

8 May 2024

TRADING UPDATE

Super Retail Group Managing Director and Chief Executive Officer, Mr Anthony Heraghty, will deliver a presentation at the Macquarie Group Australia Conference on Thursday, 9 May 2024.

The presentation contains a trading update and details about the Group’s 2024 Enterprise Agreement.

Trading Update

The Group is pleased to provide the following trading update for the first 43 weeks of FY24:

	H2 LFL sales growth Weeks 27 to 43	LFL sales growth Weeks 1 to 43	Total sales growth Weeks 1 to 43
Supercheap Auto	1%	2%	3%
rebel	(2%)	(2%)	(2%)
BCF	(5%)	(1%)	5%
Macpac	3%	1%	2%
Group	(1%)	0%	2%

Group sales across March and April were approximately 1 per cent higher than sales in the prior corresponding period (pcp):

- Supercheap Auto benefitted from strong demand in auto maintenance categories including lubricants, power and car detailing;
- rebel footwear sales improved following the introduction of new and expanded brand ranges (including Hoka and On), however demand for apparel remains subdued;
- BCF’s like-for-like sales reflect softer trading in the key Easter period and the cycling of clearance activity in the pcp; and
- Macpac’s sales growth was driven by a strong performance in New Zealand where inbound travel boosted sales in key tourist destination stores

“Given current challenges around inflation and interest rates, our customers are managing their spending carefully and becoming increasingly value focused.” Mr Heraghty said.

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“While store foot traffic and transaction volumes continue to grow, ongoing cost of living pressure is impacting number of items per sale.”

Group gross margin (%) in FY24 year to date is in line with gross margin (%) delivered in the pcp.

The Group has opened 20 stores and closed 4 stores in FY24 year to date. The Group expects to open a further seven stores prior to the end of FY24.

2024 Enterprise Agreement

Super Retail Group is pleased to advise that the Group’s 2024 retail and CCC Enterprise Agreement (EA) has been endorsed by our Australian team members and approved by the Fair Work Commission (FWC).

The EA has a three-year term and will become operative from 14 July 2024.

Under the terms of the EA, all wages-paid team members across the Group’s Australian retail stores will receive higher penalty rates and the following increases in base pay rates:

- FY25: 5.25 per cent¹
- FY26: 3.25 per cent
- FY27: 3.25 per cent

The EA applies to the store wages component of the Group’s employee expenses (not support office employee expenses) and excludes retail management.

Prior to the EA, on 2 July 2023 the Group made a 3 per cent pay increase to retail team member base pay rates.

Eligible team members will also receive a one-off payment equivalent to 2.75 per cent of their annual base pay with payment to be made prior to the end of FY24.

The Group’s H1 FY24 financial results included a year-to-date provision for this one-off payment.

The FY25 increase to retail team members’ base pay rates represents a step up in retail team member expenses from FY24 to FY25 of approximately 3 per cent.

“We believe the Enterprise Agreement represents a fair and reasonable outcome for the Group and our team members” Mr Heraghty said.

The release of this announcement has been authorised by the Board of Super Retail Group.

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1. Approximately 96 per cent of retail team members will receive a 5.25 per cent increase. The balance (Macpac small format team members who were not covered by the 2018 EA and therefore previously paid according to the General Retail Industry Award rates) will receive a 6.95% per cent increase as they join the 2024 EA