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COMPANY ANNOUNCEMENT

6 May 2021

Macquarie Conference Presentation

Please see attached the Presentation to today's Macquarie Conference as authorised by the Group CEO, Richard Murray.

Doug Smith
Company Secretary

JB Hi-Fi Limited

2021 Macquarie Australia Conference



Agenda

1. The Group Model
2. Generating sustainable long-term growth
3. JB HI-FI Focus Areas update
4. The Good Guys Focus Areas update
5. Group Focus Areas update
6. Group Q3 FY21 Trading
7. Group CEO Transition
8. Investment checklist

1.

The Group Model

The Group Model

Two iconic Australian retail brands

JB HI-FI

THE GOOD GUYS®

Product offering

Leading retailer of **technology** and consumer electronics

Leading retailer of **home appliances** and consumer electronics

Target customer base / demographic

Strong position with a **young tech-savvy** demographic

Strong position with **home-making families** and Gen X demographics

Value proposition

Best **brands**, big **range**, low **prices**

Customer focus

Exceptional customer service provided by **passionate, knowledgeable team members**

Multi-channel

In-store, online, phone, commercial

leveraging a **Group support function** and underpinned by **5 unique competitive advantages**

1

Scale

2

Low cost
operating model

3

Quality store
locations

4

Supplier
partnerships

5

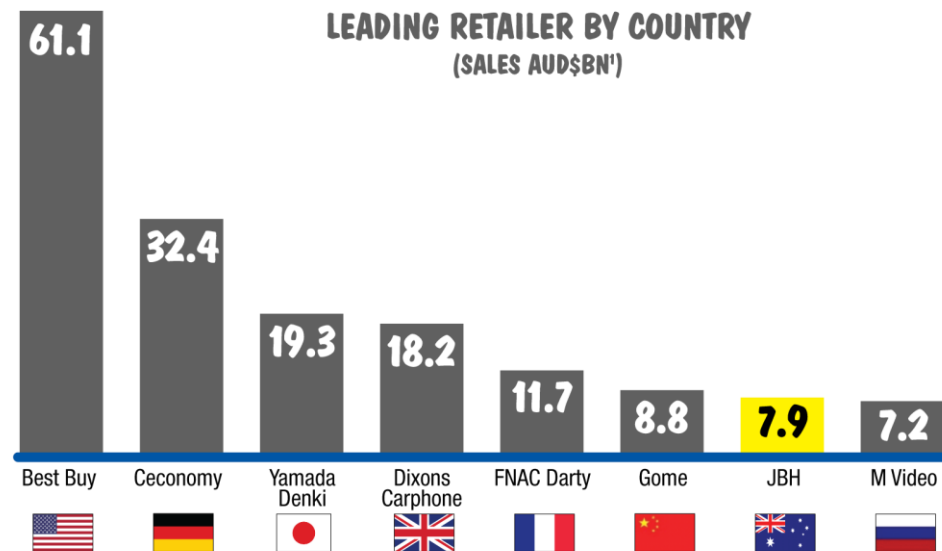
Multichannel
capability

The Group Model

1

Scale

Consistent with international experience, consolidation results in a clear leader in each key market. The benefits of scale lead to:



¹Source: Sales as reported each companies' most recent full year result translated to AUD.

The Group Model

2

Low Cost Operating Model

Lowest cost of doing business of major Australian listed retailers and international consumer electronics retailers, driven by:



Productive floor space with high sales per square metre



Continued focus on productivity and minimising unnecessary expenditure

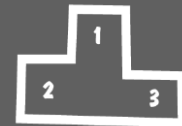
Low cost of doing business enables:



Consistently low prices



Ability to respond to market price activity and maintain focus on market share



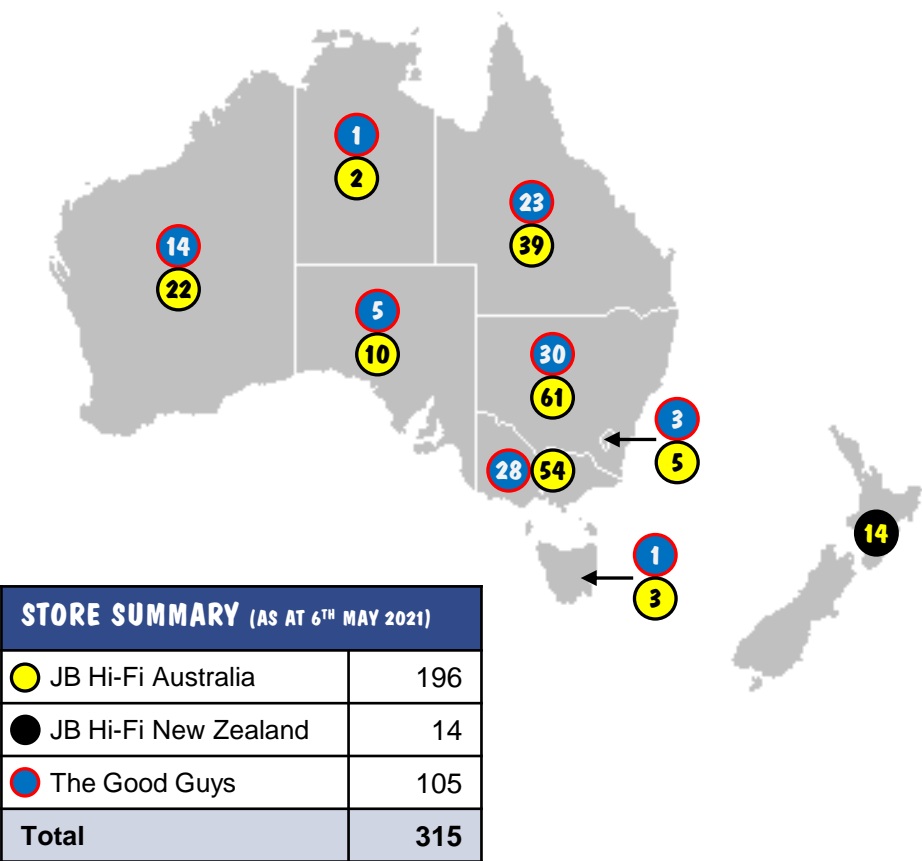
Ability to compete effectively with traditional competitors and new market entrants

The Group Model

3

Quality Store Locations

| JB HI-FI | THE GOOD GUYS® |
|---|---|
| Major shopping centre, CBD, homemaker centre and airport store locations | Leading homemaker and standalone store locations |
| High foot traffic and convenient locations | Destination locations, easily accessible |
| Compact store size | Larger store size |
| Dense displays, highly productive floor space and high sales per square metre | Open, easy to shop floor plan, focused on showcasing high consideration and higher value home appliance purchases |



The Group Model

4

Supplier Partnerships



Strong and lasting partnerships with all major suppliers, scale on a local and global level



Quality store locations and high traffic websites provide suppliers high visibility for their product

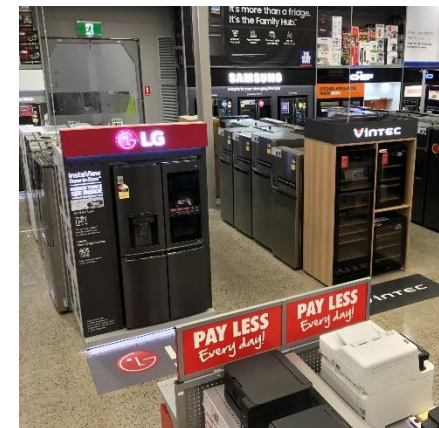


Knowledgeable team members assist and inform the customer of product benefits



Dual brand retail approach provides:

- ranging and merchandising optionality to suppliers
- ability to execute strategic initiatives at scale



The Group Model

5

Multichannel Capability



Integrated, high quality in-store, online and phone offer that provides customers with choice on how to transact with us



Store network provides:

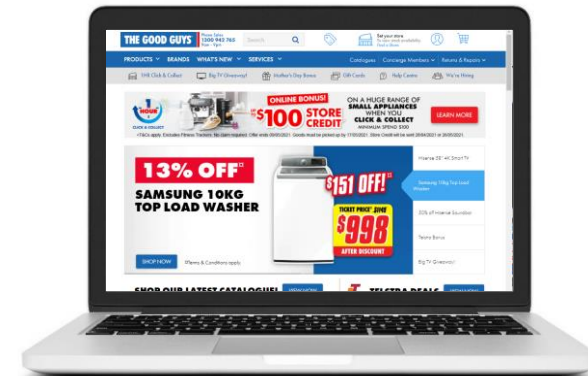
- Fast online fulfillment, via delivery from store or click and collect
- Online customers with after sales service and support

JB HI-FI SOLUTIONS
PRODUCTS | SERVICES | ADVICE
THE GOOD GUYS® | COMMERCIAL

National Commercial business supporting corporate, government and education customers



All supported and enhanced by the Group's Supply Chain and Logistics capabilities



2.

**Generating sustainable
long-term growth**

Generating sustainable long-term growth

The Group is committed to having a positive impact on our people, our community and our environment

Sustainability Policy focus areas

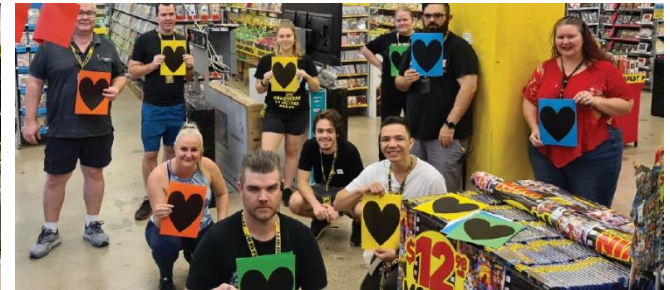


Our People & Culture

- Health, safety & wellbeing
- Employee engagement, communication & employment practices
- Responsible business
- Diversity & inclusion

FY21 YTD Achievements

- Prioritised the safety of team members through Covid-19
- Roll out of an updated Equal Opportunity and Workplace Behaviour Policy to all team members
- Launched a set of Diversity and Inclusion initiatives, to continue to improve diversity in leadership and inclusion



Generating sustainable long-term growth

The Group is committed to having a positive impact on our people, our community and our environment

Sustainability Policy focus areas



Creating Positive Impacts for our Communities

- Community investment
- Ethical Sourcing

FY21 YTD Achievements

- FY21 YTD workplace giving donations totalling \$2.5 million and \$26.9 million since inception, with JB HI-FI's Helping Hands program winning Workplace Giving Australia's 2020 Best Overall Program and Best Innovation awards
- Completed our first Modern Slavery Statement which outlines the actions that we are taking to address the risk of modern slavery to our business and supply chain
- Continued to work with suppliers to embed our ethical sourcing policy



Workplace Giving 2020
Best Innovation and Best Overall Program awards

Generating sustainable long-term growth

The Group is committed to having a positive impact on our people, our community and our environment

Sustainability Policy focus areas



Our Environment

- Product & waste recycling
- Product packaging
- Emissions & energy

FY21 YTD Achievements

- Partnered with a supplier to trial 100% recyclable and sustainable packaging for selected products
- Continued to explore environmental initiatives, including solar power generation and e-waste recycling
- Established an operational waste and recycling working group
- On track to set our carbon emission targets by June 2021



3.

**JB HI-FI Focus Areas
update**

JB HI-FI Focus Areas update

1. CATEGORY EVOLUTION

Diversified product categories strategically positioned to support the overall offer

Destination



Traffic drivers



Basket Builders



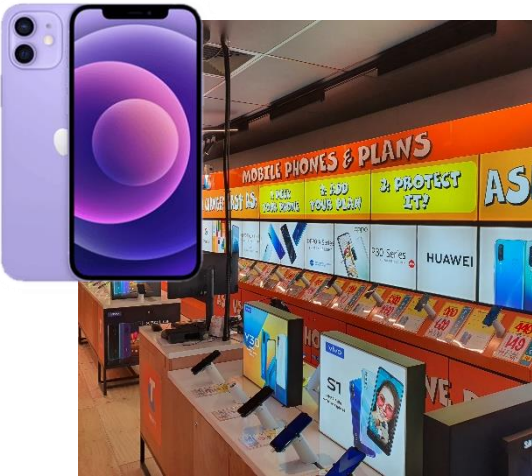
Niche and Incubator



JB HI-FI Focus Areas update

1. CATEGORY EVOLUTION

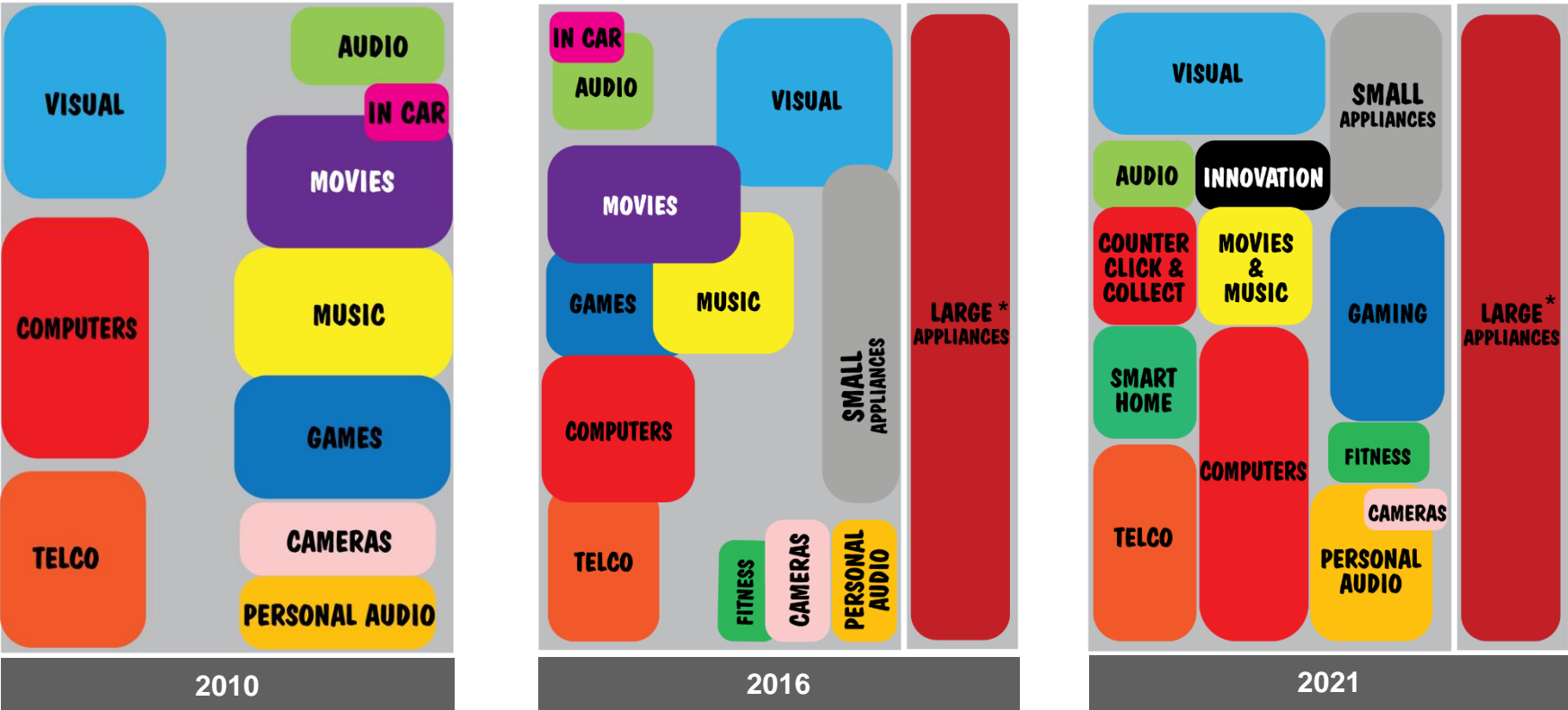
With continued category expansion and technology led product development



JB HI-FI Focus Areas update

1. CATEGORY EVOLUTION

And constant investment in, and optimization of, category space to maintain the productivity of floor space

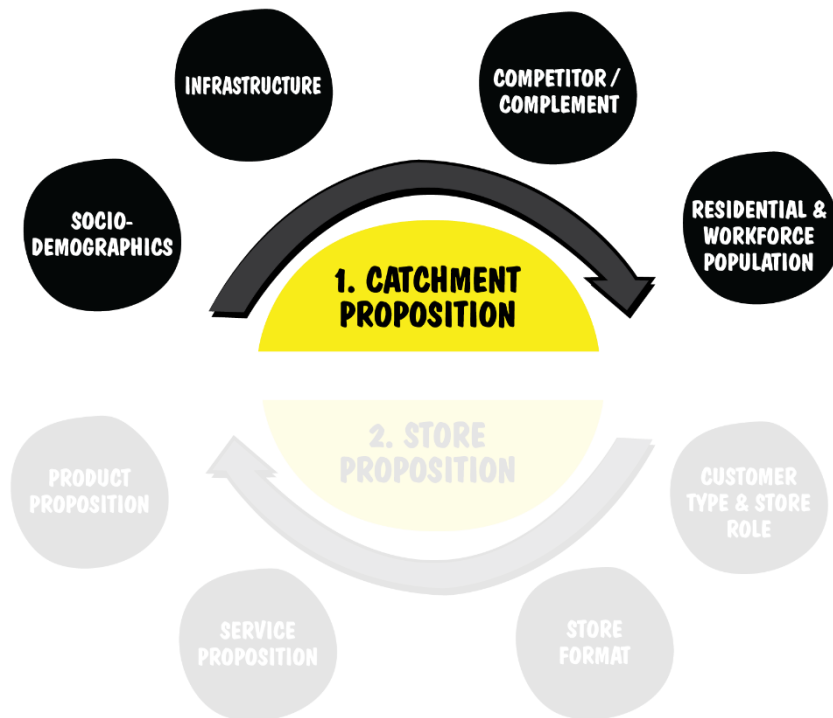


*JB Hi-Fi Home stores only

JB HI-FI Focus Areas update

2. STORE PORTFOLIO EVOLUTION

Sophisticated, data driven approach to evaluating each catchment



Openings

Richmond, VIC – Jun 2021

Karrinyup, WA – Jul 2021



Closures

Pitt Street, NSW – Feb 2021



Relocations

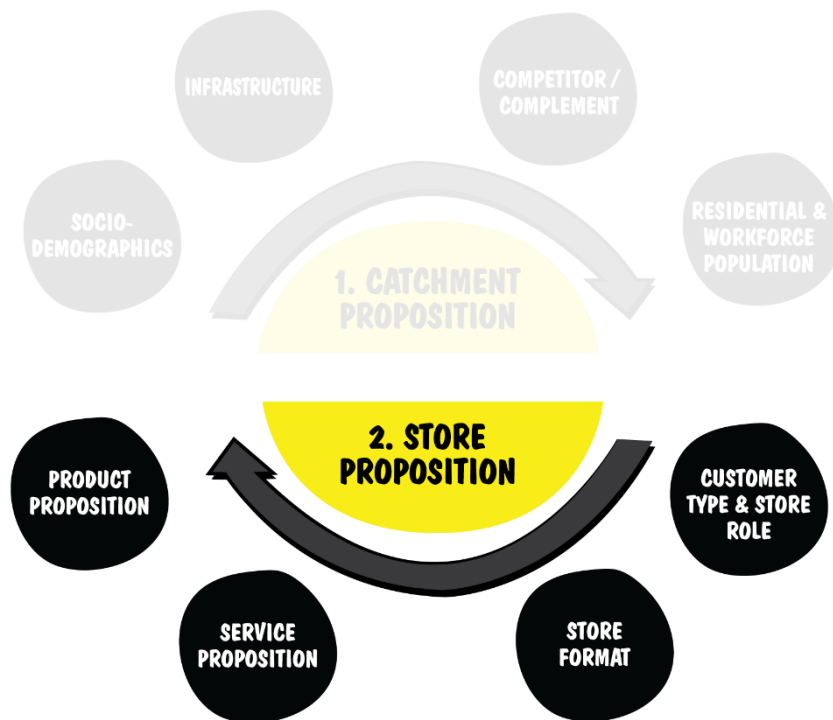
Holmesglen, VIC – Jun 2021

Loganholme, QLD – Sep 2021

JB HI-FI Focus Areas update

2. STORE PORTFOLIO EVOLUTION

That guides the optimisation of and investment in the store network, including the trialling of alternate store formats and tailored product propositions



RICHMOND ~500sqm

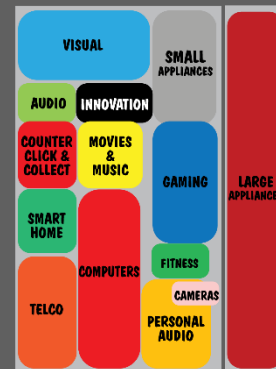
High foot traffic, Small format



Compact - Express

HOLMESGLEN ~c2,100sqm

Large destinational, easily accessible



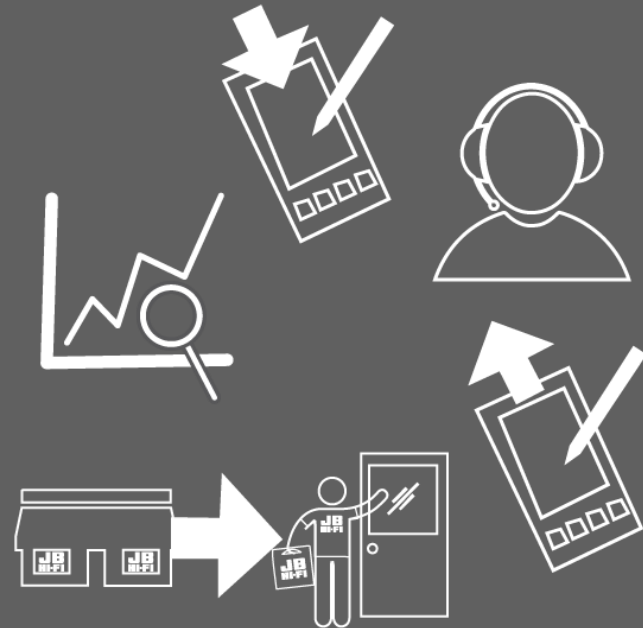
Destination

JB HI-FI Focus Areas update

3. PRODUCTIVITY

Continue to enhance the customer experience and drive productivity with technology led improvements to systems and processes

- *Back of House excellence program*
- *Digital Receiving via PDA*
- *Trialling of new store space and range deployment initiatives*
- *Assisted Phone sales*
- *Transaction processing via PDA*
- *JB Store 2 Door*
- *Data and Analytics to drive decision making*



4.

**The Good Guys Focus
Areas update**

The Good Guys Focus Areas update

1. CATEGORY EVOLUTION

Continue to improve ranging with the expansion of new and existing brands

Miele



smeg



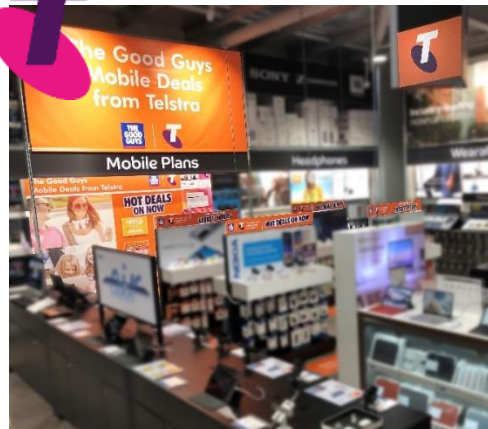
SÔLT



SONOS



T



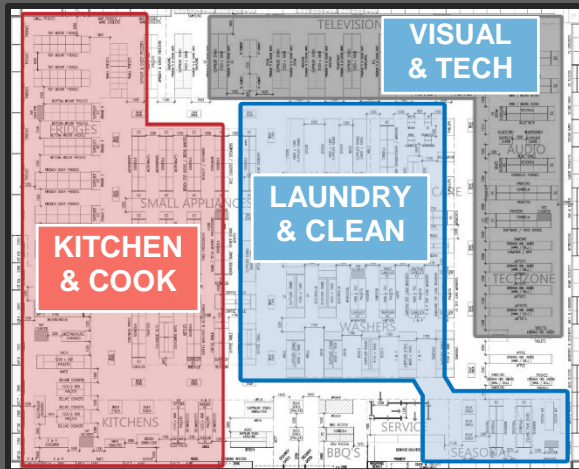
Apple



The Good Guys Focus Areas update

1. CATEGORY EVOLUTION

And constant optimization of the category space, through our store upgrade program



Creating a category layout aligned to how our customers choose to shop



Showcasing Home Appliances



Supporting growth categories

The Good Guys Focus Areas update

2. STORE PORTFOLIO EVOLUTION

Continued investment in the store portfolio



Openings

Launceston, TAS – July 2021



Relocations

Belmont, WA – Nov 2020

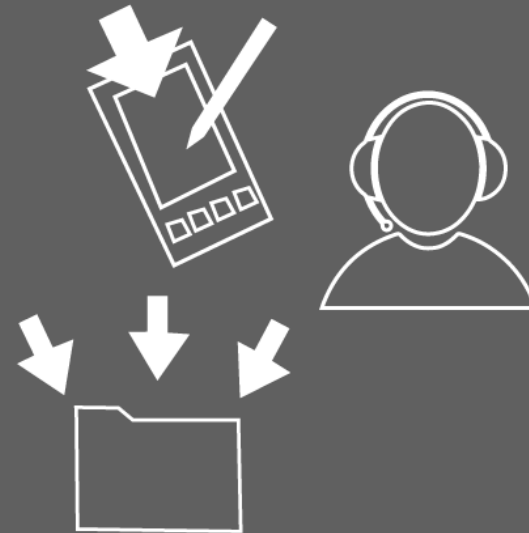
Rockingham, WA – Aug 2021

The Good Guys Focus Areas update

3. PRODUCTIVITY

Continue to enhance the customer experience and drive productivity with technology led improvements to systems and processes

- Expansion of PDA capabilities including Receiving, Allocation, Stocktaking & Dispatching Apps
- Sales and Service Hub enabling phone sales and improving customer service
- Centralisation of admin tasks
- Increased utilisation of HDCs



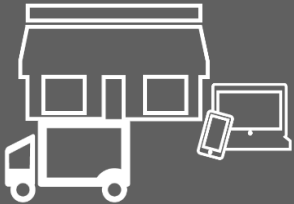
5.

Group Focus Areas update

Group Focus Areas update

1. ONLINE

Growing online offer that gives customers choice on how they choose to shop with us



- Flexible home delivery options including 3-hour rush, same day and next day delivery
- 1 Hour Click & Collect



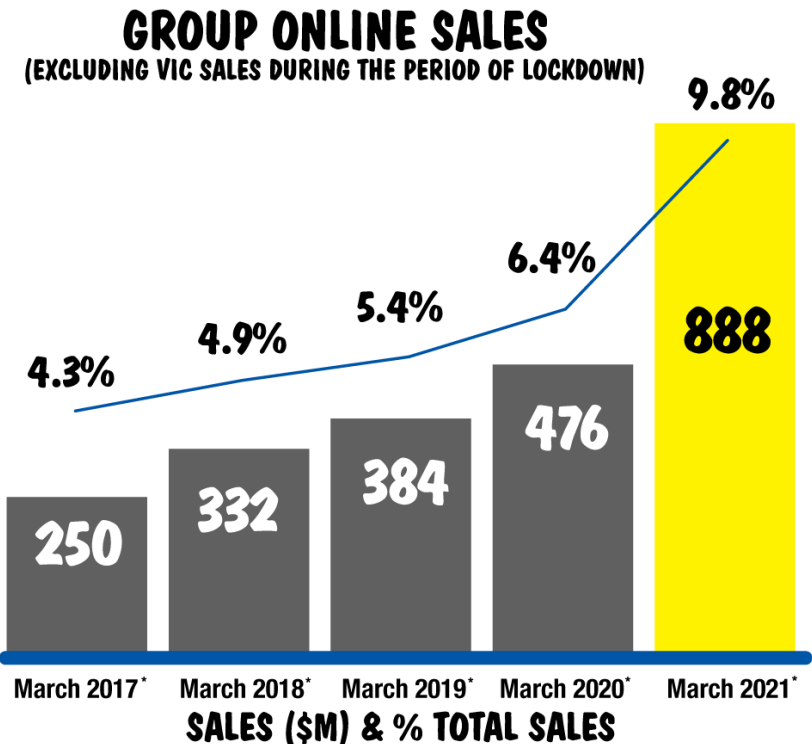
- Investment in e-Commerce platforms has improved:
 - Website performance
 - Conversion rates

afterpay

zip|pay

LATITUDE PAY

- Expanded payment options with the launch of BNPL in partnership with Afterpay, Zip Pay and Latitude Pay



*Rolling 12 months

Group Focus Areas update

2. SUPPLY CHAIN

Continued investment in a fit for purpose Group Supply Chain that supports In-store and Online fulfillment

- Consolidation of 18 Bulky Goods DC's into Group Home Delivery Centres ("HDCs") with Sydney, Melbourne and Brisbane complete and Adelaide to follow
- HDCs enable:
 - Improved customer experience through last mile delivery tracking
 - Improved Product availability
 - Fast delivery options including next day bulky delivery
 - Stock efficiency
 - A safety first approach

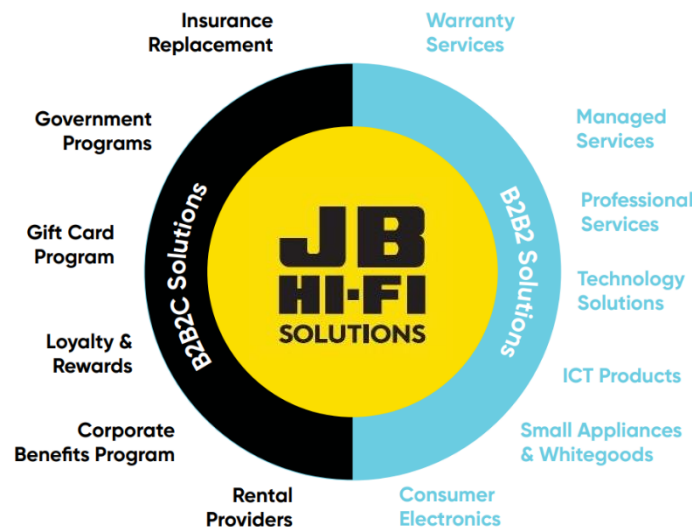


Group Focus Areas update

3. GROUP COMMERCIAL BUSINESSES

Continue to see growth opportunities in a fragmented market

- Establishing our position as leading provider of key products and services to Commercial, Government & Education markets
- Ability to leverage the power of both brands, with dual Go To Market offers across multiple segments
- Extensive product catalogue complemented by services portfolio including technology lifecycle management
- National Coverage – account management and technical support
- Highly committed team of Commercial market experts



6.

Group Q3 FY21 Trading

Group Q3 FY21 Trading

As previously announced on 28 April 2021:

- The Q3 FY21¹ sales results were:

| Sales Growth | Q3 FY21 | | Q3 FY21 YTD | |
|----------------------|------------------------|------------------------|------------------------|------------------------|
| | Total | Comparable | Total | Comparable |
| JB HI-FI Australia | 10.4% (FY20: 11.6%) | 11.5% (FY20: 11.3%) | 19.4% (FY20: 6.9%) | 20.7% (FY20: 6.4%) |
| JB HI-FI New Zealand | 16.0% (FY20: -3.3%) | 16.0% (FY20: -3.3%) | 11.0% (FY20: -0.4%) | 11.0% (FY20: -0.4%) |
| The Good Guys | 5.8% (FY20: 13.9%) | 5.8% (FY20: 13.9%) | 19.5% (FY20: 5.4%) | 19.5% (FY20: 4.9%) |

- The Group is pleased with the Q3 sales result and trading in April and early May
- Whilst from mid-March we commenced cycling elevated sales growth last year, we continue to see heightened customer demand and strong sales growth rates over a two-year period
- In view of the ongoing uncertainty arising from Covid-19, the Group does not currently consider it appropriate to provide FY21 sales and earnings guidance

¹ Q3 FY21 is 1 January 2021 to 31 March 2021

7.

Group CEO Transition

Group CEO Transition

- Richard Murray to leave JB HI-FI for a new role at the end of August 2021
- Terry Smart to succeed Richard Murray as Group Chief Executive Officer
 - Terry was CEO of JB Hi-Fi from May 2010 to June 2014, following ten years as Chief Operating Officer
 - Terry returned to the Group in April 2017 as Managing Director of The Good Guys
 - Terry will join the Board as an Executive Director on a date to be determined
- Biag Capasso has been appointed as Managing Director of The Good Guys business
 - Biag has been with The Good Guys since November 2011, holding several roles in the merchandise department including Merchandise Director since May 2018. Prior to joining The Good Guys, Biag was Marketing and Merchandise Manager for Retravisio for six years
- Nick Wells, the Group's Chief Financial Officer, will join the Board as an Executive Director at the same time as Terry
- These internal appointments are a testament to the quality and depth of management within the JB HI-FI Group and the Group's succession planning

8.

Investment Checklist

Investment Checklist

| | | | |
|---|--|---|---|
| Unique and relevant brands |  | High quality store portfolio and unrivalled customer service |  |
| Flexible business model – history of category growth and development |  | Multichannel capability |  |
| Diversity of product categories across brands |  | Experienced management team |  |
| Scale operator, market leader |  | High return on invested capital |  |
| Global best in class metrics including low cost of doing business and high sales per square metre |  | Shareholder return focused – through proactive capital management and dividend policies |  |

QUESTIONS