



Macquarie Conference 2019

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AGENDA

Super Retail Group at a glance

- Group snapshot
- Market leading brands
- Omni retail insights

First 100 days - areas of focus

Trading update

Super Retail Group – a snapshot

A network of 688 stores across four iconic brands in high involvement categories

~12,000

TEAM MEMBERS

688 STORES

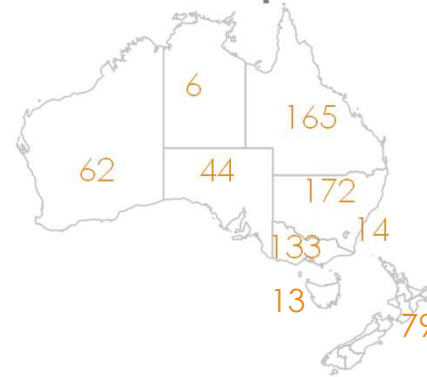
5 SUPPORT OFFICES

7 DISTRIBUTION CENTRES

3 COUNTRIES OF OPERATION: AUSTRALIA, NZ & CHINA




	SUPERCHEAP AUTO	BCF <small>BOATING • CAMPING • FISHING</small>	macpac	rebel
FY18			Proforma	
Sales \$m	1,006	498	95	979
EBIT %	11.6%	5.5%	15.8%	9.3%
NPS	59%	57%	NA	55%

Store footprint



Customer loyalty – a sustainable advantage

SRG's three core brands enjoy market leading customer loyalty performance
Macpac is an emerging & credible brand in a high growth segment.

	 #2 player		 #2 player		 #2 player	
Brand awareness	86%	83%	92%	94%	77%	75%
Main store*	44%	11%	26%	11%	26%	11%
Loyalty ratio	2.0 : 1	7.5 : 1	3.5 : 1	8.5 : 1	3.0 : 1	6.8 : 1
Performance multiple	3.75 x		2.4 x		2.3 x	

Omni-retail platform – leveraging our assets

On-line sales penetration of 7%

Cost to serve inflation mitigated by click and collect & omni customer behaviour

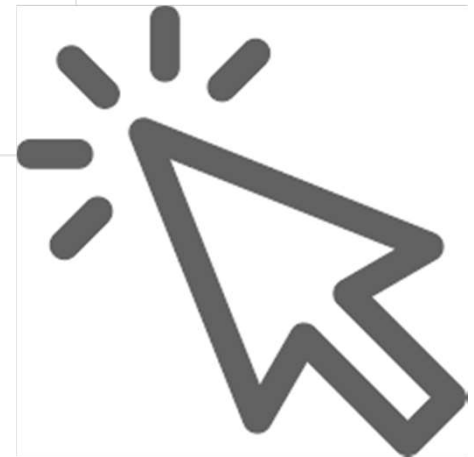
Proportion of on-line sales executed as Click & Collect:

- Auto and BCF two thirds mix
- Rebel one quarter mix

SALES BY CHANNEL*	
Store	93%
Delivery	4%
Click & Collect	3%

CUSTOMERS BY CHANNEL*	
Store only	89%
Omni	9%
Delivery only	2%

* 12 months to April 2019



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First 100 days – initial focus areas

	Seamless Omni-retail	Integrated Supply Chain	Model Simplification	Customer Analytics	Brand Development
 CURRENT STATE	<ul style="list-style-type: none"> - Deployed Salesforce CC - Enterprise Omni capability 	<ul style="list-style-type: none"> - National DC network - Asian sourcing capability 	<ul style="list-style-type: none"> - Overlapping remit - Powerful execution skill 	<ul style="list-style-type: none"> - Emerging capability - Single view of customer 	<ul style="list-style-type: none"> - Powerful retail brands - Private labels - Services
 GAP	<ul style="list-style-type: none"> - Endless aisle - Instore integration - Product Information Management 	<ul style="list-style-type: none"> - Omni delivery orchestration - Vertical supply integration 	<ul style="list-style-type: none"> - Duplication of capabilities - Complex legacy environment 	<ul style="list-style-type: none"> - Loyalty & CRM - Segment performance - Promotion and pricing 	<ul style="list-style-type: none"> - Enhanced branded offering - Subscription and service offering
 OPPORTUNITY	<ul style="list-style-type: none"> - Market share growth - Margin improvement 	<ul style="list-style-type: none"> - Delivery cost reduction - Increased utilisation - Working capital reduction 	<ul style="list-style-type: none"> - Cost and revenue synergy - Reduction of obsolescence 	<ul style="list-style-type: none"> - Real-time marketing - Margin improvement - Property optimisation 	<ul style="list-style-type: none"> - New profit pools - Gross margin improvement

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Auto retailing:

- Like for like sales of 4.2% in the first 17 weeks of H2; 2.7% YTD to 27 April 2019

Outdoor retailing:

- BCF like for like sales of 5.3% in the first 17 weeks of H2; 3.3% YTD to 27 April 2019. Competitive pricing pressure unchanged, continuation of margin pressure in H2
- Macpac like for like sales of 2.0% in the first 17 weeks of H2; 7.8% YTD to 27 April 2019

Sports retailing:

- Like for like sales of 4.0% in the first 17 weeks of H2; 3.5% YTD to 27 April 2019

Group:

- Super Retail Group like for like sales 3.3% YTD to 27 April 2019
- Group unallocated costs expected to be circa \$21m
- Capital Expenditure circa \$85m

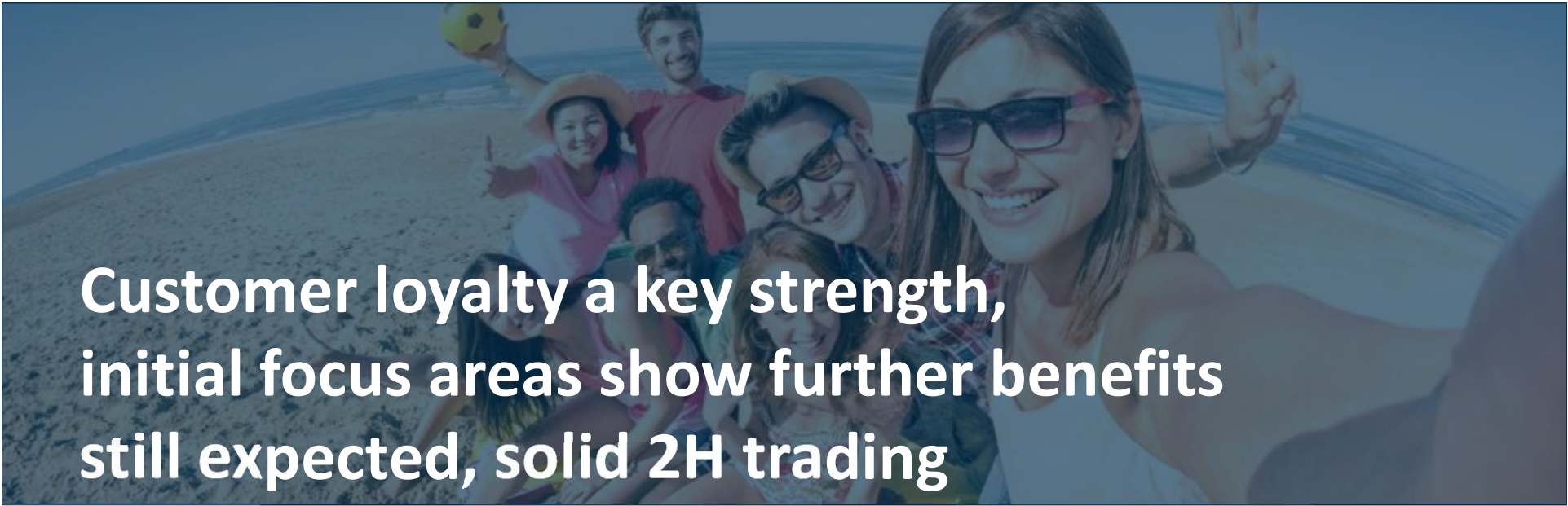
Operations update

Enterprise Agreement (EA)

- Proposed EA for ~10,000 retail and clerical team members approved in November 2018 with 93% support in the vote
- Existing agreement continues to operate pending FWC approval. Increases to Saturday, Sunday and Late Night penalty rates were made effective 31 March 2019.
- Formal discussions between FWC, SRG and bargaining representatives (SDA and RAFFWU) are ongoing
- Store wage inflation for the proposed EA over the 4 years is FY20 5.8% and FY21 to FY22 circa 2.9% due to alignment of penalty rates in the first year.

Team member back payment remediation

- Store set up team member remediation: No change to provision. Payments half way complete
- Retail management remediation: Deloitte have been engaged to calculate any back payments owing to individual team members who worked in retail management roles. No change to provision. Payments to be undertaken in FY20.



Customer loyalty a key strength, initial focus areas show further benefits still expected, solid 2H trading

1

SRG – a snapshot

- Market leading brands
- Customer loyalty – a sustainable advantage
- Omni leverages existing assets

2

Initial focus areas

- 5 key areas
- Initial implementation provides good platform
- Further benefits still expected

3

Trading update

- Quality of the businesses strong
- Margin pressure remains in BCF. Macpac running at full year expectations.

A man with a beard, wearing a plaid shirt, is focused on working on a sculpture. He is using a tool to shape a piece of material. The background is blurred, showing other people and what appears to be a workshop or studio setting. The entire image is overlaid with a semi-transparent blue filter.

Q&A

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