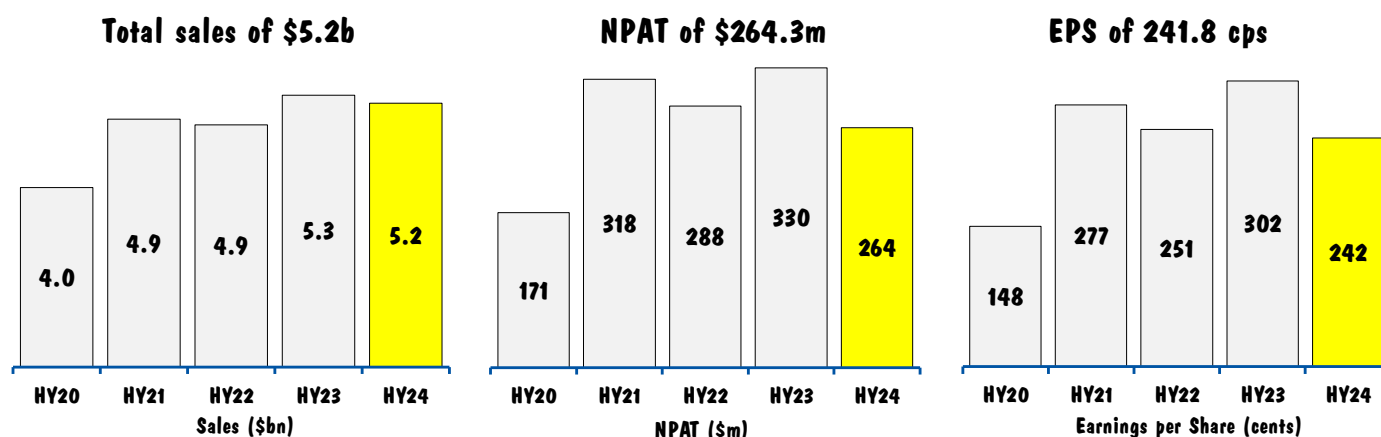


## COMPANY ANNOUNCEMENT

12 February 2024

## JB Hi-Fi Limited Half Year 2024 Results

### HY24 Highlights



JB Hi-Fi Limited ("Group") today reports for the 6 months ending 31 December 2023 ("HY24"):

- Total sales of \$5.16 billion;
- Earnings before interest and tax (EBIT) of \$386.7 million;
- Net profit after tax (NPAT) of \$264.3 million;
- Earnings per share of 241.8 cps; and
- Interim dividend of 158.0 cps.

Group CEO, Terry Smart said "We are pleased with our performance as we cycled the elevated customer demand in the prior year. As expected, we saw the trading environment become more challenging, marked by heightened competitive activity and increased on-floor discounting. Our focus remained on maximising customer demand through delivering consistently high levels of customer service and driving best value for our customers."

### HY24 Trading Performance

#### **JB HI-FI Australia**

Total sales increased by 0.7% to \$3.62 billion, with comparable sales up 0.1%, driven by continued customer demand for technology and consumer electronics products, supported by well-executed Black Friday and Boxing Day promotional periods. The key growth categories were Mobile Phones, Games Hardware, Small Appliances, Whitegoods and Services. Online sales increased by 0.8% to \$543.1 million or 15.0% of total sales.

Gross profit decreased by 3.0% to \$795.6 million with gross margin down 84 bps to 22.0%, driven by a combination of sales mix and increased levels of on-floor discounting. CODB was 11.9%, up 50 bps, and in absolute terms grew 5.2%, with disciplined cost control helping to manage inflationary cost pressures. The business's low CODB remains a competitive advantage and is maintained through a continued focus on productivity, minimising unnecessary expenditure and leveraging scale.

EBIT decreased by 13.7% to \$294.6 million with EBIT margin down 136 bps to 8.1%.

## JB HI-FI New Zealand

Total sales increased by 5.1% to NZD168.7 million, with comparable sales down 1.2%. The key growth categories were Games Hardware, Audio, Mobile Phones, Small Appliances and IT accessories. Online sales increased by 5.8% to NZD20.4 million or 12.1% of total sales.

Gross profit increased by 8.9% to NZD28.2 million with gross margin at 16.7%. CODB was 15.2%, up 264bps, and in absolute terms grew 27.1% as the Group continues to invest in new stores and strategic initiatives in New Zealand, with comparable CODB up 11.9%.

EBIT was negative NZD0.4 million, down NZD5.8 million. Underlying EBIT, adjusted for depreciation that would have been recognised if right-of-use assets and fixed assets had not been previously impaired, was negative NZD2.1 million, down NZD3.8 million.

## The Good Guys

Total sales decreased by 9.9% to \$1.39 billion, with comparable sales down 9.9% and sales improving throughout the half. The brand's dominant Home Appliance categories remained resilient, with the Consumer Electronics categories softer cycling elevated demand in the pc. Online sales declined by 2.3% to \$192.7 million or 13.9% of total sales.

Gross profit was \$325.0 million with gross margin up 16 bps to 23.4%, driven by sales mix that resulted from the resilience of the Home Appliance categories. CODB was 13.6%, up 171 bps, and in absolute terms grew 3.1%, with disciplined cost control helping to manage inflationary cost pressures.

EBIT was down by 30.5% to \$92.5 million with EBIT margin down 197 bps to 6.7%.

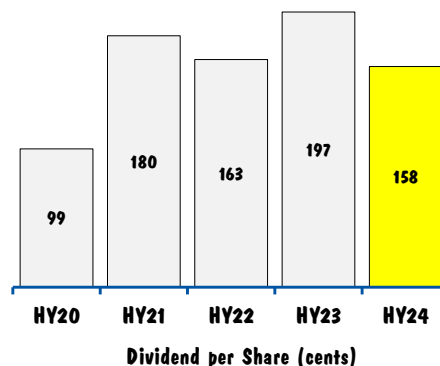
## Capital Management

The Board has today declared an interim dividend of 158 cents per share (cps) fully franked, down 39 cps or 19.8%, and representing 65% of NPAT.

The record date for the interim dividend is 23 February 2024, with payment to be made on 8 March 2024.

The Group continues to maintain a strong balance sheet, with closing net cash of \$488.0 million at 31 December 2023. 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.

### Interim Dividend of 158 cps



## Generating sustainable long-term growth

The Group's FY23 Sustainability Report outlines the Group's commitment to having a positive impact on its people, its community and its environment.

As set out in the Report, the Group is committed to:

- Supporting its people and ensuring a safe, inclusive and respectful workplace, whilst always looking for ways to provide them with flexibility and opportunities to grow and develop;
- Making a positive impact in the communities in which its team members live and work, and working with its supply partners to protect and further human rights; and
- Minimising the impact that its operations may have on the natural environment and pro-actively reducing its waste, energy consumption and emissions.

The Group is pleased with the progress made in these key areas of focus, which in HY24 included:

- Continued to improve gender diversity across the Group, with an increase in the number of women in leadership positions;
- Continued to invest in leadership development, including improving and increasing participation in our women in leadership program;
- Ongoing focus on safety including mental health and wellbeing and aggressive customer training programs;
- Solar power generation installed in 2 stores in HY24, bringing the total number of stores to 26 as the Group continues to work towards net-zero direct (scope 1 and 2) carbon emissions by 2030;
- JB HI-FI Australia transitioned to 100% recyclable paper bags and multi-use non-woven bags, with 15c yellow plastic bags now phased out nationally;
- HY24 workplace giving donations totalling \$2.2 million and \$37.9 million since inception; and
- JB HI-FI Australia Helping Hands program won the gold award for the best workplace giving program of the year at the 2023 Annual Workplace Giving Excellence Awards.

The FY23 Sustainability Report can be found on the Group's investor website (<https://investors.jbhifi.com.au/>).

## **FY24 Trading Update**

### **January 2024 Sales Update**

The Group provides the following sales update, for the period 1 January 2024 to 31 January 2024:

- Total sales growth for JB HI-FI Australia was 2.5% with comparable sales growth of 1.7%;
- Total sales growth for JB HI-FI New Zealand was 8.2% with comparable sales growth of -4.1%; and
- Total sales growth for The Good Guys was -2.2% with comparable sales growth of -2.2%.

January sales are in line with the Group's expectations.

Group CEO, Terry Smart said "In a challenging retail environment, we continue to adapt and innovate to maximise the opportunities it gives us. Our unwavering focus on delivering value for our customers by leveraging our established and proven low-price market position and providing exceptional customer service continues to ensure we remain top of mind for shoppers. This strategy not only ensures our continued relevance to our loyal existing customers but also drives the expansion of our market share."

Terry added "As always, we are thankful to our over 15,000 team members whose continued focus on delivering value and maintaining our high levels of customer service will ensure the long-term sustainability of the business."

Authorised by the Board.

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