

SHAVER SHOP GROUP LIMITED

Appendix 4D

Half Year Report for the six months ended 31 December 2024

1. Details of the reporting period and the prior corresponding period

Current period:	1 July 2024 to 31 December 2024
Prior corresponding period:	1 July 2023 to 31 December 2023

2. Results for announcement to the market

		%	H1 FY 2025 \$'000	H1 FY 2024 \$'000
Revenue from ordinary activities	Down	-1.0%	125,812	127,050
Profit from ordinary activities after tax attributable to members	Down	-3.5%	12,048	12,480
Net profit after tax attributable to the members	Down	-3.5%	12,048	12,480

Brief explanation of basis of results

An explanation of the Company's reported and normalised results are contained in the Review of Operations in the Directors' Report accompanying the company's financial statements.

3. Dividends

	Amount per ordinary share	Franked amount per ordinary share
Interim dividend – half year ended 31 Dec 2023	4.7 cents	4.7 cents
Final dividend – year ended 30 June 2024	5.5 cents	5.5 cents
Interim dividend – half year ended 31 Dec 2024	4.8 cents	4.8 cents

On 24 February 2025, the Directors declared a 100% franked interim dividend of 4.8 cents per share in respect of the half year ended 31 December 2024. Accordingly, this dividend is not provided for in the balance sheet at 31 December 2024. The record date and payment date in relation to the FY2025 interim dividend are as follows:

Record date for determining entitlement to the dividend (ordinary shares):	6 March 2025
Payment date of the interim dividend (ordinary shares):	20 March 2025

The company does not have a dividend reinvestment plan.

4. Net tangible assets per security

	31 Dec 24	31 Dec 23
Net tangible asset backing per ordinary share	26.3 cents ⁽¹⁾	27.4 cents ⁽¹⁾

⁽¹⁾ Net tangible asset backing per ordinary share of 26.3 cents above is inclusive of right of use assets. The net tangible asset backing per ordinary share at 31 December 2024 would reduce to 5.5 cents (31 December 2023: 16.4 cents) if right of use assets were excluded, and right-of-use lease liabilities were included, in the calculation.

5. Entities over which control has been gained or lost during the period

Not applicable.

6. Details of associates

Not applicable.

7. Details of independent auditor's report

In the Independent's Auditors Report attached to the Financial Report, there is no modified opinion, emphasis of matter or other matter paragraph.

8. Further information

Additional Appendix 4D disclosure requirements can be found in the notes to the half year Financial Report as well as the half year Directors' Report. The information above should be read in conjunction with the accompanying Interim Financial Report of the Group for the half year ended 31 December 2024 and ASX market releases made during the period.

SHAVER SHOP GROUP LIMITED

ABN: 78 150 747 649

INTERIM FINANCIAL REPORT

For the Half-Year Ended 31 December 2024

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

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DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Shaver Shop Group Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024. Throughout the report, the consolidated entity is referred to as the "Group", the "Company" or "Shaver Shop".

Directors

The following persons were directors of Shaver Shop Group Limited during the whole of the half-year and up to the date of this report:

Broderick Arnhold
Cameron Fox
Craig Mathieson
Trent Peterson
Debra Singh

Company Secretary

Lawrence Hamson held the position of Company Secretary during the whole of the half-year and up to the date of this report.

Principal activities

During the period, the principal activities of the Group consisted of the retailing of specialist personal care and grooming products across Australia and New Zealand, through 125 store locations (as at 31 December 2024), its websites and various online marketplaces (31 Dec 23 – 123 stores). There were no significant changes in the nature of the Group's principal activities during the financial half-year.

Rounding of amounts

The Company is of a kind referred to in Class Order 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Review of operations and financial results summary

Sales for the first half ended 31 December 2024 decreased 1.0% to \$125.8 million (H1 FY2024: \$127.0 million). The decrease in total sales was primarily due to a reduction in online sales of 5.1% to \$29.5 million. Online sales represented 23.4% of total sales in H1 FY2025 (H1 FY2024: 24.4%). In-store sales increased 0.3% with lower shopping centre foot traffic across Australia and New Zealand being offset by higher sales conversion and average transaction values.

Shaver Shop's net profit after income tax (NPAT) decreased 3.5% (or approximately \$0.4 million) to \$12.0 million (H1 FY2024: \$12.5 million) after subtracting income tax expense of \$4.9 million (H1 FY2024: \$5.3 million).

Non-IFRS measures

The Directors believe the presentation of non-IFRS financial measures are useful for the users of this financial report as they provide additional and relevant information that reflect the underlying financial performance of the business. Non-IFRS measures contained within this report are not subject to audit or review.

The Company's Statutory Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") of the Group for H1 FY2025 was \$26.1 million (H1 FY2024: \$26.0 million).

DIRECTORS' REPORT

	Statutory Consolidated	
	H1 FY2025 \$000	H1 FY2024 \$000
Profit after income tax from continuing operations (NPAT)	12,048	12,480
Add back:		
Net finance costs related to bank debt	(101)	(183)
Net finance costs related to leases (AASB 16)	785	509
Income tax expense	4,946	5,308
EBIT	17,678	18,114
Depreciation and amortisation – property, plant & equipment and intangibles	1,057	988
Depreciation expense – leased right of use assets (AASB 16)	7,338	6,924
EBITDA¹	26,073	26,026

¹ Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) is used as a measure of financial performance by excluding certain variables that affect operating profits but which may not be directly related to the underlying performance of the Group. EBITDA is not a measure of operating income, operating performance or liquidity under A-IFRS. Other companies may calculate EBITDA in a different manner to Shaver Shop. The above EBITDA reconciliation has not been audited.

Results Summary

The table below compares the operating performance of Shaver Shop for H1 FY2025 against its result for H1 FY2024. The percentage change values shown in the table below are based on the Company's results to the nearest dollar.

	Consolidated		
	H1 FY2025 \$000	H1 FY2024 \$000	Change %
Revenue	125,812	127,050	-1.0%
Gross Profit	57,200	56,422	+1.4%
<i>Gross Margin</i>	45.5%	44.4%	+2.4%
Operating expenses	(31,127)	(30,396)	+2.4%
EBITDA	26,073	26,026	+0.2%
<i>EBITDA Margin</i>	20.7%	20.5%	+1.2%
EBIT	17,678	18,114	-2.4%
<i>EBIT Margin</i>	14.1%	14.3%	-1.4%
NPAT	12,048	12,480	-3.5%
Tax benefit associated with franchise buybacks	398	478	-16.8%
NPAT – adjusted for franchise buyback tax benefit ("Cash NPAT")	12,446	12,958	-4.0%
Weighted average shares – basic (millions)	129.2	128.2	+0.7%
Basic earnings per share – cents	9.3	9.7	-4.1%
Cash earnings per share – cents (Cash NPAT/weighted avg. shares)	9.6	10.1	-5.0%

In H1 FY2025, Shaver Shop's consolidated sales decreased by 1.0% to \$125.8 million driven primarily by a reduction in online sales of 5.1% compared to H1 FY2024. Online sales represented 23.4% of total sales (H1 FY2024 – 24.4%). In-store sales increased 0.3% compared to H1 FY2024, with lower in shopping centre foot traffic being offset by higher sales conversion and an increase in average transaction values.

Gross profit margins increased c.110 basis points to 45.5% (H1 FY2024: 44.4%) as Shaver Shop benefited from:

- Changes in category mix and continued focus on maximising gross profit dollars and reducing the levels of promotional discounting across its core men's and women's hair removal categories;
- The increased gross profit margin delivered through the exclusive Skull Shaver licence agreement that was announced in June 2024 and became effective on 1 July 2024; and
- The successful launch of Shaver Shop's first private brand offering – Transform-U™; in Q2 FY2025;

Total operating expenses increased \$0.7 million (or 2.4%) to \$31.1 million. The increase in operating expenses was driven by:

1. Higher employment costs largely driven by the 3.75% increase in the minimum wage from 1 July 2024 and the associated impact on the wage rates in the General Retail Industry Award in Australia;
2. Higher operational expenses (up \$0.2 million) primarily driven by Shaver Shop holding its first annual retail conference for training its store team members in 5 years, as well as inflationary cost impacts across other operating cost areas; and,
3. Increases in other expenses (up \$0.1 million).

DIRECTORS' REPORT

This incremental operating expense was partially offset by lower marketing and advertising costs as Shaver Shop sought to optimise marketing expenditure and maximise the associated return on investment.

Shaver Shop's NPAT decreased 3.5% to \$12.0 million (H1 FY2024: \$12.5 million). Basic earnings per share decreased 0.4 cents per share (or -4.1%) to 9.3 cents (H1 FY2024: 9.7 cents) and cash earnings per share was 9.6 cents (H1 FY2024: 10.1 cents).

Shaver Shop receives a tax deduction over five years for the cost of franchise right terminations that occur through its franchise buy-back program. This improves operating cash flow for the Group by reducing income tax payable for the five year tax period following each buy-back. Following completion of Shaver Shop's franchise buyback strategy in FY2021, the Company's store network is fully corporate owned. Based on the franchise buy-backs completed, the expected reduction in cash tax payable for H1 FY2025 and for FY2025 is set out in the table below.

	H1 FY2025 \$000	FY2025 \$000
Reduction in income tax payable	398	795

There will be no further income tax deductions for the franchise buy-back program after FY2025.

Cash Flow and Net Debt

In H1 FY2025, Shaver Shop generated operating cash flow of \$28.1 million (H1 FY2024 - \$34.9 million). The reduction in operating cash flow was primarily due to a \$6.7 million increase in inventory without a commensurate increase in trade payables. As noted in Shaver Shop's FY2024 results, inventory levels were considered approximately \$1.0 million to \$2.0 million lower than optimal at 30 June 2024 due to higher than expected end of financial year sales, and accordingly were replenished during H1 FY2025. In addition, following the execution of the exclusive ANZ five-year distribution agreement for Skull Shaver products in June 2024 and the announcement of its first private brand offering (Transform-U™), Shaver Shop advised in its FY2024 results announcement that it expected an addition \$2 million to \$3 million in inventory by 30 June 2025 relating to these strategic category management initiatives.

Shaver Shop is a seasonal business with the first half of the financial year traditionally being stronger from an operating cash flow perspective due to the impact of Christmas and Boxing Day sales, as well as deferred payment terms received from suppliers, in relation to stock purchases for this period. Supplier payments for Christmas stock purchases are generally made in January and February leading to a significant operating cash outflow in the second half of the financial year.

Shaver Shop's net cash position (Cash less Bank Borrowings) at 31 December 2024 was \$24.5 million, an \$11.2 million increase from the 30 June 2024 balance of \$13.3 million and a decrease of \$7.4 million in comparison to the 31 December 2023 net cash position of \$31.9 million. The Company has an undrawn debt facility that provides up to \$30.0 million in available funding capacity. The debt facility matures on 31 July 2027.

The Company's debt facilities have three key covenants: the leverage ratio (Debt/EBITDA); the net worth ratio ((total assets – total liabilities) / total assets) and the Fixed Charge Cover ratio ((EBITDA + interest and depreciation associated with right of use assets + rent expense for operating leases)/(interest expense + depreciation and amortisation for right of use assets + rent expense for operating leases)). All banking covenants were within the bank's thresholds in H1 FY2025.

DIRECTORS' REPORT

Dividends paid or recommended

On 19 September 2024, the Company paid a final dividend in respect of the FY2024 financial year totaling \$6.9 million, which represented a dividend of 5.5 cents per share, fully franked.

On 24 February 2025, the directors of the Company approved an interim dividend of 4.8 cents per ordinary share fully franked, up 0.1 cents per share compared to the prior corresponding period (H1 FY2024 - 4.7 cents per share fully franked). The total amount of the dividend is \$6.3 million based on the total number of ordinary shares outstanding and is due to be paid on 20 March 2025 to shareholders of record on 6 March 2025. The dividend has not been provided for in the half-year financial statements.

Events after the reporting date

Subsequent to the end of the financial half, the directors approved a fully franked dividend of 4.8 cents per share to shareholders of record on 6 March 2025. The dividend payment date is 20 March 2025.

No other matters or circumstances have arisen since the end of the financial half which significantly affected or could significantly affect the operations of the Group.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.



Broderick Arnhold
Director

Melbourne
24 February 2025

Grant Thornton Audit Pty Ltd

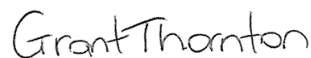
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Auditor's Independence Declaration

To the Directors of Shaver Shop Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Shaver Shop Group Limited for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A C Pitts
Partner – Audit & Assurance

Melbourne, 24 February 2025

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SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	Note	31 December 2024 \$	31 December 2023 \$
Revenue from continuing operations		125,812,470	127,049,870
Cost of goods sold		<u>(68,612,068)</u>	<u>(70,628,241)</u>
Gross profit from corporate owned retail stores		57,200,402	56,421,629
Employee benefits expense		(19,460,837)	(18,878,387)
Depreciation and amortisation expense	10	(8,394,646)	(7,911,539)
Marketing and advertising expenses		(3,596,134)	(3,613,432)
Occupancy expenses		(1,597,180)	(1,765,451)
Operational expenses		(4,995,338)	(4,799,464)
Other expenses		(1,477,624)	(1,338,685)
Finance costs (net)	10	<u>(684,719)</u>	<u>(326,003)</u>
Profit before income tax		16,993,924	17,788,668
Income tax expense		<u>(4,946,033)</u>	<u>(5,308,473)</u>
Profit for the half-year		<u>12,047,891</u>	<u>12,480,195</u>
Items that may be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign operations		<u>(30,436)</u>	14,976
Other comprehensive income for the half-year		<u>(30,436)</u>	14,976
Total comprehensive income for the half-year		<u>12,017,455</u>	<u>12,495,171</u>
Profit attributable to:			
Members of the parent entity		12,047,891	12,480,195
Total comprehensive income attributable to:			
Members of the parent entity		12,017,455	12,495,171
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic earnings per share (weighted average shares)	11	9.3	9.7
Diluted earnings per share (weighted average shares)	11	9.2	9.5

The accompanying notes form part of these financial statements

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		24,486,167	13,314,704
Trade and other receivables		4,892,893	2,906,770
Inventories		32,718,136	23,135,682
TOTAL CURRENT ASSETS		62,097,196	39,357,156
NON-CURRENT ASSETS			
Property, plant and equipment	5	12,688,257	11,244,540
Right-of-use assets		27,250,190	15,736,462
Deferred tax assets		2,716,744	3,070,992
Intangible assets	6	58,035,573	58,145,311
TOTAL NON-CURRENT ASSETS		100,690,764	88,197,305
TOTAL ASSETS		162,787,960	127,554,461
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	34,338,491	17,971,503
Lease liabilities	7	11,861,016	8,371,005
Current tax payable	7	1,619,498	13,611
Employee benefits		3,183,038	2,856,288
Other liabilities	7	17,078	30,883
TOTAL CURRENT LIABILITIES		51,019,121	29,243,290
NON-CURRENT LIABILITIES			
Lease liabilities	7	18,958,522	10,627,506
Other liabilities	7	274,189	134,654
TOTAL NON-CURRENT LIABILITIES		19,232,711	10,762,160
TOTAL LIABILITIES		70,251,832	40,005,450
NET ASSETS		92,536,128	87,549,011
EQUITY			
Issued capital	9	50,275,510	50,275,510
Reserves		3,242,381	3,366,388
Retained earnings		39,018,237	33,907,113
TOTAL EQUITY		92,536,128	87,549,011

The accompanying notes form part of these financial statements

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	Ordinary Shares \$	Retained Earnings \$	Other Reserves \$	Total \$
Balance at 1 July 2024	50,275,510	33,907,113	3,366,388	87,549,011
Profit for the period	-	12,047,891	-	12,047,891
Other comprehensive income	-	-	(30,436)	(30,436)
Total comprehensive income for the half-year	-	12,047,891	(30,436)	12,017,455
Transactions with owners in their capacity as owners:				
Dividends provided for or paid (Note 8)	-	(6,936,767)	-	(6,936,767)
Employee share schemes – value of employee services	-	-	(93,571)	(93,571)
Balance at 31 December 2024	50,275,510	39,018,237	3,242,381	92,536,128

Note	Ordinary Shares \$	Retained Earnings \$	Other Reserves \$	Total \$
Balance at 1 July 2023	50,275,510	31,620,312	2,400,932	84,296,754
Profit for the period	-	12,480,195	-	12,480,195
Other comprehensive income	-	-	14,976	14,976
Total comprehensive income for the half-year	-	12,480,195	14,976	12,495,171
Transactions with owners in their capacity as owners:				
Dividends provided for or paid (Note 8)	-	(6,910,285)	-	(6,910,285)
Employee share schemes – value of employee services	-	-	491,642	491,642
Balance at 31 December 2023	50,275,510	37,190,222	2,907,550	90,373,282

The accompanying notes form part of these financial statements

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

	Note	31 December 2024 \$	31 December 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers (inclusive of GST)		136,689,644	139,410,474
Payments to suppliers and employees (inclusive of GST)		<u>(105,087,845)</u>	<u>(100,737,940)</u>
		31,601,799	38,672,534
Interest received		416,393	295,426
Interest paid – borrowings		(142,774)	(112,432)
Interest paid – leases		(785,384)	(508,997)
Income taxes paid		<u>(2,981,105)</u>	<u>(3,490,864)</u>
Net cash inflows (outflows) from operating activities		<u>28,108,928</u>	<u>34,855,667</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment and intangible assets	5,6	(2,746,438)	(2,069,384)
Contributions to new premises fitouts		<u>420,000</u>	<u>253,035</u>
Net cash inflows (outflows) from investing activities		<u>(2,326,438)</u>	<u>(1,816,349)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Principal elements of lease payments		(7,674,260)	(7,672,675)
Dividends paid		<u>(6,936,767)</u>	<u>(6,910,285)</u>
Net cash inflows (outflows) from financing activities		<u>(14,611,027)</u>	<u>(14,582,960)</u>
Net increase in cash and cash equivalents held		11,171,463	18,456,358
Cash and cash equivalents at beginning of the half-year		<u>13,314,704</u>	<u>13,471,437</u>
Cash and cash equivalents at end of the half-year		<u>24,486,167</u>	<u>31,927,795</u>

The accompanying notes form part of these financial statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of Preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Shaver Shop Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Except as outlined in the Notes that follow, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Where necessary, and as a result of a change in the classification of certain expenses during the current year, comparative amounts in the statement of profit and loss have been reclassified for consistency with current year presentation.

2 Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving significant estimates or judgements are estimates surrounding indicators of impairment and net realisable value of inventory.

3 Profit and loss information

Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual tax rate expected for the full financial year. The estimated average annual tax rate used for the period to 31 December 2024 is 29.1%, compared to 29.8% for the six months ended 31 December 2023.

4 Segment reporting

The Group operates within one reportable segment, being retail store sales of specialist personal grooming products through their corporate and online stores. The chief operating decision maker for the Group is the Chief Executive Officer. The revenue disclosed in the consolidated statement of comprehensive profit and loss all relates to this one operating segment. The Group is not reliant on any single customer. As at 31 December 2024, the Group operated 116 Corporate Stores in Australia (2023: 115) and 9 Corporate Stores in New Zealand (2023: 8) for a total of 125 Corporate Stores.

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5 Property, plant and equipment

	31 December 2024 \$	30 June 2024 \$
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	132,217	51,971
Plant and equipment		
At cost	24,386,522	22,718,373
Accumulated depreciation	(12,883,965)	(12,439,026)
Total plant and equipment	<u>11,502,557</u>	<u>10,279,347</u>
Computer equipment		
At cost	2,077,657	1,988,294
Accumulated depreciation	(1,196,448)	(1,097,849)
Total computer equipment	<u>881,209</u>	<u>890,445</u>
Improvements		
At cost	185,403	35,168
Accumulated depreciation	(13,129)	(12,390)
Total leasehold improvements	<u>172,274</u>	<u>22,778</u>
Total property, plant and equipment	<u><u>12,688,257</u></u>	<u><u>11,244,541</u></u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial half-year:

	Capital Works in Progress \$	Plant and Equipment \$	Computer Equipment \$	Improvements \$	Total \$
Half-Year ended 31 December 2024					
Opening net book amount	51,971	10,279,347	890,445	22,778	11,244,541
Additions	84,231	2,072,506	112,082	158,201	2,427,020
Disposals	-	(9,316)	-	-	(9,316)
Transfers	(3,891)	3,891	-	-	-
Depreciation expense	-	(837,010)	(121,258)	(8,705)	(966,973)
Foreign exchange movements	(94)	(6,861)	(60)	-	(7,015)
Closing net book amount	<u><u>132,217</u></u>	<u><u>11,502,557</u></u>	<u><u>881,209</u></u>	<u><u>172,274</u></u>	<u><u>12,688,257</u></u>

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 Intangible Assets

	31 December 2024 \$	30 June 2024 \$
Goodwill		
Cost	53,309,577	53,309,577
License		
Cost	3,386,346	3,386,346
Accumulated amortisation and impairment	(338,635)	-
Net carrying value	3,047,711	3,386,346
Brand Names		
Cost	1,447,768	1,448,786
Accumulated amortisation and impairment	(954,743)	(919,004)
Net carrying value	493,025	529,782
Software		
Cost	1,388,868	1,069,450
Accumulated amortisation and impairment	(203,608)	(149,844)
Net carrying value	1,185,260	919,606
Total Intangibles	<u>58,035,573</u>	<u>58,145,311</u>

Movements in carrying amounts of intangible assets

	Licence \$	Software \$	Brand names \$	Goodwill \$	Total \$
Half-Year ended 31 December 2024					
Opening net book amount	3,386,346	919,606	529,782	53,309,577	58,145,311
Additions	-	319,418	-	-	319,418
Amortisation	(338,635)	(53,764)	(36,210)	-	(428,609)
Foreign exchange movements	-	-	(547)	-	(547)
Closing net book amount	<u>3,047,711</u>	<u>1,185,260</u>	<u>493,025</u>	<u>53,309,577</u>	<u>58,035,573</u>

7 Financial assets and liabilities

This table provides a summary of the Group's financial instruments, how they are classified and measured and reference to relevant disclosures in the financial statements. The Group holds the following financial instruments at the end of the financial reporting period.

SHAVER SHOP GROUP LIMITED
31 DECEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	31 December 2024	30 June 2024
	\$	\$
<i>Financial assets</i>		
Cash and cash equivalents	24,486,167	13,314,704
Trade receivables	4,892,893	2,906,770
	29,379,060	16,221,474

	31 December 2024	30 June 2024
	\$	\$
<i>Financial liabilities</i>		
Trade and other payables	34,338,491	17,971,503
Lease liabilities – current	11,861,016	8,371,005
Income tax payable - current	1,619,498	13,611
Other liabilities – current	17,078	30,883
Lease liabilities – non-current	18,958,522	10,627,506
Other liabilities – non-current	274,189	134,654
	67,068,794	37,149,162

Shaver Shop has access to total debt facilities of \$30.0 million through a trade finance facility of \$10 million and a term debt facility of \$20.0 million. The term debt and trade finance facilities have a maturity date of 31 July 2027. Shaver Shop also has a \$0.1 million bank guarantee facility.

The Company's debt facilities have three key covenants: the leverage ratio (Debt/EBITDA); the net worth ratio ((total assets – total liabilities) / total assets) and the Fixed Charge Cover ratio ((EBITDA + interest and depreciation associated with right of use assets + rent expense for operating leases)/(interest expense + depreciation and amortisation for right of use assets + rent expense for operating leases)). All banking covenants were within the bank's thresholds in H1 FY2025.

8 Dividends

	31 December 2024	31 December 2023
	\$	\$
Final 2024 fully franked ordinary dividend of 5.5 cents per share (2023: 5.5 cents fully franked)	6,936,767	6,910,285
Proposed interim 2025 fully franked ordinary dividend of 4.8 cents per share (2024: 4.7 cents fully franked)	6,288,600	6,157,587

The proposed interim dividend for 2025 was declared after the end of the reporting period and therefore has not been provided for in the condensed consolidated financial statements.

SHAVER SHOP GROUP LIMITED
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9 Issued Capital

	31 December 2024 \$	30 June 2024 \$
131,012,494 (30 June 2024: 131,012,494) Ordinary shares	50,275,510	50,275,510

Movements in share capital

	31 December 2024 \$	30 June 2024 \$
At the beginning of the reporting period	50,275,510	50,275,510
At the end of the reporting period	50,275,510	50,275,510

	31 December 2024 No.	30 June 2024 No.
Number of shares outstanding		
At the beginning of the reporting period	131,012,494	131,012,494
Changes during the period	-	-
At the end of the reporting period	131,012,494	131,012,494

At the Company's Annual General Meeting on 14 November 2024, shareholders approved a new Executive Long Term Incentive (LTI) Plan (the "Plan"). Under this new Plan, the Company granted 1,230,000 Performance Share Rights to participants on 14 November 2024. In total, 3,690,000 rights for shares have been issued and remain outstanding across FY2023, FY2024 and FY2025. In accordance with the Plan, executives are awarded rights to ordinary shares that will vest after a period of three years subject to the achievement of specific performance hurdles for earnings per share (EPS). There is no exercise price for the shares. The previous Loan Share Long Term Incentive Plan will remain in place until all shares issued to participants under that plan have either vested with the participants or compulsorily divested in accordance with the terms of that plan and the loans associated with the outstanding shares have been repaid in full to the Company.

10 Expenses

	31 December 2024 \$	31 December 2023 \$
<i>Depreciation and amortisation</i>		
Property, plant and equipment	966,973	914,700
Right-of-use assets	7,337,699	6,923,289
Intangible assets	89,974	73,550
Depreciation and amortisation	8,394,646	7,911,539
Licence amortisation – included in cost of goods sold	338,635	-
Total depreciation and amortisation	8,733,281	7,911,539

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Finance costs (net)

Interest expense on borrowings and trade finance facilities	142,774	112,432
Interest expense on lease liabilities	785,384	508,997
Interest income on bank deposits	(243,439)	(295,426)
Total finance costs (net)	684,719	326,003

11 Earnings per Share

	31 December 2024	31 December 2023
	\$	\$
Profit from continuing operations	12,047,891	12,480,195
Earnings used to calculate basic EPS from continuing operations	12,047,891	12,480,195

As at 31 December 2024, there are no (2023: 2,783,336) unvested shares issued under the Company's Loan Share Long Term Incentive Plan. In addition, at 31 December 2024 the Company had 3,690,000 Performance Share Rights that were issued under the Company's new Executive Long Term Incentive Plan in FY2023, FY2024 and FY2025. These Performance Share Rights also have vesting conditions. The weighted average impact of the FY2023, FY2024 and FY2025 Performance Share Rights are classified as contingently issuable ordinary shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time. As the conditions have not been satisfied as at the end of the period, these contingently issuable ordinary shares have not been included in the calculation of diluted earnings per share.

Calculation of weighted average number of diluted shares

	31 December 2024	30 June 2024
	No.	No.
Weighted average number of ordinary shares used for calculating basic earnings per share	129,153,453	128,912,494
Adjustment for weighted average number of LTI Plan shares issued	1,859,041	2,100,000
Weighted average number of ordinary shares issued and potential ordinary shares used in calculating diluted earnings per share	131,012,494	131,012,494

12 Events After Reporting Date

Subsequent to the end of the financial half, the directors declared a dividend of 4.8 cents per share fully franked to shareholders of record on 6 March 2025. The dividend payment date is 20 March 2025.

DIRECTORS' DECLARATION

In the directors' opinion:

- a) the financial statements and notes, as set out on pages 6 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date and
- b) there are reasonable grounds to believe that Shaver Shop Group Limited will be able to pay its debts as and when they become due and payable.

In the Directors' opinion, there are reasonable grounds to believe that the Company and its subsidiaries which have entered into a Deed of Cross Guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

This declaration is made in accordance with a resolution of the directors.



Broderick Arnhold
Director

Melbourne
24 February 2025

Independent Auditor's Review Report

To the Members of Shaver Shop Group Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Shaver Shop Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Shaver Shop Group Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

The Directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants



A C Pitts
Partner – Audit & Assurance

Melbourne, 24 February 2025