

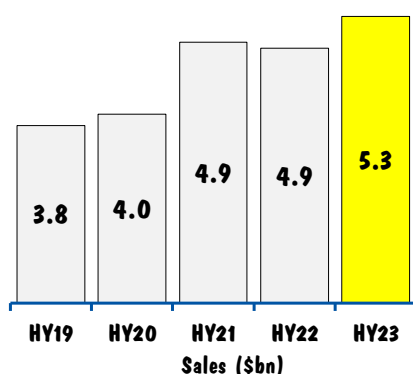
COMPANY ANNOUNCEMENT

13 February 2023

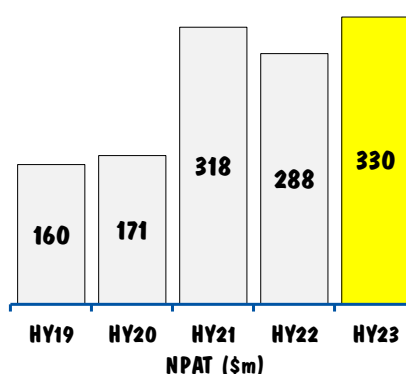
JB Hi-Fi Limited Half Year 2023 Results

HY23 Highlights

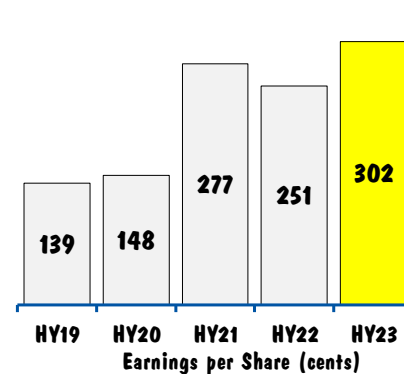
Total sales up 8.6% to \$5.3b



NPAT up 14.6% to \$330m



EPS up 20.4% to 301.8 cps



JB Hi-Fi Limited ("Group") today reports for the 6 months ending 31 December 2022 ("HY23"):

- Total sales up 8.6% to \$5.28 billion, driven by continued elevated customer demand for consumer electronics and home appliances, and well-executed Black Friday and Boxing Day promotional periods;
- Earnings before interest and tax (EBIT) up 14.0% to \$479.2 million, with strong sales growth and improved gross margins, partially offset by increases to CODB as the Group cycled Covid related store closures in the pcp;
- Net profit after tax (NPAT) up 14.6% to \$329.9 million;
- Earnings per share up 20.4% to 301.8 cps; and
- Interim Dividend per share up 34.0 cps or 20.9% to 197.0 cps.

Group CEO, Terry Smart said "We are pleased to report record sales and earnings for HY23 as trading conditions started to normalise following two years of Covid related disruptions. Our relentless focus on providing the best value and high levels of customer service every day, both in store and online, continues to resonate with our customers."

HY23 Trading Performance

JB HI-FI Australia

Total sales increased by 9.1% to \$3.59 billion, with comparable sales up 8.5%. As compared to pre Covid HY20, total sales were up 31.8%. The key growth categories were Communications, Audio, Accessories, Computers and Fitness. Online sales declined 34.8% to \$537.3 million or 15.0% of total sales but were up 214.6% as compared to pre Covid HY20.

Gross profit increased by 14.5% to \$820.0 million with gross margin up 108 bps to 22.8%, driven by improvements in key product and service categories and positive sales mix. Cost of doing business ("CODB") was 11.4%, up 58bps. As compared to pre Covid HY20, CODB was down 51 bps, driven by continued disciplined cost control. The business' low CODB remains a competitive advantage and is maintained through a continued focus on productivity, minimising unnecessary expenditure and leveraging scale.

EBIT was up 16.7% to \$341.3 million with EBIT margin up 62 bps to 9.5%.

JB HI-FI New Zealand

Total sales were up 16.1% to NZD160.6 million, with comparable sales up 16.1%. As compared to pre Covid HY20, total sales were up 21.0%. The key growth categories were Communications, Audio, Computers, Fitness and Accessories. Online sales in New Zealand declined 34.7% to NZD19.3 million or 12.0% of total sales but were up 100.6% as compared to pre Covid HY20.

Gross profit increased by 7.0% to NZD25.9 million with gross margin down 137 bps to 16.1%, driven by price competitiveness in key categories and negative sales mix. CODB was 12.6%, up 40 bps. As compared to pre Covid HY20, CODB was down 46 bps, driven by continued disciplined cost control.

EBIT was down 26.5% to NZD5.4 million, with EBIT margin down 194 bps to 3.3%, with the strong sales growth offset by declines in gross margins and investments in strategic initiatives to drive growth.

The Good Guys

Total sales increased by 7.3% to \$1.54 billion, with comparable sales up 7.3%. As compared to pre Covid HY20, total sales were up 34.6%. The key growth categories were Refrigeration, Laundry, Floorcare, Visual and Audio. Online sales were down 21.5% to \$197.2 million or 12.8% of total sales but were up 148.0% as compared to pre Covid HY20.

Gross profit increased by 10.3% to \$358.4 million with gross margin up 64 bps to 23.2%, driven by strong improvements in key categories and positive sales mix. CODB was 11.9%, up 45 bps. As compared to pre Covid HY20, CODB was down 106 bps, driven by continued disciplined cost control.

EBIT was up 9.8% to \$133.0 million with EBIT margin up 20 bps to 8.6%.

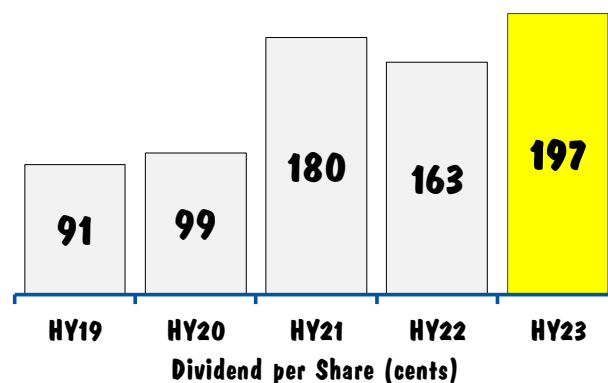
Capital Management

The Board has today declared an interim dividend of 197 cents per share (cps) fully franked, representing 65% of NPAT.

The record date for the interim dividend is 24 February 2023, with payment to be made on 10 March 2023.

The Group continues to maintain a strong balance sheet, with closing net cash of \$391.2 million at 31 December 2022. The Board will continue to regularly review the Group's capital structure with a focus on maximising returns to shareholders and maintaining balance sheet strength and flexibility.

Interim Dividend up 20.9% to 197 cps



Generating sustainable long-term growth

The Group's FY22 Sustainability Report outlines its commitment to having a positive impact on its people, its community and its environment. As set out in the Report, the Group is committed to:

- Supporting its **people** and ensuring a safe, inclusive and respectful workplace, whilst always looking for ways to provide them with flexibility and opportunities to grow and develop;
- Making a positive impact in the **communities** in which its team members live and work and working with its supply partners to protect and further human rights; and
- Minimising the impact that its operations may have on the natural **environment** and pro-actively reducing its waste, energy consumption and emissions.

The Group is pleased with the progress made in these key areas of focus, which in HY23 included:

- Solar power generation installed in 7 stores as the Group works towards net-zero direct (scope 1 and 2) carbon emissions by 2030;
- Continuing to action a set of Diversity and Inclusion initiatives, to improve diversity in leadership and inclusion;
- Workplace giving donations totalling \$2.1 million in HY23 and \$33.8 million since inception;
- Ongoing focus on safety, including mental health and wellbeing training programs;
- Releasing its 2022 Modern Slavery statement, outlining the progress the Group is making to assess and address the risk of modern slavery in its operations and supply chain; and
- Continuing improvements in sustainable packaging across its own brand products in line with 2025 National Packaging Targets.

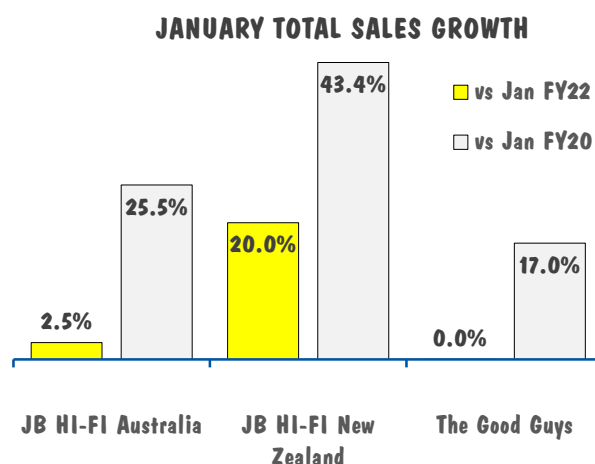
The FY22 Sustainability Report can be found on the Group's investor website (<https://investors.jbhifi.com.au/>).

FY23 Trading Update

January 2023 Sales Update

The Group provides the following sales update, for the period 1 January 2023 to 31 January 2023:

- Total sales growth for JB HI-FI Australia was 2.5% (January 2022: 4.3%) with comparable sales growth of 1.5% (January 2022: 3.6%);
- Total sales growth for JB HI-FI New Zealand was 20.0% (January 2022: -1.8%) with comparable sales growth of 20.0% (January 2022: -1.8%); and
- Total sales growth for The Good Guys was 0.0% (January 2022: 2.5%) with comparable sales growth of 0.0% (January 2022: 1.9%).



Group CEO, Terry Smart said, "While we are pleased with the January trading result, with sales continuing to be well above pre Covid January 2020, we have seen sales growth start to moderate from the elevated levels seen in the first half of FY23. As we enter an uncertain period, our business is well placed with a proven ability to adapt to any changes in the retail environment and trusted value-based offerings that will continue to resonate with our customers and grow our market share."

Terry added "As always, a key part of our continued success is our over 13,000 team members and their passion and dedication to looking after our customers' needs. I would again like to thank them for delivering this outstanding result."

Authorised by the Board.

Media & Investors:

Terry Smart
Group Chief Executive Officer
03 8530 7454

Investors:

Nick Wells
Group Chief Financial Officer
03 8530 7454