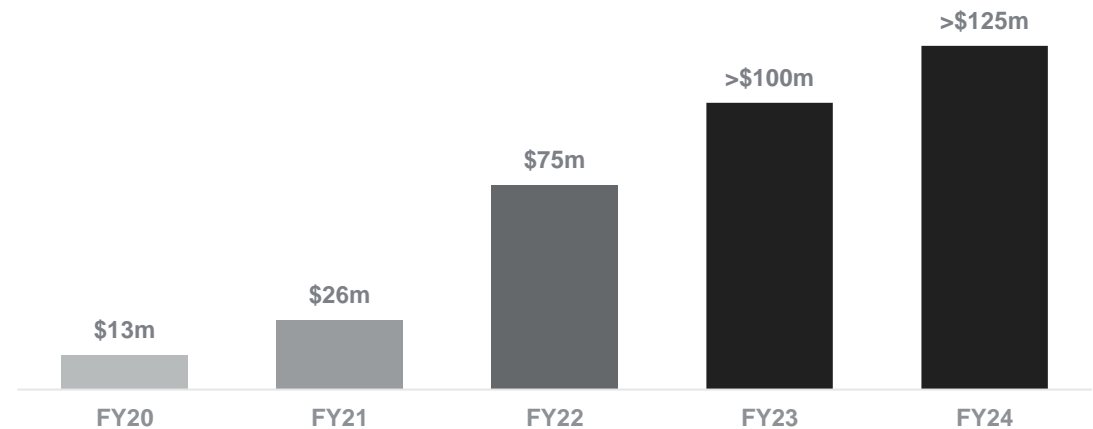


## Store Network<sup>1</sup>



1. Includes store closures and websites. For a breakdown by banner refer to page 11

## Vertical Owned Brands Sales (\$ Millions)



## Accent Group Contactable Customers (Millions)



- Contactable customers continues to grow to **10.2 million**.
- Loyalty program membership of **8.1 million** across TAF, Skechers, Platypus, Hype DC, Glue Store and Merrell.
- In November '23 the company launched an exclusive loyalty partnership with Qantas where customers can earn and spend Qantas points across Accents banners.
- The average spend on the Qantas linked transactions to date is significantly higher than the Accent average.





## Stores

- ✓ The continued roll-out of new stores, with significant further store roll-out opportunity in both its core banners and new businesses over the next 5 years.
- ✓ **At least 50 new stores are planned to open in FY25.**



## Gross Margin

- ✓ **Improved underlying gross margin** from continued growth in the Company's "moat" brands, being its distributed and vertical owned brands.



## Nude Lucy

- ✓ **Growth in Nude Lucy** from the continuing roll-out of new stores and online growth. Nude Lucy now has 36 stores (including online), with additional stores planned to open in FY25.
- ✓ The Company has launched a US online store for Nude Lucy to test customer demand for the brand.



## Stylerunner

- ✓ **Growth in Stylerunner** which was profitable in FY24. 28 stores (including online) now trading with around 10 stores planned to open in FY25.



## The Athlete's Foot (TAF)

- ✓ **Continued profit growth in TAF** from profit margin expansion, and franchise stores continuing to be re-acquired (current network of 99 corporate stores inclusive of online stores and 60 franchise stores as at 30 June 2024).
- ✓ FY24 franchise store sales of \$170m up 0.2% on FY23.



# Dividends and trading update

**Accent**  
Group





## Dividends

- Accent Group has announced a final dividend for FY24 of **4.5 cents** per share, fully franked, payable on **26 September 2024** to shareholders registered on **12 September 2024**.
- Accent Group continues to be defined by strong cash conversion and the consistent strong returns it delivers on shareholders' funds.

## Trading Update

- Total sales for the first 7 weeks of FY25 are up 8.7% to last year.
- LFL retail sales for the first 7 weeks of FY25 are up 3.5% on the prior year.

## Outlook

- The Accent team is focused on executing our plan for FY25, including strong new product, opening at least 50 new stores, growth from our existing and new distributed brands and a continued drive on cost efficiency and gross margin improvement.



**Appendix**

**Accent  
Group**



# Store network and distribution agreements



## Store Network

### Store Network Jun-24

Store Network <sup>1</sup>	Platypus	Skechers	TAF	Distributed Brands	Hype, Subtype Trybe	Glue, Nude Lucy, Stylerunner	Other Brands	Discontinued	Total
<b>Stores as at FY23</b>	<b>188</b>	<b>171</b>	<b>155</b>	<b>104</b>	<b>112</b>	<b>82</b>	<b>8</b>	<b>1</b>	<b>821</b>
<b>FY24</b>									
Stores Opened	26	23	7	14	1	22	0	0	93
Stores Closed	(1)	(2)	(3)	(3)	(2)	(5)	(2)	(1)	(19)
<b>Stores as at end of FY24</b>	<b>213</b>	<b>192</b>	<b>159</b>	<b>115</b>	<b>111</b>	<b>99</b>	<b>6</b>	<b>0</b>	<b>895</b>

1. Includes websites (32) and franchises (60)

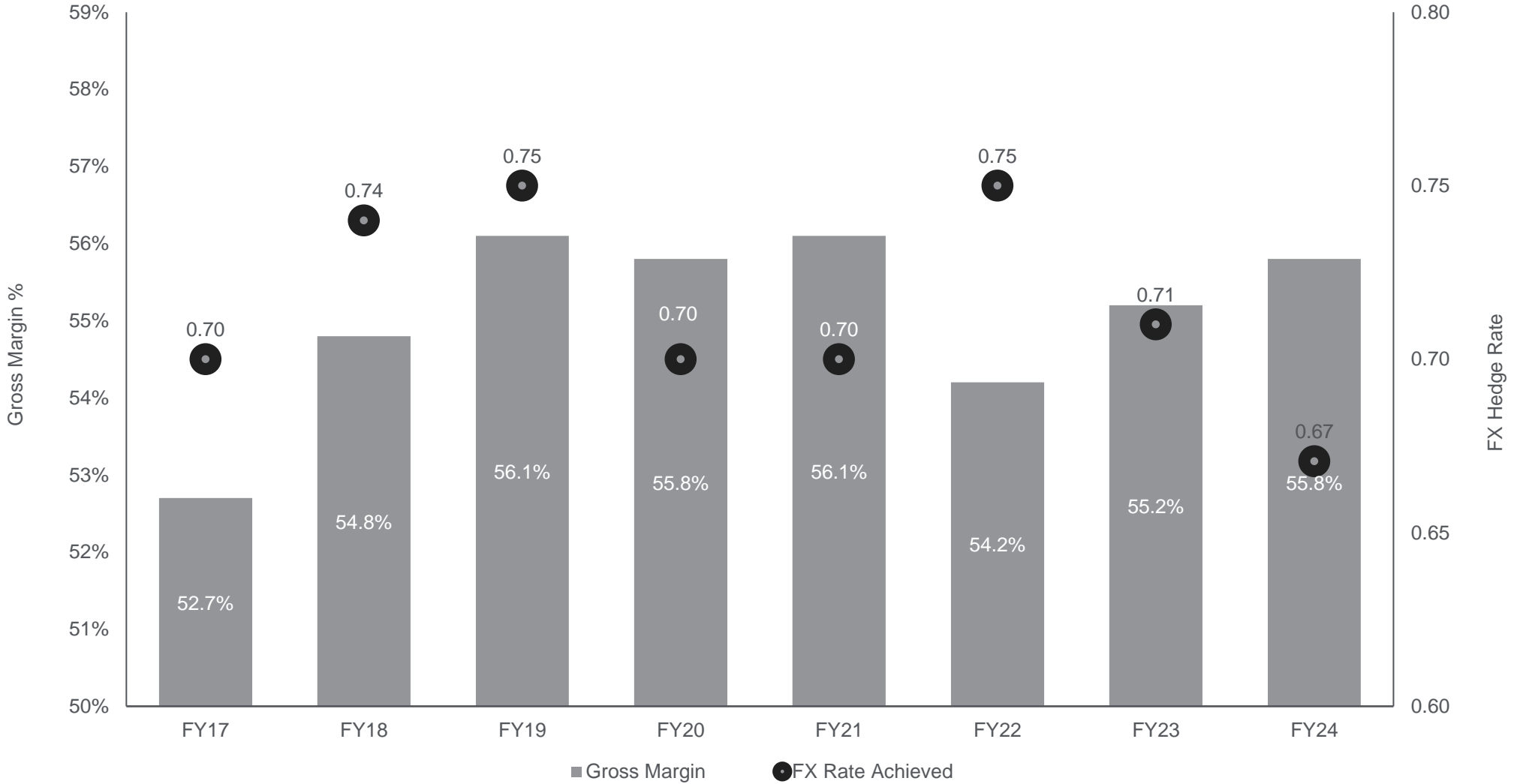
## Distribution Agreements

Total Distribution Agreements: 14





## Statutory Gross Margin % and FX Rate Overview



## Balance Sheet

\$000's	30 Jun 2024 FY24	31 Dec 2023 H1 FY24	2 Jul 2023 FY23
Trade receivables and prepayments	43,158	48,339	40,433
Inventories	264,844	256,640	239,606
Trade payables and provisions	(173,685)	(161,316)	(135,469)
<b>Net working capital</b>	<b>134,317</b>	<b>143,663</b>	<b>144,570</b>
Intangible assets	384,014	383,136	382,191
Property, plant and equipment	121,403	138,999	140,527
<b>Capital investments</b>	<b>505,417</b>	<b>522,135</b>	<b>522,718</b>
Lease receivable	15,943	18,368	19,555
Right of use asset	265,413	304,570	281,393
Lease liabilities	(391,950)	(436,957)	(408,976)
<b>Lease balances</b>	<b>(110,594)</b>	<b>(114,019)</b>	<b>(108,028)</b>
Net cash/(debt)	(122,202)	(91,391)	(119,582)
Deferred income	(12,939)	(17,215)	(19,567)
Tax and derivatives	24,806	9,391	21,101
<b>Net assets/equity</b>	<b>418,805</b>	<b>452,564</b>	<b>441,212</b>

## Commentary

- Inventory has increased since FY23 on the back of an increased store footprint (+93) offset by continued improvements in inventory management.



# 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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Platypus Store -  
Chadstone,  
Victoria, 3145



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**FY2024 Results**  
Year ended 30 June 2024