

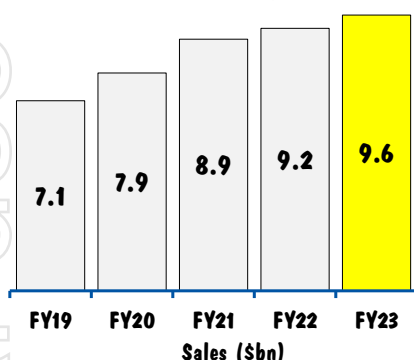
## COMPANY ANNOUNCEMENT

14 August 2023

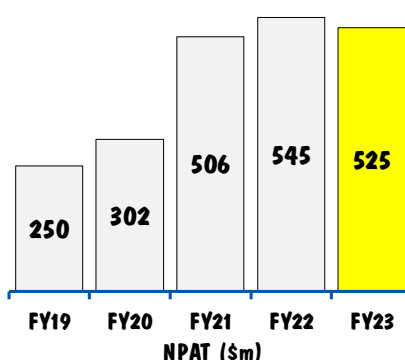
## JB Hi-Fi Limited Full Year 2023 Results

### FY23 Highlights

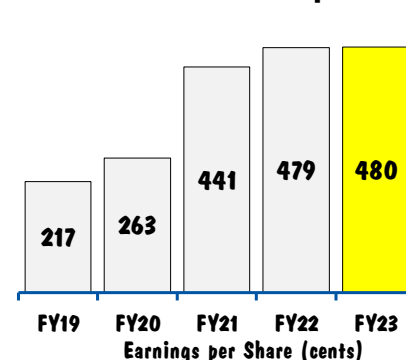
#### Total sales of \$9.6b



#### NPAT of \$524.6m



#### EPS of 479.9 cps



JB Hi-Fi Limited ("Group") today reports for the 12 months ending 30 June 2023 ("FY23"):

- Total sales up 4.3% to \$9.63 billion (up 35.7% vs pre Covid FY19);
- Earnings before interest and tax (EBIT) down 3.2% to \$769.0 million (up 106.3% vs pre Covid FY19);
- Net profit after tax (NPAT) down 3.7% to \$524.6 million (up 110.0% vs pre Covid FY19);
- Earnings per share up 0.1% to 479.9cps (up 120.7% vs pre Covid FY19); and
- Total dividend for FY23 of 312.0 cps, down 4.0 cps or 1.3% (up 119.7% vs pre Covid FY19).

The Group today also released its FY23 Sustainability Report that outlines the significant progress it has made across several initiatives towards its commitment to having a positive impact on its people, its communities and its environment.

Group CEO, Terry Smart said "We are pleased to report record sales and earnings per share for FY23. In a challenging retail environment, we remained top of mind for shoppers and grew our market share by continuing to drive our value offering, leveraging the strength of our multichannel offer and maintaining our high levels of customer service."

### FY23 Trading Performance

#### JB HI-FI Australia

Total sales increased by 5.6% to \$6.55 billion, with comparable sales up 4.8%. As compared to pre Covid FY19, total sales were up 38.5%. The key growth categories were Communications, Audio, Accessories, Games Hardware and Services. Online sales declined by 20.9% to \$940 million or 14.4% of total sales. As compared to pre Covid FY19, online sales were up 264.3%.

Gross profit increased by 6.7% to \$1.48 billion, with gross margin up 23 bps to 22.6%, driven by positive sales mix. Cost of doing business ("CODB") was 12.1%, up 68 bps, but remained below pre Covid FY19, driven by continued disciplined cost control. The business's low CODB remains a competitive advantage and is maintained through a continued focus on productivity, minimising unnecessary expenditure and leveraging scale.

EBIT was up by 1.3% to \$551.9 million, with EBIT margin down 36 bps to 8.4%. As compared to pre Covid FY19, EBIT remained strong (FY19 EBIT of \$301.7 million with 6.4% EBIT margin).

Unless otherwise stated, all results disclosed in this announcement are Statutory and, as a result, FY19 comparatives are prior to the adoption of AASB 16 Leases

### JB HI-FI New Zealand

Total sales were up 11.3% to NZD292.1 million, with comparable sales up 11.3%. As compared to pre Covid FY19, total sales were up 23.6%. The key growth categories were Communications, Audio, Games Hardware, Fitness and Accessories. Online sales declined by 25.7% to NZD32.1 million or 11.0% of total sales. As compared to pre Covid FY19, online sales were up 141.9%.

Gross profit increased by 2.4% to NZD46.7 million with gross margin down 140 bps to 16.0%, driven by price competitiveness in key categories and negative sales mix. CODB was 14.2%, up 142 bps but remained below pre Covid FY19, driven by continued disciplined cost control.

EBIT was down 49.9% to NZD4.4 million with EBIT margin down 185 bps to 1.5%. Underlying EBIT, excluding the impact of impairments in the current and prior year, was negative NZD2.2 million, down NZD6.9 million, and down on pre Covid FY19 EBIT of negative NZD1.9 million.

### The Good Guys

Total sales increased by 0.8% to \$2.81 billion, with comparable sales up 0.8%. As compared to pre Covid FY19, total sales were up 31.0%. The key growth categories were Refrigeration, Laundry, Floorcare, Personal Care and Audio. Online sales declined by 14.1% to \$341.1 million or 12.1% of total sales. As compared to pre Covid FY19, online sales were up 160.5%.

Gross profit was \$658.4 million with gross margin up 11 bps to 23.4%, driven by positive sales mix. CODB was 12.8%, up 104 bps, but remained below pre Covid FY19, driven by continued disciplined cost control.

EBIT was down by 11.8% to \$213.0 million with EBIT margin down 108 bps to 7.6%. As compared to pre Covid FY19, EBIT remained strong (FY19 EBIT of \$72.9 million with 3.4% EBIT margin).

### Capital Management

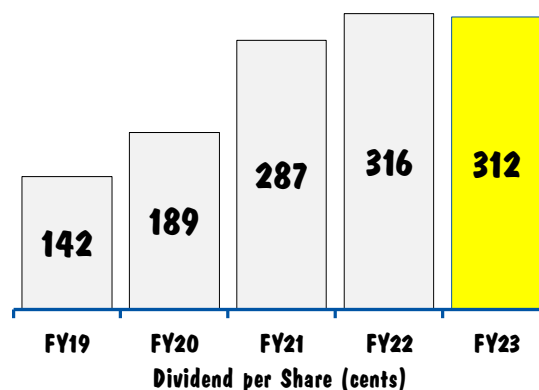
The Board has today declared a final dividend of 115 cents per share (cps) fully franked, down 38 cps or 24.8%. As compared to pre Covid FY19, the final dividend was up 64 cps or 125.5%.

The total dividend for FY23 was 312 cps, down 4 cps or 1.3%, and representing 65% of NPAT. As compared to pre Covid FY19, the total dividend was up 170 cps or 119.7%.

The final dividend will be paid on 8 September 2023. The record date for determining the entitlement for the final dividend is 25 August 2023.

The Group continues to maintain a strong balance sheet, with closing net cash of \$127.5 million at 30 June 2023. The Board will continue to regularly review the Group's capital structure with a focus on maximising returns to shareholders and maintaining balance sheet strength and flexibility.

### Total Dividend of 312 cps



**Generating sustainable long-term growth**

The Group's FY23 Sustainability Report outlines the Group's commitment to having a positive impact on its people, its community and its environment.

As set out in the Report, the Group is committed to:

- Supporting its people and ensuring a safe, inclusive and respectful workplace, whilst always looking for ways to provide them with flexibility and opportunities to grow and develop;
- Making a positive impact in the communities in which its team members live and work, and working with its supply partners to protect and further human rights; and
- Minimising the impact that its operations may have on the natural environment and pro-actively reducing its waste, energy consumption and emissions.

The Group is pleased with the progress made in these key areas of focus, which in FY23 included:

- Continued to improve gender diversity across the Group, with an increase in the number of women in leadership positions;
- Ongoing focus on safety including mental health and wellbeing training programs;
- A 9.6% decrease in Scope 1 and 2 emissions, supported by the installation of Solar power generation in 9 stores in FY23, bringing the total number of stores to 24 as the Group works towards net-zero direct (scope 1 and 2) carbon emissions by 2030;
- A 12% decrease in plastic bag usage with plastic bags to be phased out nationally and replaced with 100% recyclable paper bags; and
- FY23 workplace giving donations totalling \$3.9 million and \$35.7 million since inception.

The FY23 Sustainability Report can be found on the Group's investor website (<https://investors.jbhifi.com.au/>).

**FY24 Trading Update****July 2023 Sales Update**

The Group provides the following sales update for the period 1 July 2023 to 31 July 2023:

- Total sales growth for JB HI-FI Australia was -1.8% with comparable sales growth of -2.9%. As compared to pre Covid FY19, total sales growth was 38.7%;
- Total sales growth for JB HI-FI New Zealand was 10.0% with comparable sales growth of 10.0%. As compared to pre Covid FY19, total sales growth was 27.9%; and
- Total sales growth for The Good Guys was -12.0% with comparable sales growth of -12.0%. As compared to pre Covid FY19, total sales growth was 22.0%.

July sales are in line with the Group's expectations cycling the elevated period from last year. While total sales continue to be well above pre Covid July FY19, the Group has seen increased variability in category performance.

Group CEO, Terry Smart said "With the heightened uncertainty in the retail environment, both our brands remain well positioned to leverage their low-price market position as shoppers look to maximise value from their purchases. As we have continued to demonstrate, we will adapt and respond to the changing retail conditions to ensure we remain the number one destination for shoppers and grow our market share."

Terry added "As always, we are thankful to our over 14,500 team members whose continued focus on delivering value and maintaining our high levels of customer service will ensure the long-term sustainability of the business."

Authorised by the Board.

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