

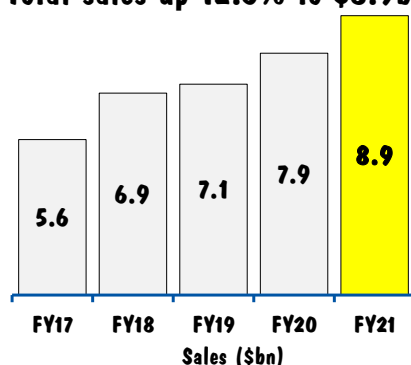
COMPANY ANNOUNCEMENT

16 August 2021

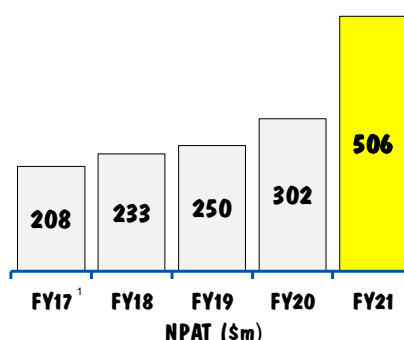
JB Hi-Fi Limited Full Year 2021 Results

FY21 Highlights

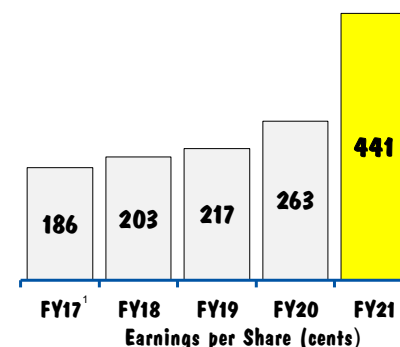
Total sales up 12.6% to \$8.9b



NPAT up 67.4% to \$506.1m



EPS up 67.5% to 440.8cps



JB Hi-Fi Limited ("Group") today reports for the 12 months ending 30 June 2021:

- Total sales up 12.6% to \$8.9 billion;
- Online sales up 78.1% to \$1.1 billion;
- EBIT up 53.8% to \$743.1 million;
- Net profit after tax (NPAT) up 67.4% to \$506.1 million;
- EPS up 67.5% to 440.8 cps; and
- Final dividend up 18.9% to 107 cps, bringing the total dividend for FY21 to 287 cps, up 51.9%.

In addition to the strong financial metrics above, other highlights include:

- Absolute commitment to the **health, safety and wellbeing of team members and customers** throughout Covid-19;
- Key **executive appointments** from internal promotions with Terry Smart to succeed Richard Murray as Group CEO and Biag Capasso appointed as Managing Director of The Good Guys;
- Continued **investment in online and supply chain operations**, including upgrades to the Group's websites and expanded delivery and warehouse options;
- Continued **investment in sustainability initiatives** including committing to net-zero direct carbon emissions by 2030; and
- **\$3.7 million** raised as part of workplace giving programs in FY21, with JB HI-FI's Helping Hands program **winning** Workplace Giving Australia's 2020 Best Overall Program and Best Innovation awards.

Incoming Group CEO, Terry Smart said "On behalf of Richard and I, I would like to recognise and thank our team members across Australia and New Zealand who have worked tirelessly throughout this period and delivered another record result. Our continued focus on the customer, combined with the strength and competitive advantage of our multichannel offer, be it in-store, online or over the phone, has enabled us to seamlessly meet our customers' increased demand."

FY21 Trading Performance

JB HI-FI Australia

Total sales grew by 12.0% to \$5.96 billion, with comparable sales up 13.0%. Sales momentum was strong through the year, with heightened customer demand for consumer electronics and home appliance products.

¹ FY17 are underlying results which exclude transaction fees and implementation costs totalling \$22.4m associated with the acquisition of The Good Guys in November 2016 and \$15.8m of fixed asset and goodwill impairments in New Zealand.

The key growth categories were Communications, Computers, Games Hardware, Visual and Small Appliances. Online sales grew 93.0% to \$780.0 million or 13.1% of total sales.

Gross profit increased by 13.4% to \$1.33 billion with gross margin up 27 bps to 22.2%, driven primarily by improvements in key categories. Cost of doing business ("CODB") was 11.2%, down 91 bps on the pc. The business' low CODB remains a competitive advantage and is maintained through a continued focus on productivity, minimising unnecessary expenditure and leveraging scale.

Elevated sales growth, gross margin expansion and disciplined cost control resulted in strong earnings growth. EBIT was up 33.6% on the pc to \$523.0 million with EBIT margin up 142 bps to 8.8%.

JB HI-FI New Zealand

Total sales were up 17.4% to NZD261.6 million, with comparable sales up 17.4%. The key growth categories were Computers, Visual, Communications, Games Hardware and Small Appliances. Online sales in New Zealand grew 35.6% to NZD27.6 million, or 10.6% of total sales. Gross margins increased by 129 bps to 17.8% and CODB was 13.1%, down 109 bps on the pc. EBIT was NZD5.8 million.

The Good Guys

Total sales grew by 13.7% to \$2.72 billion, with comparable sales up 13.7%. Sales momentum was strong through the year, with heightened customer demand for home appliance and consumer electronics products. The key growth categories were Refrigeration, Laundry, Floorcare, Portable Appliances and Visual. Online sales were up 48.5% to \$258.3 million or 9.5% of total sales.

Gross profit was \$608.6 million with gross margin up 189 bps to 22.4%, driven by strong improvements in key categories. CODB was 11.7%, down 100 bps as store wages remained well controlled throughout the year. Strong operating leverage from the elevated sales growth, gross margin expansion and disciplined cost control drove strong EBIT growth. EBIT was up 90.2% on the pc to \$214.7 million with EBIT margin up 318 bps to 7.9%.

Online & Supply Chain

The Group continued to invest in its online and digital offerings, including upgrades to its websites. Total online sales across the Group grew by 78.1% to \$1.06 billion, representing 11.9% of total sales. Excluding Victorian sales where stores were temporarily closed during 1HY21, online sales represented 10.3% of total sales.

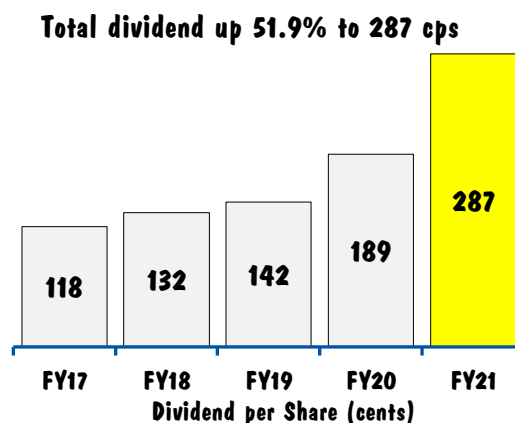
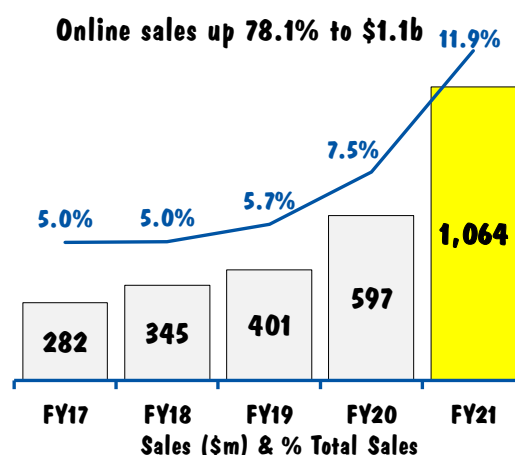
The Group's online offerings are supported and enhanced by its supply chain and logistics capabilities. The Group is pleased with how its online and supply chain operations have scaled, and maintained a high level of customer service and on-time delivery, during a period of significantly increased volume.

Capital Management

The Board has today declared a final dividend of 107 cents per share (cps) fully franked, up 17 cps or 18.9%, bringing the total dividend for FY21 to 287 cps, up 98 cps or 51.9%, and representing 65% of NPAT.

The Board will continue to regularly review the Group's capital structure with a focus on maximising returns to shareholders and maintaining balance sheet strength and flexibility.

The final dividend will be paid on 10 September 2021. The record date for determining the entitlement for the final dividend is 27 August 2021.



Generating sustainable long-term growth

The Group today released its FY21 Sustainability Report, outlining the Group's commitment to having a positive impact on its people, its community and its environment.

The Group is committed to:

- developing its **people** and providing them with a safe and respectful workplace, whilst looking for ways to improve work flexibility and inclusion;
- giving back to the **communities** within which its team members live and work; and
- minimising the impact of waste and greenhouse gases generated by its operations on the natural **environment**.

The Group is pleased with the progress made in these key areas of focus, which in FY21 included:

- Roll out of an updated Equal Opportunity and Workplace Behaviour policy to all team members;
- Launching a set of Diversity and Inclusion initiatives, to continue to improve diversity in leadership and inclusion;
- Workplace giving donations totalling \$3.7 million and \$28.1 million since inception;
- JB Hi-Fi's Helping Hands program winning Workplace Giving Australia's 2020 Best Overall Program and Best Innovation awards;
- Continuing to work with suppliers to embed our ethical sourcing policy;
- Committing to net-zero direct (scope 1 and 2) carbon emissions by 2030, with solar power generation recently installed at the JB Hi-Fi Chadstone Homemaker Centre store;
- Continuing to explore waste reduction, re-use and recycling initiatives led by the Group's operational waste and recycling working group; and
- Continuous improvements in sustainable packaging.

The FY21 Sustainability Report can be found on the Group's investor website (<https://investors.jbhifi.com.au/>)

FY22 Trading Update

FY22 YTD sales update and outlook

The Group provides the following FY22 YTD sales update, for the period 1 July 2021 to 15 August 2021:

| Sales Growth FY22 YTD | Comparable | | Total | |
|----------------------------|------------|---------|---------|---------|
| | vs FY21 | vs FY20 | vs FY21 | vs FY20 |
| JB Hi-Fi Australia | (14.9%) | 19.4% | (14.6%) | 19.1% |
| JB Hi-Fi New Zealand (NZD) | 8.4% | 14.8% | 8.4% | 14.8% |
| The Good Guys | (8.6%) | 28.2% | (8.1%) | 28.9% |

Whilst the Group has experienced some disruption and variability to sales as a result of the various state based COVID restrictions, the Group has continued 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 FY22 sales and earnings guidance.

Incoming Group CEO, Terry Smart, said "While it remains an uncertain retail environment, we have continued to demonstrate our ability to adapt and respond. The combination of our passionate and knowledgeable team members, our multichannel offer, including quality store locations and established online offerings, and our ongoing investment in our supply chain gives us confidence in the outlook for the business."

Authorised by the Board.

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