



# FY23 RESULTS PRESENTATION

22 AUGUST 2023

**Transform  
Yourself**





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# 01

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## FY23 HIGHLIGHTS

# FY23 Financial Highlights



Sales up 0.8% to

↑ **224.5m**

up 34.1% on pre-COVID (FY19)



Record gross profit margin

↑ **44.5%**

up 60bps on FY22



Net profit after tax up 0.8% to

↑ **16.8m**

up 128% on pre-COVID (FY19)  
normalized NPAT



Operating cash flow

↑ **32.3m**

up 14.1% (\$4.0m) on FY22



Basic earnings per share (EPS)

↓ **13.1c**

down 0.1 cents (or 0.8%) on  
FY22 (up 117% on pre COVID  
– FY19 normalised EPS)



FY23 dividends up

↑ **2.0%**

to 10.2 cents per share (cps)  
with fully franked final  
dividend of 5.5cps



Almost

**50%**

of sales from  
exclusive products



Online sales

**22.7%**

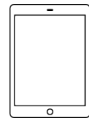
of total sales

# FY23 Operational Highlights



Total transaction volume

**2.53m**



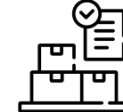
Online transactions fulfilled

**378k**



Net Promote Score (NPS)

**88.6**



Ending stock levels (per store)

**\$c180k**



New greenfield stores

**2**



Click & collect

**↑ 13.4%**

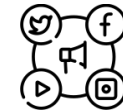
of total online fulfilments



Cost of Doing Business

**↑ 26.2%**

% of total sales (up 40bps)



Marketing & advertising

**↓ 3.2%**

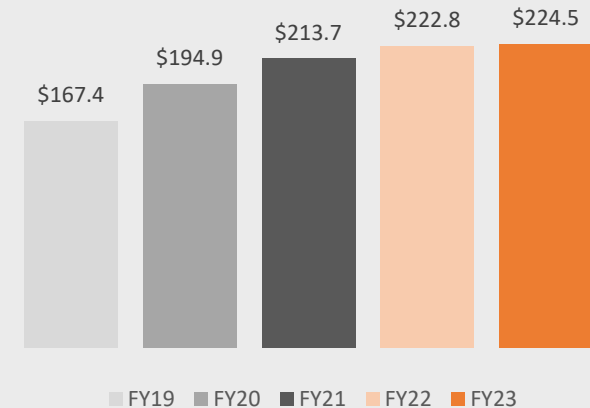
of total sales (down 60bps)

# Sales trends

## SHAVER SHOP DELIVERED RECORD SALES OF \$224.5M UP 0.8% VS FY22

- > In-store sales recovered strongly (up 18.0% or \$26.5m) as shoppers returned to traditional bricks & mortar shopping
  - Centre foot traffic remains well below pre-pandemic levels
  - Record sales conversion by store teams (43.9% of all customers entering stores made a purchase) supported the in-store sales growth
- > Online sales declined by c. 32.6% generating \$51.0m in FY23 or c.23% of total sales
- > From a quarterly perspective:
  - Q1 was a strong quarter with robust sales growth – cycling COVID-based lockdowns in FY22
  - Q2 growth softened considerably despite strong performances over peak promotional periods (Black Friday & Boxing Day)
  - Q3 was steady with strong gross profit performances offsetting lower sales
  - Q4 was similar to Q2 with strong sales performance in June during end of financial year sale and weaker trading in off-promo periods
- > Sales consistently up c.30% on pre-pandemic levels

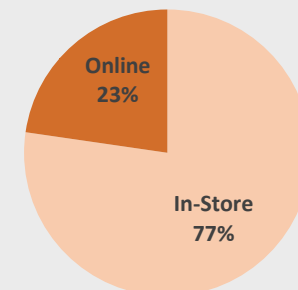
## 5 Year Growth Trend (\$m)



## Quarterly Growth Trends

Sales Growth	Q1	Q2	Q3	Q4	FY
vs FY22	17.5%	-4.1%	-2.3%	-4.0%	0.8%
vs FY21	11.5%	3.6%	1.6%	4.0%	5.1%
vs FY20	33.5%	16.1%	17.7%	-3.1%	15.2%
vs FY19	52.0%	29.4%	30.9%	27.4%	34.1%

## Channel Contribution

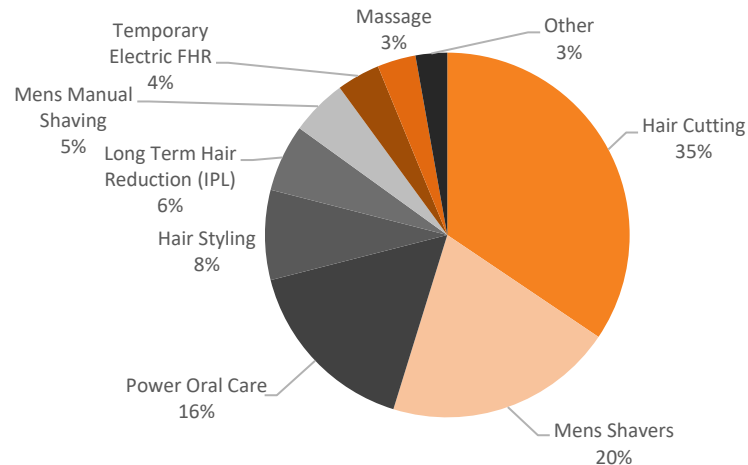


# Record gross profit and gross margins

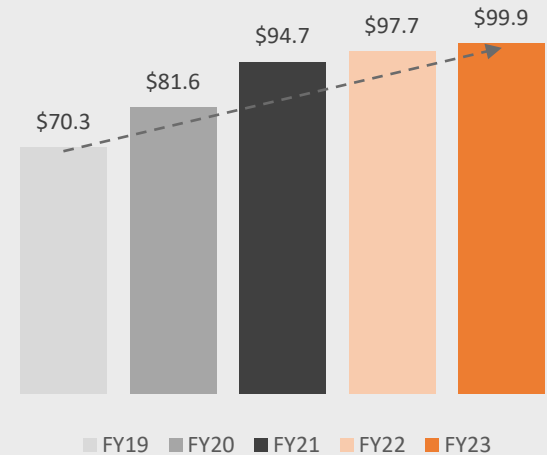
## GROSS PROFIT OF ALMOST \$100M WITH MARGINS UP 60BPS TO 44.5%

- > Exclusive to Shaver Shop lines continue to deliver compelling customer value and strong profitability to SSG
- > Deliberate strategy to balance volume growth and gross margin percentage to maximise gross profit dollars
- > Remained fiercely competitive on trade-wide models in Shaver Shop's core men's and women's hair removal categories to protect leading market position
- > Highly successful strategy with gross profit margins increasing across almost all categories

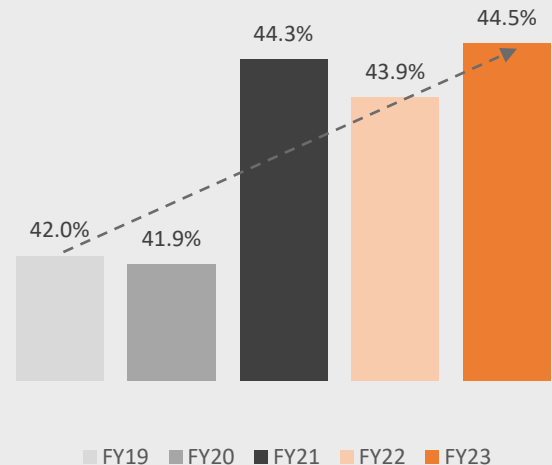
### Sales contribution by category



## 5 Year Growth Trend (\$m)

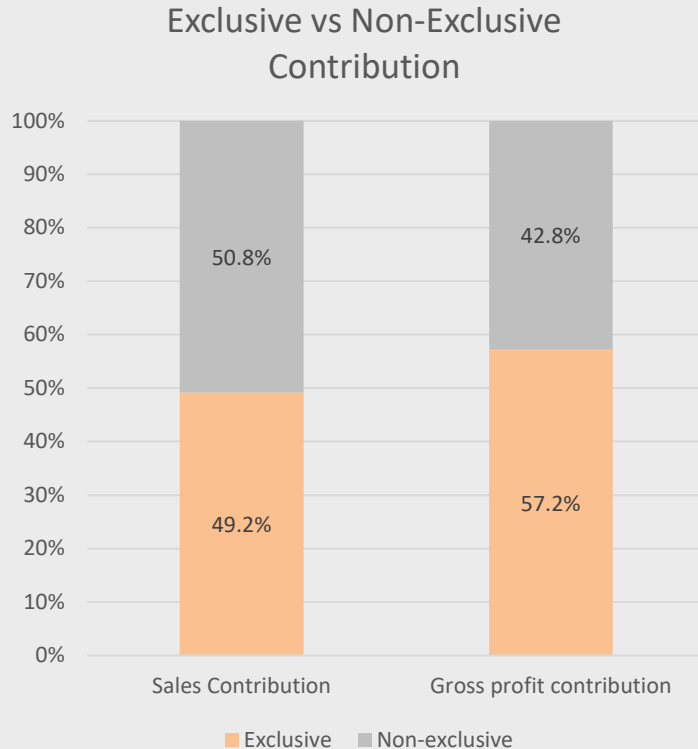


## Gross Margin 44.5%



# Exclusive lines continue to perform

Almost 50% of sales and approximately 57% of gross profit (\$) were derived from lines exclusively sold at Shaver Shop in FY23



- > Shaver Shop offers a differentiated and highly relevant range of personal care and grooming solutions to AU and NZ customers
- > One-stop shop for personal care and grooming needs
- > Typically exclusive lines generate higher gross profit margins than category averages
- > Men's electric shavers performed very strongly driven by top line growth and margin expansion
- > Core ranges of clippers, trimmers and body groomers performed well driving growth across the hair cutting category vs FY22
- > Leading trade-wide models also performed well with SSG selectively competing to retain/gain market share at key sales events
- > Long-term trend towards increased DIY beauty and grooming appliances remains
- > SSG will retain its focus on increasing the proportion of sales and profit generated from "only at Shaver Shop" lines





# 02

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## DETAILED FINANCIAL RESULTS

# Profit & loss

## RECORD SALES, GP AND GP% RESULTS IN FY23

- > Total sales up 0.8% to \$224.5m
  - In-store sales up \$26.5m to \$173.5m (up 18.0%)
  - Online sales down \$24.7m to \$51.0m (down 32.6%)
- > Gross profit margin up 60bps to 44.5% driving gross profit of \$99.9 million
- > CODB controlled at 26.2% of total sales (up 40bps) despite all stores being fully operational in FY23 (Q1 FY22 impacted by government mandated lockdowns)
- > Higher proportion of stores in holdover and shorter average lease terms increased lease depreciation expense (partially offset by lower lease interest expense)
- > EBIT flat at \$25.8m (down 0.4% or \$0.1m)
- > Net finance costs reduced due lower lease interest given average lease term shortened and SSG earned interest income from net cash
- > NPAT up \$0.8% to \$16.8m (up \$0.1m)
- > Basic EPS 13.1 cents per share (cps) (down 0.1 cent)
- > Cash EPS 13.9 cps (down 0.3 cents)

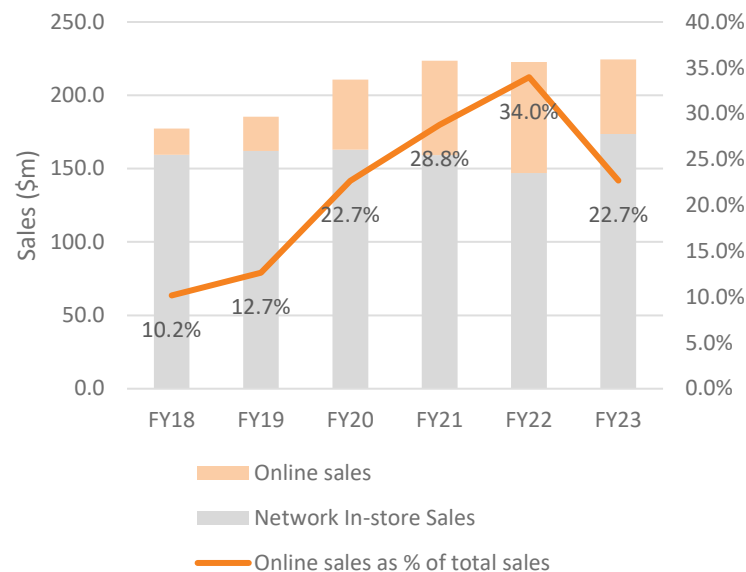
Profit & Loss A\$ millions	Reported FY2023	Reported FY2022	Variance (\$)	Variance (%)
<b>Sales</b>	<b>224.5</b>	<b>222.7</b>	<b>1.8</b>	<b>0.8%</b>
<b>Gross profit</b>	<b>99.9</b>	<b>97.7</b>	<b>2.2</b>	<b>2.3%</b>
<i>Gross margin %</i>	<i>44.5%</i>	<i>43.9%</i>	<i>0.6%</i>	<i>1.5%</i>
Cost of doing business (CODB)	(58.9)	(57.4)	(1.5)	2.6%
<b>EBITDA</b>	<b>41.0</b>	<b>40.3</b>	<b>0.8</b>	<b>1.9%</b>
<i>EBITDA margin %</i>	<i>18.3%</i>	<i>18.1%</i>	<i>0.2%</i>	<i>1.1%</i>
Depreciation and amortisation	(15.3)	(14.4)	(0.9)	6.0%
<b>EBIT</b>	<b>25.8</b>	<b>25.9</b>	<b>(0.1)</b>	<b>(0.4%)</b>
<i>EBIT margin %</i>	<i>11.5%</i>	<i>11.6%</i>	<i>-0.1%</i>	<i>(1.2%)</i>
Net finance costs	(1.2)	(1.7)	0.5	(26.7%)
Income tax expense	(7.7)	(7.5)	(0.2)	2.8%
<b>NPAT</b>	<b>16.8</b>	<b>16.7</b>	<b>0.1</b>	<b>0.8%</b>
<i>NPAT margin %</i>	<i>7.5%</i>	<i>7.5%</i>	<i>0.0%</i>	<i>(0.0%)</i>
<b>Basic EPS (cents) - weighted avg shares</b>	<b>13.1</b>	<b>13.2</b>	<b>(0.1)</b>	<b>(0.8%)</b>
Franchise buyback tax benefit	1.0	1.2	(0.2)	(19.7%)
<b>Cash NPAT (after adjusting for tax benefit of franchise licence termination costs - 5 year amortisation)</b>	<b>17.8</b>	<b>17.9</b>	<b>(0.1)</b>	<b>(0.6%)</b>
<b>Cash EPS (cents)</b>	<b>13.9</b>	<b>14.2</b>	<b>(0.3)</b>	<b>(2.1%)</b>

# Sales up 0.8% to \$224.5m

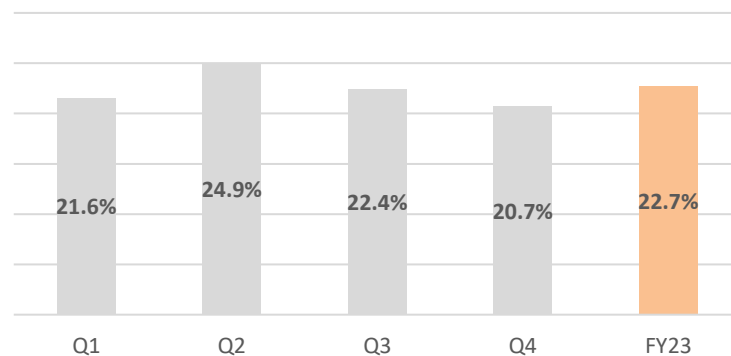
## RETURN TO TRADITIONAL IN-STORE SHOPPING HABITS AND STRONG SALES CONVERSION DROVE RECORD IN-STORE SALES

- > Personal care and grooming categories lend themselves to personalised, face to face service because understanding the customers specific needs is critical to recommending the right product at the right price point
- > Online sales peaked in FY22 due to government mandated lockdowns across the eastern seaboard in Q1 of that year
- > SSG focused on improving the profit margins from online sales fulfilment in FY23 through delivery channel optimization and modified price points for delivery types
  - Click & collect – 13.4% of online fulfilments (FY22 – 9.9%)
  - Express – 19.0% of online fulfilments (FY22 – 17.9%)
  - Priority/Same Day – 0.8% of online fulfilments (FY22 – 2.4%)
- > Online sales as percentage of total sales now relatively consistent (FY23 – 22.7% of total sales)

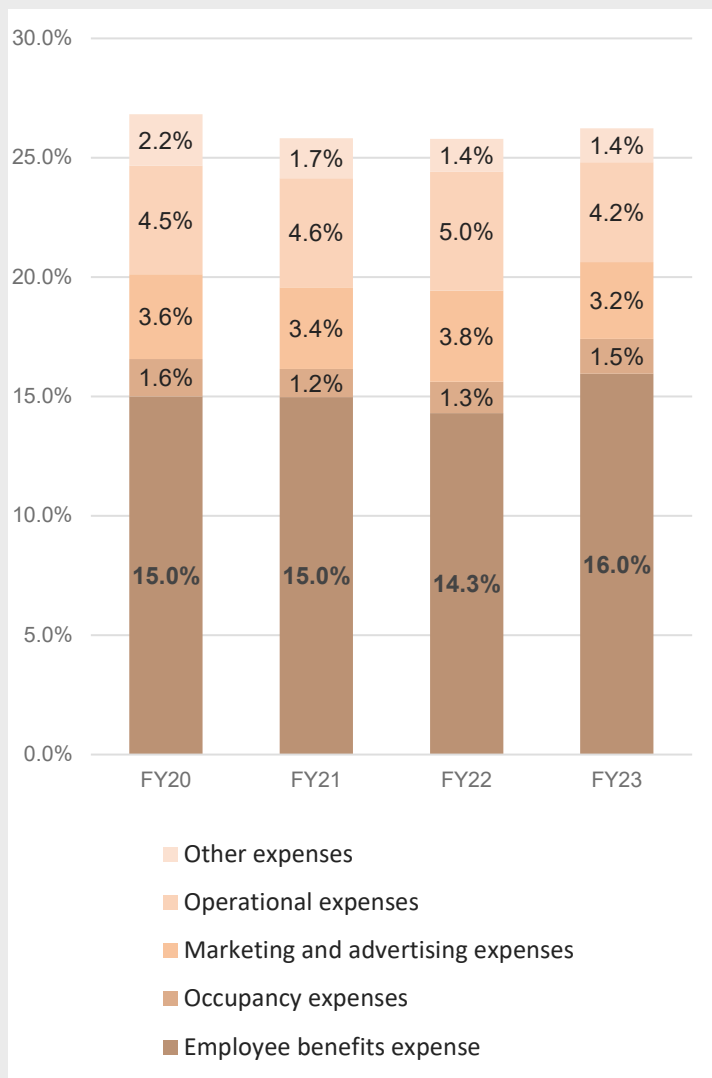
## Sales trend (in-store & online)



## Quarterly online % of total sales



## CODB as a % of Total Sales



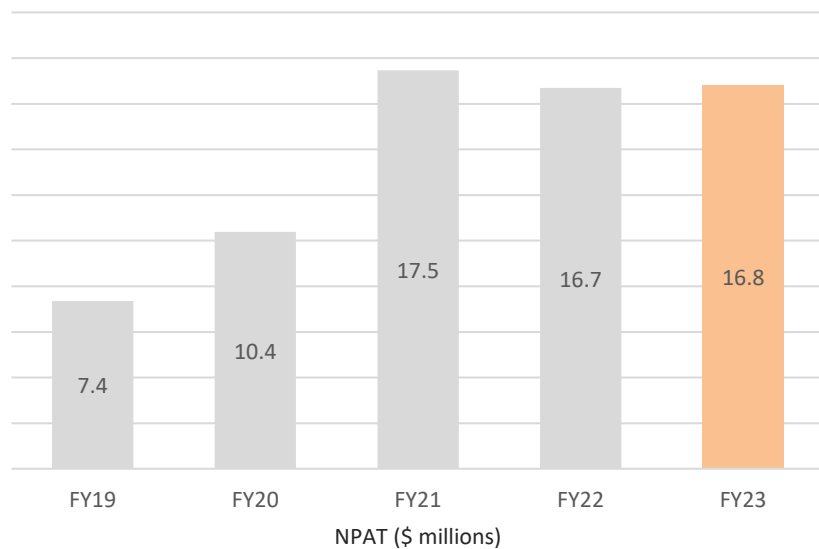
# CODB relatively flat at 26.2% of sales (up 40bps)

FY23 operating expenses as % of sales more reflective of normal operations (prior 3 years - COVID-impacted)

- > Employment expenses increasing to 16.0% of sales reflects:
  - Stores being open for all of FY23
  - Fair Work of Australia award increase of 4.6% from 1 July 22
- > Occupancy expenses (excluding lease D&A and interest) increased 20bps vs FY22 to 1.5% of sales reflects lower rent abatements recognised in FY23 (\$0.3m) compared to FY22 (\$0.8m). No further rent abatements expected.
- > Marketing and advertising spend (down 60bps to 3.2% of sales) was deliberately realigned to drive increased return on investment (particularly digital spend)
- > Operational expenses declined in dollar and % of sales terms due to reduced postage and merchant fees associated with lower online sales
- > Other expenses (primarily corporate overheads) were held relatively flat as a % of sales vs FY22
- > SSG is working hard to mitigate inflationary pressures through increased efficiency and contract renegotiations with suppliers

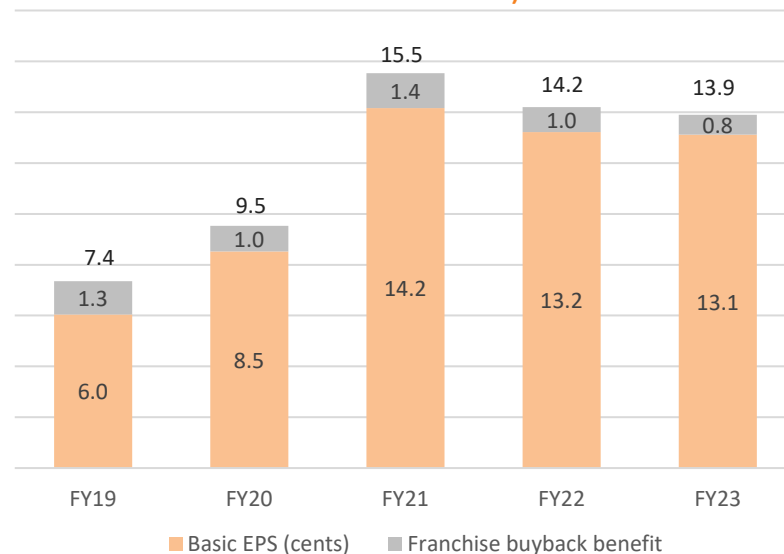
# NPAT and EPS remained strong

SECOND HIGHEST NPAT RESULT IN SSG'S HISTORY  
AT \$16.8M (UP 0.8% ON FY22)



- > Net profit after tax (NPAT) margin held flat at 7.5% of total sales vs FY22
- > NPAT has increased c.128% vs FY19 (pre-COVID) normalised NPAT result

BASIC EPS OF 13.1 CENTS PER SHARE WITH CASH  
EPS OF 13.9 CENTS (UP FROM 7.4 CENTS IN FY2019  
– PRE COVID)



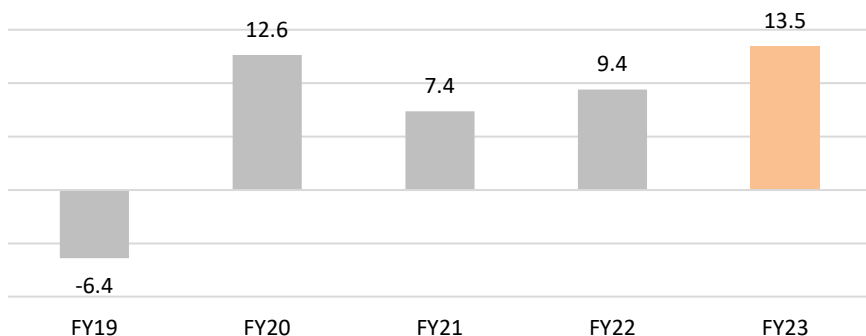
- > Basic EPS declined slightly due to increased weighted average shares outstanding during the year
- > Cash EPS adjusts for the tax deduction (lower cash tax payable) for the franchise termination right portion of the franchise buy-back consideration – deductible evenly over 5 years. (NB. All franchises have now been reacquired by SSG)

# Conservatively geared balance sheet

## Net cash of \$13.5M at 30 June 23 (no debt)

- > Shaver Shop continues to maintain a very prudent financial position given costs of living pressures impacting consumer demand
- > Stock levels ended slightly below optimal levels with strong sales experienced through end of financial year sale promotion in June 2023. Already replenished \$2m-\$3m into stock in FY24 to get back to targeted levels
- > Lease liabilities declined due to:
  - Shorter lease terms negotiated on renewal
  - Higher quantum of leases nearing or at end of their lease term
- > Net assets of \$84.3 million after return of \$12.8 million in fully-franked dividends to shareholders in FY2023

Closing Net Cash (Debt) (\$m)



A\$ millions	AASB 16	AASB 16	Variance
	30-Jun-23	30-Jun-22	
Cash	13.5	9.4	4.1
Trade & other receivables	2.1	3.1	(0.9)
Lease receivables	-	-	-
Inventory	22.0	22.2	(0.2)
Plant & Equipment	10.6	10.4	0.2
Right of use assets	17.6	22.3	(4.7)
Goodwill & Intangibles	54.5	54.3	0.2
Other assets	4.8	6.0	(1.2)
<b>Total assets</b>	<b>125.1</b>	<b>127.7</b>	<b>(2.6)</b>
Trade payables	14.6	17.7	(3.1)
Interest bearing liabilities	-	-	-
Lease liabilities	21.7	26.8	(5.1)
Other liabilities	4.5	4.5	(0.1)
<b>Total liabilities</b>	<b>40.8</b>	<b>49.1</b>	<b>(8.3)</b>
<b>Net assets</b>	<b>84.3</b>	<b>78.6</b>	<b>5.7</b>

# Operating cash flow up 14.1% to \$32.3m

A\$ millions	FY23	FY22	Variance
<b>NPAT</b>	<b>16.8</b>	<b>16.7</b>	<b>0.1</b>
Non-cash items:			
Depreciation and amortisation expense	15.3	14.4	0.9
Change in working capital and other	0.1	(2.8)	2.9
<b>Net cash flow from operating activities</b>	<b>32.3</b>	<b>28.3</b>	<b>3.9</b>
CAPEX (net of premises contributions)	(1.4)	(1.5)	0.2
<b>Net cash flow before financing activities</b>	<b>30.8</b>	<b>26.8</b>	<b>4.0</b>
Dividends paid	(12.8)	(11.8)	(1.0)
Proceeds on sale of unvested LTI shares	0.8	0.6	0.2
Lease payments - principal	(14.8)	(13.6)	(1.2)
<b>Net cash flow</b>	<b>4.1</b>	<b>2.0</b>	<b>2.1</b>
<b>Opening Cash Position - 1 July</b>	<b>9.4</b>	<b>7.4</b>	<b>2.0</b>
<b>Closing Cash Position - 30 June</b>	<b>13.5</b>	<b>9.4</b>	<b>4.1</b>

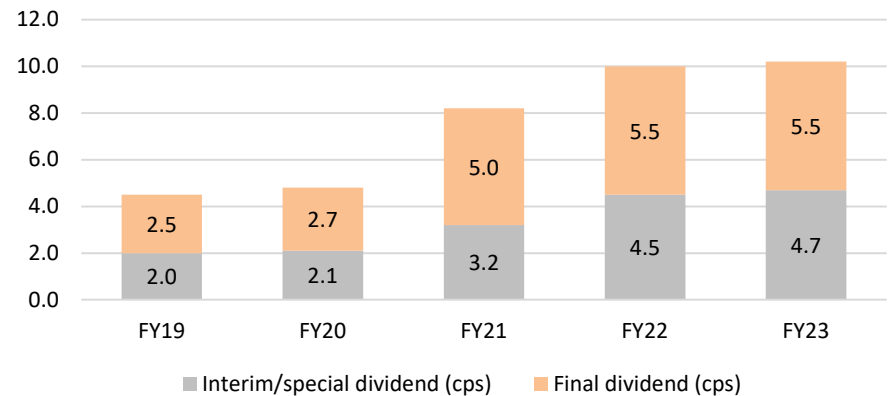
Strong operating cashflow allowed continued investment into SSG operations and \$12.8m to returned to shareholders through fully franked dividends

- > SSG cash flow conversion continues to be very strong
- > Operating cash flow was \$32.3m in FY23 (up \$4.0m) benefiting from:
  - c.\$2m lower stock levels than optimal at 30 June 23 (expected to reverse in FY24)
- > Gross CAPEX was c. \$2.4m offset by c.\$1.0m in fitouts for new stores:
  - Landlord contributions to premises fitouts
  - Insurance proceeds used to relocate Lismore store (flood affected) to Hervey Bay
- > \$12.8m (10.2 cents per share) returned to shareholders in FY23 (payout up \$1.0m on FY22) through fully franked dividends
- > Higher principal value of lease payments in FY22 reflects increased stores in network and reduction in COVID rent abatements received in FY23 (none expected in FY24)
- > Net cash position remains strong at \$13.5m



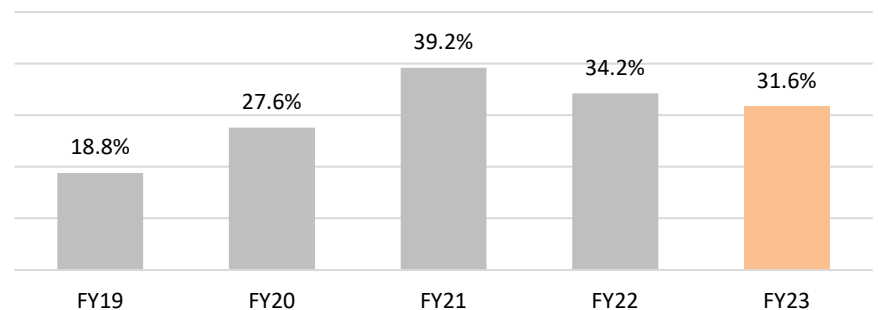
# ATTRACTIVE CAPITAL RETURNS

FINAL DIVIDEND MAINTAINED AT 5.5 CENTS FULLY-FRANKED – FY23 DIVIDENDS UP 2.0% TO 10.2 CENTS



BALANCING FISCAL PRUDENCE WHILE INCREASING DIVIDENDS HAS DELIVERED 31.6% ROCE\* IN FY23

Return on Capital Employed (ROCE)



\* ROCE = EBIT / Average Net Assets





# 03

## FY24 PRIORITIES

# FY24 Priorities

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- > Focus on key controllable metrics including: NPS, sales conversion, basket size and units per transaction and gross profit
- > Continue social media progress with increased number of relevant and relatable posts targeted at the younger demographic
- > Upgrade components of our “tech stack” to reflect latest best practice and improve customer experience
- > Continue to tightly manage cost base and stock levels in line with sales results
- > Take steps to further expand the contribution from exclusive or “only at Shaver Shop” products
- > Continue to balance sales volumes with GP margins to maximise gross profit
- > Rollout the latest store design at flagship Chadstone store in November and continue store refit program to reflect current brand standards
- > Investigate and assess value accretive acquisition opportunities in Australia should they present themselves
- > Maintain fiscal prudence through adapting our business to the latest retail environment





# 04

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## TRADING UPDATE & OUTLOOK

# Trading Update and Outlook

- > Consistent with many other retailers, Shaver Shop is cycling very strong trading results from Q1 FY23 (up 17.5% on Q1 FY22)
- > Total sales for the period from 1 July 23 to 19 August 23 (year to date – YTD) versus the comparative period last year and pre-COVID (FY20) are set out in the table below:

1 July 23 to 19 Aug 23 (YTD)	vs FY23	vs FY20
Total sales growth	-5.1%	+27.0%

- > Like for like<sup>1</sup> sales growth YTD is down -4.0% on the prior comparative period
- > Total sales remain well above pre-COVID (FY20) levels – up 27.0%
- > Shaver Shop remains very well positioned with a unique business model in an attractive retail segment that offers budget conscious alternatives to going to the barber, hair salon or beauty clinic
- > Despite some discounting across trade wide models in the market, we are maintaining attention and discipline on gross margin management and maximizing gross profit dollars
- > We also continue to focus on providing compelling value for money offers for customers across all categories and price points
- > Store refit program together with upgrades to components of Shaver Shop’s technology stack expected to result in net CAPEX of \$2 million to \$3 million in FY24
- > 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

<sup>1</sup> Like for like sales are sales for those stores that were owned and operated by Shaver Shop for all of FY23 and FY24. 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.



# Investment Summary

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- ✓ Segment leader both online and offline
- ✓ Large and growing market driven by changing consumer preferences and new product innovation
- ✓ Products range is applicable to almost all demographics
- ✓ COVID-19 has accelerated DIY personal care adoption and introduced new customers to Shaver Shop
- ✓ Differentiated & resilient specialty retail business model
  - Service excellence and unparalleled product knowledge
  - Product exclusivity
  - Competitive, value-based pricing
- ✓ Significant potential to further increase market share
- ✓ Strong brand awareness in Australia (NZ still low and growing)
- ✓ Proven and highly profitable omni-retail model
- ✓ Clean balance sheet – no debt – with strong cash conversion
- ✓ Experienced management team
- ✓ Strong focus on investing for growth and improving total shareholder returns
- ✓ Strong dividend payout



# 05

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## APPENDICES

# Key Metrics

Comparable Accounting (AASB 16)	Reported FY2023	Reported FY2022
Number of corporate stores (30 June)*	123	121
Number of franchise stores	-	-
Total stores	123	121
Corporate store sales (\$m)	224.5	222.7
Franchise store sales (\$m)	-	-
Total network sales (\$'000)	224.5	222.7
Corporate store LFL <sup>1</sup> sales growth %	-6.0%	3.5%
Corporate store total sales growth %	0.8%	4.2%
Gross profit margin %	44.5%	43.9%
Employee benefits expense as a % of sales	16.0%	14.3%
Occupancy expenses as % of sales (AASB 16)	1.5%	1.3%
Marketing and advertising expenses as % of sales	3.2%	3.8%
Operational expenses as % of sales	4.2%	5.0%
Other expenses as % of sales	1.4%	1.4%
EBITDA margin	18.3%	18.1%
EBIT margin	11.5%	11.6%
NPAT margin	7.5%	7.5%
Basic EPS (cents)	13.1	13.2
Dividends declared per share (cents) - 100% franked	10.2	10.0
Net cash (debt) - 30 June (\$m)	13.5	9.4

\* Melbourne Spencer Street closed in early July 23. Current corporate stores 122.

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# 5 Year Profit & Loss Summary

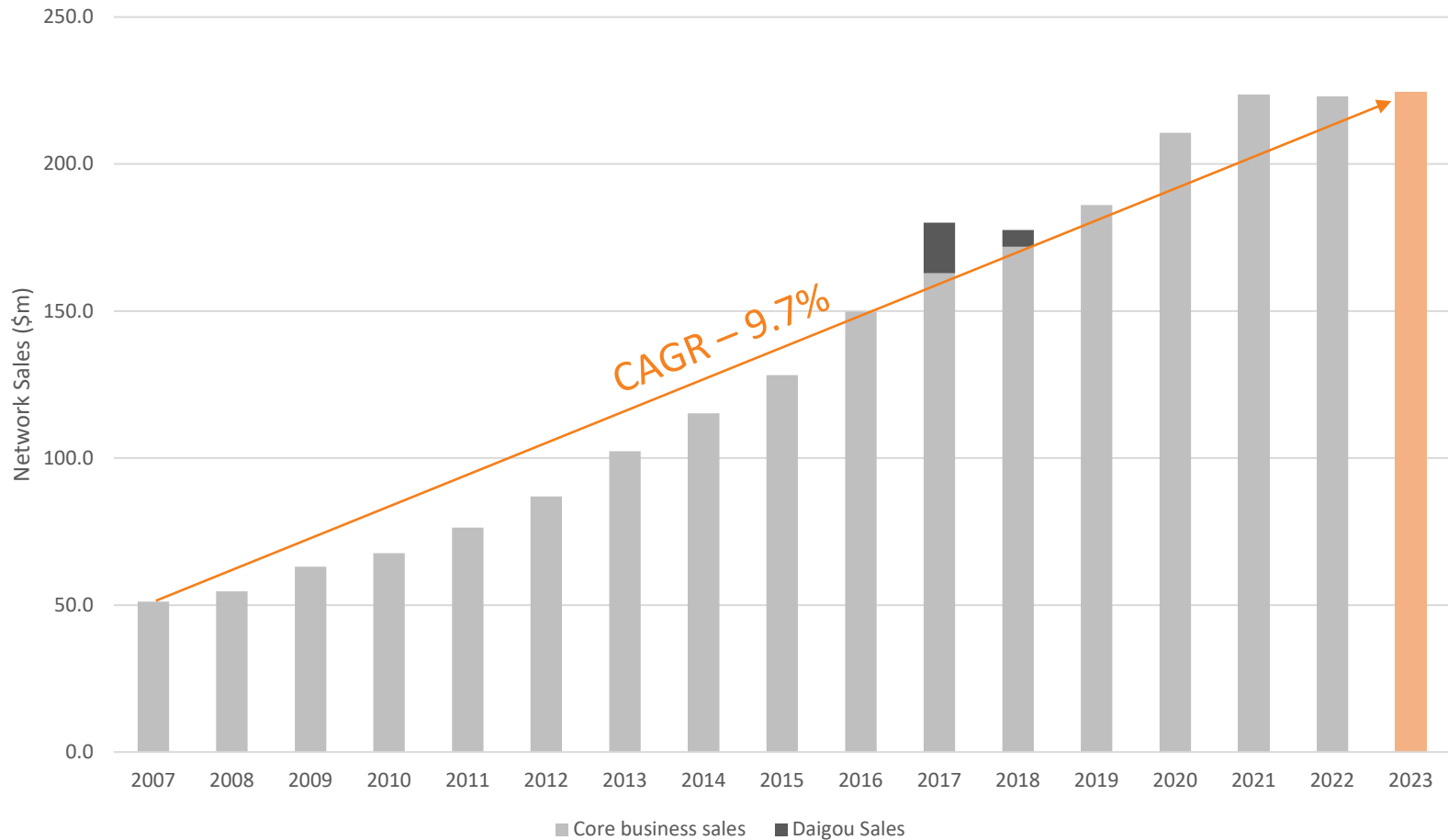
Normalised Results (\$ millions)	AASB 117	AASB 16	AASB16	AASB16	AASB16
	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual
<b>Sales</b>	<b>167.4</b>	<b>194.9</b>	<b>213.7</b>	<b>222.7</b>	<b>224.5</b>
Cost of goods sold	(96.6)	(113.4)	(119.0)	(125.0)	(124.6)
<b>Gross profit</b>	<b>70.8</b>	<b>81.6</b>	<b>94.7</b>	<b>97.7</b>	<b>99.9</b>
<b>Gross margin %</b>	<b>42.3%</b>	<b>41.8%</b>	<b>44.3%</b>	<b>43.9%</b>	<b>44.5%</b>
<b>Franchise and other revenue</b>	<b>1.6</b>	<b>1.1</b>	<b>0.9</b>	<b>0.0</b>	<b>0.0</b>
Employee benefits expense	(27.2)	(29.2)	(32.0)	(31.8)	(35.8)
Occupancy expenses	(15.5)	(3.1)	(2.5)	(2.9)	(3.3)
Marketing and advertising expenses	(7.0)	(6.9)	(7.3)	(8.5)	(7.2)
Operational expenses	-	(8.9)	(9.8)	(11.1)	(9.4)
Other expenses	(9.2)	(4.2)	(3.6)	(3.0)	(3.2)
<b>Overhead expenses</b>	<b>(58.9)</b>	<b>(52.3)</b>	<b>(55.1)</b>	<b>(57.4)</b>	<b>(58.9)</b>
<b>EBITDA</b>	<b>13.5</b>	<b>30.3</b>	<b>40.4</b>	<b>40.3</b>	<b>41.0</b>
<b>EBITDA margin</b>	<b>8.1%</b>	<b>15.6%</b>	<b>18.9%</b>	<b>18.1%</b>	<b>18.3%</b>
Depreciation and amortisation	(2.3)	(2.2)	(2.1)	(1.9)	(1.9)
Depreciation - right of use assets (leases)	-	(11.3)	(11.9)	(12.5)	(13.4)
<b>EBIT</b>	<b>11.2</b>	<b>16.8</b>	<b>26.4</b>	<b>25.9</b>	<b>25.8</b>
Net finance costs	(0.6)	(0.4)	(0.2)	(0.3)	(0.0)
Net finance costs - lease liabilities	-	(1.7)	(1.4)	(1.4)	(1.2)
<b>Profit before income tax</b>	<b>10.6</b>	<b>14.8</b>	<b>24.7</b>	<b>24.2</b>	<b>24.5</b>
Income tax expense	(3.2)	(4.4)	(7.3)	(7.5)	(7.7)
<b>NPAT</b>	<b>7.4</b>	<b>10.4</b>	<b>17.5</b>	<b>16.7</b>	<b>16.8</b>
Basic shares outstanding (# millions)	121.8	121.8	123.3	126.2	128.2
<b>Basic EPS (cents)</b>	<b>6.0</b>	<b>8.5</b>	<b>14.2</b>	<b>13.2</b>	<b>13.1</b>
Franchise buy-back tax benefit	1.6	1.2	1.7	1.2	1.0
<b>Cash NPAT</b>	<b>9.0</b>	<b>11.6</b>	<b>19.2</b>	<b>17.9</b>	<b>17.8</b>
<b>Cash EPS (cents)</b>	<b>7.4</b>	<b>9.5</b>	<b>15.5</b>	<b>14.2</b>	<b>13.9</b>



# 5 Year – Half Yearly Profit & Loss Summary

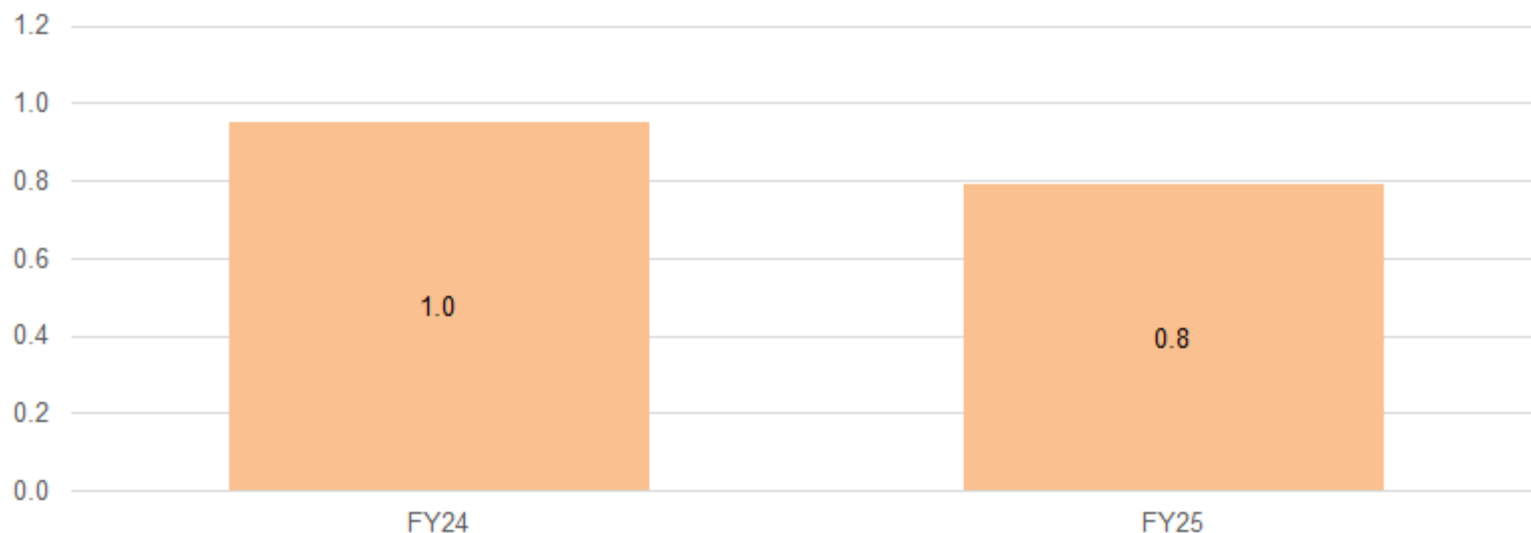
Normalised Results (\$ millions)	AASB 117 H1 FY19 Actual	AASB 117 H2 FY19 Actual	AASB 16 H1 FY20 Actual	AASB 16 H2 FY20 Actual	AASB 16 H1 FY21 Actual	AASB 16 H2 FY21 Actual	AASB 16 H1 FY22 Actual	AASB 16 H2 FY22 Actual	AASB 16 H1 FY23 Actual	AASB 16 H2 FY23 Actual
<b>Sales</b>	<b>95.7</b>	<b>71.7</b>	<b>107.5</b>	<b>87.4</b>	<b>123.6</b>	<b>90.0</b>	<b>127.1</b>	<b>95.6</b>	<b>131.9</b>	<b>92.6</b>
Cost of goods sold	(55.3)	(41.3)	(63.1)	(49.7)	(68.4)	(50.6)	(71.4)	(53.6)	(73.5)	(51.1)
<b>Gross profit</b>	<b>40.4</b>	<b>30.4</b>	<b>44.4</b>	<b>37.8</b>	<b>55.3</b>	<b>39.4</b>	<b>55.7</b>	<b>42.0</b>	<b>58.5</b>	<b>41.5</b>
<b>Gross margin %</b>	<b>42.2%</b>	<b>42.4%</b>	<b>41.3%</b>	<b>43.2%</b>	<b>44.7%</b>	<b>43.8%</b>	<b>43.8%</b>	<b>43.9%</b>	<b>44.3%</b>	<b>44.8%</b>
<b>Franchise and other revenue</b>	<b>0.9</b>	<b>0.7</b>	<b>0.8</b>	<b>0.3</b>	<b>0.8</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Employee benefits expense	(13.7)	(13.5)	(15.3)	(13.9)	(15.6)	(16.4)	(14.6)	(17.2)	(17.9)	(17.9)
Occupancy expenses	(7.7)	(7.8)	(1.6)	(1.4)	(1.2)	(1.3)	(1.2)	(1.7)	(1.6)	(1.6)
Marketing and advertising expenses	(4.7)	(2.3)	(3.8)	(3.7)	(4.3)	(3.0)	(4.7)	(3.8)	(4.4)	(2.9)
Operational expenses			(4.1)	(4.8)	(5.4)	(4.4)	(6.8)	(4.3)	(4.9)	(4.5)
Other expenses	(4.2)	(5.0)	(1.6)	(2.6)	(1.7)	(1.9)	(1.7)	(1.3)	(1.5)	(1.7)
<b>Overhead expenses</b>	<b>(30.3)</b>	<b>(28.6)</b>	<b>(26.5)</b>	<b>(26.4)</b>	<b>(28.3)</b>	<b>(26.9)</b>	<b>(29.1)</b>	<b>(28.4)</b>	<b>(30.3)</b>	<b>(28.6)</b>
<b>EBITDA</b>	<b>11.0</b>	<b>2.5</b>	<b>18.7</b>	<b>11.6</b>	<b>27.8</b>	<b>12.6</b>	<b>26.7</b>	<b>13.6</b>	<b>28.1</b>	<b>12.9</b>
<b>EBITDA margin</b>	<b>11.5%</b>	<b>3.5%</b>	<b>17.9%</b>	<b>13.7%</b>	<b>22.6%</b>	<b>22.6%</b>	<b>21.0%</b>	<b>22.6%</b>	<b>21.3%</b>	<b>13.9%</b>
Depreciation and amortisation	(1.1)	(1.2)	(1.1)	(1.1)	(1.1)	(1.0)	(0.9)	(0.9)	(1.0)	(0.9)
Depreciation - right of use assets (leases)	-	-	(5.8)	(5.4)	(5.8)	(6.2)	(6.2)	(6.3)	(6.5)	(6.9)
<b>EBIT</b>	<b>9.9</b>	<b>1.3</b>	<b>11.7</b>	<b>5.1</b>	<b>20.9</b>	<b>5.5</b>	<b>19.5</b>	<b>6.4</b>	<b>20.7</b>	<b>5.1</b>
Net finance costs	(0.2)	(0.4)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	0.1
Net finance costs - lease liabilities	-	-	(0.9)	(0.8)	(0.8)	(0.7)	(0.8)	(0.7)	(0.7)	(0.6)
<b>Profit before income tax</b>	<b>9.7</b>	<b>0.9</b>	<b>10.7</b>	<b>4.1</b>	<b>20.1</b>	<b>4.6</b>	<b>18.6</b>	<b>5.6</b>	<b>20.0</b>	<b>4.6</b>
Income tax expense	(2.9)	(0.3)	(3.2)	(1.2)	(5.8)	(1.5)	(5.6)	(1.9)	(6.3)	(1.4)
<b>NPAT</b>	<b>6.8</b>	<b>0.6</b>	<b>7.4</b>	<b>2.9</b>	<b>14.3</b>	<b>3.2</b>	<b>13.1</b>	<b>3.6</b>	<b>13.7</b>	<b>3.2</b>

# 17 Year Total Network Sales Summary (includes franchisee sales from '07 to '21)



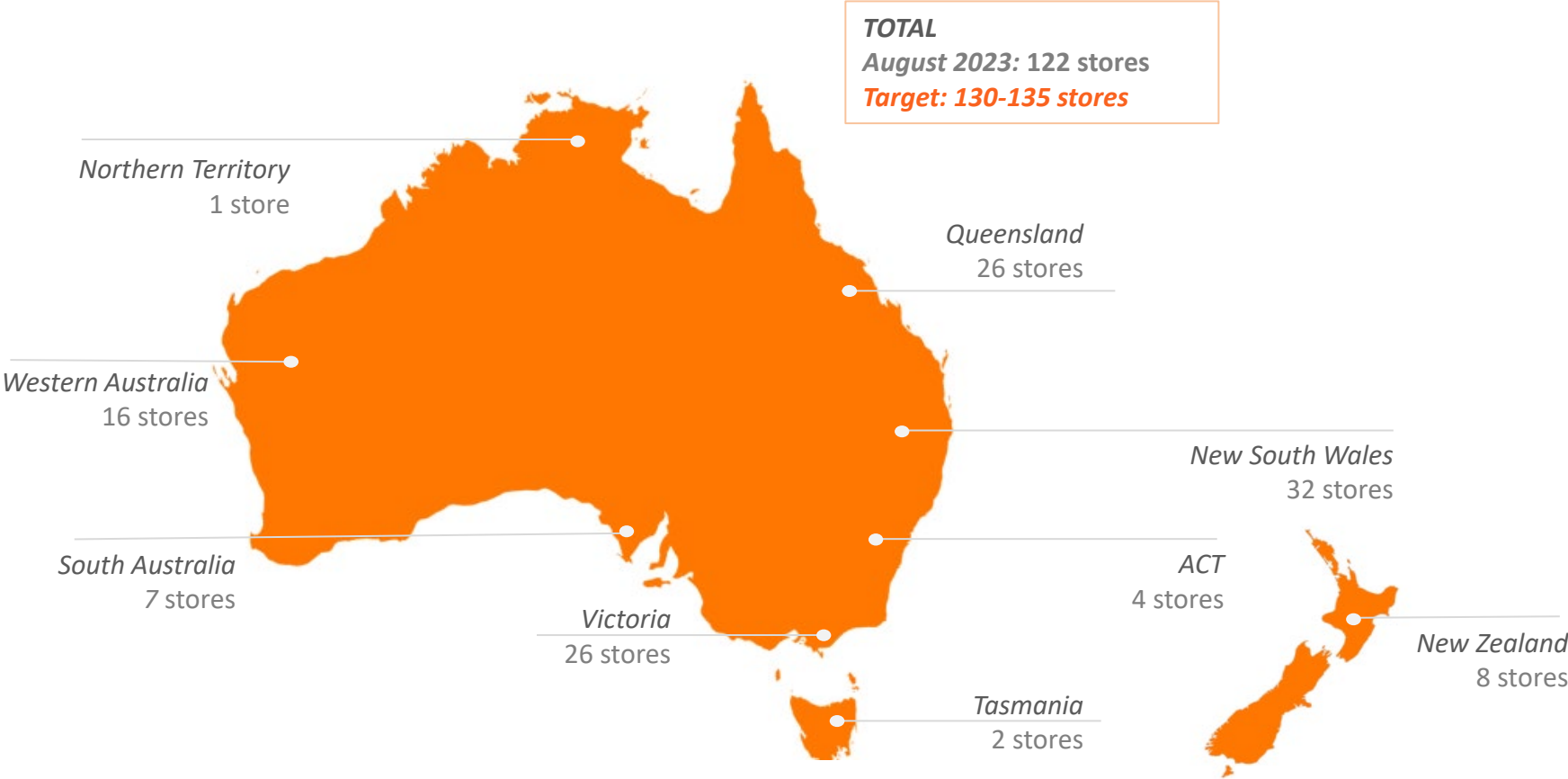
# Remaining Franchise Buyback Tax Benefit

Franchise buy-back tax benefit (\$m)



Shaver Shop receives a tax deduction over five years for the cost of franchise right terminations that occurred through its franchise buy-back program. All franchises have not been bought back. The tax deduction improves operating cash flow for the Group by reducing income tax payable for the five-year tax period following each buy-back. In February 2021, Shaver Shop acquired the remaining six franchises in the network for \$13.0 million plus stock on hand. Based on the franchise buy-backs completed to date (including the final six franchises that were acquired in early February 2021), the expected reduction in cash tax payable for each subsequent financial year related to the franchises acquired is set out above.

# Shaver Shop Store Network (current)



# Important notice and disclaimer

This management presentation (“Presentation”) has been prepared by Shaver Shop Group Limited ACN 150 747 649 (“Shaver Shop”) and contains general background information about Shaver Shop, its subsidiaries and their activities which is current at the date of this Presentation.

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The information contained in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Shaver Shop or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the *Corporations Act 2001* (Cth). This Presentation should be read in conjunction with Shaver Shop’s other periodic and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au) (Shaver Shop ASX Code: SSG). This Presentation is not intended to be relied upon as advice to investors or potential investors in Shaver Shop and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

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## Forward looking statements

This Presentation contains certain forward looking statements and comments about future events, including Shaver Shop’s expectations about the performance of its business. Forward looking statements can generally be identified by the use of forward looking words such as ‘expect’, ‘anticipate’, ‘likely’, ‘intend’, ‘should’, ‘could’, ‘may’, ‘predict’, ‘plan’, ‘propose’, ‘will’, ‘believe’, ‘forecast’, ‘estimate’, ‘target’ and other similar expressions. Indications of and any guidance on future earnings or financial position or performance of Shaver Shop are also forward looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. Shaver Shop’s Consolidated Financial Report contains details of a number of key risks associated with an investment in Shaver Shop. Many of these risks are beyond the control of Shaver Shop. Should one or more of these or other risks or uncertainties materialise, or should any assumption underlying any forward looking statement contained in this Presentation prove incorrect, Shaver Shop’s actual results may differ materially from the plans, objectives, expectations, estimates, and intentions expressed in the forward looking statements contained in this Presentation. As such, undue reliance should not be placed on any forward looking statement. Shaver Shop is providing the information contained in this Presentation as at the date of this Presentation and, except as required by law or regulation (including the ASX Listing Rules), does not assume any obligation to update any forward-looking statements contained in this Presentation as a result of new information, future events or developments or otherwise.

## Pro forma and normalised financial information

This Presentation may contain pro forma and normalised financial information. The pro forma and normalised financial information and past information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of Shaver Shop’s views on its future financial condition and/or performance. This financial information has been prepared by Shaver Shop in accordance with the measurement and recognition requirements, but not the disclosure requirements, of applicable accounting standards and other mandatory reporting requirements in Australia. Shaver Shop uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards. These measures are referred to as non-IFRS financial information. Shaver Shop considers that this non-IFRS financial information is important to assist in evaluating Shaver Shop’s performance. The information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. In particular, this information is important for comparative purposes with normalised results across financial periods. For a reconciliation of the non-IFRS financial information contained in this Presentation to IFRS-compliant comparative information, refer to the Directors Report that forms part of the Shaver Shop Group Limited Consolidated Financial Report that has been lodged with the ASX. All dollar values in this Presentation are in Australian dollars (A\$), unless otherwise specified.

Thank you

