



## ASX ANNOUNCEMENT

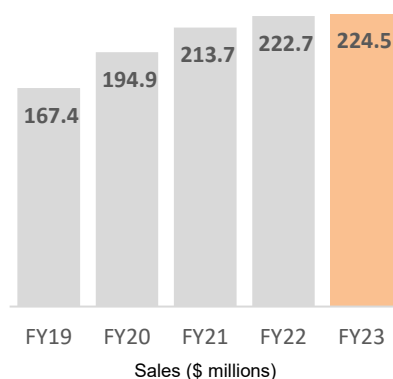
For Immediate Release

# Shaver Shop Reports FY23 Results

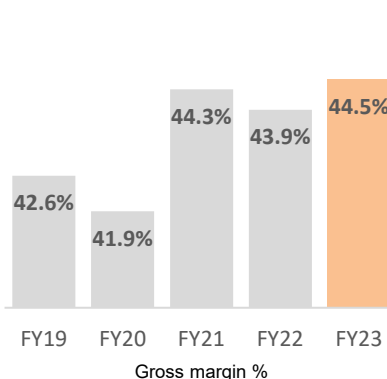
**Melbourne**, Tuesday, 22 August 2023 – Shaver Shop Group Limited (ASX: SSG) (Shaver Shop), the Australian specialty retailer of male and female personal grooming and beauty products, is pleased to announce its financial results for the year ended 30 June 2023 (FY23).

## FY23 Results Highlights

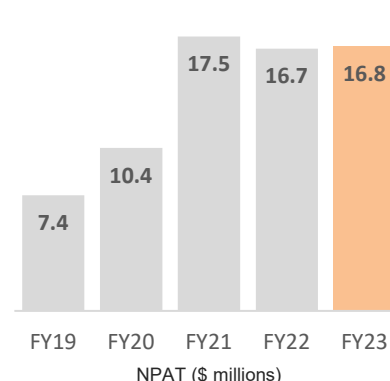
**Record sales up 0.8% to \$224.5m**



**Record gross margin at 44.5%**



**NPAT up 0.8% to \$16.8m**



Shaver Shop continued its strong trading performance ending the FY23 year by posting record sales of \$224.5 million and record gross profit margins of 44.5% (up 60 basis points versus FY22). Operating expenses were well controlled leading to net profit after tax (NPAT) increasing \$0.1 million compared to FY22 at \$16.8 million and Shaver Shop generating earnings per share of 13.1 cents. Having regard to the strong operating results as well as its conservatively geared balance sheet (net cash of \$13.5 million at 30 June 23), Shaver Shop's Board of Directors declared a fully-franked final dividend of 5.5 cents per share – in line with last year's final dividend. The dividend is due to be paid on 21 September 2023 to shareholders of record on 7 September 2023.

Given the impact of COVID-19 on Shaver Shop's results from FY20 through FY22, comparisons to FY19 (pre-pandemic) have been provided in addition to each of the last three pandemic affected years:

	FY23	FY22	FY21	FY20	Pre COVID FY19	1 Year Growth	2 Year Growth	3 Year Growth	4 Year Growth
	\$m	\$m	\$m	\$m	\$m	%	%	%	%
Total sales	\$224.5	\$222.7	\$213.7	\$194.9	\$167.4	0.8%	5.1%	15.2%	34.1%
Online sales (corporate stores)	\$51.0	\$75.7	\$61.2	\$43.4	\$23.5	-32.6%	-16.7%	17.5%	117.0%
NPAT	\$16.8	\$16.7	\$17.5	\$10.4	\$7.4	0.8%	-3.7%	62.0%	128.5%
Cash NPAT*	\$17.8	\$17.9	\$19.2	\$11.6	\$9.0	-0.6%	-7.0%	53.4%	98.9%
Basic EPS (cents per share)	13.1	13.2	14.2	8.5	6.0	-0.8%	-7.4%	53.9%	117.1%
DPS (cents per share) – declared	10.2	10.0	8.2	4.8	4.5	2.0%	24.4%	112.5%	126.7%
Net cash (debt) balance (31 Dec)	\$13.5	\$9.4	\$7.4	\$12.6	(\$6.4)	43.6%	82.4%	7.1%	N/A

\* Cash NPAT is reported NPAT plus the tax benefit Shaver Shop receives in relation to the tax deduction for franchise licence termination payments it has made on its historical buy-back of franchises. The franchise licence termination cost is amortised to taxable income over 5 years on a straight line basis.

**Shaver Shop Group Limited (ACN 150 747 649)**

Level 1, Chadstone Tower One, 1341 Dandenong Road, Chadstone, VIC, 3148



Compared to FY19 (pre-pandemic), Shaver Shop generated 34.1% higher sales in FY23 and 190 basis point higher gross profit margins (FY19 – 42.6%). The combination of these robust trading results, together with the Company’s largely fixed cost base drove significant operating leverage allowing NPAT to increase 128.5% versus FY19.

Speaking about the Company’s FY23 financial results, Shaver Shop’s Managing Director and CEO, Mr Cameron Fox said: “We have been successfully adapting to the retail environment for many years and last year was no exception. When we started to see consumer demand slowing in the early part of the second quarter, we executed multiple strategic imperatives aimed at protecting our leading market position whilst also optimising profitability. Due to the success of that plan in Q2, we executed a similar approach for the remainder of the financial year, leading to Shaver Shop reporting company record gross profit margins and gross profit dollars in FY23.”

Mr Fox continued: “The evolution of our business of the last 4 years is clearly evident when you compare our performance to FY19, the last full year before the pandemic. Our total sales have increased almost 35% with our net profits growing almost 130% to \$16.8 million. Similarly our dividend payout has increased 127% compared to FY19, to 10.2 cents per share for the year, with the Board announcing today another fully-franked dividend of 5.5 cents per share.”

“Unprompted brand awareness across the categories we sell is at all-time highs and our teams continue to provide exceptional customer service with Shaver Shop’s average net promoter score being almost 89 (out of 100). In short, the business has never been in a better financial position and we executed our controllables very well across FY23.”

#### **Operating cash flow of \$32.3 million (up 14.1%) with net cash of \$13.5 million (no debt)**

Shaver Shop generated operating cashflow of \$32.3 million in FY23, up \$4.0 million or 14.1% on the prior year leading to the company’s net cash position increasing \$4.1 million to \$13.5 million at the end of the financial year. Shaver Shop has unused debt facilities amounting to \$29.5 million and that mature on 31 July 2024.

Commenting on the cash position, Mr Fox said, “Shaver Shop’s cash conversion remains very strong with over \$32 million in operating cashflow generated last year. Our end of financial year sale in June was very well received by customers leading to higher sales than expected and closing stock levels being \$2 million to \$3 million below optimal levels. This meant operating cash flow was even stronger than expected in FY23. We expect this benefit will reverse in FY24, as our stock balances revert back in-line with internal targets.”

#### **Store network optimisation continuing**

Shaver Shop currently operates 122 corporate owned stores across Australia and New Zealand with the latest addition to the network opening in late June 2023 at Bayfair, NZ. This brings the total number of stores in New Zealand to 8 with plans to bring the total to 12 within 2-3 years. In addition to Bayfair, Shaver Shop opened a new location in Hervey Bay, QLD early in the FY23 financial year and closed its Spencer St, VIC in early FY24.

Shaver Shop also undertook store refits at seven sites during the year to bring these doors up to the latest brand standards and store design. This continues the store refresh strategy that has been running for several years. Shaver Shop’s flagship Chadstone location is also in line to be upgraded following the short-term relocation of the store in March 2023 while the centre undergoes a major refurbishment. The grand re-opening of the store is planned for November 2023.



### **Final dividend (100% franked) of 5.5 cents per share (FY22 – 5.5 cents)**

Shaver Shop's Board of Directors today announced a fully-franked final dividend of 5.0 cents bringing total dividends in relation to the FY23 year to 10.2 cents, up 2.0%. The dividend is to be paid on 21 September 2023 to shareholders of record on 7 September 2023.

Mr Cameron Fox said, "Today our Board declared a 5.5 cent fully-franked final dividend. Shaver Shop's annual dividends have now increased every year since listing on the ASX back in 2016, with FY23's payout being 10.2 cents per share, up 2%. Our strong dividend payout reflects the strength of Shaver Shop's business model, our strong financial position and cashflows as well as the Board's confidence about our future trading performance."

Shaver Shop's combined interim and final dividends for FY23 represent the distribution of approximately 79% of the Group's reported net profit after tax of \$16.8 million.

### **Trading Update and FY2024 Outlook**

Shaver Shop is cycling very strong trading results from Q1 FY23 in which sales were up 17.5% versus Q1 FY22.

Total sales for the period from 1 July 23 to 19 August 23 (year to date "YTD") versus the prior comparative period and pre-COVID (FY20) are set out in the table below:

Sales Growth (%) – 1 Jul 23 to 19 Aug 23	YTD	
	vs FY23	vs FY20
Total sales	-5.1%	+27.0%

Like for like sales<sup>1</sup> growth YTD is down 4.0% on the prior comparative period.

Total sales remain well above pre-COVID levels, up 27.0% on the comparative FY20 period.

Despite some discounting by competitors across trade wide models, Shaver Shop is maintaining attention and discipline on gross margin management and maximising gross profit dollars.

Group CEO and MD, Cameron Fox said, "Shaver Shop remains exceptionally well positioned as a business. We are a specialist retailer that's a recognised leader in our core men's grooming market. Personal care and beauty remains a priority for many consumers and we offer budget conscious DIY alternatives to going to the barber or beauty salon. We've adapted well in the past to the rapidly changing retail environment and will do so in the future by providing our customers with compelling, value-oriented offers relevant to their specific grooming needs."

Mr Fox continued, "Shaver Shop also retains its strong balance sheet and continues to pay an attractive dividend to shareholders."

Consistent with prior years, having regard to the importance of the Black Friday, Christmas and Boxing Day trading results to Shaver Shop's FY24 financial performance, it is not appropriate to provide FY24 sales or profit guidance at this time.

Approved for release by the Board.

---

<sup>1</sup> Like for like sales are sales for those stores that were owned and operated by Shaver Shop for all of FY24 and FY23. It therefore excludes any new stores or stores that were permanently closed in FY23 or FY24. Where any like for like stores were temporarily closed for in-store trading (e.g. due to COVID restrictions) for any day in FY23 or FY24, the in-store sales (if any) and any online sales for those days have been excluded from like for like sales in all periods.



-ENDS-

**For further information:**

**Corporate & Media:**

Cameron Fox, CEO & Managing Director  
P: +61 3 9840 5900

**Investors:**

Larry Hamson, CFO & Company Secretary  
P: +61 3 9840 5900

**About us**

Shaver Shop Group Limited (ASX: SSG) is an Australian and New Zealand speciality retailer of male and female personal grooming products, and aspires to be the market leader in 'all things related to hair removal'.

There are currently 122 Shaver Shop stores across Australia and New Zealand. The Company also sells products via its websites [www.shavershop.com.au](http://www.shavershop.com.au) and [www.shavershop.net.nz](http://www.shavershop.net.nz), and as well as on the eBay, Amazon, TradeMe and MyDeal online marketplaces.

Shaver Shop offers customers a wide range of quality brands, at competitive prices, supported by excellent staff product knowledge. The Company's specialist knowledge and strong track record in the personal grooming segment enables it to negotiate exclusive products with suppliers.

Shaver Shop sources products from major manufacturers who seek to create functional and innovative products to meet customers' needs and wants in the hair removal and personal care product categories. The Company's core product range comprises male and female hair removal products such as electric shavers, clippers and trimmers, and wet shave items. Complementary to its core product range, Shaver Shop retails various products across the oral care, hair care, massage, air treatment, and beauty categories.