



Sales to 28 January 2024 Record Full-Year Sales

Briscoe Group Limited (NZX/ASX code: BGP)

Highlights:

- Record full-year (52 weeks) Group sales \$792.0 million, beating last year by +0.78%
- Full year Homeware sales growth, also ahead of last year, by+0.54%
- Full year Sporting goods sales growth, +1.17% improvement on last year
- Full year Online sales as mix of total Group sales, 18.72%
- Full Year gross profit margin to be at least 42.30%
- Closing inventories to be at least \$10 million below last year
- Expected full-year net profit after tax (NPAT) to be in excess of \$83 million which will represent at least 94% of last year's record NPAT
- Announcement of full year results including final dividend - 13 March 2024

Full year: 30 January 2023 – 28 January 2024 (52 weeks):

The directors of Briscoe Group Limited announce unaudited sales for the full-year, 52-week period to 28 January 2024 of \$792.0 million, an increase of 0.78% on the \$785.9 million reported for last year.

Both segments delivered sales growth - the homeware segment increased sales by 0.54% during the full year and the sporting goods segment increased by 1.17% for the full year.

2nd Half: 31 July 2023 – 28 January 2024 (26 weeks):

Unaudited sales for the 2nd half, 26-week period ended 28 January 2024 were \$422.7 million, 1.15% ahead of the \$417.9 million for the 26-week 2nd half period of last year.

For the 2nd half, the homeware segment sales increased on last year by 0.76% with the sporting goods segment increasing by 1.79%.

Commentary

Group Managing Director, Rod Duke said: "I'm excited and delighted to announce another year of record sales. To post positive sales growth across both trading segments in a year widely regarded as extremely difficult for retail trade, is an outstanding achievement.

"Our business model has again demonstrated how relevant and flexible it is irrespective of existing economic conditions. The team's focus on improving critical performance measures through enhanced process and technology continues to translate into improved sales, gross profit, inventories and ultimately, customer experience.

"We're again pleased with our online performance which has held up well during the year and will represent 18.72% of total Group sales for the year ended 28 January 2024, virtually unchanged from last year's 18.97%. Developments and enhancements have driven both functionality and productivity improvements across the E-Commerce platform during the year.

“Gross margin remains an important focus for the Group and despite increasing margin pressure from the impacts of weaker economic conditions, I’m extremely proud that we will meet our goal to protect around half of the 633 gross profit basis points gained during the 2 years ended January 2021 and January 2022. We expect the Group’s final reported full-year margin to be at least 42.30% which would result in 287 basis points (45%) of the 633 points being maintained since January 2022.

“Inventory has been another area which has enabled us to deliver sales growth and meet our gross profit margin goals. We have invested considerable energy into refining how, when and what we purchase, as well as improving a number of other inventory measures. Whilst there are still some year-end procedures to be completed to determine the final inventory value, the Group will close our financial year at least \$10 million under last year’s closing value of \$117.8 million.”

The Group will benefit from around \$3.2 million of improved net interest income compared to the previous year as a result of improved cash balances and higher interest rates.

Rod Duke said, “As previously reported the Group will not match last year’s net profit after tax (NPAT) of \$88.4 million but we do now expect the result to be in excess of \$83 million. This represents the achievement of at least 94% of last year’s record NPAT - a remarkable performance given the difficult trading conditions experienced across the retail market.

“We believe the challenging retail environment will continue into the 2024 calendar year and do not underestimate how difficult trading will be. However, we have a very strong core business which has proven to be very resilient, exciting initiatives to drive growth and an incredibly talented team which positions the Group to continue to outperform most other retailers in New Zealand.”

The Group is due to report its full year result, including announcement of final dividend, on Wednesday 13 March 2024.

Friday 2 February 2024

Contact for enquiries:

Rod Duke

Group Managing Director

Tel: +64 9 815 3737