

2023 Super Retail Group Full Year Results

Authorised for release by the Board of Super Retail Group Limited

17 August 2023

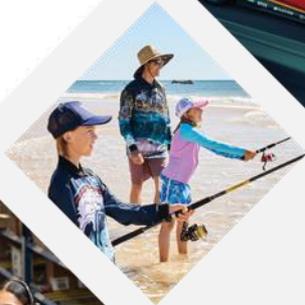
Anthony Heraghty
Group Managing Director
& Chief Executive Officer

SUPERCHEAP
AUTO

rebel

BCF

macpac



Important information

FY23 comprised a 52-week trading period as compared to 53 weeks for FY22. When reviewing the financial results in this presentation, regard should be had to the following:

FY23 and FY22 trading periods

FY23 is a 52-week period from 3 July 2022 to 1 July 2023 (inclusive).

FY22 is a 53-week period from 27 June 2021 to 2 July 2022 (inclusive).

Impact of 53rd week on sales and earnings in FY22

Unaudited management estimates for the income statement impact of the FY22 53rd week are as follows:

- Sales: \$64.1 million
- Normalised PBT: \$5.1 million
- Statutory NPAT: \$3.6 million

Like-for-like sales

The presentation references like-for-like sales growth, which compares sales for weeks 1 to 52 in FY23 with sales for weeks 2 to 53 in FY22 for stores that were open for more than one year.

Presentation of FY22 financial information

FY22 financial information in this presentation reflects the Group's statutory results (53-weeks trading) unless otherwise indicated.

To assist the reader in making a more meaningful comparison between the Group's financial performance in FY23 and FY22, this presentation includes the following disclosure:

- **Adjusted change**
An additional comparative ("Adjusted change") has been provided, which compares the FY23 result with management's unaudited estimate of a 52-week FY22.
- **Adjusted cashflow**
Adjusted cashflow is the FY22 operating cashflow of the Group adjusted for the 53rd week cashflows. Because FY22 was a 53-week year, it included an additional payment cycle for store rental, certain trade partners and also payroll. Management's unaudited estimate of the net impact of the 53rd week on Group cashflow was an additional outflow of \$49.4 million.



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- Group highlights
- Sustainability and team
- Group financial performance and brand highlights
- Corporate strategy
- Dividends and capital management
- FY24 trading update
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Group highlights



Executive summary

In FY23 the Group delivered record sales and higher net profit after tax

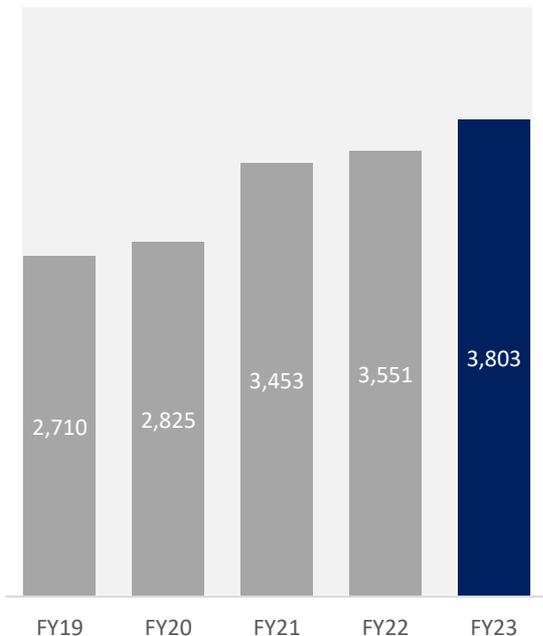
- Group sales up 7 per cent to \$3.8 billion (up 9 per cent adjusted for 53rd week in pcp)¹
- Group like-for-like sales growth of 8 per cent
- Group gross margin of 46.2 per cent
- Segment PBT up 12 per cent to \$391 million
- Segment PBT margin up 50bps to 10.3 per cent
- Statutory NPAT up 9 per cent to \$263 million and normalised NPAT up 12 per cent to \$274 million
- Statutory EPS of 117 cents and normalised EPS of 121 cents
- Fully franked final ordinary dividend of 44 cents per share and fully franked special dividend of 25 cents per share
- Strong cashflow generation – EBITDA cash conversion of 88 per cent
- Highly engaged team – engagement scores of 80 and 81 in the period
- Growing loyalty base – active club members up 12 per cent to 10.3 million²
- Expanded store network – 24 new stores opened and successfully launched BCF superstore format in Townsville and Kawana
- Conservative balance sheet - no drawn bank debt and \$192 million cash balance



Record sales of \$3.8 billion

The Group has delivered another year of record sales

GROUP SALES (\$M)



SALES GROWTH BY BRAND

	SALES GROWTH (53 WEEKS VS 52 WEEKS)	ADJUSTED SALES GROWTH ¹ (52 WEEKS VS 52 WEEKS)	LFL SALES GROWTH (52 WEEKS VS 52 WEEKS)
	8%	10%	10%
	8%	10%	9%
	1%	3%	0%
	22%	27%	24%
Total Group	7%	9%	8%

Resilient like-for-like sales growth

The Group achieved 8 per cent LFL sales growth cycling a record year and 6 per cent LFL sales growth in the second half

- The Group achieved 11 per cent like-for-like sales growth in H1
- Like-for-like sales growth moderated to 6 per cent in H2 as the Group cycled strong sales in the prior year and rising interest rates and cost of living pressures impacted consumer spending
- In comparing H1 and H2 like-for-like sales growth, it should be noted that H1 FY22 sales were COVID-19 impacted
- All of the Group's brands delivered positive like-for-like sales growth in H2
- Key drivers of H2 like-for-like sales growth:
 - **Supercheap Auto** - store refurbishments and successful club member activation
 - **rebel** – upgrades to rCX format and roll out of home of football and basketball
 - **BCF** – tailored ranging and strong performance from strategic brands
 - **Macpac** – uplift in tourism, travel and adventure activity

LIKE-FOR-LIKE SALES GROWTH BY BRAND

	H1 FY23 (WEEK 1 TO 26)	H2 FY23 (WEEK 27 TO 52)	FY23 (WEEK 1 TO 52)
	15%	6%	10%
	11%	7%	9%
	(2%)	3%	0%
	54%	5%	24%
Total Group	11%	6%	8%

Stable PBT margin

Gross margin normalising. CODB as a percentage of sales in FY24 is expected to increase

GROUP GROSS MARGIN

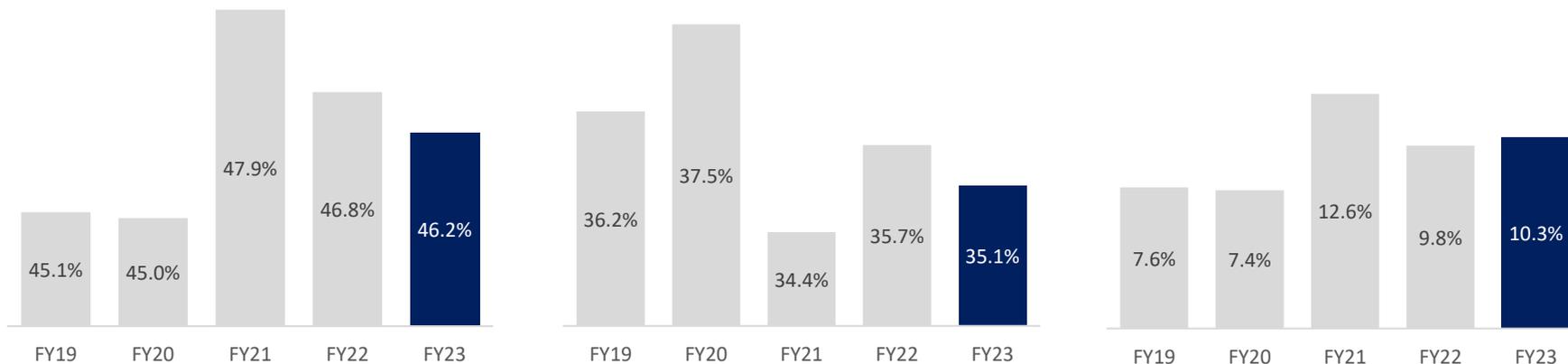
Maintained above pre COVID-19 levels

GROUP CODB AS A % OF SALES¹

Delivered a 60 bps improvement compared to FY22

GROUP PBT MARGIN

Delivered a 50 bps improvement compared to FY22



Margin protection and cost management initiatives in place



Supply chain



Cost of Goods Sold (COGS) efficiency



Variable cost plan



Strategic pricing



Sourcing and procurement



Store development & operating efficiency



Store cost base normalisation



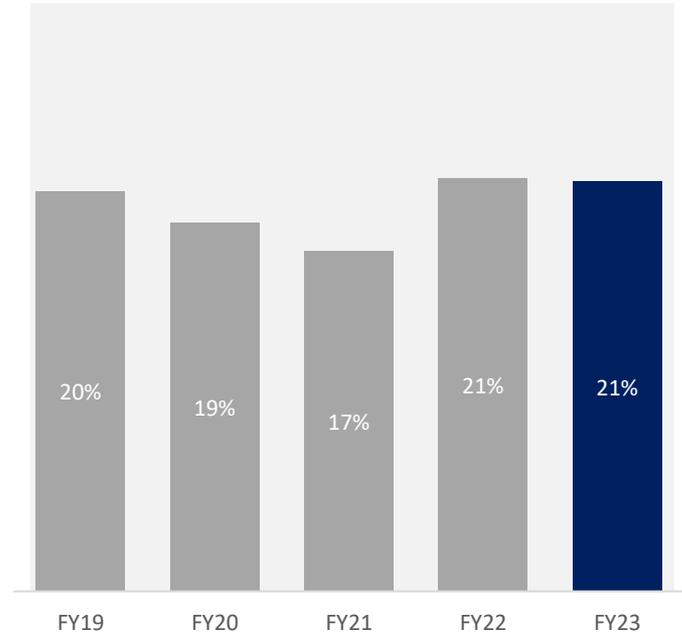
Capital discipline and narrowed project focus

Inventory levels have normalised

Total inventory as a percentage of sales has reverted to pre pandemic levels

- Total inventory investment was increased during the COVID-19 pandemic to accommodate disruptions to supply chain
- Inventory levels have now normalised to 21 per cent of sales, in line with pre COVID-19 levels¹
- Offshore supply chain has normalised and pressure on the domestic supply chain (tight labour market, availability of transport, limited availability of pallets) has eased
- Relative to the pre COVID-19 period, in-store inventory has increased to improve availability and increase sales intensity
- Brand strategies targeting localised ranging are expected to partially mitigate increased inventory investment

AVERAGE INVENTORY AS % OF SALES





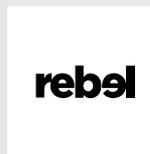
Customer highlights

Added over 1 million active club members in the past 12 months

ACTIVE CLUB MEMBERS¹
10.3m
 (UP >1 MILLION)

CLUB MEMBER NPS
67
 (UP 2)

CLUB MEMBER % OF SALES
73%
 (UP 3%)



CLUB MEMBER NPS (UP 2)
67

CLUB MEMBER NPS (UP 3)
65

CLUB MEMBER NPS (UP 5)
71

CLUB MEMBER NPS (DOWN 2)
67

CLUB MEMBER % OF SALES (UP 5%)
64%

CLUB MEMBER % OF SALES (UP 4%)
73%

CLUB MEMBER % OF SALES (UP 2%)
89%

CLUB MEMBER % OF SALES (UP 2%)
74%

(1) Active club member is a club member who purchased in the last 12 months



Store network highlights

Strong pipeline of new store openings and store upgrades in FY24

<p>CURRENT STORES</p> <p>736</p>	<p>NEW STORES OPENED IN FY23¹</p> <p>24</p>	<p>TARGETED STORE OPENINGS IN FY24</p> <p>24</p>
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<p>TARGETED STORE OPENINGS</p> <p>8</p>	<p>TARGETED STORE OPENINGS</p> <p>2</p>	<p>TARGETED STORE OPENINGS²</p> <p>7</p>	<p>TARGETED STORE OPENINGS</p> <p>7</p>
<p>TARGETED STORE UPGRADES</p> <p>40</p>	<p>TARGETED STORE UPGRADES TO RCX</p> <p>4</p>	<p>TARGETED SUPERSTORE OPENINGS</p> <p>1</p>	<p>TARGETED STORE UPGRADES</p> <p>10</p>

(1) New stores opened in FY23 – Supercheap Auto three, rebel four, BCF eleven and Macpac six. In addition, Supercheap Auto upgraded 37 stores to next generation format and rebel upgraded four stores to rCX format

(2) Includes one Superstore



Converting rebel stores to rCX format is generating a step change in sales

rCX STORE SALES % OF REBEL TOTAL SALES¹



AVERAGE CHANGE IN KEY STORE METRICS POST rCX CONVERSION
FY23 VS FY20²

21%

INCREASE IN
FLOORSPACE

>\$2,000

INCREASE IN SALES
PER SQM

>50%

INCREASE IN SALES

- (1) Store numbers shown are as at end of year
- (2) Based on performance of ten stores upgraded to rCX format which operated as rCX stores for the whole of FY23. Excludes Karrinyup as this store has only ever operated as an rCX store

BCF Townsville superstore

What the right format can achieve



FY20

\$10.8m
SALES

64
NPS

8,010
SKU COUNT

FY23

+112%¹

72
NPS

>29,000
SKU COUNT



<2 years payback

Digital and omni-retail highlights

Online sales represent 12 per cent of Group sales

FY23 BRAND SALES BY CHANNEL

					
In-store	92%	85%	89%	82%	88%
Click & Collect	6%	5%	7%	3%	6%
Home Delivery	2%	10%	4%	15%	6%



ONLINE SALES % OF GROUP SALES



Sustainability and team



We have an engaged and passionate team of more than 15,500 people



Our team is highly engaged

81 & 80

Engagement survey score (Sep 2022 and Feb 2023)

We are committed to our team's health, safety and wellbeing

>3,300

Team members participate in the "I Am Here" mental health program

11.0

Total Recordable Injury Frequency Rate (TRIFR)

We invest in community programs that support our teams' passions

\$1.7m
Group total giving to charitable causes in FY23



We are committed to further diversity in our leadership and across our organisation¹

38%

Female representation at senior leadership level²

43%

Female representation at Board level

40:40:20

We have a goal of 40:40:20 representation in Board, executive and senior leadership positions by 2025

Reconciliation

In the coming year, we will develop our inaugural Reflect Reconciliation Action Plan

(1) All data shown is as at 1 July 2023 unless otherwise indicated
(2) Senior Leadership measure includes Board, executive and senior leaders combined

Sustainability and team – achievements and key performance measures



PEOPLE

11.0

Total Recordable Injury Frequency Rate (TRIFR)

A 3.5% per cent increase from the prior year (10.7)¹

>3,300

Team members participated in the “I Am Here” mental health program

78,411

Training hours delivered to more than 13,566 team members through our online learning tool.

43%

Female representation at Board level

38%

Female representation at executive leadership level

38%

Female representation at senior leadership level

\$1.7m

Group Total Giving

Partnerships

Three-year partnership established between BCF and Clontarf Foundation and Stars Foundation, to help young First Nations people

Reconciliation

Commenced consultation and development on our inaugural Reconciliation Action Plan



PLANET

58%

Diversion rate for waste material in stores, offices and distribution centres²

1,494,200L

Recycled litres of oil through Supercheap Auto

125,027

Recycled car batteries through Supercheap Auto

81,643

Recycled pairs of shoes through rebel and Macpac’s in-store collection

3%

Percentage reduction in total electricity use to 78,357 MWh

100 stores

Received new LED Lighting (13% of our Group fleet)

>1.6m

Bags refused through Macpac’s ‘Refuse a Bag’ initiative since the program began in 2018

26%

Reduction in greenhouse gas emissions (Scopes 1 & 2) from the FY17 base year

11%

Reduction in greenhouse gas emissions (Scopes 1 & 2) from FY22

Sustainability and team – ratings and credentials

Ratings



Macquarie's 2022 ESG Ratings Report –
Rated in top quintile of ex-100 ASX
companies for ESG Ratings.

'AA' rating from the MSCI and '**LEADER**'
amongst peer group (Retail - Consumer
Discretionary Industry ESG Rating model).

'52' score from the Baptist World Aid for
Macpac's disclosure to Tearfund NZ – top
quintile result.

Rated as Advanced under the Australian
Packaging Covenant Organisation (APCO)
with improved performance within this band

Workplace Gender Equality Agency - WGEA

Holder of the WGEA's Employer
of Choice for Gender Equality
citation for the second
consecutive period.



WE SUPPORT



Since 2019 Super Retail Group has
been committed to the UN Global
Compact corporate responsibility
initiative and its principles in the
areas of human rights, labour, the
environment, and anti-corruption.

Macpac certified carbonreduce® business with Toitū

Macpac is a Toitū
carbonreduce
certified business.



A Toitū carbonreduce certified organisation has measured and managed the operational emissions of its organisation, including business travel, electricity, vehicles and offices, in accordance with ISO 14064-1 and the GHG Protocol.

Sustainability

Super Retail Group Limited
Consumer Discretionary Distribution & Retail

**Sustainability
Yearbook Member**
S&P Global ESG Score 2022

57 /100

As of February 7, 2023.
Position and Score are industry specific and reflect exclusion
screening criteria. Learn more at spglobal.com/esg/yearbook

S&P Global



As of 7 February 2023, Super Retail Group
performed in the **top quartile** in the Retail
industry in the S&P Global Corporate
Sustainability Assessment.

Group financial performance and brand highlights



Group results

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change	Adjusted Change ¹
Total sales ²	3,802.6	3,550.9	7.1%	9.1%
Total segment EBITDA	767.6	701.8	9.4%	10.5%
Segment D&A	(329.6)	(305.2)	8.0%	8.6%
Total segment EBIT	438.0	396.6	10.4%	12.0%
Net finance costs	(47.4)	(47.0)	0.9%	1.7%
Normalised segment PBT	390.6	349.6	11.7%	13.4%
Segment income tax expense	(117.1)	(105.5)	11.0%	12.6%
Normalised NPAT	273.5	244.1	12.0%	13.7%
Other items not included in normalised NPAT ³	(10.5)	(2.9)	262.1%	262.1%
Profit attributable to owners	263.0	241.2	9.0%	10.7%

Segment results

\$m	FY23 (52 weeks)		FY22 (53 weeks)	
	Sales	PBT	Sales	PBT
Supercheap Auto	1,447.9	204.0	1,339.8	176.1
rebel	1,309.1	146.0	1,212.0	141.0
BCF	839.9	51.0	829.7	59.6
Macpac	216.4	28.7	176.8	18.6
Group and Unallocated	(10.7)	(39.1)	(7.4)	(45.7)
Total	3,802.6	390.6	3,550.9	349.6



Supercheap Auto highlights

Supercheap Auto is Australia and New Zealand's favourite specialty automotive parts and accessories retail business¹

- Record full year sales
- Record club member NPS score
- In-store service program undertook a record number of fitments (769,000)
- Added more than 550,000 active club members in the last 12 months²
- Completed 37 store upgrades to next generation format
- Modernised the brand with a new visual identity and slogan – “Whoever you are, whatever you drive – make it SUPER”.

(1) Source: Stellar Market Research based on main store preference

(2) Active club member is a club member who purchased in the last 12 months



- Total sales increased by 8 per cent to \$1.45 billion (or 10 per cent adjusted for the 53rd week in FY22)
- Like-for-like sales of 10 per cent reflected growth in transaction volumes and higher average transaction value (ATV)
- Auto maintenance (including lubricants, car detailing and power) was the strongest performing category reflecting a growing shift to do-it-yourself
- Segment PBT margin improved by 100 bps as lower operating expenses offset a 30 bps decline in gross margin
- Segment PBT of \$204 million was 16 per cent higher than pcp
- Online sales of \$115 million represented 8 per cent of total sales and Click & Collect represented 74 per cent of online sales
- Active club membership grew by 18 per cent to 3.7 million and club members represented 64 per cent of total sales²
- SCA opened 3 stores and closed 1 store resulting in 331 stores at period end

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change	Adjusted Change ¹
Sales	1,447.9	1,339.8	8.1%	10.1%
Segment EBITDA	334.3	301.5	10.9%	12.6%
Segment EBIT	219.4	190.6	15.1%	17.6%
Segment PBT	204.0	176.1	15.8%	18.5%
Segment PBT margin	14.1%	13.1%	100bps	100bps

331

STORES

3.7m

ACTIVE CLUB MEMBERS

10.3%

LFL SALES GROWTH

15.2%

EBIT MARGIN

14.1%

PBT MARGIN

rebel highlights

rebel is Australia's leading sporting goods and apparel retailer. Our goal is to inspire all Australians to live their sporting dreams and passion

- Record full year sales
- Opened four rebel customer experience (rCX) stores bringing total rCX store count to 15¹
- Top three performing rCX stores each achieved > \$20 million in sales
- Opened four regional stores in Ballina, Dubbo, Nowra and Tamworth
- Expanded women's apparel range to include PE Nation, Lorna Jane and The Upside
- Launched redesigned rebel website



- Total sales increased by 8 per cent to \$1.31 billion (or 10 per cent adjusted for the 53rd week in FY22)
- Like-for-like sales increased by 9 per cent driven by growth in transaction volumes
- Performance sports (basketball and football) was the strongest performing category, benefitting from the successful roll out of the “homes of sport” format, key events (FIFA football World Cup) and a rebound in participation in grassroots sport
- Segment PBT margin declined by 40bps. An 80bps decline in gross margin was partly offset by a reduction in operating expenses
- Segment PBT of \$146 million was 4 per cent higher than pcp
- Active club membership grew by 13 per cent to 3.7 million and club members represented 73 per cent of total sales²
- Online sales of \$198 million represented 15 per cent of total sales. Click & Collect represented 33 per cent of online sales
- rebel opened 4 new stores resulting in 159 stores at period end

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change	Adjusted Change ¹
Sales	1,309.1	1,212.0	8.0%	10.0%
Segment EBITDA	282.8	264.6	6.9%	7.8%
Segment EBIT	161.8	155.6	4.0%	5.1%
Segment PBT	146.0	141.0	3.5%	4.7%
Segment PBT margin	11.2%	11.6%	(40 bps)	(60 bps)

159

STORES

3.7m

ACTIVE CLUB MEMBERS

9.1%

LFL SALES GROWTH

12.4%

EBIT MARGIN

11.2%

PBT MARGIN

BCF highlights

BCF is Australia's favourite¹ outdoor retailer, with stores in every Australian state and territory

- Record sales result with improved sales momentum in H2
- Successfully launched BCF superstore format in Townsville and Kawana
- Townsville superstore on track to achieve >\$20 million in sales in first year of opening
- 10 per cent sales growth in fishing category²
- Club member sales increased to 89 per cent of sales²
- Growth in sales from private and strategic brands to over 50 per cent of BCF sales²
- Continued strong performance from partner brands including Yeti, Weber, Darche, Dometic and Lowrance
- Regional stores performing well



(1) Source: Stellar Market Research based on main store preference
(2) Based on BCF sales for FY23



- Total sales increased by 1 per cent to \$840 million (or 3 per cent adjusting for the 53rd week in FY22)
- Like-for-like sales were flat as higher transaction volumes were offset by a modest decline in ATV
- Fishing delivered the strongest category growth while camping sales were in line with the record performance in the pcp
- Segment PBT margin declined by 110 bps. While operating costs decreased, this was offset by a 180bps decline in gross margin as BCF responded to increased promotional activity from key competitors
- Segment PBT of \$51 million was 14 per cent lower than pcp
- Active club membership grew by 6 per cent to 2.2 million and club members represented 89 per cent of total sales²
- Online sales of \$94 million represented 11 per cent of total sales. Click & Collect represented 60 per cent of online sales
- BCF opened 11 stores and closed 1 store resulting in 157 stores at period end

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change	Adjusted Change ¹
Sales	839.9	829.7	1.2%	2.6%
Segment EBITDA	128.5	133.4	(3.7%)	(3.8%)
Segment EBIT	61.0	68.9	(11.5%)	(12.1%)
Segment PBT	51.0	59.6	(14.4%)	(15.4%)
Segment PBT margin	6.1%	7.2%	(110bps)	(130bps)

157

STORES

2.2m

ACTIVE CLUB MEMBERS

0.1%

LFL SALES GROWTH

7.3%

EBIT MARGIN

6.1%

PBT MARGIN

Macpac highlights

Macpac products are made by adventurers for adventurers. We design products that are functional, technical and robust to help equip outdoor enthusiasts to adventure better

- Record full year sales of over \$200 million
- Delivered above 20 per cent growth in annual customer transactions
- Opened 6 new stores taking network total to 89 stores across Australia and New Zealand
- Macpac product is now stocked in 200 rebel and BCF locations across Australia, supporting growth in brand awareness
- Achieved Toitū carbonreduce certification
- Achieved certification to 4 global fibre sourcing standards: the Global Organic Textile Standard (GOTS), the Responsible Down Standard (RDS), the Global Recycling Standard (GRS) and Responsible Wool Standard (RWS)



- Total sales increased by 22 per cent to \$216 million (or 27 per cent adjusting for the 53rd week in FY22)
- Like-for-like sales increased by 24 per cent, driven by strong transaction growth and higher ATV compared to the pcp
- Like-for like sales increased by 26 per cent in Australia and 20 per cent in New Zealand
- Sales growth was supported by an increase in travel and outdoor adventure activity following removal of lockdown restrictions which impacted the pcp
- Key travel categories including backpacks, thermals and luggage benefitted from growth in outbound tourism. Favourable weather conditions in H1 drove strong sales in insulation and wet weather apparel
- Segment PBT margin increased by 280 bps due to a 140bps improvement in gross margin and improved operating leverage from higher sales
- Segment PBT increased by 54 per cent to almost \$29 million
- Active club membership grew by 28 per cent to over 700,000 and club members represented 74 per cent of total sales²
- Online sales of \$39 million represented 18 per cent of total sales. Click & Collect represented 16 per cent of online sales
- Macpac opened 6 stores and closed 2 stores resulting in 89 stores at period end

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change	Adjusted Change ¹
Sales	216.4	176.8	22.4%	26.6%
Segment EBITDA	50.7	40.5	25.2%	31.7%
Segment EBIT	30.4	20.0	52.0%	68.0%
Segment PBT	28.7	18.6	54.3%	72.9%
Segment PBT margin	13.3%	10.5%	280bps	360bps

89

STORES

0.7m

ACTIVE CLUB MEMBERS

24.0%

LFL SALES GROWTH

14.0%

EBIT MARGIN

13.3%

PBT MARGIN

Group and unallocated

- Group and unallocated includes corporate costs not allocated to segments and customer, omni, digital and loyalty development costs
- Total group and unallocated costs have decreased by \$3.9 million compared to the pcp
- Corporate costs have decreased by \$3.4 million compared to the pcp
- Increased costs relating to customer, omni, digital and loyalty reflect increased investment in the lead up to the relaunch of brand loyalty programs, beginning with rebel in H1 FY24
- The \$1.8 million Autoguru adjustment relates to proceeds received from the sale of all of the Group's shares in Autoguru Australia Pty Ltd following the write down of the Group's investment in that business in H2 FY22
- Interest revenue reflects the strength of the Group's balance sheet and positive cash position

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change
EBIT	(34.6)	(38.5)	3.9
Comprising:			
Corporate costs	(22.0)	(25.4)	3.4
Customer, omni, digital and loyalty	(18.1)	(7.2)	(10.9)
Autoguru adjustment	1.8	(5.9)	7.7
Interest revenue	3.7	-	3.7

Group balance sheet

- Total inventory is \$11 million lower compared to the pcp and represents 21 per cent of sales
- The Group's inventory balance reflects a reduction in volume of inventory units which has been partly offset by inflation in COGS
- Higher inventory levels for rebel and Macpac also reflect improved stock positions compared to the pcp when both brands were underweight in new season winter product
- Group inventory levels are expected to stabilise around current levels as a percentage of sales
- Net inventory investment decreased despite the opening of 24 new stores during the period
- No drawn bank debt and \$192 million cash on hand as at 1 July 2023 reflecting strong trading performance

\$m	1 Jul 23	2 Jul 22
Inventory		
Supercheap Auto	285.3	300.0
rebel	225.2	214.1
BCF	219.0	230.6
Macpac	61.1	56.1
Group	(2.0)	(1.2)
Total Inventory	788.6	799.6
Trade payables	(357.2)	(324.1)
Net inventory investment	431.4	475.5
Property, plant and equipment & computer software	336.1	321.8
Net cash position	192.3	13.4

Returns, capital ratios and fx

- Statutory EPS of 117 cents and normalised EPS of 121 cents
- The Board has determined to pay a fully franked final dividend of 44 cents per share
- The Board has also determined to pay a fully franked special dividend of 25 cents per share
- Normalised fixed charge cover ratio has improved to 2.7x
- \$500 million of undrawn core debt facilities as at balance date
- Return on Capital increased to 21 per cent and remains significantly above the Group's weighted average cost of capital (WACC)
- The Group is targeting a long term net debt/EBITDA position (pre-AASB 16) of between 0 and 0.5x
- The Group hedges between 50 per cent and 75 per cent of expected foreign currency purchases for the next 4 months and up to 50 per cent of expected foreign currency purchases for the subsequent 5 to 12 month period

	FY23	FY22	Change
Normalised EPS (cents)	121.1c	108.1c	12.0%
Basic EPS (cents)	116.5c	106.8c	9.1%
Ordinary DPS (cents)	78.0	70.0	11.4%
Special DPS (cents)	25.0	-	n/a
	FY23	FY22	Change
Reported annualised post tax return on capital (ROC) ¹	20.7%	20.5%	0.2%
Fixed charge cover – normalised EBITDAL ¹	2.7x	2.6x	0.1x
Net Debt / EBITDA – normalised ¹	(0.37x)	(0.03x)	0.34x
Average net cash position	\$126m	\$41m	\$85m

Group cash flow

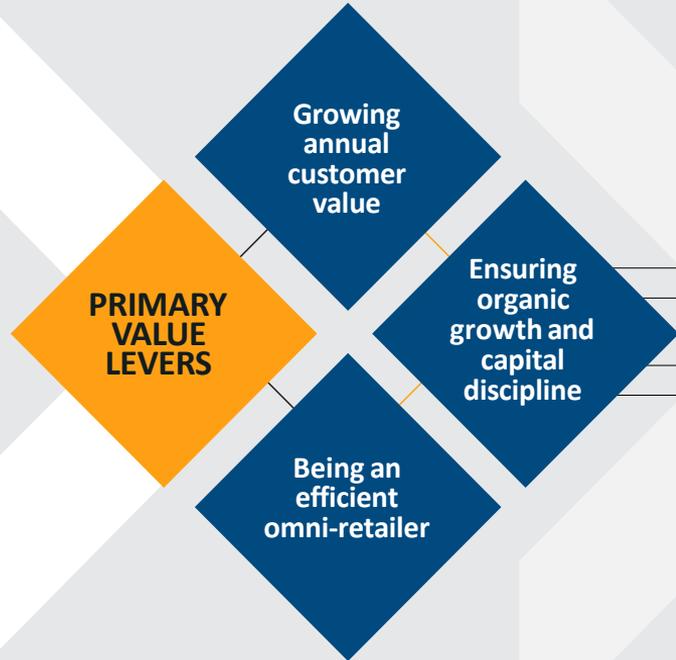
- Operating cash flow of \$716 million was \$376 million above pcp (or \$327 million on an adjusted basis)¹ and reflects the following:
 - Increased cash receipts from customers as sales increased by 7 per cent on the pcp
 - The Group began to unwind its investment in inventory in FY23 as supply chain conditions normalised
 - The Group made \$157 million in tax payments in FY22 compared to \$64 million in FY23
- EBITDA cash conversion was 88 per cent²
- Total capital expenditure of \$110 million was \$15 million lower than the prior comparative period. A further \$19 million of capex was incurred in June 2023 but paid for in FY24
- Total investment in store capex of \$51 million. Additional store capex of \$17 million was incurred in FY23 but paid for in FY24, comprising \$14 million for Supercheap Auto and \$3 million for Macpac
- Lease principal payments in FY23 are lower than in FY22 due to timing of payments
- Other capital expenditure of \$58 million included investments in omni-retailing capabilities, data, cyber, networking, core information systems, and loyalty and personalisation

\$m	FY23 (52 weeks)	FY22 (53 weeks)	Change
Adjusted operating cash flow	716.4	389.8 ¹	
Cashflow impact of 53 rd week in FY22	-	49.4	
Operating cash flow	716.4	340.4	+110.5%
Store capex	(51.1)	(58.8)	
Other capex	(58.4)	(65.9)	
Other investing activities	1.0	-	
Investing cash flow	(108.5)	(124.7)	(13.0%)
Dividends & interest	(218.4)	(228.8)	
Lease principal payments	(210.7)	(216.0)	
External debt repayment	-	-	
Financing cash flow	(429.1)	(444.8)	(3.5%)
Net cash flow	178.8	(229.1)	

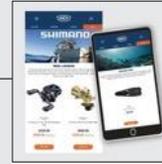
Corporate strategy



Our strategy



1 GROW THE FOUR CORE BRANDS



2 LEVERAGE CLOSENESS TO OUR CUSTOMER



3 CONNECTED OMNI-RETAIL SUPPLY CHAIN



4 SIMPLIFY THE BUSINESS



5 EXCEL IN OMNI-RETAIL EXECUTION

Delivering on our strategy in FY23



GROW THE FOUR CORE BRANDS



LEVERAGE CLOSENESS TO OUR CUSTOMER



CONNECTED OMNI-RETAIL SUPPLY CHAIN



SIMPLIFY THE BUSINESS



EXCEL IN OMNI-RETAIL EXECUTION

Current Focus Areas

- 5-year Brand strategies continue in execution
- New stores, tested new formats, regional expansion and structured refurbishments delivering strong results across all brands
- Continued focus on improving product choice and range relevance to customers
- Focus on Trade Partner relationships delivering differentiation to customers
- Macpac continued focus on product development, quality and sustainability practices clearly valued by customers

- Active customer base has grown to over 10m customers
- Club member sales growing faster than total sales
- BCF personalisation trial continuing
- SCA personalisation pilot has commenced
- Data science unit delivering continued support for customer analysis, propensity analysis, pricing analytics and business performance
- rebel loyalty launch on track for H1 FY24

- Supply chain TRIFR continued to show year on year improvement
- Established an order management system to orchestrate online orders and improve customer experience
- Continuing to maintain consistent stock supply
- Brand price discipline remains the key focus given cost pressure on domestic supply chain
- New automated distribution centre

- Fully migrated IT services to public cloud
- Workforce planning continuing to be enhanced in use and capability
- Reviewing the range of analytics in use through supply chain, store rostering, merch and pricing to prioritise benefits
- Commencing review of planned end state capabilities in key areas e.g. marketing, loyalty, planning, property management

- Online NPS continues to improve with the focus on fulfilment, network optimisation and content management
- Instore and online customer shopping experience remains a key focus
- Team expertise a key focus in all brands
- Click & Collect sales continue to outpace home delivery
- Efficiency of customer contact centre continues to improve, with more tools to help customers self serve

Customer engagement



Ongoing investment on customer engagement via a loyalty platform and one-to-one communication

LOYALTY: The loyalty solution will deliver a set of defined engagement capabilities valued by the customers of each brand

H1 FY24

- New loyalty platform and approach launching for rebel
- Loyalty build extending to SCA followed by BCF then Macpac
- BCF personalisation trial continuing
- SCA personalisation trial commenced
- BCF Spend & Get trial to be undertaken
- Pre and post launch testing of offers
- Data science capability to be engaged in additional use cases

H2 FY24

- Launch of SCA and BCF loyalty programs on new platform
- rebel personalisation pilot to commence
- Ongoing development of customer engagement through:
 - De-averaging of customer segments with clear communication strategies to influence behaviours
 - On-boarding pathways established for multiple customer journeys to ensure we improve the opportunity for return visits
 - Focus on activation of our members to optimise share of wallet based on identified behavioural drivers

10.3m

ACTIVE CLUB MEMBERS¹

73%

CLUB SALES AS % OF GROUP SALES

67

CLUB MEMBER NPS

Enhanced SCA loyalty leveraging new group capability

New infrastructure and constant improvement will enhance our loyalty offer. Our goal is to drive higher visitation and/or spend per visit across our member base

Work to Date

- Relunched loyalty alongside brand replatform
- Removal of \$5 membership fee
- Campaigns focused on member acquisition
- Launched exclusive offers for members
- New POS and simpler benefits messaging for consumers

Loyalty enhancements delivering positive outcomes

- Removal of club member fee supported strong growth in club membership
- Recent trial “spend & get” incentive program has delivered:
 - ✓ incremental visits and transactions
 - ✓ increased gross margin dollars
 - ✓ enhanced rewards for high spending customers



rebel on track to relaunch loyalty program in H1 FY24

Exciting new changes coming to rebel's loyalty program, to deliver member growth and engagement

H1 FY24

- Major launch of rebel active program, with new member value proposition and branding
- Loyalty design linked to customer value proposition, with focus on showcasing product and experience
- Benefits linked to every transaction
- Expanded presence in store and online to seek to further grow member acquisition and engagement



H2 FY24

- “Test and learn” through targeted offers designed to grow incremental visitation and spend
- Expansion of trade partner offers within program
- rebel personalisation pilot
- In-store and online campaigns focused on member acquisition



Financial impact and accounting treatment

- The points based program for rebel will require revenue deferral until points are used or expire
- Estimated one-off impact in first year of approximately \$8 million to recognise revenue deferral
- In year 1, the rebel loyalty program is expected to grow revenue but at lower gross margin, to deliver a breakeven outcome (excluding first year revenue deferral)
- In year 2, the rebel loyalty program is expected to make a positive contribution to profit before tax



New automated distribution centre

- The Group has signed a long-term lease agreement with the Goodman Group for the construction and leasing of a new 65,000 sqm distribution centre (DC), that will be fitted with leading-edge technology, at Truganina (Victoria)
- Construction of the new DC, which is subject to development approvals, is scheduled to commence in H1 FY24, with completion expected by H1 FY26 . The DC will be built to achieve a 5 star green sustainability rating
- The facility will be funded by the Group's operating cash flows. The future capital cost of the DC to Super Retail Group is expected to be approximately \$80 million with approximately \$30 million scheduled to be incurred in each of FY24 and FY25.
- In addition, the Group expects duplicated operating expenses associated with the transition from existing facilities to the new DC will result in a one off increase to Group and unallocated costs in FY25 of \$8 million
- The new DC will reduce the Group's supply chain costs over time, improve the Group's home delivery capability and minimise the Group's need to utilise third party storage facilities
- Once established, the facility at Truganina will replace the Group's current distribution centres at Altona and Marshall Court. The new DC will be utilised by all four core brands and the Group will be reviewing and enhancing the effectiveness of its overall distribution network to make it a truly national network

Dividends and capital management



Dividends and capital management

- The Group applies the following key principles in relation to dividends and capital management:
 - Dividend payout policy – pay ordinary dividends equating to 55 per cent to 65 per cent of underlying NPAT, fully franked
 - Balance sheet – maintain conservative credit metrics
- Given the current uncertain macroeconomic environment the Group intends to maintain a conservative debt position
- The Board has determined to pay a fully franked final ordinary dividend of 44 cents per share which is at the upper end of the Group's dividend payout policy
- In addition to the final ordinary dividend, the Board has determined to pay a fully franked special dividend of 25 cents per share
- Together with the interim ordinary dividend of 34 cents this represents an aggregate dividend payment to shareholders for FY23 ordinary and special dividends of 103 cents per share
- The Group is continuing to target a long-term net debt / EBITDA position (pre AASB 16) of between 0 and 0.5x
- Decisions on future capital management activity will be made having regard to the outlook at the time and the primary objective of ensuring that the Group maintains the balance sheet strength and capacity to support its operations, organic growth targets and associated capital requirements

Trading update



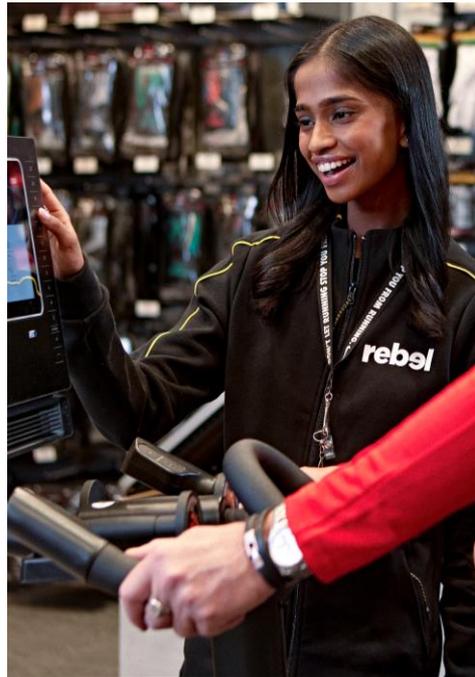
FY24 trading update

- Group like-for-like and total sales growth as at week 6 are as follows:

	Like-for-like sales growth FY24 vs FY23	Total sales growth FY24 vs FY23
Supercheap Auto	3%	4%
rebel	(1%)	1%
BCF	(1%)	6%
Macpac	(9%)	(8%)
Group	0%	2%

- Despite challenging economic conditions, the Group has delivered positive sales growth in FY24 YTD, driven by the performance of Supercheap Auto and BCF
- Sales growth has continued to moderate as the Group cycles strong sales in the prior year and rising interest rates and cost of living pressures dampen consumer spending
- The Group has a sound track record of performance through the economic cycle. The Group's customer value proposition and low average ticket price means it is well positioned for a more value conscious consumer environment
- The Group is targeting capex in FY24 of \$150 million – to fund its store development program, a new distribution centre, enhancements to its customer loyalty programs and cyber, omni and digital capability
- As a result of inflationary pressures on wages, rent and electricity costs, the Group expects CODB as a percentage of sales to increase in FY24
- FY24 group and unallocated costs are expected to be ~\$43 million, including \$8 million relating to building personalisation (Supercheap Auto & rebel) and loyalty (Supercheap Auto & BCF) programs. It does not include the rebel loyalty first year revenue deferral, which will be captured in the rebel brand result
- Super Retail Group's unique portfolio of retail brands with market leading positions in growing lifestyle and leisure categories, large active club membership base and strong balance sheet mean the Group is well placed to deliver long-term value for our shareholders

Appendix 1 – Performance trends and segment notes



Segment note

FY23

For the period ended 1 July 2023	SCA \$m	rebel \$m	BCF \$m	Macpac \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
Segment Revenue and Other Income							
External segment revenue	1,447.9	1,309.1	839.9	205.7	3,802.6	-	3,802.6
Inter-segment sales	-	-	-	10.7	10.7	(10.7)	-
Other income	0.3	0.2	-	0.2	0.7	3.7	4.4
Total segment revenue and other income	1,448.2	1,309.3	839.9	216.6	3,814.0	(7.0)	3,807.0
Segment EBITDA⁽¹⁾							
Segment depreciation and amortisation	(114.9)	(121.0)	(67.5)	(20.3)	(323.7)	(5.9)	(329.6)
Segment EBIT result	219.4	161.8	61.0	30.4	472.6	(34.6)	438.0
Net finance costs*	(15.4)	(15.8)	(10.0)	(1.7)	(42.9)	(4.5)	(47.4)
Total segment PBT	204.0	146.0	51.0	28.7	429.7	(39.1)	390.6
Segment income tax expense ⁽²⁾							(117.1)
Normalised NPAT							273.5
Other items not included in the total segment NPAT ⁽³⁾							(10.5)
Profit for the period							263.0
Segment Net Inventory							
Inventory	285.3	225.2	219.0	61.1	790.6	(2.0)	788.6
Trade payables	(160.4)	(69.5)	(42.2)	(7.6)	(279.7)	(77.5)	(357.2)
Net inventory	124.9	155.7	176.8	53.5	510.9	(79.5)	431.4

* Net finance costs for the business segments represents interest component of lease payments.

	⁽¹⁾ Segment EBITDA adjusted for \$m	⁽²⁾ Segment income tax adjusted for \$m	⁽³⁾ Other items not included in total segment NPAT \$m
Other items not included in total segment NPAT			
Execution costs for team member wage remediation	2.4	0.7	1.7
FWO proceedings	8.8	-	8.8
	11.2	0.7	10.5

Segment note

FY22

For the period ended 2 July 2022	SCA \$m	rebel \$m	BCF \$m	Macpac \$m	Total continuing operations \$m	Inter-segment eliminations/ unallocated \$m	Consolidated \$m
Segment Revenue and Other Income							
External segment revenue	1,339.8	1,212.0	829.7	169.4	3,550.9	-	3,550.9
Inter-segment sales	-	-	-	7.4	7.4	(7.4)	-
Other income	-	0.1	-	-	0.1	-	0.1
Total segment revenue and other income	1,339.8	1,212.1	829.7	176.8	3,558.4	(7.4)	3,551.0
Segment EBITDA⁽¹⁾	301.5	264.6	133.4	40.5	740.0	(38.2)	701.8
Segment depreciation and amortisation	(110.9)	(109.0)	(64.5)	(20.5)	(304.9)	(0.3)	(305.2)
Segment EBIT result	190.6	155.6	68.9	20.0	435.1	(38.5)	396.6
Net finance costs*	(14.5)	(14.6)	(9.3)	(1.4)	(39.8)	(7.2)	(47.0)
Total segment PBT	176.1	141.0	59.6	18.6	395.3	(45.7)	349.6
Segment income tax expense ⁽²⁾							(105.5)
Normalised NPAT							244.1
Other items not included in the total segment NPAT ⁽³⁾							(2.9)
Profit for the period							241.2
Segment Net Inventory							
Inventory	300.0	214.1	230.6	56.1	800.8	(1.2)	799.6
Trade payables	(155.7)	(84.0)	(35.7)	(8.9)	(284.3)	(39.8)	(324.1)
Net inventory	144.3	130.1	194.9	47.2	516.5	(41.0)	475.5

* Net finance costs for the business segments represents interest component of lease payments.

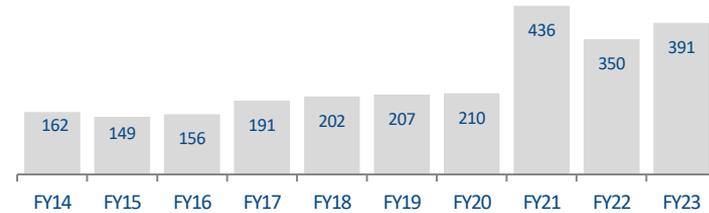
	⁽¹⁾ Segment EBITDA adjusted for \$m	⁽²⁾ Segment income tax adjusted for \$m	⁽³⁾ Other items not included in total segment NPAT \$m
Other items not included in total segment NPAT			
Execution costs for team member remediation	3.8	1.1	2.7
Equity accounted losses – Autoguru	0.4	-	0.4
Provision reversals from previous years	(0.3)	(0.1)	(0.2)
	3.9	1.0	2.9

Performance trends

Reported Sales (\$m)



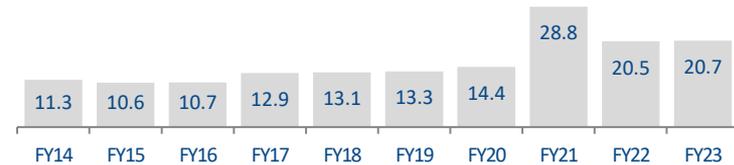
Reported Total Segment PBT (\$m)



Reported EPS (c)



Normalised Reported Post Tax ROC (%) pre AASB 16 Leases



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