



Sales to 26 July 2020

Briscoe Group Limited (NZX/ASX code: BGP)

Highlights for the 2nd quarter 27 April 2020 to 26 July 2020 (91 days):

- Total Group sales \$195.4 million, +28.24%
- Homeware sales growth, +25.70%
- Sporting goods sales growth, +33.19%
- Online sales as mix of total Group sales, 23%
- Stores closed in lockdown for 17 days

Highlights for the half-year 27 January 2020 to 26 July 2020 (182 days):

- Total Group sales \$292.4 million, -(3.49)%
- Homeware sales growth, -(3.74)%
- Sporting goods sales growth, -(3.07)%
- Online sales as mix of total Group sales, 22%
- Stores closed in lockdown for 50 days

The directors of Briscoe Group Limited announce unaudited sales for the thirteen-week (91 days) second quarter to 26 July 2020 increased 28.24% to \$195.4 million from the \$152.3 million achieved for last year's second quarter. The Group's homeware segment increased sales by 25.70% during this period and the sporting goods segment by 33.19%.

Group sales for the first half, 26-week (182 days) period to 26 July 2020, were \$292.4 million, a decrease of 3.49% on the \$303.0 million achieved for the first six months of last year. The Group's homeware segment decreased sales by 3.74% during this period and the sporting goods segment by 3.07%.

Group Managing Director, Rod Duke said, "The impact of COVID-19 has caused unprecedented and volatile sales patterns across the first half of this year. As reported on 1 May 2020, our first quarter sales finished \$53.6 million behind the same quarter last year as a result of the lockdown imposed from 25 March and throughout April. Like many other retailers the Group has experienced a significant lift in sales since the lockdown was lifted on 14 May and this gave our second quarter numbers a welcome boost.

"This extraordinary and concentrated increase in demand resulted in sales growth of 38.81% for the Group since lockdown was lifted, with online sales as a percentage of Group sales recorded as 16.1% for the same period.

Briscoe Group Limited is a company incorporated in New Zealand and registered in Australia as a foreign company under the name Briscoe Group Australasia Limited (ARBN 619 060 552). It is listed on the NZX and also the Australian Securities Exchange as a foreign exempt entity. (NZX/ASX code: BGP).

“Whilst the uplift in sales has been very pleasing, we are extremely conscious of the widely reported need for continuing caution in relation to future negative impacts of COVID-19 on key economic indicators such as consumer spending and unemployment, particularly at the conclusion, in September, of the government’s wage subsidy scheme.

“As previously disclosed the Group has taken many steps to help minimise the impact of COVID-19 on the 2nd quarter including; negotiating equitable solutions in relation to a wide range of trade and non-trade expenditure with landlords and suppliers, salary sacrifices across the senior leadership team, reduction in directors’ fees, cancellation of final dividend and uptake of the first round of the government’s wage subsidy scheme.

“Our primary focus has not altered from the outset of these challenging times – the health and wellbeing of our team and customers and the protection of existing jobs and incomes have been upper most priorities for the Board and leadership team. I’m extremely proud of how everyone continues to adapt to the ongoing testing demands currently facing our business.

“As disclosed in the Group’s market release last week, the unexpected strength of the sales rebound since the end of lockdown together with the cost saving measures outlined above have all positively impacted the business. We now expect to report a first half profit which is much closer to last year, including the positive impact of accounting changes expected to be booked in relation to the reintroduction of tax depreciation on commercial and industrial buildings as part of the COVID-19 Response (Taxation and Social Assistance Urgent Measures) Act. It is important to note that this an accounting adjustment only and has no cash impact.”

Briscoe Group expects to release its half year results on 8 September 2020.

Friday 31 July 2020

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