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# Accent Group

2024 Annual General Meeting



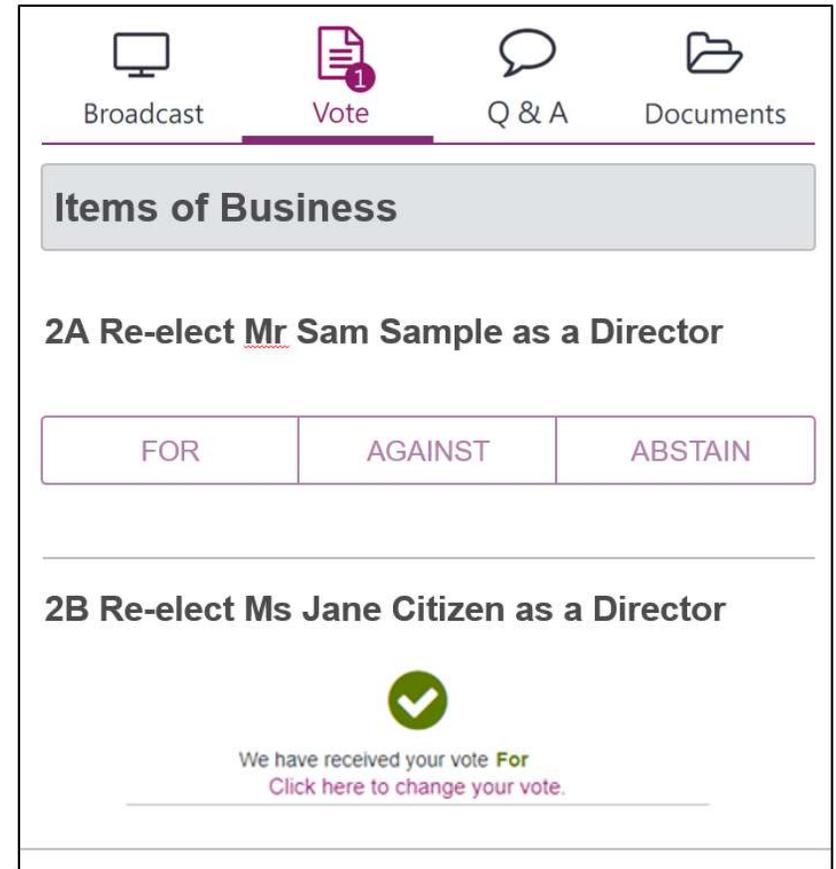
## How to ask a question online

- To submit a written question, please select the “Q&A” icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and **press** the send button
- To ask a verbal question follow the instructions below the broadcast window.

The screenshot displays the online meeting interface with four navigation icons at the top: Broadcast (monitor icon), Vote (document icon), Q & A (speech bubble icon, highlighted with a purple underline), and Documents (folder icon). Below the icons is a large text box labeled "Your question(s)". Underneath this box, the text reads "You may enter a question using the field below." followed by a "Select Topic" dropdown menu. Below the dropdown, a note states "Questions are limited to 2000 characters." and there is a text input field with a "Send" button to its right. The character count "0 character(s)" is visible at the bottom right of the input field.

## How to vote online

- When the poll is open, select the “Vote” icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed



The screenshot displays the online voting interface. At the top, there are four navigation icons: Broadcast, Vote (highlighted with a purple bar and a red notification badge), Q & A, and Documents. Below the navigation is a section titled "Items of Business". The first item is "2A Re-elect Mr Sam Sample as a Director". Below this item are three buttons: FOR, AGAINST, and ABSTAIN. The second item is "2B Re-elect Ms Jane Citizen as a Director". Below this item is a green checkmark icon and a confirmation message: "We have received your vote **For**. Click here to change your vote."



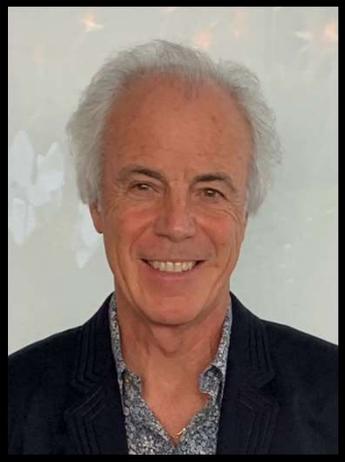
**David Gordon**  
Chairman



**Daniel Agostinelli**  
Group CEO

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# The Board



**Michael Hapgood**



**Donna Player**



**Anne Loveridge AM**



**Lawrence Myers**

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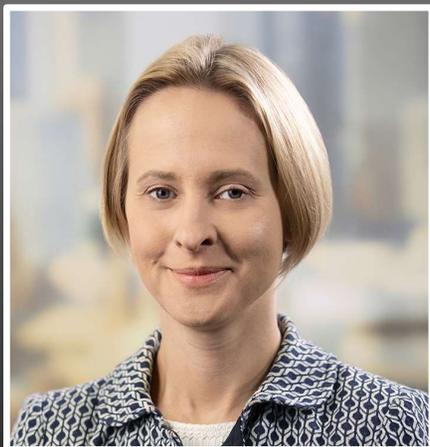
# Other attendees



**Matthew Durbin**  
Group CFOO &  
Joint Company Secretary



**Nikki Nuttall**  
Group General Counsel &  
Joint Company Secretary



**Alison Milner**  
Partner, PWC

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Welcome and Introduction

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Chairman's report

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CEO report

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Trading update

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Formal business

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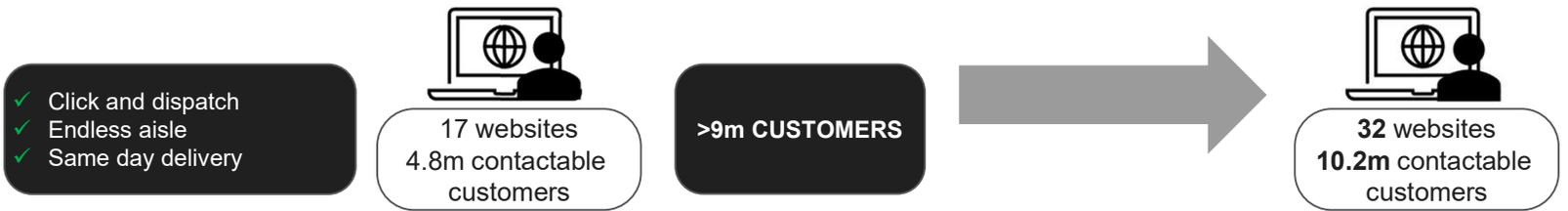
# The Accent growth journey



Demonstrated track record of retail sales growth driven by store rollout and new banners



Expansion of omni-channel capabilities and contactable customer database



Growth in existing and new distributed brands



Apparel and vertical sales growth strategy



1. Includes stores and digital sites, non-IFRS measure

# The Accent business model



Accent Group's mission is to be the market leading, digitally integrated retail and distribution business, in the performance lifestyle market for footwear, apparel and accessories across Australia and New Zealand.

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**The Accent Business model**  
Scalable, flexible and defensible

**Multi-Brand Retail Banners**  
Range global third party brands, global distributed brands, and owned vertical brands and products through online and stores

**Global Distributed Brands**  
Dedicated retail stores and online sites, as well as wholesale customer channels

**Vertical Apparel Owned Brands**  
Supports margin growth and product differentiation in multi-brand banners, as well as having dedicated online sites

# FY24 financial performance



## Financial Summary FY24 vs FY23<sup>1</sup>

Profit & Loss (\$'000's)	FY24	FY23	% Change
Owned sales	1,434,898	1,393,257	3.0%
Gross profit	800,144	768,842	
Gross margin (%)	55.8%	55.2%	58bps
CODB – excl. lease depreciation & interest	(525,911)	(498,052)	
CODB % – excl. lease depreciation & interest	36.7%	35.7%	90bps
CODB %	45.9%	44.5%	138bps
Other income – inc. royalties and franchise fees	19,454	27,431	
<b>EBITDA</b>	<b>293,687</b>	<b>298,221</b>	<b>(1.5%)</b>
Depreciation on leases	(115,200)	(107,893)	
Depreciation & amortisation	(68,093)	(51,540)	
<b>EBIT</b>	<b>110,394</b>	<b>138,788</b>	<b>(20.5%)</b>
Net finance costs on lease liabilities	(16,798)	(13,702)	
Net interest (paid) / received	(9,180)	(5,470)	
<b>PBT</b>	<b>84,416</b>	<b>119,616</b>	<b>(29.4%)</b>
Tax	(24,886)	(30,963)	
<b>Net Profit After Tax</b>	<b>59,530</b>	<b>88,653</b>	<b>(32.9%)</b>

1. Financial results for the 52 weeks ended 30 June 2024, are presented on a statutory post AASB 16 basis unless otherwise noted. Prior year comparisons are presented on the same basis for the 53 weeks ended 2 July 2023.

# Value creation and investor value proposition

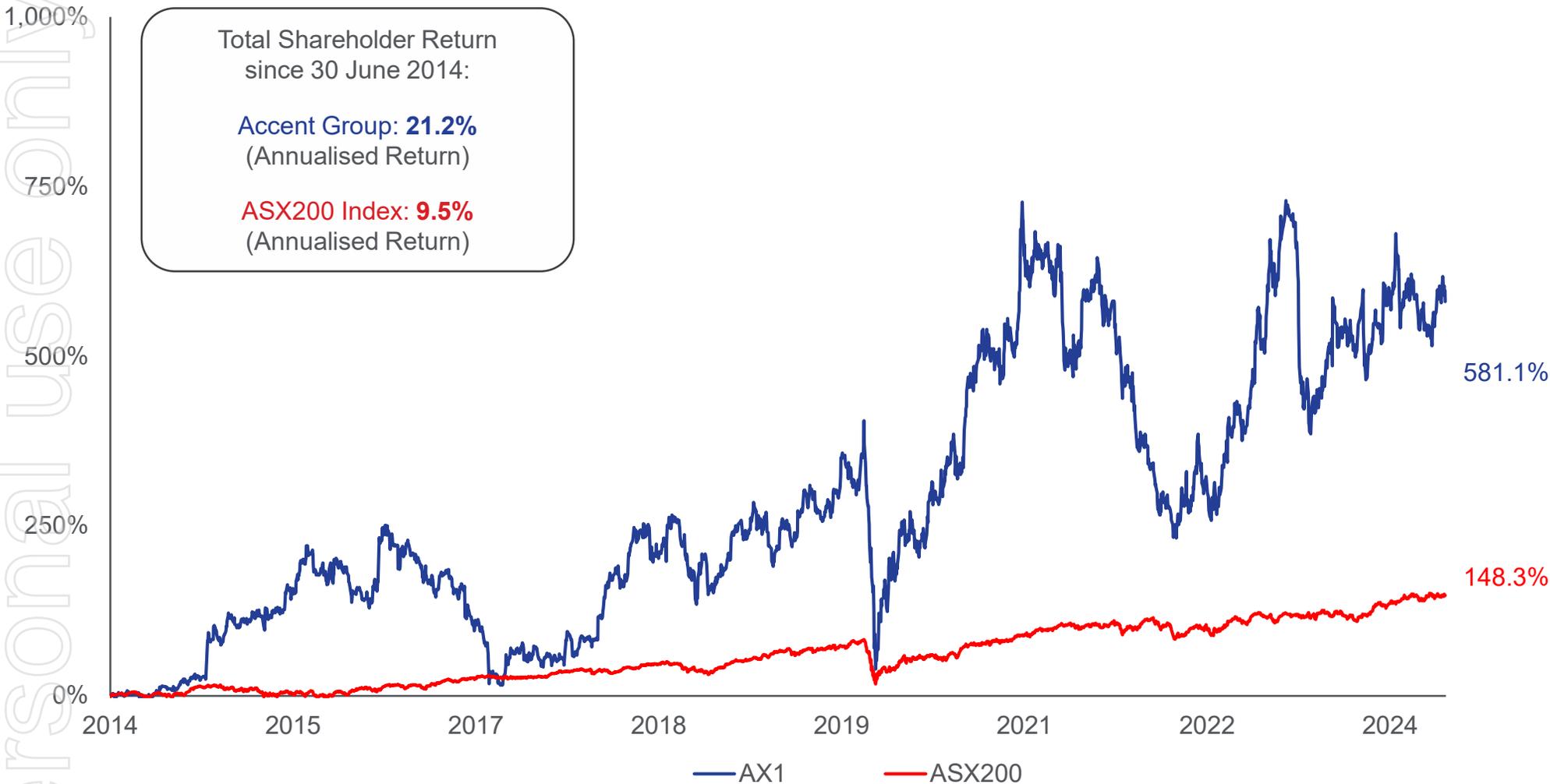


Total Shareholder Return<sup>(1)</sup> comparison of Accent and the ASX200  
(30 June 2014 to 28 June 2024)

Total Shareholder Return since 30 June 2014:

**Accent Group: 21.2%**  
(Annualised Return)

**ASX200 Index: 9.5%**  
(Annualised Return)



Source: Bloomberg.  
1. Assumes 100% dividend reinvestment on the ex-dividend date..



At Accent we "Make It Happen"



### Our People

Our people come first

#### Safety

- 600 safety audits completed
- Improved safety reporting
- Upweighted training program

#### Diversity & Inclusion

- 65:35 Female to Male ratio
- 30% Female Board representation

#### Training

- Leadership Academy
- 475 participants in AG UNI



### Our Responsibilities

We act with integrity

#### Ethical Sourcing & Modern Slavery

- Policies updated
- OSC portal used for factory audit data

#### Community Partnerships

- 3-Year Headspace and NZ Youth Line program
- Local community programs lead by Brands

#### Data Security

- Enhanced anti-phishing and incidence response programs



### Our Environment

We care for our environment

#### Recycle Program through ASGA

- 286 customer shoe recycling collection points across our stores
- 51,486 pairs of shoes were collected

#### Sustainable Product

- Alpha Dux school shoes made with recycled leather.

#### Climate

- Scope 1 & 2 emissions calculated
- Preparing to meet the new Carbon reporting standards in FY26
- Accent Group remains an APCO member for packaging compliance

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**Daniel Agostinelli**

Group CEO

**Accent  
Group**



# Operational highlights



## Total Sales (inc Franchises)

**\$1.61 billion<sup>1</sup>**

+2.7% on FY23



## Vertical Owned Brand Sales

**>\$125 million**

c.9% of total sales

## New Stores

**93**

new stores opened during FY24 across Australia and New Zealand

## NUDELUCY

**36**

stores now open representing a fast-growing world class lifestyle apparel brand

## PLATYPUS

**26**

new stores opened across Australia and New Zealand

## SKECHERS

**23**

new stores opened across Australia and New Zealand



## Customers & Loyalty

**10.2 million**

Contactable customers  
400,000 increase since June 23



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# Retail, Wholesale & Vertical Owned Brands



## Retail

- Retail sales of \$1.27 billion, up 6.3% on FY23
- 93 new stores added to the Accent Group network in FY24
- Strong retail performance across Skechers, Hype, TAF, Stylerunner, Nude Lucy and others
- 36 Nude Lucy stores now open with consistently growing results YoY

## Wholesale

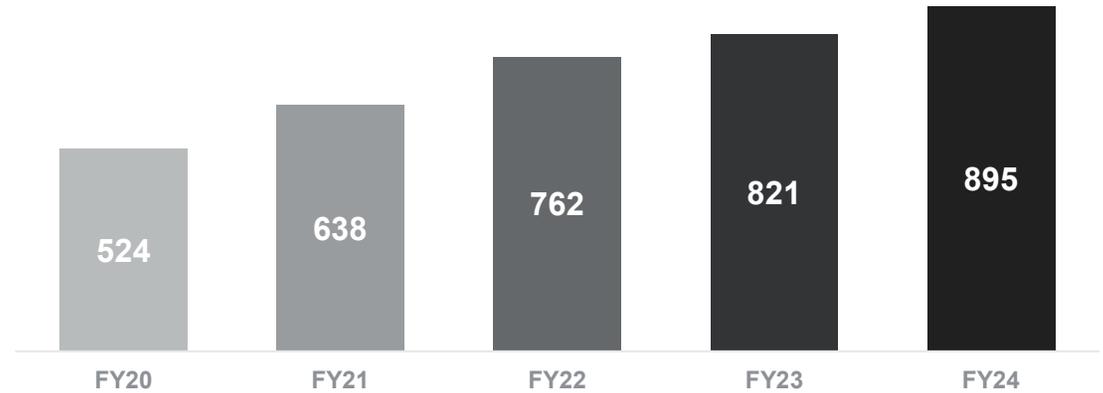
- Wholesale sales of \$164 million, down 16.9% on FY23

## Vertical Owned Brands

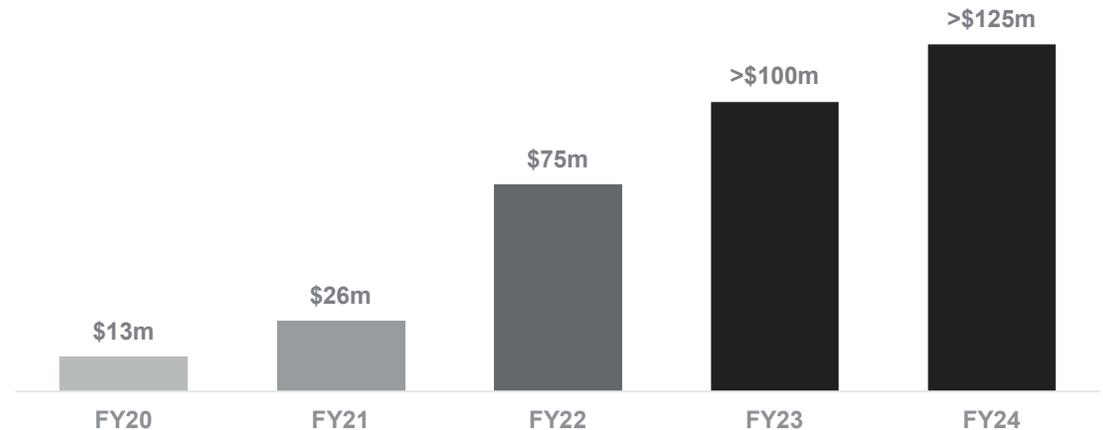
- Strong continued double-digit growth in Vertical Owned sales
- Sales of over \$125 million, representing c.9% of total owned sales



## Store Network<sup>1</sup>



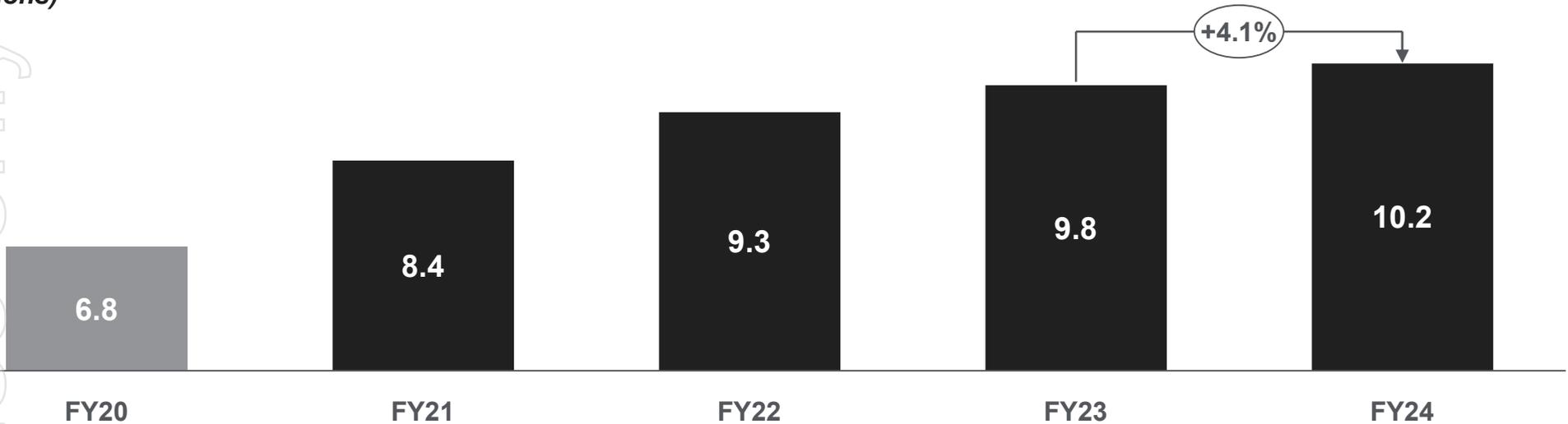
## Vertical Owned Brands Sales (\$ Millions)



# Customers & Loyalty



**Accent Group Contactable Customers**  
(Millions)



- Contactable customers continues to grow to **10.2 million**.
- Loyalty program membership of **8.1 million** across TAF, Skechers, Platypus, Hype DC, Glue Store and Merrell.
- In November '23 the company launched an exclusive loyalty partnership with Qantas where customers can earn and spend Qantas points across Accents banners.
- The average spend on the Qantas linked transactions to date is significantly higher than the Accent average.



- Update on trade for the first 20 weeks of FY25
- Total Group owned sales YTD are up 6.8%
- LFL sales for the first 20 weeks are up 3.5%
- FY25 gross margin % YTD is down 70bp with the comparable period last year
- CODB % to sales to the end of week 20 is starting to gain traction, with CODB% to sales showing a small improvement to last year
- Store opening program is on track – around 40 new stores expected to open in H1 FY25
- In-stock position along with sales and operational plans are well set heading into the largest trading months of the year.
- Frasers update – following the announcement in August of the Frasers Group shareholding, the Board intends to appoint Dave Forsey, a former CEO of Sports Direct and the current General Manager of APMEA for Frasers to the Accent Board effective at the end of the AGM on 21 November 2024.

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