

ASX ANNOUNCEMENT
For Immediate Release

Shaver Shop Reports FY24 Financial Results

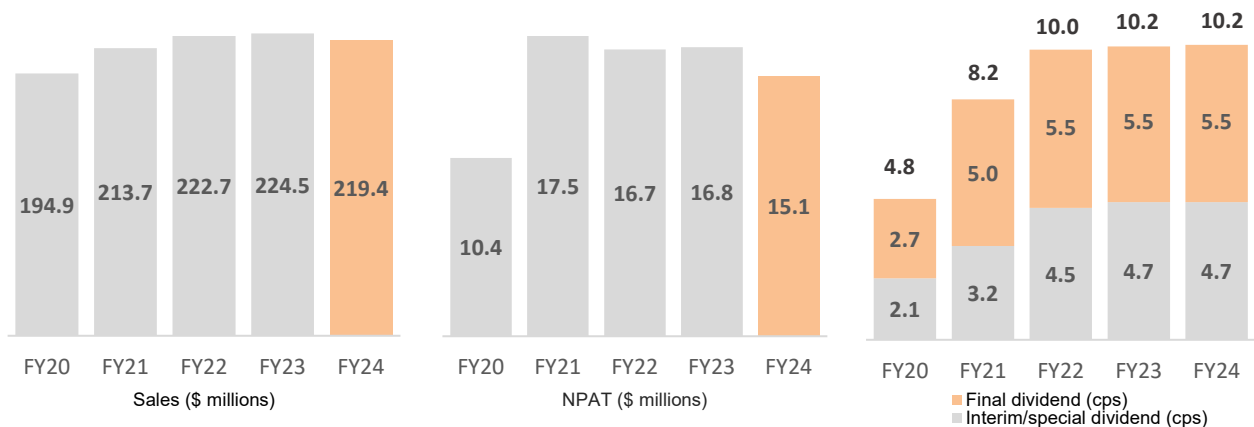
Melbourne, Monday, 26 August 2024 – Shaver Shop Group Limited (ASX: SSG) (Shaver Shop), the Australian specialty retailer of male and female personal grooming and beauty products, is pleased to announce its financial results for the year ended 30 June 2024 (FY24).

FY24 Results Highlights

Sales of \$219.4 million

NPAT of \$15.1m down 10.1%

FY24 dividends flat at 10.2 cps



Shaver Shop's sales result for H2 FY24 was down 0.3% on H2 FY23, a marked improvement on the 3.7% decline recorded in H1 FY24. Shaver Shop's business remained resilient generating full year NPAT of \$15.1 million on sales of \$219.4 million. Like for like store sales declined 2.8% in FY24. While these financial results are slightly lower than that achieved in FY23, compared to FY19 (pre-pandemic), Shaver Shop's results remain significantly higher. Sales are up 31.1% compared to FY19, NPAT is up 105.5% and the company's balance sheet has significantly improved from a net debt position of \$6.4 million to a net cash position of \$13.3 million at the end of FY24. This represents an almost \$20 million improvement in liquidity across 5 years at a time when its dividend payout also increased 126.7% to 10.2 cents per share (or approximately \$12.8 million in FY24).

Given the impact of COVID-19 on Shaver Shop's results from FY20 through FY22, comparisons to FY19 (pre-pandemic) have been provided in addition to a comparison to FY23:

	FY24	FY23	Pre COVID FY19	1 Year Growth	5 Year Growth
	\$m	\$m	\$m	%	%
Total sales	\$219.4	\$224.5	\$167.4	-2.3%	31.1%
NPAT	\$15.1	\$16.8	\$7.4	-10.1%	105.5%
Basic EPS (cents per share)	11.7	13.1	6.0	-10.7%	94.2%
DPS (cents per share) – declared	10.2	10.2	4.5	0.0%	126.7%
Net cash (debt) balance (31 Dec)	\$13.3	\$13.5	(\$6.4)	-1.5%	N/A

* Cash NPAT is reported NPAT plus the tax benefit Shaver Shop receives in relation to the tax deduction for franchise licence termination payments it has made on its historical buy-back of franchises. The franchise licence termination cost is amortised to taxable income over 5 years on a straight line basis.

Shaver Shop's Managing Director and CEO, Mr Cameron Fox said: "Despite the more challenging retail environment, I am very pleased with our business performance over the last 12 months. We largely mitigated the impact of



significantly lower shopping centre foot traffic by focussing our attention on several categories that remained highly resilient. We curated compelling promotional programs that stimulated consumer demand, maintained focus on delivering exceptional customer service and carefully implemented promotional pricing across our core products and categories to support healthy gross profit margins.”

“Shaver Shop’s business remains rock solid. We have no debt with net cash of approximately \$13.3 million at the end of the financial year. Our inventory remains very clean with carefully managed stock investment during this period of uncertain demand. Finally, our passionate store teams continue to deliver exceptional customer service with our NPS scores remaining world class around 89 out of 100 and we have further enhanced our staff training programs to ensure we remain the undisputed product experts in our core categories across ANZ.”

Driving category leadership and differentiation

Mr Fox continued, “In addition to delivering solid financial results in FY24, we also took major steps in cementing Shaver Shop’s position as the leading specialty retailer of men’s and women’s personal grooming appliances across ANZ. Not only have we locked in exclusive distribution rights for the fast growing Skull Shaver range for the next 5 years, we also recently secured exclusive access to Epilady (laser treatment technology) and Silk’n (IPL technology). Both products are due to be launched over the December quarter, 2024. These are just a few examples that showcase Shaver Shop’s ability to offer innovative, global suppliers a turnkey alternative to build a meaningful presence in the ANZ personal care market using our existing strengths and capabilities.”

“Shaver Shop is also close to launching its first, true private brand offering. Having the most differentiated, deepest and broadest range of products in our core categories is a key pillar of our strategy and brand positioning. In FY24, Shaver Shop has taken some very exciting steps to extend our category leadership position.”

Transform U private brand launch

Over the last 18 months, Shaver Shop has been working to source and establish a new private brand under the name Transform U. The purpose of the Transform U offering is to:

1. Fill gaps in Shaver Shop’s current range (in both product features and price points) that are sought after by Shaver Shop’s customers but unable to be sourced from Shaver Shop’s current supplier partners;
2. Leverage Shaver Shop’s deep domain knowledge of our customers, their needs and wants (derived from our 38 year history in the sector, store teams, understanding of the ANZ retail market and customer feedback) to develop products that meet those needs; and,
3. Design and market products (in collaboration with our manufacturing partners) that meet our customers appetite for quality, performance and value for money.

As a result, in Q2 FY25, Shaver Shop expects to launch approximately 20-30 products under its new Transform U brand, a name that builds upon Shaver Shop’s tagline “Transform Yourself.” All products have been engineered and extensively tested by Shaver Shop to ensure they meet or exceed customer expectations at targeted price points.

Speaking of the Transform U launch, Cameron Fox said, “Launching the Transform U brand and associated product range is aligned with our category leadership and differentiation strategy and our intent to be the destination of choice for men’s and women’s grooming solutions across ANZ. Given our specialist knowledge of what works in this sector, we have carefully curated a range of clippers, trimmers and wet shave products that fill gaps in our current range and consumer offer. We are confident that the Transform U brand and products will satisfy or exceed customers’ expectations.”

“It’s a highly considered approach that will require us to invest an incremental \$2 million to \$3 million in stock to meet minimum order quantities over the next 6-12 months. We are conscious that launching a new brand will take some



time to perfect and may not have an immediate impact on our financial performance in FY25. We continue to highly value the longstanding relationships we have built with our global supplier partners. Their products will always be the greatest contributors to our sales. Over time, we'll continue test and refine our approach for Transform U with the intent of driving both incremental sales and gross profit margins for Shaver Shop."

Final dividend (100% franked) of 5.5 cents per share (FY23 – 5.5 cents)

Shaver Shop's directors today declared a 5.5 cent per share fully franked dividend which is consistent with the final dividend payout from last year. The final dividend brings total dividends related to FY24 to 10.2 cents per share (FY23 – 10.2 cents per share) or approximately 88% of reported net profit after tax.

Store network optimisation continuing

Shaver Shop currently has 123 stores across ANZ with 2 new locations opening in Port Macquarie, NSW and Busselton, WA in H1 FY25. Shaver Shop also expects to refit 8-10 stores across FY25 to bring these locations up to the latest brand standards and will close its Melbourne Central location. Shaver Shop also expects to relocate stores within existing centres to optimise visibility and passing foot traffic, as well as to ensure the footprint of the stores are aligned with Shaver Shop's latest category management and merchandising plans.

Trading Update and FY2025 Outlook

Total sales for the period from 1 July 24 to 22 August 24 (year to date or "YTD") versus the prior comparative period is set out in the table below:

Sales Growth (%) – 1 Jul 24 to 22 Aug 24	YTD vs FY24
Total sales	-0.8%
Like for like sales	-0.8%

Sales in August 2024 month to date have returned to growth in Shaver Shop's core hair removal categories following a period of softer sales in July when Shaver Shop was off promotion (consistent with prior years).

Shaver Shop continues to carefully manage sales and margin percentage in order to optimise gross profit dollars and is seeking to manage costs in the current inflationary environment.

Speaking about Shaver Shop's outlook, Group CEO and MD, Cameron Fox said, "Looking forward to the next three years or so, we intend to continue driving strategic category management through range leadership and product differentiation, securing exclusivity for innovative new brands and products, and successfully launching our Transform U brand. Secondly, we will continue to expand our presence in core and adjacent categories to drive like for like sales across all channels. Lastly, we will continue evolving our store format so that we best showcase the depth and breadth of the brands we offer, and deliver an engaging and enjoyable shopping experience for our customers."

In conclusion, Mr Fox said, "Shaver Shop remains a healthy and resilient business with net cash on our balance sheet, no debt and we continue to pay healthy dividends to our shareholders. I look forward to returning the business to growth as economic conditions improve and we further solidify our position as the destination of choice for men's and women's personal care and grooming appliances across ANZ."

Consistent with prior years, having regard to the importance of the Black Friday, Christmas and Boxing Day trading results to Shaver Shop's FY25 financial performance, it is not appropriate to provide sales or profit guidance at this time.

Approved for release by the Board.



-ENDS-

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About us

Shaver Shop Group Limited (ASX: SSG) is an Australian and New Zealand speciality retailer of male and female personal grooming products, and aspires to be the market leader in 'all things related to hair removal'.

There are currently 123 Shaver Shop stores across Australia and New Zealand. The Company also sells products via its websites www.shavershop.com.au and www.shavershop.net.nz, and as well as on the eBay, Amazon, TradeMe and MyDeal online marketplaces.

Shaver Shop offers customers a wide range of quality brands, at competitive prices, supported by excellent staff product knowledge. The Company's specialist knowledge and strong track record in the personal grooming segment enables it to negotiate exclusive products with suppliers.

Shaver Shop sources products from major manufacturers who seek to create functional and innovative products to meet customers' needs and wants in the hair removal and personal care product categories. The Company's core product range comprises male and female hair removal products such as electric shavers, clippers and trimmers, and wet shave items. Complementary to its core product range, Shaver Shop retails various products across the oral care, hair care, massage, air treatment, and beauty categories.