



Chairman's Address to the Annual General Meeting of Shareholders 20 May 2021

Kia ora, tena koutou, tena koutou, kena koutou katoa

It is a great pleasure to be with you today to not only reflect on the Group's performance in the latest financial year – but just as importantly, to share with you some of the exciting initiatives and plans the team has in place as we go forward.

To say last year was challenging, as you all well know, is clearly a massive understatement. Like many other businesses our operating model, financial performance and ability to respond quickly to change were all severely put to the test. I'm pleased to report that Briscoe Group responded incredibly well to those challenges and has emerged a more robust and resilient company.

Our first priority with the onset of the Covid-19 pandemic was to ensure the health and wellbeing of our employees and customers. This involved protecting them from, obviously the virus itself, but also in the case of our team, from the resulting potential threats to job and income security. In an environment of store network closure, the duration of which was unknown, we committed to paying our team in full and to have no store closures or redundancies. We met all of these commitments and it was particularly pleasing to be in a position later in the year to repay, in full, the \$11.5 million of wage subsidy we had been eligible for and received in the early stages of the lockdown.

The Group's trading performance recovered much quicker than could have been expected post the national lockdown and as we moved further through the second half of the year it became apparent that the Group could be on track to produce a truly remarkable profit result.....

..... which would seem to be the perfect time for me to ask our CFO, Geoff Scowcroft, to expand further on the result that the Group produced last year.

Geoff, over to you.

Thanks Geoff.

Geoff is a key member of the senior executive team and I just want to take this opportunity to acknowledge the superb job that that team has done in leading the Company through one of the most extraordinary years seen in NZ business.

The strength of our financial position enabled your Board to increase the interim dividend - to 9 cents per share, paid in September and also the final dividend - to 13.5 cents per share, which was paid at the end of March this year. In addition, we were delighted to be able to provide a further return to our shareholders in the form of the 6 cents per share special dividend which was paid in January.

The pandemic has certainly reinforced the importance of continually reviewing our systems, processes and assumptions that help to drive our business – starting with the ways in which we communicate and work together and continuing through the supply chain, inventory management and sales and fulfilment processes.

While protecting and adapting the business was a matter of urgency, it is important to note that management had in fact made significant progress on implementing a number of strategic and growth initiatives pre-Covid.

These initiatives continued to expand after the initial shock of the national lockdown was absorbed and contributed to producing the great result for last year. But also, and just as importantly, they provide the basis for continued growth and Rod, Andrew and Nick will expand further on this soon.

Performance Rights

As a Board and most recently in our Annual Report we have stressed the quality and commitment of our team. This quality and commitment is everything and it is why we continue to find the right people, and invest in their growth and performance and support and development throughout the organisation. As a Board we are proud of our senior executives' work with our high potential people resource in the Company and the very significant growth in the diversity of this most critical of assets, our people.

Which brings me to our Performance Rights.

The Board is of the view that all shareholders benefit from the participation of key senior executives in long-term, appropriately priced, equity-based remuneration that crystallises only on delivery of increased shareholder value. We believe our updated Long-Term Incentive Scheme enables this to be achieved. There was one tranche of Performance Rights issued during the 2020-21 financial year and it is the Board's intention to issue another tranche of Performance Rights during this current financial year. The Board continues to monitor the relevance of equity-based remuneration schemes and compares our model with others in the marketplace.

There is more information in relation to this and other incentive plans in the latest Annual Report. We are proud to have our executives participating and being Briscoe Group shareholders.

Investment in Kathmandu

Now, I'd like to touch on our investment in Kathmandu.

You will recall at the beginning of our 2020-21 financial year, as a result of their need to alleviate balance sheet pressures the Kathmandu Board sought a significant capital raising which we decided not to participate in, even though it also had significant implications in respect of our shareholding stake.

Our stake in the business is now 6.8%. We have, since 2015, invested a total of \$87.8 million into our Kathmandu investment and while its current share price results in a negative difference between market value and that cost, we are confident that Kathmandu can and will, in time, restore that value. We note the positive progress made this year and have always been prepared for our investment in Kathmandu to be a long-term commitment.

Corporate Governance

Briscoe Group is committed to the highest standards of governance and management. It has always been a strong feature of this company that the Board and Executive teams work effectively together and are aligned around the business objectives.

Our latest Annual Report, which can be viewed and/or downloaded from our website, sets out the corporate governance policies, practices and processes that we follow. I'd certainly encourage you to take a look at that section of the report, if you haven't already, as it provides a clear understanding our approach to what is a vital corporate concern.

Last year I advised that we had commenced a search for an additional director. That search was delayed as a result of the disruption caused by Covid-19, but we were delighted to announce in December that the Board intended to appoint Mark Callaghan as an independent, non-executive director of Briscoe Group, effective 1 January 2021. And we'll hear from Mark as part of the formal business as he seeks re-election to the Board by shareholders

A key feature of good governance is for boards to challenge themselves consistently to ensure the highest level of service to the companies they serve. With Mark's appointment we are confident that the Briscoe Group Board of Directors has an excellent balance of the attributes required to meet the future needs of the business.

A particular topic of interest lately has been in relation to tenure of directors and whether the length of that tenure impacts on director independence.

The Briscoe Group Board recently made its annual determination as to the independence of directors and as part of that determination, the tenure of the Chair was carefully considered. While the Board acknowledged that the tenure was significant, it agreed unanimously that it did not compromise in any way the Chair's ability to; bring an independent view, act in the best interests of the issuer and represent the best interests of all shareholders. Further noting that this had been especially true over the past 12 months where continuity of the Chair had proved to be invaluable as the business navigated its way through the pandemic and would be equally important moving forward as the business continued to progress the strategic initiatives which had commenced.

Summary

As announced earlier this month, the company has made a strong start to trading in the current year, and while the comparison to last year is probably not that relevant, I do note that Group sales for the first quarter when compared to 2 years ago, are 15% higher. This is a start that should give us all confidence in the company's continued ability to perform.

The Board is extremely proud of the performance of the whole Briscoe Group team. Obviously the financial results, but also too the way the Company has endeavoured to balance the interests of all stakeholder groups – the team, customers, suppliers and shareholders alike.

Before I conclude I would like to acknowledge my fellow directors - Tony, Andy, Mark and Rod and their individual contributions to the Company. We recognise the importance of working effectively as a team and the diversity of our individual skills and experience.

As we stated in the Annual Report, our greatest strength is the combination of our people, our customers, our suppliers and our business partners and the Board would like to thank all of them for their enormous efforts during last year. We fully recognise the commitment that they make to the success of this company and we are sure, share in our excitement for 2021 and beyond.

And on that note, I would now like to invite Rod to speak with us about his review of operations....
Rod.



Chief Financial Officer's Address to the Annual Meeting of Shareholders 20 May 2021

Thanks Rosanne and good morning everyone.

Yes, as Rosanne said, a remarkable result from what was undeniably a truly remarkable year - the financial year rollercoaster from February 2020 through to January 2021.

I thought this morning we'd have a look at some of the highs and lows that resulted in last year's performance.

The Group moved through the \$700 million sales mark for the first time, a great achievement and a significant milestone for the Company. A milestone that looked a very long way off after quarter one when we were in the throes of national lockdown and all stores shut from 25th March 2020. We were trading online, with essential items only at first, before the resumption of full online trading. You'll recall what an impact that had on that first quarter - 35.6% decline Year on Year for quarter 1.

Into the 2nd Quarter (May, June and July), certainly things had started to turn around. We came out of lockdown towards the end of May. We had online operating on the new platform, we had click and collect up and running nationally and then the pent-up demand from lockdown, seen across much of NZ retail, started to kick in. Really strong demand, not just online, but across stores when they reopened too. The result was 28.2% sales growth for the 2nd quarter. This meant for the half the Group was only 3.5% behind the previous year's half sales.

Into the 3rd quarter (August, September & October), the country is well out of lockdown and that that pent-up demand (probably fuelled partially by the inability to spend on overseas travel), was still very tangible - again across both online and bricks and mortar stores which was really interesting and encouraging. Result for the 3rd quarter was growth of 15% and from a year-to-date perspective, 2.4% up on the previous year after 9 months of our financial year.

So, at this point the big question was - what was going to happen to that demand through the final crucial quarter which contained Black Friday, Christmas and New Year promotions - all so important in the retail calendar. The answer for Briscoe Group was certainly positive. The final quarter ended 18.3% higher than the previous year, which did include an additional week as a result of the 53rd week realignment for year-end cut-offs. Some incredible sales were achieved with Black Friday setting new sales records for the Group. This brought the full year sales position to growth of +7.5%.

So, a sales road that really just couldn't have been imagined as we began last year's journey.

A really important part of our success last year was the performance of our online business. At the end of the previous year (year ended January 2020) and at the beginning of last year, we had just completed the re-platforming our online frontend which proved to be very timely given the increase in online demand that was going to be experienced just a few months later as online became the only way to transact with the onset of Covid-19 restrictions. I've already mentioned the ability to mobilise the click and collect functionality which was also crucial in maximising our online capability. Many companies experienced a real step-change in online business and we were certainly no exception to this. Our online sales increased just short of 80% on the previous year.

Up until the beginning of last year the Group had experienced steady increases in online sales mix every year since online was launched around 9 years ago.

Then last year the mix obviously spiked when the business could only operate online during lockdown. But the step-change is really about how strong the online mix remained subsequent to lockdown ending, finishing at 18.8% year-to-date for the year ended January 2021. Obviously without national lockdowns we don't expect to have a similar end of year mix but we certainly are expecting a sustained step-change level of at least 15-16% for this current year.

Another game changer for the Group last year was the increase in gross profit rate. 43.8% achieved, up from 39.4% the previous year.

This increase was achieved on the back of a number of initiatives – some of which were initiated pre-Covid and others as a result of the disruptions to trading as a consequence of the pandemic. The use of improved data analytics is ongoing and proving to be more and more significant in improving the way we construct promotions. Reducing the amount of clearance product was also a focus last year. Some of the work we're doing in conjunction with KPMG focuses around optimising the flow of inventory and stock availability which we think will help to protect this increase in margin moving forward. Andrew will touch on this too later this morning.

So great sales, great gross profit, what wasn't such a great comparative, was the other income line. You'll recall in the previous year our bottom line benefitted from just under \$10 million from our shareholding in Kathmandu. For the year just gone Kathmandu paid no dividends at all as a result of the negative impact on their business from the effect of Covid-19. That left a sizable hole in profit for us to fill and as Rod said in the 4th Quarter release earlier this year, "...just reinforces how remarkable the Group's result was despite the reduction in dividends received, to be able to produce a bottom line of \$73 million."

The cost of doing business is always top-of-mind for us and last year was no exception with the extraordinary circumstances we found ourselves in. Last year really tested our resolve around controlling costs. On the one hand we had a critical situation unfolding, uncertain in terms of duration, uncertain in terms of financial impact and certainly negative in terms of immediate cashflow and the instinctive reaction was to pull-back hard on everything. But then on the other hand needing to give a sense of security and confidence to our team in relation to their incomes and jobs as well as their overall general wellbeing. We're really proud of the way this company operated last year, the way that we really tried to look after all our team, the way we communicated to our team, the way we were determined right from the outset we would pay everyone in full - not have any redundancies, not have any store closures. It was about doing the right thing and the repayment of the wage subsidy in full was certainly that.

Moving forward controlling costs will be as much about making sure that you're getting the best value from what you're spending on, as it is about how much your spending.

Nick Turner's going to share some great examples of this later in relation to the efficiencies his team is driving in stores to ensure instore processes are about trying to replace day-to-day repetitive tasks with value adding process.

We've talked about sales, gross profit, other income and expenses - all of which together obviously produce the bottom-line result.

From the doom and gloom of quarter 1 to the elation of \$73.2 million Net Profit after Tax. This is up from \$62.6 million the previous year, an increase of 17%. A result we're proud of but also too, one which we're determined to protect moving forward.

In addition, we've got a strong balance sheet to support us.

The healthy cash position continues. Inventories are up on last year and we expect that to continue. We would rather secure inventory as and when we can, which at the moment is often in advance of when we historically would have done so, given the erratic and unpredictable nature of the supply chains we currently operate in. We continue to invest in growing our store network. Last year we invested over \$18 million in relation to the development of Group owned property in Auckland, Silverdale and also Invercargill.

In summary, it was an extraordinary year and one which I'm not sure we necessarily want to revisit in a hurry but certainly the learnings out of that and the way this business conducted itself

and the results that were produced, everyone - our team, our suppliers and our shareholders - can be really proud of.

Thank you.



Managing Director's Address to the Annual Meeting of Shareholders 20 May 2021

Thanks Roseanne. I too, would like to welcome you all to the 2021 AGM.

After such an extraordinary year it's wonderful to be delivering this address to you in person.

And what an extraordinary year it has been.

The COVID pandemic made extraordinary demands on the business; testing the resilience of both our team, and our operational model. I don't think any of us would have anticipated such an outstanding trading result at the beginning of that year.

I am very proud that, despite temporary store closures, global supply chain disruptions, and the unanticipated acceleration of digital consumption, we have delivered an outstanding result, both financial and non-financial right across the Group.

When asked what's the key to retail, I have always said you must expect the unexpected, and 2020 was definitely a year of big surprises.

I have no doubt that the high level of strategic awareness demonstrated by the leadership team, coupled with the commitment of our instore and online teams, certainly provided the foundation upon which our strong operational performance was built.

Briscoe Group is a strong advocate for investing in people, from the team on the shop floor through to the senior leadership team.

We have a number of initiatives in place to develop and reward performance, including the creation of a management and leadership program. We developed this bespoke leadership program with the help from industry experts. The program will cover many areas of retailing but with a key focus on enhancing leadership skills for all levels of our management team. The first group of managers are going through the modules and our goal is to have all members of the senior team complete the course in the next 2 to 3 years.

We are continuing to develop our Zone management structure and will soon have 10 zones in place nationwide. New zones in the Albany/Silverdale region and the Hawkes Bay will be led by management promoted from within the store network, no different than the existing 8 zone managers.

The Briscoes Group First Foundation scholarship is awarded each year to team members or their immediate family. Successful applicants receive a three-year scholarship that includes financial support, mentorship and paid work experience. I am extremely pleased that we currently have 17 scholars progressing with their studies and being supported by the program.

In addition, we support a number of employees furthering their education through post graduate studies.

Supply chain

Over the past year managing supply chain has been a significant challenge for New Zealand retailers. As you know we plan significantly ahead, so our buying team was making decisions about Black Friday and Christmas as the pandemic hit.

As Geoff referenced earlier, despite the uncertainty we took a bullish approach to inventory management; maintaining our purchase volumes while other retailers were pulling back. This

meant, despite the shipping delays, we were well stocked to meet post lockdown pent-up demand.

At this point I would also like to acknowledge our supply partners and property landlords for their collaboration through this extraordinary year.

Store Network

Optimising our sales channels is a continued focus for the business. Our store development program reflects the ongoing examination of our retail footprint – stores, online and distribution, to ensure we understand the optimal size and location, to take the company into the future.

Despite the disruptions created by Covid -19, the Group progressed a number of store and online development projects during the year.

- The Briscoes Homeware and Rebel Sport stores in Nelson were relocated to a new dual site with more carparking and better access for customers.
- We completed the refurbishment of the Briscoes Homeware and Rebel Sport stores in Tauranga, increasing the footprint of the BHW store as well as new back of house and common team facilities.
- Our Silverdale development is progressing well, with the build now over half-way to completion. The spread of the Auckland urban - area northwards, has created significant opportunity, with population growth in the Rodney district almost double that of the regional average. Due to open in October, these stores will make it easier for our customers in Silverdale, Orewa, Hibiscus Coast and the surrounding areas to shop us.
- The construction of a new concept Briscoes Homewares store at 36 Taylors Rd in Morningside was completed in March and I am very pleased with the trading results we are seeing, well ahead of our early budget estimates.
- We have also completed the construction of our new concept Rebel Sport store at 1 Taylors road also in Morningside, which opened for trading, Anzac weekend.

I am especially proud of these two stores. They demonstrate our commitment to creating environments our customers love to shop in. I would encourage you all to visit them if you haven't already.

I will now hand over to Nick Turner, our General Manager Operations and Property, who will expand on some of the exciting developments in our store network delivering enhanced customer experience and operational improvements.

Nick...

Thank you Nick. I am extremely confident in the future potential of our new developments, both in terms of an extended footprint through new stores, and by providing an enhanced customer experience. This investment reflects our continued commitment to driving growth from our store network.

Online

Last year I talked about our determination to grow our share of online. I think it is fair to say we have achieved this. As Geoff has detailed, our online business, experienced extraordinary growth, with sales for the full year up 80%.

We undertook a major project to re-platform our websites, and we continue to optimize their performance.

We have also invested in building our internal capability including the appointment of Isabel Campbell, as GM of Online & Digital. Isabel has spent the last 15 years working in digital transformation roles across the United Kingdom, Australia and New Zealand.

This year we rolled out click and collect services across our full store network. This has proven to be a valuable offering to our customers, with around 1 in 4 online customers utilising this service.

To develop a more customer centric focus within the business was a significant part of our strategic plan and I will now hand across to Andrew Scott who will outline in more detail our progress.

Andrew...

Thank you Andrew.

I talked earlier of the strategic awareness demonstrated by the leadership team. Whilst juggling the many trading challenges, they have continued to drive our growth strategy forward, and as you have seen by our results, we are already seeing the positive impact of these outcomes on our business performance.

Looking Ahead

We are very proud of the outstanding results delivered by the Group, and I am pleased to advise this strong performance has continued into the first quarter of this year with unaudited sales of \$97million for the first quarter ending May 2nd.

Whilst the 78% growth year on year is not directly comparable to 2020 trading, this result also represents a 15% sales lift on same period 2019. (that is 2 years ago)

This is a significant lift in performance for Q1, and while we don't anticipate this elevated level of growth of 78% to be sustained, we are confident that sales and profit for the half year will both be well ahead of that reported for the first half of last year.

I would like to finish by taking about the future.

We know our customers love our retail brands and trust us to bring them world famous product at a very good price. Demand for both Homewares and Sports Apparel and Equipment has grown as people re-evaluate their priorities in a post Covid world, and this demand remains high.

Retail is an industry in constant change, customers expectations are ever-evolving. After many years in retail I still love planning and future proofing the business for what is coming next, But the core elements that have delivered growth year after year remain that same; offering our customers compelling brands, an enjoyable shopping experience and a unique value proposition.

I am extremely confident that we have in place the right team and the right strategy to deliver our next phase of development, and that we will continue to drive growth across our full network.

Thank you.



General Manager Operations and Property's Address to Annual Meeting of Shareholders 20 May 2021

Good morning.

I would like to update you on two key areas of focus that our team have made excellent progress on. They are:

- Enhancing customer satisfaction, through embracing innovation and technology to enable new digital solutions which allows more team interaction with the customer and
- The evolution of our new store concepts.

Firstly, on enhancing Customer satisfaction:

- During 2020 we increased our Net Promoter Score in Briscoes Homeware by 2.2%, which is now performing in the upper quartile of service in NZ. We improved Rebel Sport by 6.9%, and in Living & Giving by 23.3%. The Net Promoter Score measures customer loyalty and satisfaction taken from asking customers how likely they are to recommend your product or service to others on a scale of 0-10. Using this same question on an international scale provides businesses with a relative measurement of customer satisfaction.
- The improvements gained last year were measured off the back of an impressive 30% increase in customer surveys from the year prior; in fact, we now have over 17,000 individual customer responses per month to gauge our performance.
- Most importantly we are making solid improvement in Rebel Sport with the Net Promoter Score now over 63. Being a large format sports retailer competing amongst fashion competitors brings unique challenges, such as availability of size and colour – however the strategic initiatives underway in our supply chain will help us continuously improve our service offering.

To continue growing our customer service proposition we are investing in technology to free up time, improve productivity and to allow our team to refocus on the customer. Over the course of 2020 we invested in Zebra handheld devices as an agile and multi-use platform to mobilise our team. So far, we have made significant inroads in three key areas:

1. **Digital picking for online and click & collect orders.** Digital picking enables paperless order management while improving efficiency, accuracy, and dispatch speeds. It vastly enhances user experience, with our fulfilment team member engagement at an all-time high.
2. **Mobile queue busting.** Our customers have told us they do not like waiting in queues. Using the Zebra device connected to a wireless EFTPOS unit and battery receipt printer, team members can efficiently transact 'on the go' during our busy sale periods.
3. **Mobilisation of the team on the retail floor.** Team members can now use the Zebra devices on the retail floor without having to trek back and forward from the Counters for stock queries, promotional details, product availability in nearby stores, and lookup of similar items.

Mobilising our team is in its infancy but has already provided significant wins. For example, digital picking enabled us to deliver the substantial fulfilment demand associated with the 81% growth in online sales experienced in 2020, enabled us to fulfil this growth more efficiently, and doing all of this whilst improving dispatch speeds to the customer.

Feedback from our team has been overwhelmingly positive. With the Zebra devices providing the foundation for our digital transformation instore, phase two scoping for the next wave of enhancements is well underway – there is plenty more to come!

Secondly, on the evolution of our new store concepts.

On the store development front the Covid-19 upheaval and various lockdowns did not slow us down for long last year. Through the delivery of new stores at Nelson, St Lukes and the upcoming Silverdale stores we have taken the opportunity to raise the bar with refreshed concepts for Briscoes Homeware and Rebel Sport.

We had started working on the Rebel Sport instore experience in 2019 and you would have seen some of the contemporary and energetic elements come to life at our Westfield Newmarket store. For Briscoes Homeware the instore design had largely remained unchanged for about 10 years.

Both brands have successful formats, so when setting out to evolve our instore design the intention has been to integrate change and modernise without compromising the existing formula. We have managed to achieve this through a carefully considered use of height in store paired with the design of new fixtures that look sharp but remain functional – making it easier for restocking for our team, but also showcasing the product much better for our customers. Our aim is to present product ranges to their full potential.

We have reviewed and updated our lighting specification for each brand. Good lighting sells product and we are harnessing the advancement in LED technology to brighten up our stores. The use of linear LED fittings in Rebel Sport adds to the instore energy. We have introduced new counter formats in both brands which personalise the checkout experience and we have built into this space storage for click & collect parcels, making it efficient for our team and a fast experience for our customers. Upon approach to the counters, we have purpose designed impulse fixtures to grow basket size. And, we have taken steps to remove dated carpet from our fitout and modernise with polished concrete and a range of hard floor coverings.

Briscoes Homeware Slide – Examples of:

- Counters / Impulse area
- Children's display area
- Manchester and Dining displays (shop the look)
- Product experience tables
- New product display systems - rugs, cushions, furniture, storage boxes, curtains etc.

Rebel Sport Sport Slide – Examples of:

- Counters / Impulse area
- Kids merchandise area
- Grandstands - to hero new products in store
- New product display systems – mobile hat stands, sock merchandisers, footwear drive aisle displays, new and increased number of mannequins displays etc.
- Experience areas - such as the basketball and gym zones

While early days, performance has been encouraging; for example, Rebel Sport Morningside Net Promotor Score is sitting between 77 and 93 each week since opening, and Briscoes Homeware St Lukes average basket value greater than 20% above company average.

Looking forward we are very excited to take the new elements and refreshed concepts and apply these to our store development refurbishment programme. We are currently evaluating an enhanced and accelerated refurbishment programme that would include some of our key stores such as Albany, Manukau, Panmure, Te Rapa, plus many more – for both brands, over the coming years.

All in all, very exciting times where the digital world connects with the physical instore experience, that means the future of our store network has great growth potential in years to come.

Thank you, back to you Rod.



Chief Operating Officer's Address to Annual Meeting of Shareholders 20 May 2021

Thanks Rod.

Last year was definitely a year for us to be proud of, not only with our strong trading performance but also the improvements we have made within the business.

Last year I spoke about focusing on accelerating our digital growth and our new three-year strategic plan. I am very pleased to say we have made significant progress on both of these areas and we are on track with our major projects.

A year on from the COVID outbreak I am very confident that our strategic focus areas are as relevant as ever. Our three strategic focus areas have not changed, they remain the same:

1. Enhancing our customer experience (In store and online)
2. Building a Supply chain to support future growth
3. Growing new revenue streams.

Digital Growth

Before I update you on our progress on our strategic plan, I want to give you an overview on the progress we have made in our online channel. During Covid we experienced phenomenal growth in online, we achieved over \$130m in sales and dispatched an incredible 1.5m online parcels last year.

We have invested in driving our digital channel in three key areas:

1. Enhancing our internal capability and capacity - This has included the appointment of our new GM of Online and Digital, Isabel Campbell.
2. Enhancing our Systems and processes. Customer expectations have risen since Covid, responding to customer needs online will be critical to our future success, to enable this we have significantly increased our development resources. This will enable us to deploy new website features quicker than ever before.
3. We have implemented Emarsys, our new email automation system. This new platform will allow us to talk to our key customers on a more regular basis. The automation will help and drive increased customer engagement and driving increased revenue.

One of our key objectives for driving online is not only sales growth but increasing our online profitability. We have made good progress on this and will continue to deliver increased profitability during the coming year.

I am confident that our investment in Online has laid a strong foundation and are well placed to continue to improve our online customer experience.

Strategy Update:

Covid 19 was a great test for our business, it also validated that our strategic priorities are as relevant as ever.

As we approach the middle of our first year of the three-year programme, whilst it is early days, I am pleased to update that the first year benefits we are seeing are ahead of expectations.

Slide showing Yr 1:

As I talked about last year our strategic plan focuses on three key areas:

- Improving our Customer experience – across instore and online
- Transforming our supply chain – for future growth
- Growing new revenues

It is a testament to our fantastic teams that despite all that Covid threw at us that we are on track with strategic plan and have made progress in all three areas.

For each of the strategic pillars I will give you an overview of what we have achieved in 2020 and what we will deliver in 21/22:

1. Improving our Customer experience:

In 2020 we have:

- Completed the customer data segmentation for both Briscoes Homeware and Rebel Sport. This provides us with insights into the behaviours and value of our different types of shoppers. This will be integral in optimising our marketing approach for the year ahead.
- As Nick mentioned earlier, we have made great improvements in our customer satisfaction NPS Scores and I look forward to building on this again this year.
- The deployment of digital tools for our teams in store, is helping customers with queries around availability and ultimately provide a better customer experience.
- Rolled out our Click and Collect offer to all stores.
- Implemented new contact centre software to include new services such as live chat.

In 2021/22 - the year ahead:

- We will leverage our email automation software to grow our engagement with our key segments. This will include customer led promotions to drive increased purchase frequency.
- Increased our fulfilment store capacity to enable all stores to fulfil online and click and collect orders. This will create the foundation for premium delivery options.

2. Building a Supply chain to support future growth.

In 2020 we have:

- Optimised our import logistics and increased our product availability in the South Island stores.
- Implemented enhanced analytical tools to improve our size availability in Rebel Sport stores.
- Developed new promotion optimisation analytics to increase product margin.
- Delivered a digital picking application to improve picking efficiency and accuracy.

In 2021/22 the year ahead:

- Continue to use data analytics to drive improved margins, through improvements in the buying and allocation and replenishment processes.
- This week we have launched our DC online fulfilment pilot – This will create a hybrid online fulfilment model, a model which should increase pick efficiencies and speed of fulfilment.
- Define our DC infrastructure requirements, including if there is a requirement for a new distribution centre.

3. Growing new revenues:

In 2020 we have:

- Created a new system platform for Drop-ship, our direct to customer channel. This enables products to be shipped direct from a supplier to a customer's home.
- Launched online with our first suppliers for Briscoes Homeware and Rebel Sport.
- Identified new product categories that could complement our existing product offering.

In 2021/22 - the year ahead:

- Continue to expand the number of suppliers live on Drop-ship. We are targeting twenty suppliers live by the end of the financial year. As of this morning we have three suppliers live.
- Retailers across Europe and America with established Drop-ship channels have experienced significant growth and now achieving around 8% to 10% of their total sales via this channel. We believe that it is realistic for Briscoe Group to achieve this level of growth over the next 3 to 4 years.
- Launch a fully omni channel gift card solution, this will provide a greater revenue opportunity for the key gifting season.

Summary:

- As Geoff took you through earlier our trading performance continues to be very strong.
- Our strategic plan is on track and delivering benefits ahead of our financial expectations.
- Our strategic partnership with KPMG is now embedded and are pleased with the progress made to date.
- The strategic projects will provide a step change in our business performance for the next three to five years.
- As ever we will review new business opportunities that could complement our existing retail brands.
- The future is very exciting and one that I am very proud to be a part of delivering.

Thank you for your time, I will pass you back to Rod.



ANNUAL MEETING

20 MAY 2021

WELCOME

B BRISCOE
GROUP LIMITED

PROXIES

Resolution 1

For	Discretion	Against	Total Votes (% of issued capital)
180,792,628	855,771	669	181,649,068
99.53%	0.47%	0.00%	81.62%

Resolution 2

180,792,797	855,771	500	181,649,068
99.53%	0.47%	0.00%	81.62%

Resolution 3

9,145,264	724,486	102,880	9,972,630
91.70%	7.26%	1.03%	4.48%

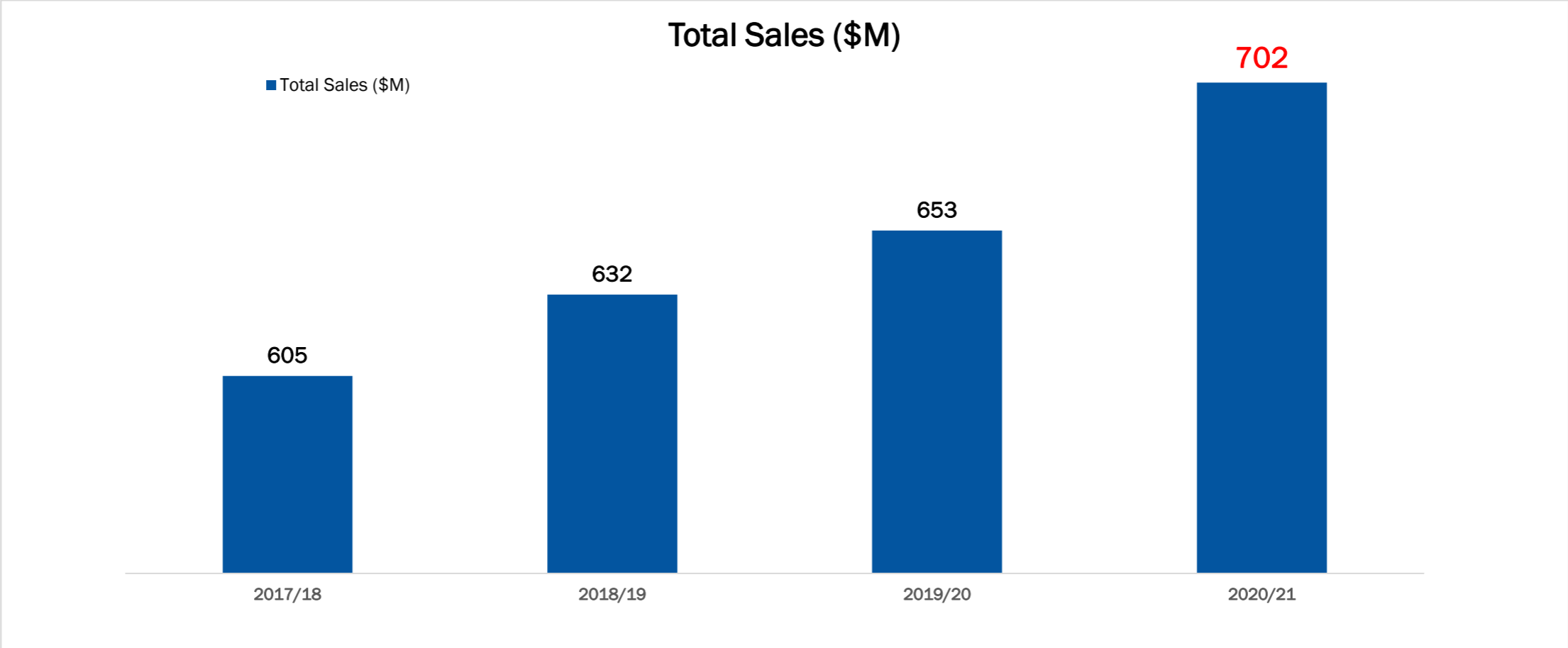
Resolution 4

180,754,534	856,321	13,713	181,624,568
99.52%	0.47%	0.01%	81.61%

YEAR END JANUARY 2021



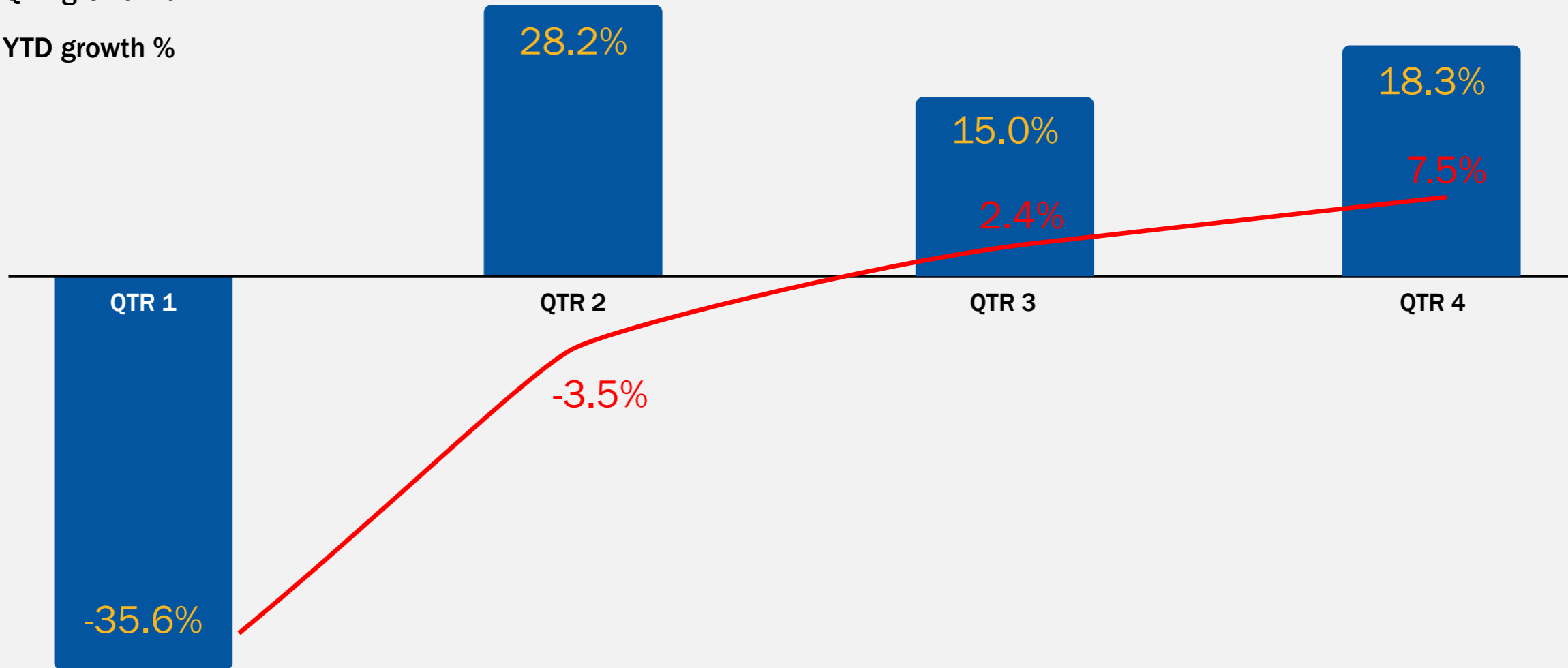
Sales



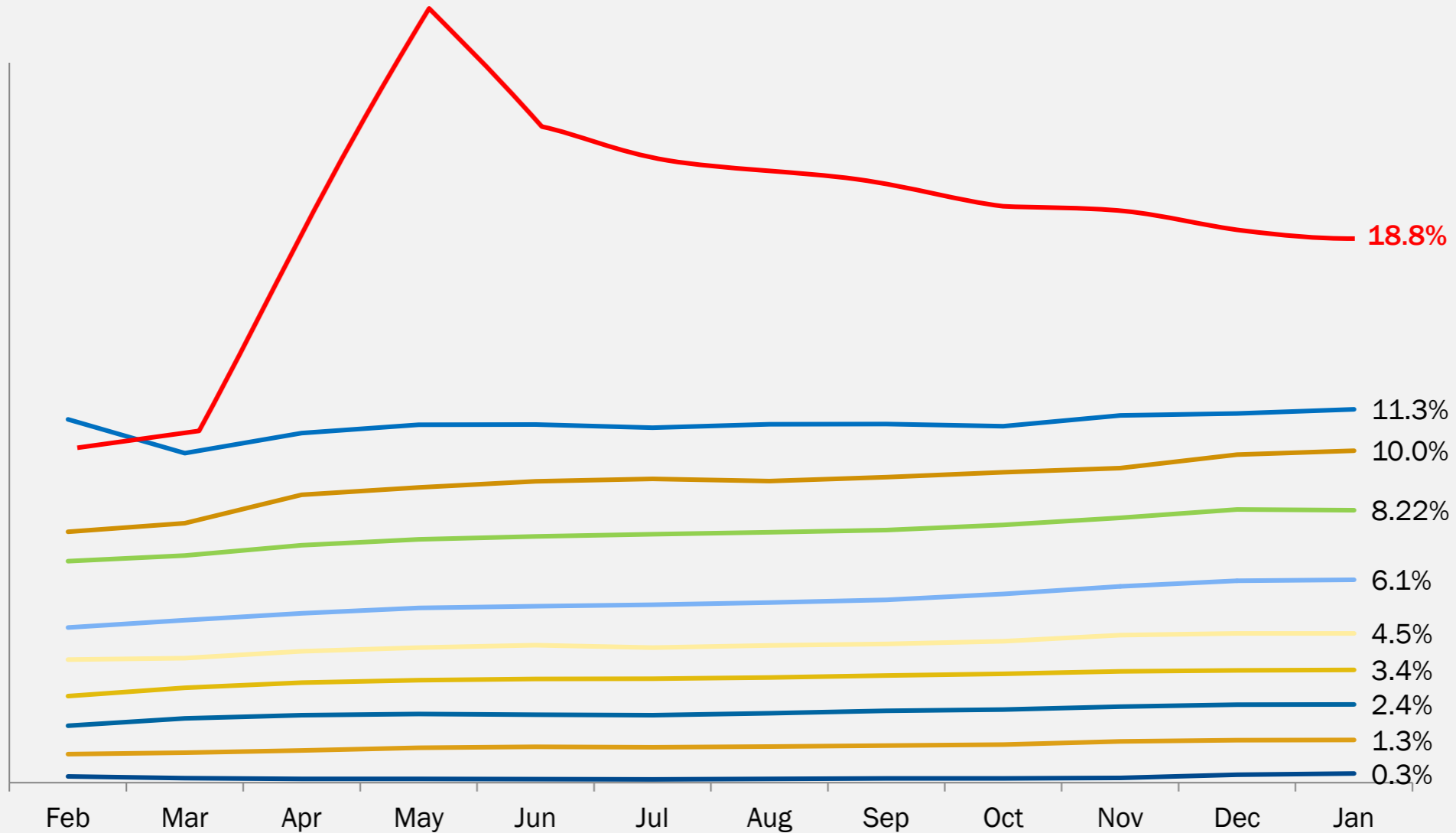
Quarter growth pattern (%)

■ = QTR growth %

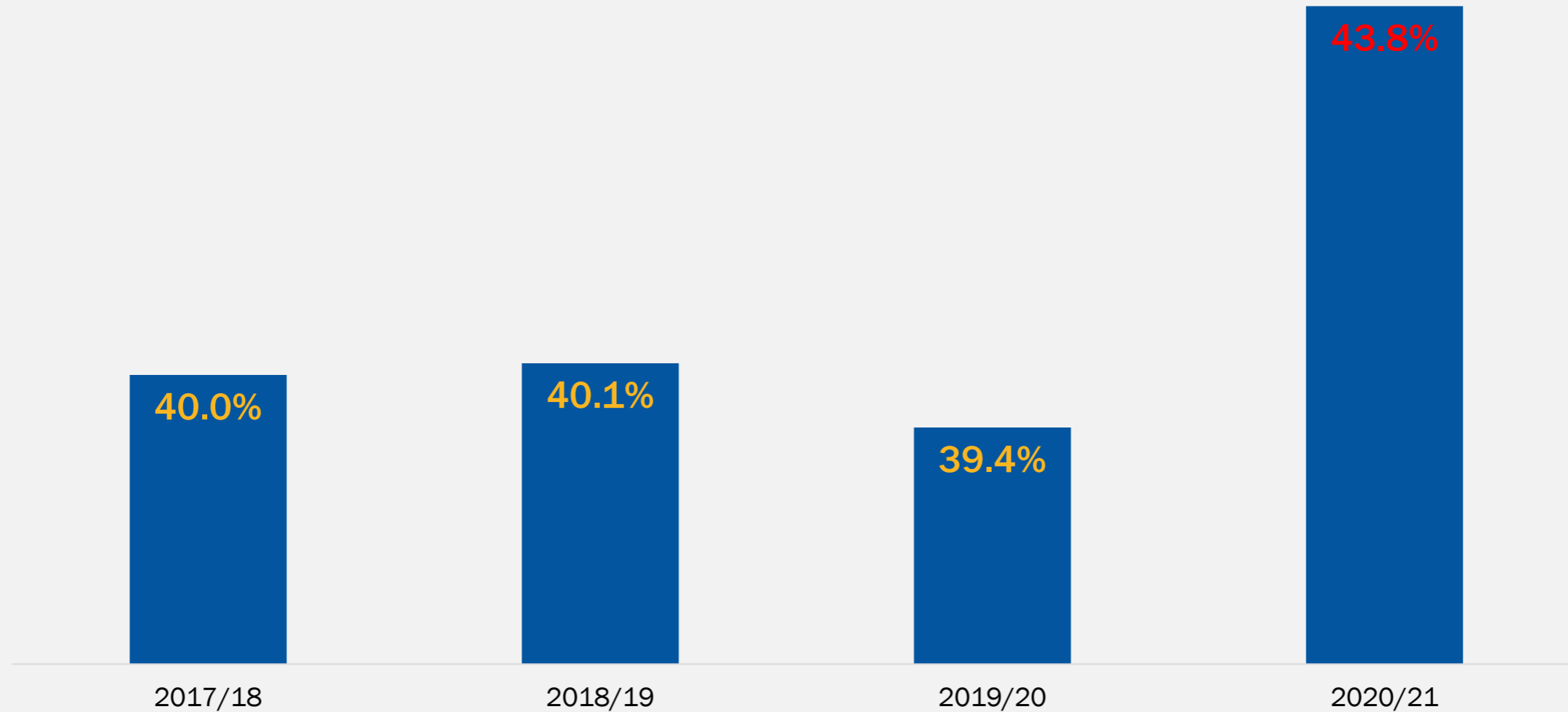
■ = YTD growth %



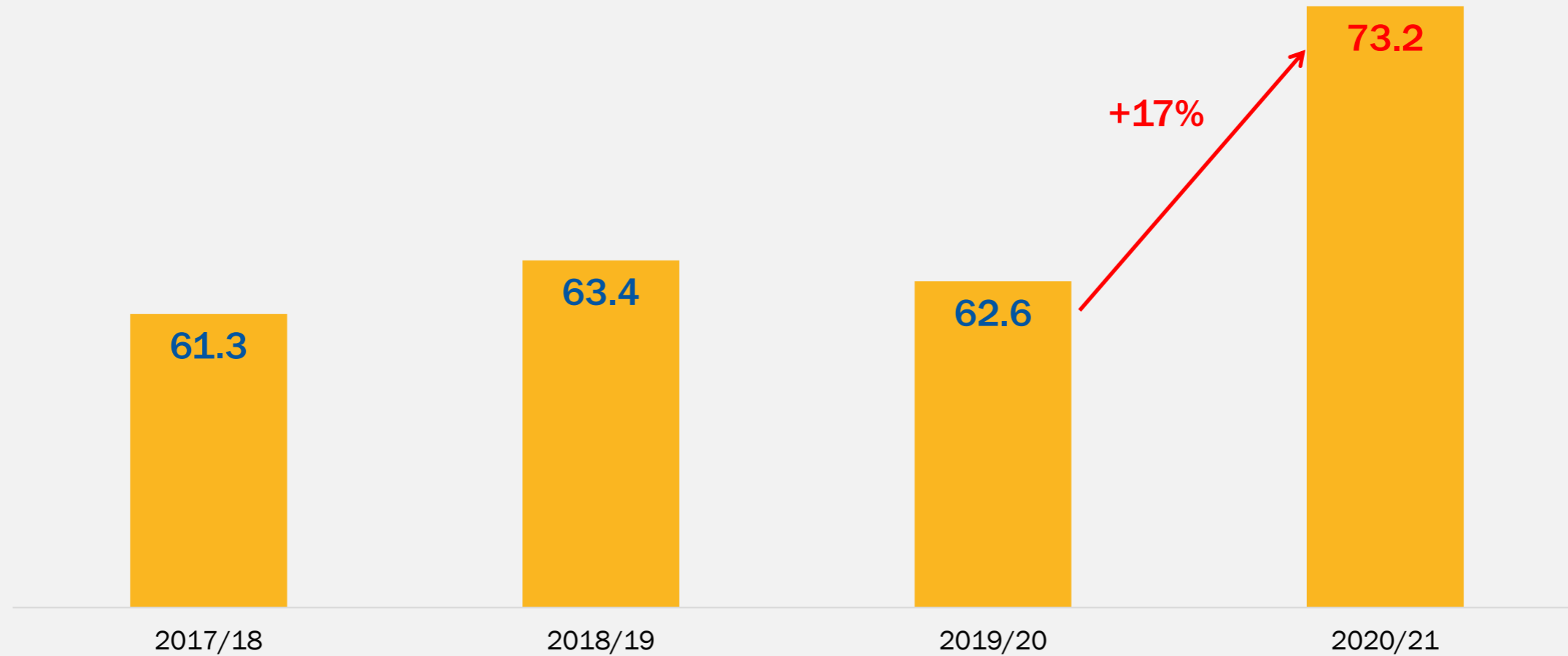
Online sales YTD mix



Group gross profit %



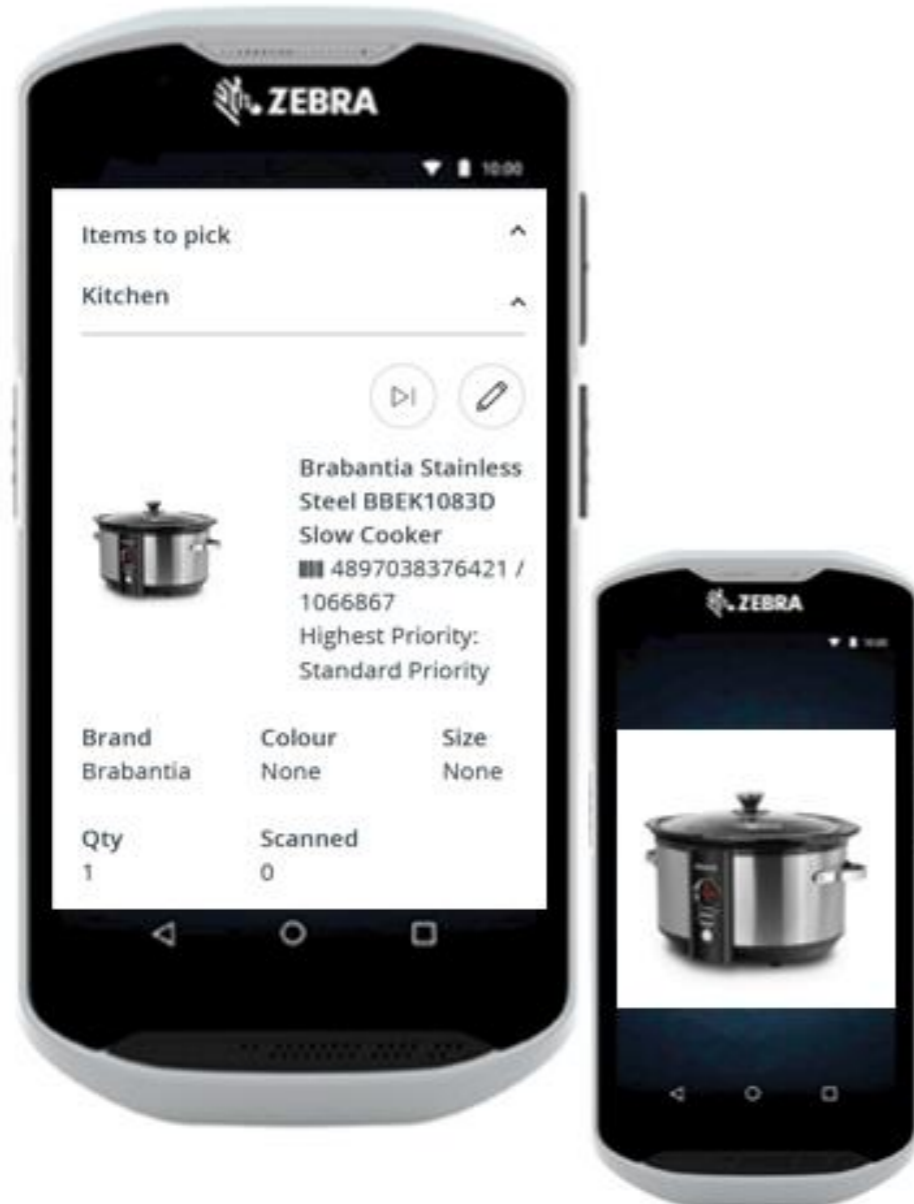
Group Net Profit After Tax (\$million)



STORE OPERATIONS



Digitally enabling our team



ZEBRA handheld wireless devices deployed in all stores

Digitised the picking process for fulfilling online orders

Developed agile queue busting technology

Mobilised our retail team with 'on-the-go' applications

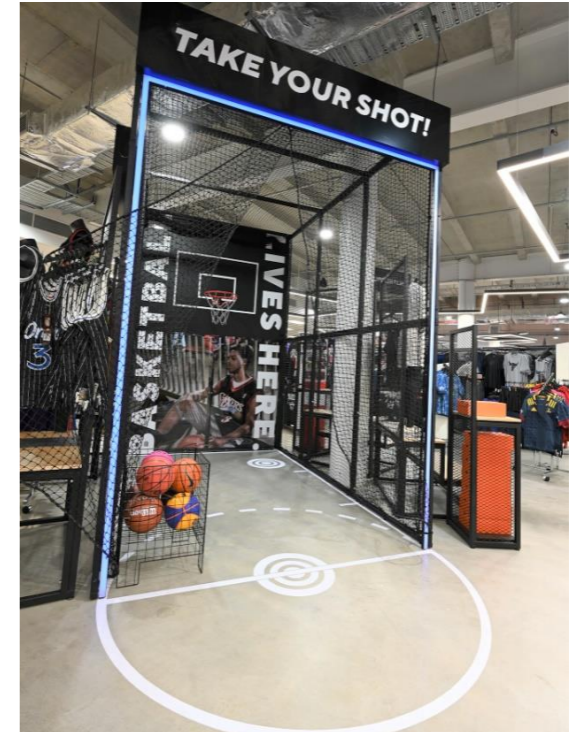
Upgraded our inwards goods tech & streamlined receiving

Scoping for phase two requirements is well underway!

New Briscoes format



New Rebel format





OUR STRATEGIC PLAN



Our digital progress:

New inhouse capability developed

Introduced online story telling

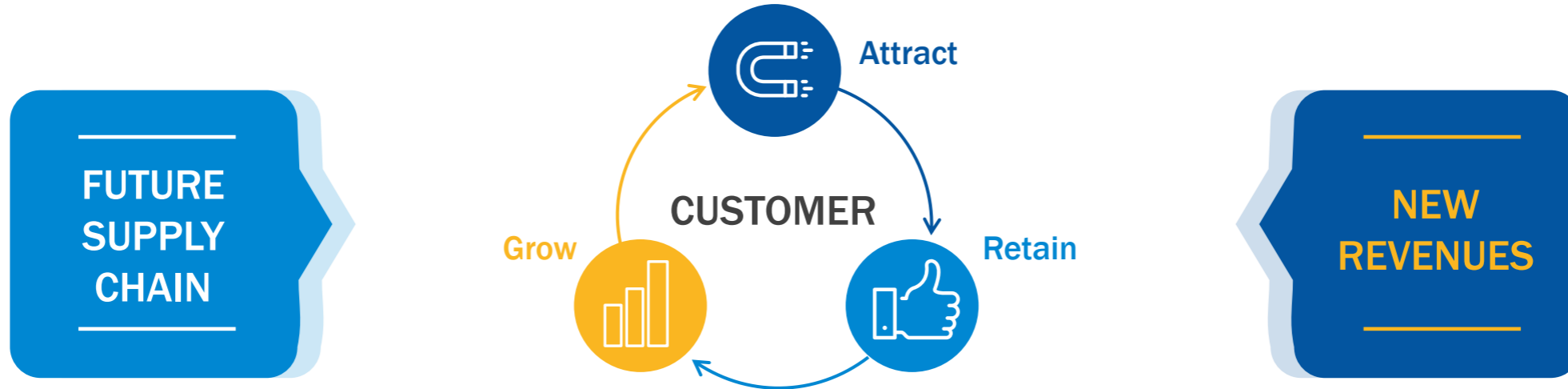
Key focus on user experience optimizations

New marketing automatization email platform deployed

Fast agile development approach introduced



Strategic plan for 2020-2023



Market Leading Trusted Brands

Strong Supplier Partners

Our People

Good progress on strategic program: Customer

2020/21 ACHIEVEMENT

- Completion of online re-platform
- Creation of customer segmentation analytics. Providing a deeper understanding of customer behavior.
- Nationwide rollout of Click and Collect
- Increased customer satisfaction levels, Briscoes up to 75 (up 1.2 on Ly) and Rebel 63 (up 3.8 on Ly)
- Implemented a new contact center platform, to improve post purchase experience.



KEY FOCUS AREAS FOR 2021/22

- Leverage customer segmentation and new email automation tool to drive increased visit frequency
- Deliver mobile solutions for store team members and reinvest time to increase customer service levels
- Increased speed of development for customer experience enhancements both in store and online
- Increase the number of stores that can fulfill online orders.

Good progress on strategic program: Future Supply Chain

2020/21 ACHIEVEMENT

- Enhanced our inbound freight process to improve availability in South Island stores.
- Developed enhanced analytical tools to improve our size availability in Rebel
- Developed new promotional analytics to increase margins.
- Delivered digital picking for online orders



FUTURE SUPPLY CHAIN

KEY FOCUS AREAS FOR 2021/22

- Enhance all stages of the merchandise process, including seasonal and promotional buy process, allocation and replenishment to drive increased margins.
- Launch our DC online fulfilment pilot. To create a hybrid fulfillment model.
- Increase on-shelf availability through new analytical software
- Complete future DC network modelling analysis. To define if a new Distribution center is required.

Good progress on strategic program: New Revenues

2020/21 ACHIEVEMENT

- Completed the software development for Drop shipment extended ranging.
- First suppliers live for Briscoes and Rebel.
- Identified new product categories to complement our existing ranges.

NEW REVENUES

KEY FOCUS AREAS FOR 2021/22

- Roll-out Drop shipment to top 20 suppliers.
- Implement an enhanced omni channel gift card solution.
- Proactively reviewing new retail brand opportunities.



ANNUAL MEETING

20 MAY 2021

THANKYOU

B BRISCOE
GROUP LIMITED