



## **Briscoe Group Posts Record Half Year Sales to 28 July 2024**

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- **Record half year sales to \$372.1 million, +0.77%**
- **Positive half year sales growth across both homeware and sporting goods**
- **Online sales share of Group sales 18.77%**
- **Group Inventory around 10% below last year**
- **Underlying trading NPAT <sup>(1)</sup> expected to be around 94% of last year, not less than \$40 million**

The directors of Briscoe Group Limited (NZX/ASX code: BGP) announce unaudited sales for the 26-week half-year to 28 July 2024 of \$372.1 million, an increase of 0.77% on the \$369.2 million reported for the same period ended 30 July 2023. The Group's homeware segment increased sales by 0.28% during this period and the sporting goods segment by 1.58%.

Group Managing Director Rod Duke said, "We're pleased with the record sales we've produced for this first half. To achieve positive sales growth for both the second quarter and for the first half, given the current challenging economic environment which continues to impact consumer confidence and retail spending, is a significant performance for the Group.

"Our online channel continues to perform well also closing with positive sales growth for the first half. Online sales represent 18.77% of Group sales compared to 18.33% at the close of last year's first half and we continue to improve both the front and back-end operations.

"Gross profit margin remains a major focus for the Group, and we continue to see pressure as the impacts of the economic downturn are felt. We expect the gross profit margin percentage for the first half to be around 100 basis points below last year.

"Our focus on inventory levels and controlling costs is constant. Inventory was below last year for both homeware and sporting goods, with the Group closing around 10% in total less than July 2023. We expect the total of store costs and support overheads to be largely in line with last year, despite ongoing cost pressure across much of the business.

"The first half result will benefit from increased interest income of around \$1 million (pre-tax) as a result of higher cash balances, however, will be negatively impacted in comparison to last year as a result of KMD Brands failing to pay an interim dividend for this year. Last year the Group received \$1.4 million (pre-tax) in interim dividends from its investment in KMD Brands.

“Throughout this first half we have seen how highly sensitive New Zealand retail businesses are to the ongoing challenges faced in difficult economic conditions. While the Group will not produce a net profit after tax (NPAT) above last year’s first half NPAT of \$42.7 million, we do anticipate an underlying trading NPAT in excess of \$40 million. This is before the previously announced one-off, non-cash accounting entry of \$7.4 million in relation to changes to tax legislation which will be booked for the half-year period”.

Briscoe Group is due to release its half-year results on 11 September 2024, including declaration of an interim dividend.

Thursday 1 August 2024.

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(1) Underlying trading NPAT is equal to net profit after tax, excluding the impact of the one-off deferred tax expense.