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H1 FY2025 RESULTS PRESENTATION

20 FEBRUARY 2025

BEACON LIGHTING GROUP

Beacon
LIGHTING

Beacon
TRADE

Beacon
COMMERCIAL

Beacon
INTERNATIONAL

LIGHT
SOURCE
SOLUTIONS

CONNECTED
LIGHT SOLUTIONS

MASSON
FOR LIGHT

C
CUSTOM LIGHTING
DESIGNERS OF LIGHT



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RESULTS OVERVIEW

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1 FINANCIAL HIGHLIGHTS

\$170.6m
Record Sales

69.3%
Gross Profit Margin

4.9%
Operating
Expense Increase

\$47.4m
EBITDA

\$17.6m
NPAT

\$48.0m
Cash⁽¹⁾

(1) Cash and cash equivalents (including other financial assets).

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OPERATIONAL HIGHLIGHTS

25.3%

Store Trade Sales Increase

210+

Team members received "Trade Immersion Training"

34.2%

Online Trade Sales Increase
beacontrade.com.au

9.2%

Online Retail Sales Increase
beaconlighting.com.au

RECORD

Trade Club Members
VIP Customers

NEW STORES

Chatswood (NSW)⁽¹⁾
Port Stephens (NSW)
Shepparton (VIC)
Bendigo (VIC)⁽²⁾

Designed and Developed

307

New Innovative Products

(1) Chatswood (NSW) is a relocation for the Killara (NSW) store now closed.
(2) Bendigo (VIC) store was a relocation.

\$'000	H1 FY2024	H1 FY2025	Change \$	Change %
Sales	164,857	170,568	5,711	3.5%
Gross Profit	114,337	118,264	3,927	3.4%
<i>Gross Profit Margin %</i>	69.4%	69.3%		
Other Income⁽¹⁾	908	1,336	428	47.1%
<i>% of Sales</i>	0.6%	0.8%		
Operating Expenses⁽²⁾	(68,849)	(72,246)	(3,397)	4.9%
<i>% of Sales</i>	41.8%	42.4%		
EBITDA⁽³⁾	46,396	47,354	958	2.1%
<i>EBITDA Margin %</i>	28.1%	27.8%		
EBIT⁽³⁾	29,839	29,666	(173)	(0.6%)
<i>EBIT Margin %</i>	18.1%	17.4%		
Net Profit After Tax	18,051	17,595	(456)	(2.5%)
<i>NPAT Margin %</i>	10.9%	10.3%		

(1) Other Income includes other revenue, other income and a share of net profits of associates.

(2) Operating Expenses exclude depreciation, amortisation and finance costs.

(3) Refer to Appendix 1 for further information on Non-IFRS financial measures.

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FINANCIALS

BEACON LIGHTING GROUP

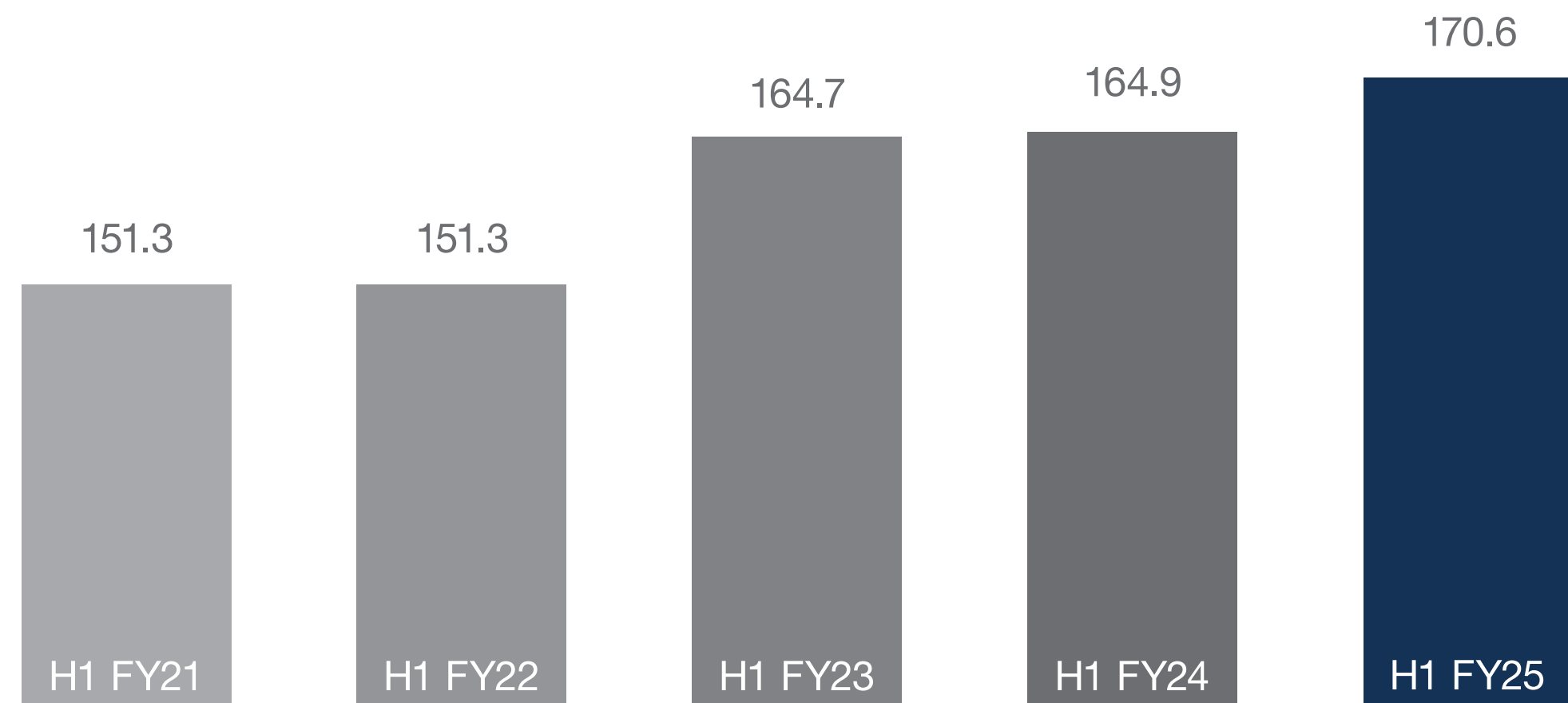


2 SALES

SALES: Increased by 3.5% to \$170.6 million

- Company store comparative sales increased by 1.3%.
- Store trade sales increased by 25.3%.
- Online sales increased by 15.5%.
- Beacon International, Light Source Solutions and Masson For Light all had positive sales increases.

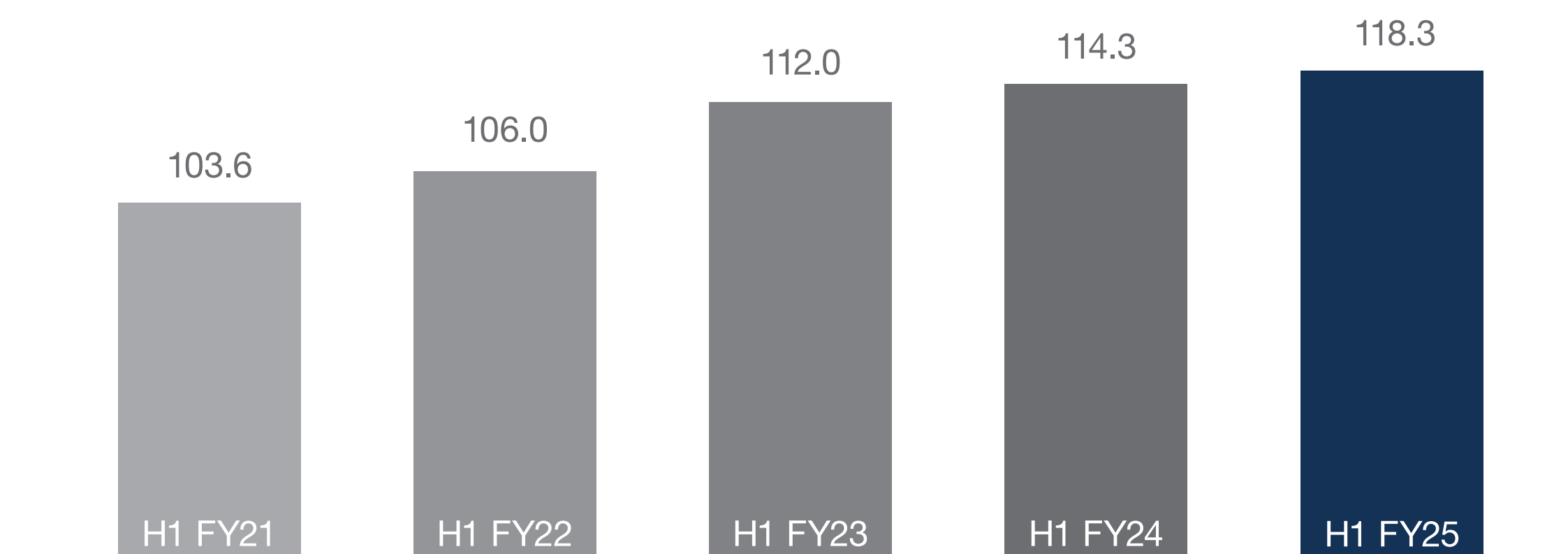
Sales \$m



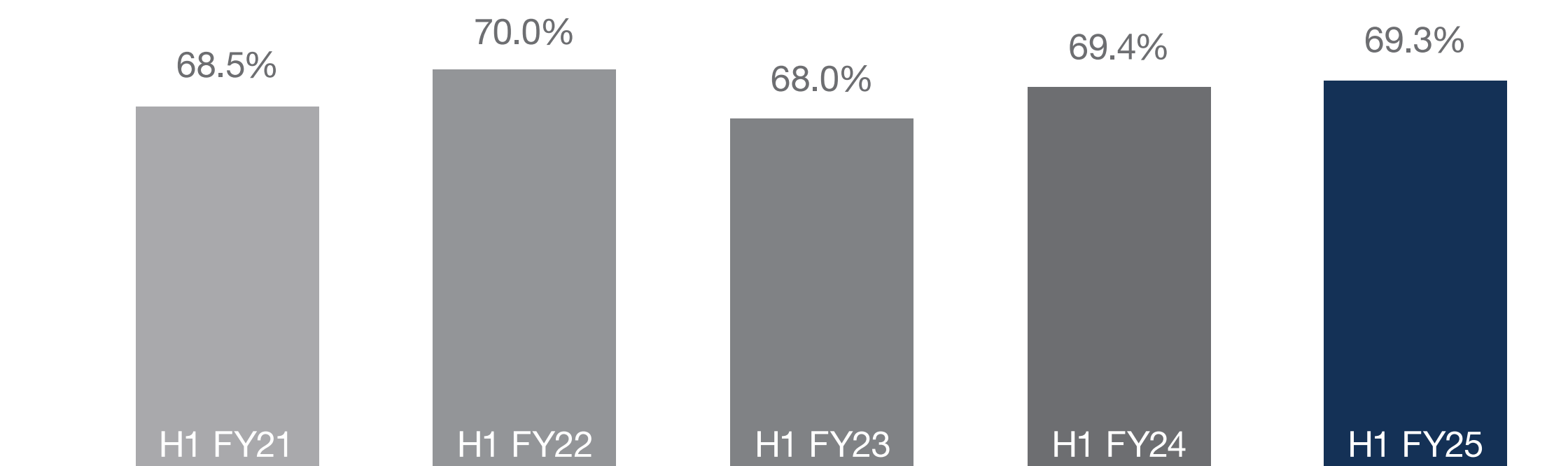
GROSS PROFIT: 69.3% of Sales

- Gross profit dollars increased by \$3.9 million to be 69.3% of sales.
- Despite the change in the sales mix towards trade, having vertically integrated supply chain has helped to support gross profit margins.
- Innovative new products designed and developed in Australia continue to excite our retail and trade customers.

Gross Profit \$m



Gross Profit %



2 OPERATING EXPENSES

OPEX: Increased by 4.9% of Sales to \$72.2 million

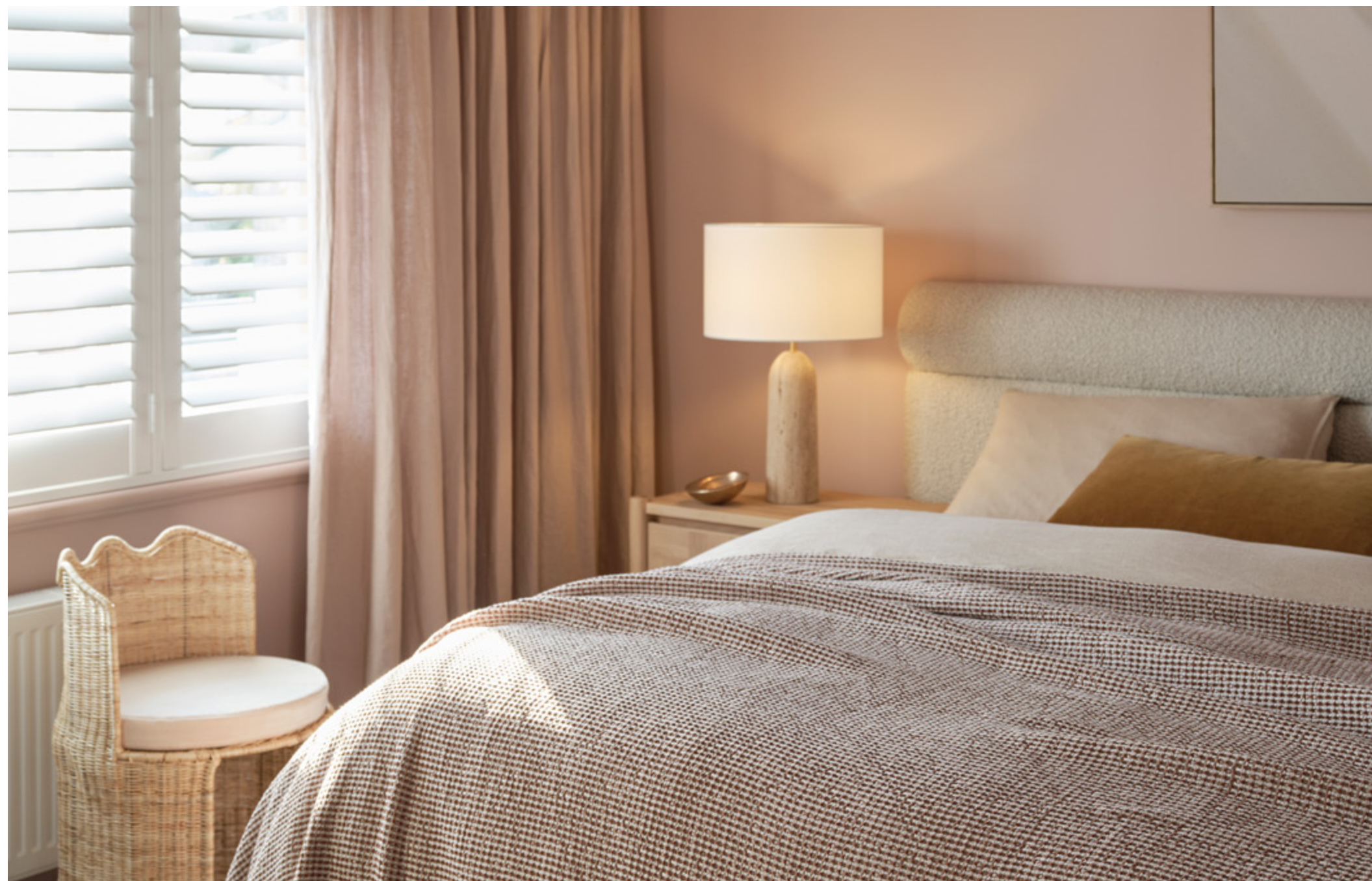


- Marketing expenses were in line with last year.
- The growth in general and administration expenses has been well managed.
- Selling and distribution expenses have increased with the opening of new stores.
- Depreciation and finance costs have increased, reflecting the opening of new stores and other business investments.
- Business productivity continues to be a focus.

\$'000	H1 FY2024	H1 FY2025	Change \$	Change %
Marketing Expenses	8,676	8,715	39	0.4%
<i>% of Sales</i>	<i>5.3%</i>	<i>5.1%</i>		
Selling and Distribution	49,981	52,861	2,880	5.8%
<i>% of Sales</i>	<i>30.3%</i>	<i>31.0%</i>		
General and Admin	10,192	10,670	478	4.7%
<i>% of Sales</i>	<i>6.2%</i>	<i>6.3%</i>		
Operating Expenses	68,849	72,246	3,397	4.9%
<i>% of Sales</i>	<i>41.8%</i>	<i>42.4%</i>		
Depreciation	16,557	17,688	1,131	6.8%
<i>% of Sales</i>	<i>10.0%</i>	<i>10.4%</i>		
Finance Costs	3,771	4,356	585	15.5%
<i>% of Sales</i>	<i>2.3%</i>	<i>2.6%</i>		

2 CASH FLOW

- Increase in receipts from customers reflecting the increase in sales.
- Repayment of borrowings has impacted financing activities.
- Capital expenditure of \$6.0 million to support future growth.
- Dividend payment of \$6.3 million inclusive of the dividend reinvestment.



\$'000	H1 FY2024	H1 FY2025
Cash Flow from Operations		
Receipts from Customers	181,941	188,753
Payment to Suppliers & Employees	(133,215)	(144,521)
Other	(3,679)	(3,311)
Income Tax Paid	(8,939)	(8,327)
Net Operating Cash Flow	36,108	32,594
Net Cash (Outflow) from Investing	(15,327)	(6,010)
Net Cash (Outflow) from Financing	(15,149)	(24,756)
Net Increase Cash	5,722	1,828

\$'000	H1 FY2024	H1 FY2025
Cash Flow Details		
Capital Expenditure	(5,246)	(5,989)
Payments for Financial Assets	(10,000)	0
Dividends Paid	(6,617)	(6,284)

- Increased cash (and other financial assets) to \$48.0 million.
- Receivables have increased to \$13.4 million reflecting the growth in trade.
- Inventory stable at \$98.7 million.
- Borrowings have declined to \$20.2 million.



\$'000	DEC 2023	DEC 2024
Cash	26,404	38,009
Other Financial Assets	10,000	10,000
Receivables	12,482	13,425
Inventories	97,231	98,690
Other	3,348	2,939
Total Current Assets	149,465	163,063
PPE	46,449	48,918
Right of Use Asset	116,947	117,404
Investment in Associates	19,900	19,875
Intangible	13,938	13,918
Other	15,160	15,683
Total Non Current Assets	212,394	215,798
Total Assets	361,854	378,861
Payables	21,993	26,246
Borrowings	27,015	20,217
Lease Liability	27,644	29,255
Other	14,010	14,927
Total Current Liabilities	90,662	90,645
Lease Liability	109,455	108,307
Other	1,793	1,790
Total Non Current Liabilities	111,248	110,097
Total Liabilities	201,910	200,742
Net Assets	159,949	178,119

2 DIVIDENDS

The Dividend Reinvestment Plan (DRP) remains in place.

Declared a fully franked dividend of:
4.1 cents per share for H1 FY2025
(which is consistent with H1 FY2024).

H1 FY2025 Dividend:
Record date: March 7, 2025.
Payment date: March 21, 2025.

Annual payout ratio expected to be
50% to 60% of Net Profit After Tax.

3 STRATEGIC PILLARS OF GROWTH

CUSTOMER Underpinning everything we do at Beacon is a deep understanding of our customers' needs.

STORES

PROVIDE OUR CUSTOMERS WITH A REWARDING SERVICE EXPERIENCE, THE LATEST RANGE OF LIGHTING AND FANS, INSPIRATIONAL STORE DESIGN, VIP MEMBER BENEFITS AND STORE NETWORK EXPANSION AND OPTIMISATION.

TRADE

PARTNERING WITH ELECTRICIANS, BUILDERS, ARCHITECTS, AND INTERIOR DESIGNERS WITH LIGHTING, FANS, AND ELECTRICAL ACCESSORIES FOR THE AUSTRALIAN HOME.

eCOMMERCE

PROVIDE OUR CUSTOMERS WITH ENGAGING WEBSITES, ENABLING ONLINE SALES GROWTH AND PROVIDING A SEAMLESS CUSTOMER EXPERIENCE IN-STORE AND ONLINE.

NEW BUSINESS

INCLUDES EMERGING BUSINESSES, INTERNATIONAL SALES EXPANSION, NEW BUSINESS ACQUISITIONS, AND PROPERTY.

3 STORES



- Beacon Lighting now has 128 stores, with 126 company stores and 2 franchise stores.
- Opened new stores in Port Stephens (NSW), and Shepparton (VIC). Relocated and expanded the Bendigo (VIC) store, and closed the Killara (NSW) store with the opening of Chatswood (NSW).
- Company stores comparative sales increased by 1.3% in H1 FY2025. The best performing states were Queensland, South Australia and Western Australia.
- 41 Beacon Design Studios conducted premium lighting design consultations.
- Designed and developed 307 exclusive new products to inspire our customers.
- Continued to offer everyday benefits to our more than one million VIP customers.
- Store network research (from March 2023) has identified the potential for 195 Beacon Lighting stores in Australia.

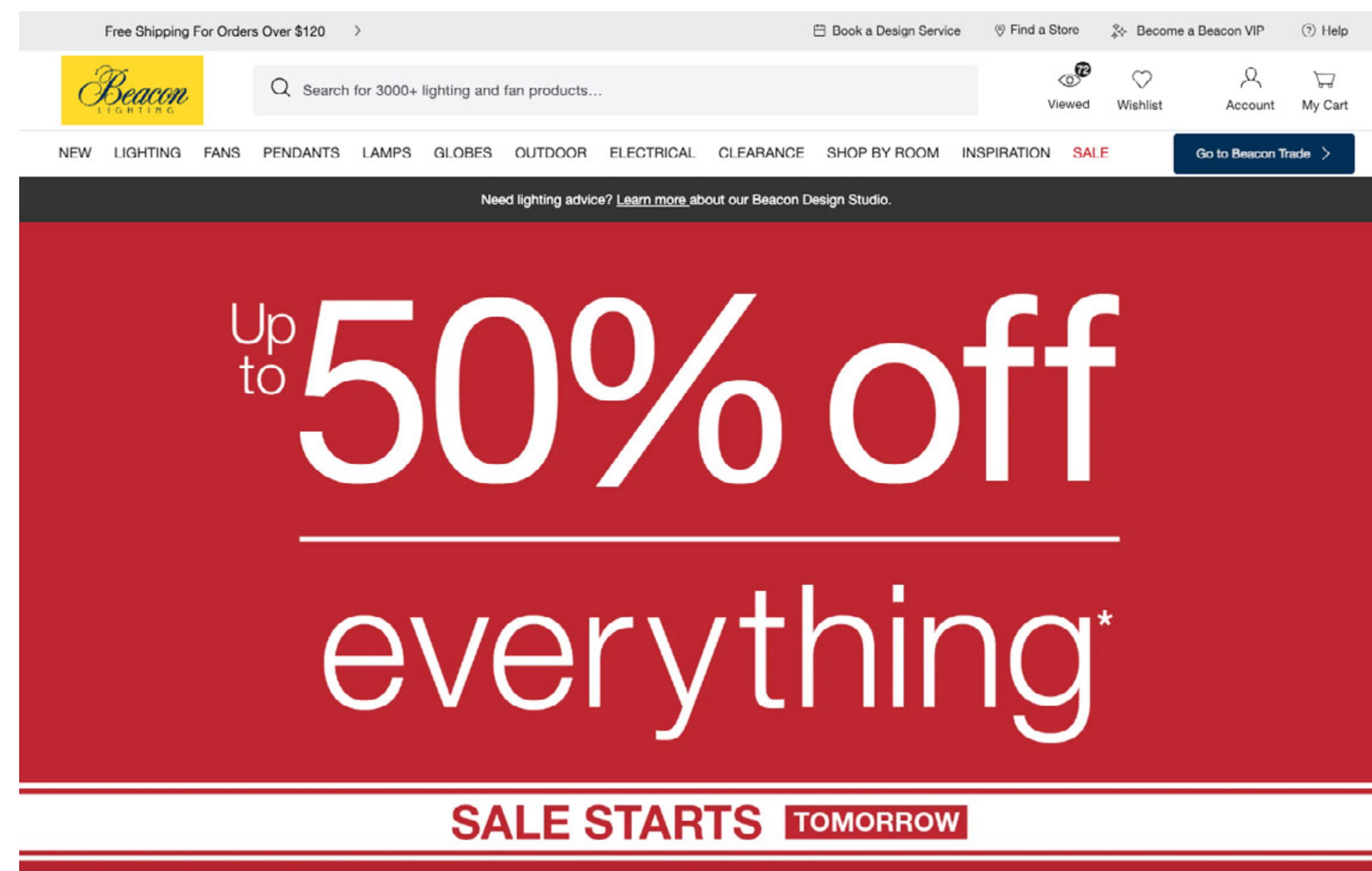
3 TRADE

- Partnering with trade customers for lighting, fans and electrical accessories for the Australian home continues to be our number one priority for the Beacon Lighting team.
- Rolled out “Trade Immersion Training” to more than 210 team members.
- Trade sales through stores increased by 25.3%.
- Total trade sales have increased to be 38.8% of all relevant sales ⁽¹⁾.
- Trade sales continue to grow through a combination of existing and new customers.
- Signed up electricians, builders, architects and interior designers as new Beacon Trade members.
- Continued to invest in the trade marketing program, trade product development and the trade website.

(1) Relevant sales include Store, Commercial, Masson For Light and Custom Lighting sales.



- Beacon Lighting now has 17 different business websites, with the primary websites being beaconlighting.com.au and beacontrade.com.au.
- Continue to enhance the website experience for our retail and trade customers by utilising customer data and smart tools.
- Online sales increased by 15.5% to be 12.8% of company store sales.
- Online retail sales through the beaconlighting.com.au website increased by 9.2%.
- Trade customers continue to embrace the beacontrade.com.au website. Online trade visitation increased by 35.1% and online trade sales increased by 34.2%.
- Three hour customer delivery in major metropolitan markets or one hour click and collect in store for our online retail and trade customers.
- Continued to offer seamless integration between the online sales channel and Beacon Lighting stores for our retail and trade customers.



3 NEW BUSINESSES

- The Beacon International Group recorded a positive sales increase. Strong sales in Hong Kong, good sales in Europe and a sales decline in the USA.
- Tmall Global sales in the China market continues to be exciting.
- Light Source Solutions (New Zealand) and Masson For Light had sales increases. Looking forward to improved sales results for Connected Light Solutions and Custom Lighting in H2 FY2025.
- Beacon Lighting has a 50% interest in the Large Format Property Fund, which owns seven retail properties.



The Beacon Lighting sustainability goals concentrate on three focus areas: People, Product and Planet.

People

- Additional 200 team members are now new BLX shareholders through the Beacon Team Share Plan.
- Development and training activities for our people have included Trade Sales Immersion training, product training, and lighting design training through Bond University.
- Beacon Lighting has internally promoted 75 team members.

Product

- Continued to develop the LED globe and lighting range which is 80% more energy efficient than other light sources.
- Successfully eliminate all polystyrene from all packaging for new products ordered.
- Significantly reduced plastic from product packaging and eliminated all plastic packaging for 75% of new products ordered.

Planet

- Operating 67 solar systems on Beacon Lighting locations, driving down the demand for grid-sourced electricity.
- Reduced reliance on grid-sourced power by rolling out LED lighting technology to all locations, timers on window displays, and sensor-based lighting in all stores.



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H2 FY2025 OUTLOOK

BEACON LIGHTING GROUP



- Trading momentum from H1 FY2025 has continued into H2 FY2025.
- The positive trade sales momentum has continued into the start of the new half year.
- Partnering with Electricians, Builders, Architects, and Interior Designers for Beacon Trade continues to be the number one priority.
- Continuing to roll out the “Trade Sales Immersion” training throughout the Group.
- Opening new company stores at Ballina (NSW) and Auburn (NSW), expanding the Townsville (QLD) store, and expanding and relocating the Taren Point (NSW) store.
- Bringing the latest fashion, innovative and energy efficient lighting, fans and electrical accessory products to market to continue to excite and inspire our retail and trade customers.



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QUESTIONS

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6 APPENDIX: OTHER INFORMATION

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