

## SHRIRO HOLDINGS LIMITED

### UNAUDITED RESULTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2021

Shriro is pleased to announce the following unaudited six month period ended 30 June 2021:

- Revenue of \$94.3M, up 20.0% pcp
- EBITDA increased to \$12.3M, up 17.1% pcp
- NPAT increased to \$9.8M, up 50.8% pcp
- Export revenue increased to \$9.2M up 135.9% pcp
- Cash on hand at 30 June 2021 \$17.3M (pcp \$19.7M)
- Dividend declared of 6 cents per share, fully franked

<b>UNAUDITED RESULTS SUMMARY</b>						
	6 months to 30/06/21 <sup>3</sup>	6 months <sup>2</sup> To 30/06/20	Change	12 months <sup>1</sup> to 30/06/21 <sup>3</sup>	12 months <sup>2</sup> to 30/06/20	Change
Revenue	94.3	78.6	20.0%	207.0	170.7	21.3%
Gross Margin	41.0%	38.8%		40.6%	38.3%	
Operating Expenses	(26.4)	(20.0)	32.0%	(49.9)	(44.8)	11.4%
<b>EBITDA</b>	<b>12.3</b>	<b>10.5</b>	<b>17.1%</b>	<b>34.1</b>	<b>20.6</b>	<b>65.5%</b>
Depreciation	(2.4)	(3.0)	(20.0%)	(5.0)	(6.1)	(18.0%)
Interest	(0.1)	(1.0)	(90.0%)	(0.6)	(2.2)	(72.7%)
Profit Before Tax	9.8	6.5	50.8%	28.5	12.3	131.7%
<b>Profit After Tax</b>	<b>6.8</b>	<b>4.7</b>	<b>44.7%</b>	<b>20.3</b>	<b>8.5</b>	<b>138.8%</b>

<sup>1</sup> Operating Expenses for the full year to 30 June 2021 was offset by \$1.8M (before tax) of Australia Government subsidy and \$2.3M (before tax) for head office lease exit.

<sup>2</sup> Operating Expenses for the half year to 30 June 2020 was offset by \$1.9M (before tax) of Australia and New Zealand Government subsidies.

<sup>3</sup> Note that Shriro changed its financial year end from 31 December to 30 June for FY21.

The above numbers have not been audited. Audited financial results will be released in October 2021. While the information above has been prepared in good faith and with reasonable care, caution should be taken when relying on any information contained in this announcement.

## **GROUP PERFORMANCE**

Shriro Holdings Limited (“Shriro”) (ASX: SHM) today announced its results for the half year ended 30 June 2021. Net profit before tax for the half year increased 50.8% to \$9.8 million. EBITDA for the full year increased by 65.5% to \$34.1m.

Shriro’s revenue was not substantially impacted by the lock-downs in Australia and New Zealand. The COVID-19 travel restrictions resulted in consumers spending more on household items and Shriro’s international expansion of its Everdure by Heston Blumenthal products grew successfully in the half year to 30 June 21 with export revenue increasing by 135.9% pcp.

During FY21, Shriro invested in infrastructure technology, marketing and human resources to support its strategic initiatives.

Operating expenses increased from the prior corresponding period by 32.0%. Noting prior period expenses were offset by Government subsidies and reduced staff working hours due to Covid restrictions.

## **BALANCE SHEET AND CASH FLOWS**

Operating cash flows for the half year were \$7.3 million (107% of NPAT), lower than the prior year, as the Group purchased extra inventory given the global supply chain uncertainty. As a result of Shriro’s focus on conserving capital in CY20, the cash position was lower as at 30 June 2021 being \$17.3 million as compared to the prior year end of \$19.7 million. Shriro’s balance sheet continues to strengthen with \$66.2 million of net assets.

## **OUTLOOK**

The outlook for the Group continues to be influenced by the uncertainty associated with COVID-19 as well as global trade, geopolitical and economic factors and the manner in which developments in any of these areas may affect business and investment confidence. The Group’s trading has been impacted in the first quarter of FY22 by further lock-downs and a cyber incident which resulted in Shriro’s operations being closed for three weeks. However to date, this has had minimal impact on the financial results, as the majority of the July sales orders were fulfilled in August.

Notwithstanding these external influences, the following factors are expected to have a bearing on FY22 outlook for the Group:

- The COVID-19 lock-downs in Australia and New Zealand include measures which vary from previous lock-downs, as a result it is difficult to predict the impact of the lock-downs on the Group’s results in FY22.
- Should international borders remain closed, domestic consumer household products demand should remain high which will benefit the Group’s performance.

- Shriro has mutually agreed to transfer its Blanco division to Blanco Australia Pty Ltd on 1 May 2022. Blanco represented just over 10% of the Group's revenue in CY21, consequently Shriro will focus its future growth strategy on the Group's owned brands, Everdure kitchen, Robinhood and Omega in the Appliances market.
- International BBQ revenue is expected to continue to grow with greater marketing investment to drive consumer awareness and a focus on the retail expansion of the Everdure by Heston Blumenthal (EHB) brand.
- Shriro is focused on pursuing new high margin, non-competitive products for distribution in our existing markets and seeking EBITDA accretive acquisitions which enhance our value.

For more information, contact:

Tim Hargreaves

(02) 9415 5000

timh@shriro.com.au

Shane Booth

(02) 9415 5000

shaneb@shriro.com.au

#### **ABOUT SHRIRO**

The Group is a leading kitchen Appliances and consumer products marketing and distribution group operating in Australia and New Zealand.

The Group markets and distributes an extensive range of Company-owned brands (including Omega, Robinhood, Everdure by Heston and Omega Altise) and third party owned brands (such as Casio, Blanco and Pioneer). Products include calculators, watches, musical instruments, audio products, kitchen Appliances, sinks & taps, laundry products, consumer electronics, car audio, amplifiers, professional DJ, Hi-Fi/speakers, gas heaters, gas barbeques, charcoal barbeques, electric heaters and cooling products.