



## Sales to 30 January 2022 Record Full-Year Sales and Profit

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Briscoe Group Limited (NZX/ASX code: BGP)

### Highlights:

- Full year (52 weeks) Group sales \$744.4 million, +6.08% (vs 53 weeks last year)
- Full year (52 weeks) Group sales vs 52 weeks last year +7.97%
- Full year Homeware sales growth, +4.93% (vs 52 weeks last year, +6.72)
- Full year Sporting goods sales growth, +8.00% (vs 52 weeks last year, +10.06%)
- Full year Online sales as mix of total Group sales, 21.47%
- Full year Online sales growth, +21.01%
- Expected full year net profit after tax (NPAT) approximately \$87 million
- Announcement of full year results including final dividend - 16 March 2022

### Full year: 1 February 2021 – 30 January 2022 (52 weeks):

The directors of Briscoe Group Limited announce unaudited sales for the full-year, 52-week period to 30 January 2022 of \$744.4 million, an increase of 6.08% on the \$701.8 million reported for the 53-week period of last year. Comparing this year sales to the similar 52-week period last year, Group sales grew by 7.97%.

The homeware segment increased sales by 4.93% during the full year and the sporting goods segment by 8.00%. Comparing to the similar 52-week period homewares increased by 6.72% and sporting goods by 10.06%.

### Fourth quarter: 1 November 2021 – 30 January 2022 (13 weeks):

Unaudited sales for the 4<sup>th</sup> quarter, 13-week period ended 30 January 2022 were \$247.6 million, 0.22% under the \$248.1 million for the 14-week final quarter of last year. Comparing this year sales to the similar 13-week period last year, Group sales grew by 4.97%.

For the quarter, the homeware segment decreased sales by 3.42% during the 4<sup>th</sup> quarter with the sporting goods segment increasing by 5.21%. Comparing to the similar 13-week period homewares increased by 1.36% and sporting goods by 11.15%.

### Commentary

Group Managing Director, Rod Duke said: “Amidst the turmoil, uncertainty and continuing disruption of the pandemic, Briscoe Group has had an outstanding final quarter which will, once again, result in record full year sales and profit

“I’m thrilled that the Group has returned a sales lift of nearly 5% for this quarter when adjusted for last year’s additional week of trading. This is a great achievement given retail sales last year were still flying high from the retail recovery post the first national lockdown and also that our Auckland stores were shut for the first 9 days of this quarter.

“Part of this year’s success has been our focus on ensuring the business has had sufficient inventory to satisfy demand. With the uncertainty around national and international supply chains we committed to a strategy of securing product often months in advance of traditional timings, to minimise the wide-spread and widely reported, supply chain disruptions. This deliberate approach has resulted in a high level of inventory being carried during the year and we expect this to continue throughout 2022, but it has unquestionably delivered in terms of sales and profit. This was particularly true during this fourth quarter which contained the significant Black Friday and Christmas promotional events which produced very pleasing results.

“Our online business continues to produce remarkable results with growth of 21% this year, albeit on the back of further lockdowns but also too as a result of continuing developments and improvements implemented by both the E-commerce and store-fulfilment teams.

“Gross margin remains a focus for the Group. We continue to see benefits and opportunities in relation to margin performance from the initiatives the team, in conjunction with KPMG, are continuing to drive especially in relation to optimising ordering, allocation and flow into and through our stores. We expect Group gross margin percentage for the full year to close significantly above last year’s margin percentage.”

This year’s result also includes \$1.7 million (after tax) of dividends received from the Group’s investment in Kathmandu Holdings Limited. No dividend was received last year as a result of Kathmandu’s response to the COVID-19 situation.

Rod Duke said, “Having reached the end of the Group’s financial year last week and now having the benefit of certainty in relation to sales quantum, we anticipate that the Group will exceed the \$85 million upper range limit of the NPAT guidance previously given in November. We now expect a full year NPAT of approximately \$87 million, around 20% above last year’s reported NPAT.

“We have a very strong core business and our strategic plan is delivering ahead of expectations. This performance reflects the incredibly talented team we have in place across the whole company and I’m extremely proud of them to have yet again produced such incredible results.”

The Group is due to report its full year result, including announcement of final dividend, on Wednesday 16 March 2022.

Friday 4 February 2022

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