

ASX Market Announcements Office  
Australian Securities Exchange

31 October 2024

## **Annual General Meeting – Addresses & Presentations**

In accordance with the Listing Rules, please find attached for release to the Market a copy of the addresses and presentations to be given at today's JB Hi-Fi Limited AGM.

Authorised by the Board

For personal use only

## COMPANY ANNOUNCEMENT

31 October 2024

# Chair's and Group CEO's Address 2024 Annual General Meeting

## Chair's Address

The financial year ended 30 June 2024 ("FY24") was another strong year for JB Hi-Fi Limited and its subsidiaries (the "Group"), with sales remaining solid thanks to the strength of each brand's core categories. In this tough retail environment where customers are seeking value, our brands continue to resonate strongly driven by the trust customers have in our low-price best value proposition.

We are thankful to our over 15,000 team members across Australia and New Zealand, whose continued focus on delivering value and maintaining our high levels of customer service will ensure the ongoing success of the business. Our motivated, passionate, knowledgeable and highly trained staff continue to be our most important asset. We believe the Group is an employer of choice, with a diverse, inclusive, busy, enjoyable and, most importantly, safe working environment that helps us to continue to attract and retain high calibre people.

Turning to the Group's operating model, the Group comprises three leading retail brands: JB Hi-Fi, with a focus on Technology and Consumer Electronics; The Good Guys, with a focus on Home Appliances and Consumer Electronics and from September 2024, e&s, with a focus on premium Home Appliances and Bathroom.

The value proposition for each brand centres around ranging the best brands at low prices supported by exceptional customer service across our store network, our online and phone channels, and through our commercial business.

The multi branded retail approach continues to be underpinned by four key competitive advantages, being:

- scale;
- a low cost operating model;
- multichannel capability; and
- people and culture.

An integral part of the Group's ongoing strategy is to encourage innovation and diversification in our product range, merchandising formats, advertising, supply chain, property locations and our online offer, in a controlled and responsible manner to ensure that we remain current and relevant to our customers. We have a culture of embracing change, which is seen as a "natural" part of the business, and this approach provides opportunities to increase revenue, margin and productivity.

The Group's FY24 Sustainability Report, which can be found on the Group's investor website, outlines our commitment to having a positive impact on our people, our community and our environment. As set out in the report, we are committed to:

- supporting our 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 our team members live and work and working with our supply partners to protect and further human rights; and
- minimising the impact that our operations may have on the natural environment and pro-actively reducing our waste, energy consumption and emissions.

Progress made during FY24 within our key areas of focus included:

- Continued improvement of gender diversity across the Group, with an increase in the number of women in leadership positions at Board, Senior Management and Store Management levels;
- Continued investment in leadership development, that included launching a new women in leadership program in Australia and New Zealand;
- Ongoing focus on safety including mental health and wellbeing, psychosocial hazard and aggressive customer training programs;

**JB Hi-Fi Limited**  
**Chair's and Group CEO's Address**  
**2024 Annual General Meeting**

- Solar power generation installed in 7 stores, bringing the total number of stores to 30 and added 'Green Power' to the Group's energy mix, as we continue to work towards net-zero direct (scope 1 and 2) carbon emissions by 2030;
- Completed the implementation of battery, mobile phone and small e-waste recycling kiosks in JB HI-FI Australia and The Good Guys stores; and
- FY24 workplace giving donations totalling \$4.2 million and \$39.9 million since inception.

We are pleased with the progress we are making on our Sustainability plan and commitments, and importantly are receiving an overwhelmingly positive response from our team members.

In closing, the Board remains focused on building long term shareholder value. Since JB Hi-Fi Limited listed in October 2003:

- the JB Hi-Fi share price compound annual growth rate is 20.1% to 29 October 2024, compared to 4.5% on the ASX 200 Index over the same period;
- the earnings per share compound annual growth rate is 18.6%; and
- the ordinary dividend per share (fully franked) compound annual growth rate is 19.7%.

More recently, in the five years since 2019:

- the JB Hi-Fi share price compound annual growth rate is 16.4% to 29 October 2024, compared to 4.1% on the ASX 200 Index over the same period;
- the earnings per share compound annual growth rate is 13.0%;
- the ordinary dividend per share (fully franked) compound annual growth rate is 12.9%; and
- the Group has returned an additional \$337.5 million to shareholders through the April 2022 \$250.0 million off market buyback and August 2024 \$87.5 million special dividend.

I would like to take this opportunity to thank my fellow directors, the executive team and our store, warehouse and support teams for their unwavering commitment to the ongoing prosperity of your company and its shareholders.

I now invite Terry to address the meeting on the Group's operations.

## Group CEO's Address

Thank you Stephen, and good morning ladies and gentlemen.

Retailing is a dynamic and exciting industry and JB Hi-Fi, The Good Guys and e&s are market leaders in their respective sectors.

The core of our proposition has always been, and will always remain, our unwavering focus on our customers who continue to turn to us for their technology and home appliance needs and our over 15,000 dedicated and knowledgeable team members across Australia and New Zealand continue to respond and adapt in an amazing manner to make sure we can meet these needs.

Turning to our FY24 results, FY24 was another strong year with Group sales of \$9.59 billion, Group EBIT of \$647.2 million and earnings per share of 401.4 cents per share.

The total ordinary dividend for FY24 was 261 cps, representing 65% of NPAT. In addition to the total ordinary dividend, the Group declared and paid a special dividend of 80 cps fully franked, or \$87.5 million.

The Group's balance sheet continued to be strong with low financial and operating leverage and closing net cash of \$302.7 million at 30 June 2024. The Group will continue to regularly review all aspects of its capital structure with a focus on maximising returns to shareholders whilst maintaining balance sheet strength and flexibility.

Turning to FY25, in September 2024 we completed the acquisition of 75% of e&s.

e&s was established in 1962, and has a premium offering across the kitchen, laundry and bathroom product segments. It comprises 10 showrooms in Victoria and Online, plus 1 showroom in ACT, delivering highly personalised customer service, both pre and post purchase. e&s has an established commercial offering in Victoria servicing builders, developers and architects, with a recent opening in ACT. e&s has a highly complementary premium product offering, which will appeal to a new customer base, and commercial construction market focus, making it a strategically compelling addition to the Group. Rob Sinclair will continue as Managing Director of e&s and report directly to me.

While only early, we are pleased with the integration progress to date. We look forward to the continued success of the e&s brand and welcome Rob and the e&s team to the Group.

In October 2024, we announced changes to our Group Executive team, with the appointment of Nick Wells as Group Chief Operating Officer. With the Group's further expansion, Nick's new role will provide additional support to assist the growth of the brands.

Furthermore, David Giansalvo has been appointed to succeed Nick Wells as Group Chief Financial Officer. Since 2016 David has been our Group General Manager – Analysis & Planning, leading the Group's commercial finance function as well as being actively involved in the Group's investor relations and M&A activities.

We congratulate both Nick and David on their appointments. Both Nick and David will report directly to myself and all other Group Executives will continue to report directly to me.

Throughout FY25 the Group will remain focused on the following five key areas:

1. Retail Execution & Value Promotion

In a tougher retail trading environment, our strong retail execution is vital. We will focus on actively demonstrating and proving value to our customers, especially during key sales events like Black Friday and Boxing Day. At the same time we will leverage the efficiency of our operating model and focus on delivering exceptional customer service.

2. Multichannel Growth

We will continue to expand our reach and attract more shoppers to our brands, both in store and online. Two new JB HI-FI Australia stores and one The Good Guys store will open in FY25. We will continue to enhance our sales channels by growing our over the phone, chat, and video sales channels to meet customers' changing shopping needs and will expand our JB Perks and The Good Guys Gold Service Extras membership programs.

3. New Zealand expansion

The expansion of our JB Hi-Fi New Zealand business continues, with 5 new stores targeted to open in FY25. In addition to the growth in our store network, we are developing our commercial sales capability and investing in our workforce and systems to support ongoing growth. We expect that the growth in sales and increased scale will assist in improving gross margins and overall profit margins over time.

4. Commercial growth

Our Commercial businesses remain an area of focus and an opportunity for growth for the Group. We are actively growing our customer base across the corporate, government, and education sectors, while further integrating with our retail businesses, to drive customer lead generation and enhance the delivery experience.

5. Supply Chain optimisation

Our investment in building and maintaining a fit-for-purpose Supply Chain network is ongoing. We are focused on creating best-in-class customer experiences, with a number of initiatives underway including launching a new transport management system. In addition to this, we will optimize inventory flow during our peak trade periods to enhance stock availability and ensure staff safety.

Turning to recent trading, the Group has today provided a sales update for the period 1 July 2024 to 30 September 2024 (Q1 FY25):

- Total sales growth for JB HI-FI Australia was 4.9% with comparable sales growth of 5.0%.
- Total sales growth for JB HI-FI New Zealand was 19.6% with comparable sales growth of 2.7%.
- Total sales growth for The Good Guys was 5.3% with comparable sales growth of 5.0%.

The Group is pleased with its Q1 FY25 sales, and e&s sales for the month of September<sup>1</sup>, as we enter the important Q2 trading period.

In closing, we remain committed to offering the best value and exceptional customer service to maximise our brands' sales opportunities. As always, the results are a credit to our over 15,000 team members whose support and commitment ensure the ongoing success of the business. We will remain focused on our customers' needs and continue to innovate as we navigate another uncertain year.

I look forward to another exciting and successful year in FY25.

Authorised by the Board.

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Media & Investors:

Terry Smart  
Group Chief Executive Officer  
03 8530 7454

Investors:

David Giansalvo  
Group Chief Financial Officer  
03 8530 7454

<sup>1</sup> From 02 September 2024 following completion of the acquisition of 75% of E. & S. Trading Co. (Discounts) Pty. Ltd. ("e&s").

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# JB Hi-Fi Limited

2024 AGM

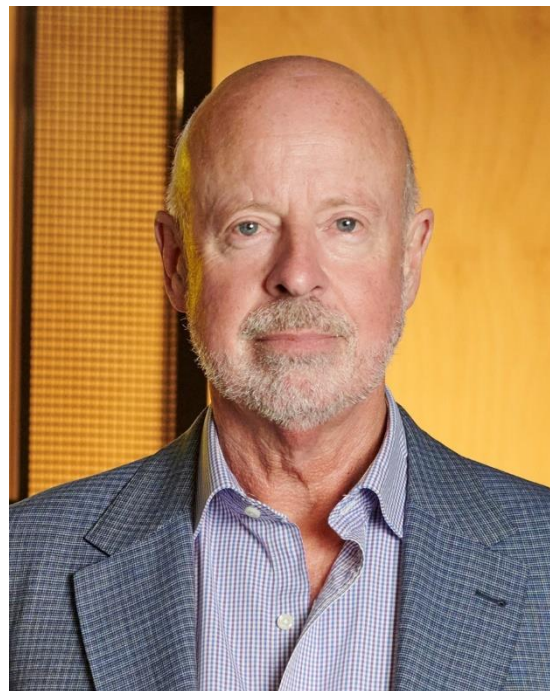


# Chair's Address

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**STEPHEN  
GODDARD**

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# Chair's Address

Motivated, passionate and knowledgeable staff





# Chair's Address

## The group model

### Three iconic retail brands

**JB HI-FI**

**THE GOOD GUYS**

**e&s**  
KITCHEN · BATHROOM · LAUNDRY

**Purpose**

Help people with better ways to live, learn, work, and play

Help families live better for less

Help people find the perfect appliance to improve life in their home

**Product offering**

Leading retailer of **technology** and consumer electronics

Leading retailer of **home appliances** and consumer electronics

Leading retailer of **premium home appliances** and bathroom

**Channels**

220+ Stores | Online | JB HI-FI Business | JB HI-FI Education | Phone Sales

100+ Stores | Online | TGG Commercial | Phone Sales

10+ Stores | Online | Commercial developers | Builders & Architects

**Target customer base**

Tech-savvy demographic

Home-making families

Home renovator and new home builders

**Value proposition**

Known and **trusted** for **value**  
Best **brands**, big **range**, low **prices**

**Customer focus**

Known for **passionate, knowledgeable team members**  
**Exceptional customer service**

leveraging a **Group support function** and underpinned by 4 **key competitive advantages**

1

Scale

2

Low Cost  
Operating Model

3

Multichannel  
Capability

4

People and  
Culture

# Chair's Address

## Generating sustainable long-term growth



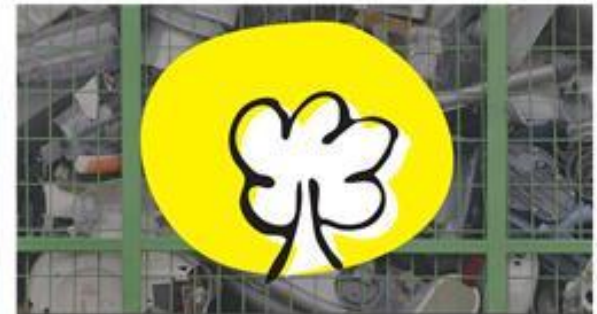
### Our People

- Diversity & inclusion
- Health, safety and wellbeing



### Our Communities

- Community investment
- Ethical sourcing
- Data security & privacy



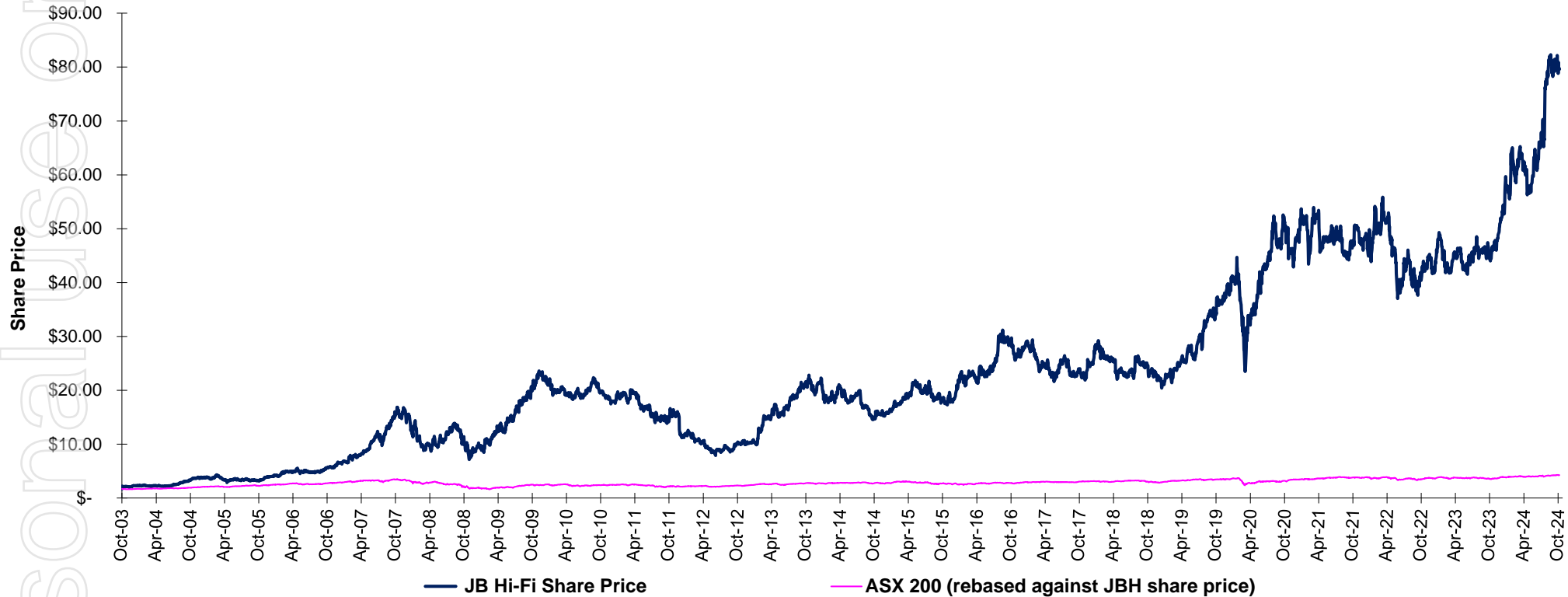
### Our Environment

- Climate action
- Product & waste recycling

# Chair's Address

## A focus on long-term shareholder value

JBH share price CAGR of 20.1% since listing, compared to 4.5% on the ASX 200 over the same period



# Group CEO's Address

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**TERRY  
SMART**

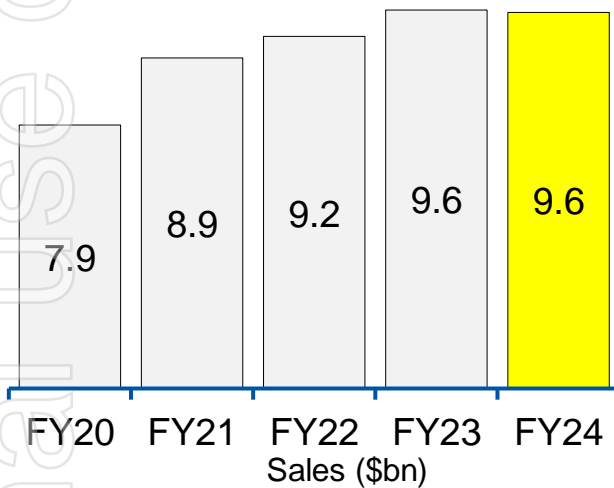
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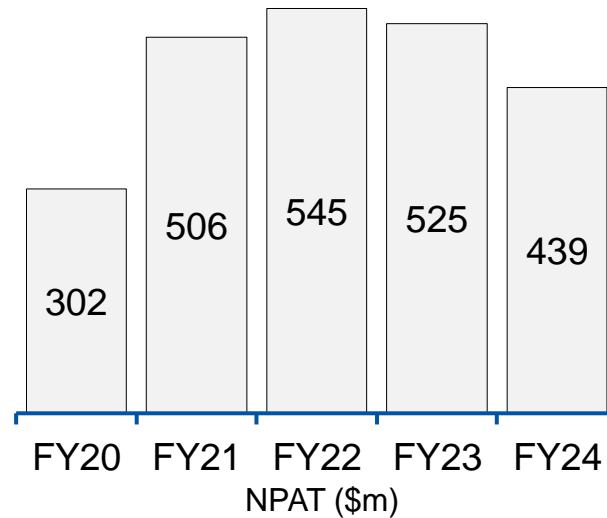
# Group CEO's Address

## FY24 Group Results

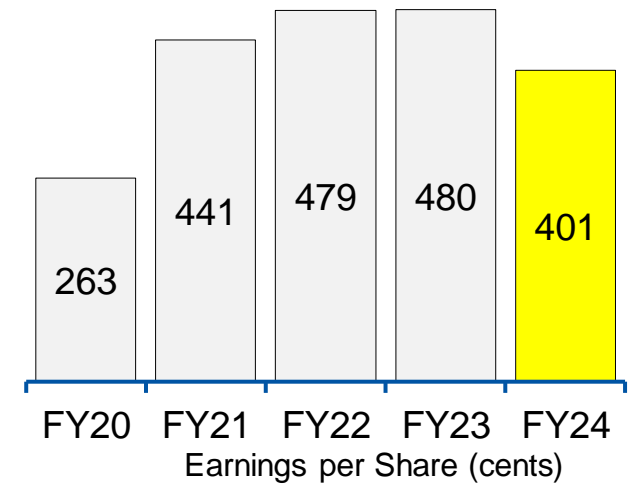
**Total sales of \$9.6b**



**NPAT of \$438.8m**



**EPS of 401.4 cps**



# Group CEO's Address

## Acquisition of e&s





# Group CEO's Address

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## 5 Key Group Focus areas

Retail Execution & Value promotion

- Solid promotional strategy
- Drive value and operational efficiencies
- Exceptional customer service

Multichannel growth

- New store openings
- Enhance sales channels
- Expand membership program

New Zealand expansion

- New store openings
- Develop commercial sales
- Invest in people
- Improve gross margins

Commercial growth

- Expand customer base
- Integrate with retail

Supply Chain optimisation

- Ongoing review of supply chain network
- Enhance delivery options
- Optimize inventory flow

# Group CEO's Address

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## FY25 sales update

- For the period 1 July 2024 to 30 September 2024 (Q1 FY25)
  - Total sales growth for JB HI-FI Australia was 4.9% with comparable sales growth of 5.0%
  - Total sales growth for JB HI-FI New Zealand was 19.6% with comparable sales growth of 2.7%
  - Total sales growth for The Good Guys was 5.3% with comparable sales growth of 5.0%
- The Group is pleased with its Q1 FY25 sales, and e&s sales for the month of September<sup>1</sup>, as we enter the important Q2 trading period

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