

Bell Potter Emerging Leaders Conference

6 September 2022

Accent Group

Note: All slides and material previously released in the Accent
FY22 Full Year results presentation





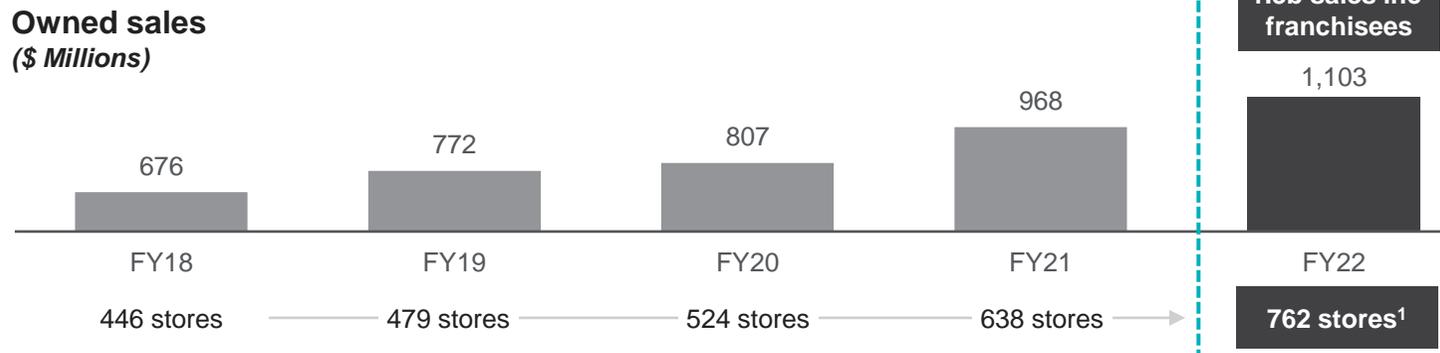
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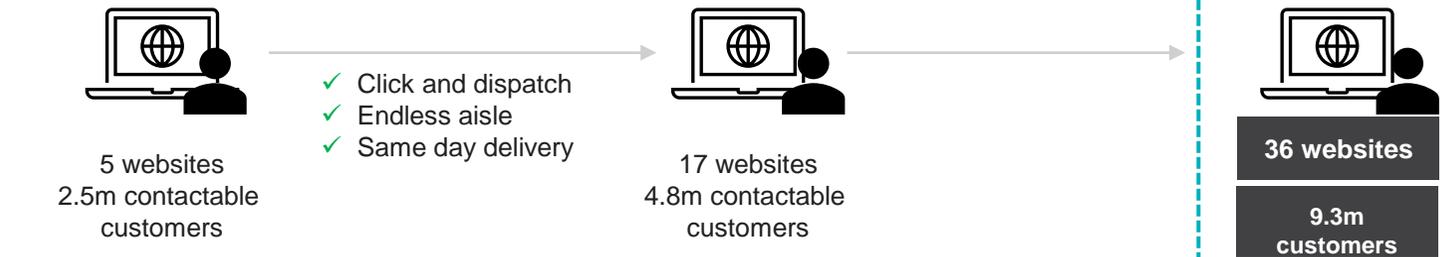
The Accent growth journey



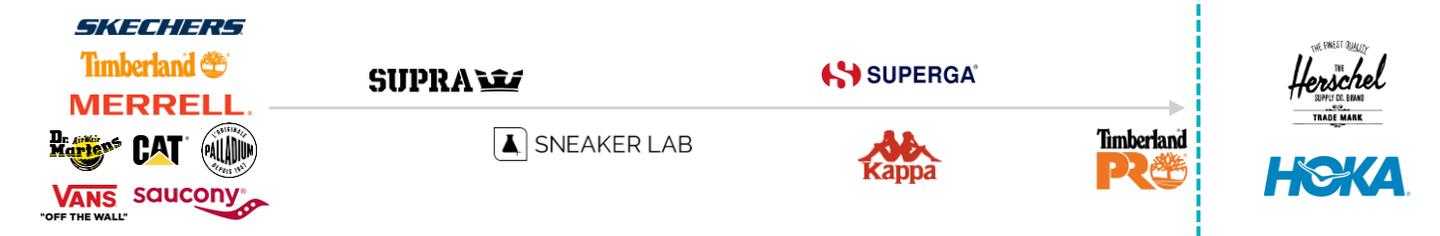
Demonstrated track record of retail sales growth driven by store rollout and new banners



Expansion of omni-channel capabilities and contactable customer database



Growth in existing and new distributed brands



Apparel and vertical sales growth strategy



1. Includes stores and digital sites

The Accent business model



Accent Group's mission is to be the market leading, digitally integrated retail and distribution business, in the performance lifestyle market for footwear, apparel and accessories across Australia and New Zealand.



The Accent Business model
Scalable, flexible and defensible

Multi-Brand Retail Banners
Range global third party brands, global distributed brands, and owned vertical brands and products through online and stores

Global Distributed Brands
Dedicated retail stores and online sites, as well as wholesale customer channels

Vertical Apparel Owned Brands
Supports margin growth and product differentiation in multi-brand banners, as well as having dedicated online sites



At Accent we *"Make It Happen"*



Our People

Our people come first

Safety

- Committed to providing a safe working environment
- Regular monitoring of key safety metrics
- In April 2022, the Group launched a digitally delivered and enhanced health and safety training for all retail team members



Our Responsibilities

We act with integrity

Community Partnerships

- Launch of **"Stamp your Feet"**, the Accent charity foundation
- Contribution of \$450,000 across three years to Headspace and NZ Youth Line
- Our brands continue to support their respective charity partnerships



Our Environment

We care for our environment

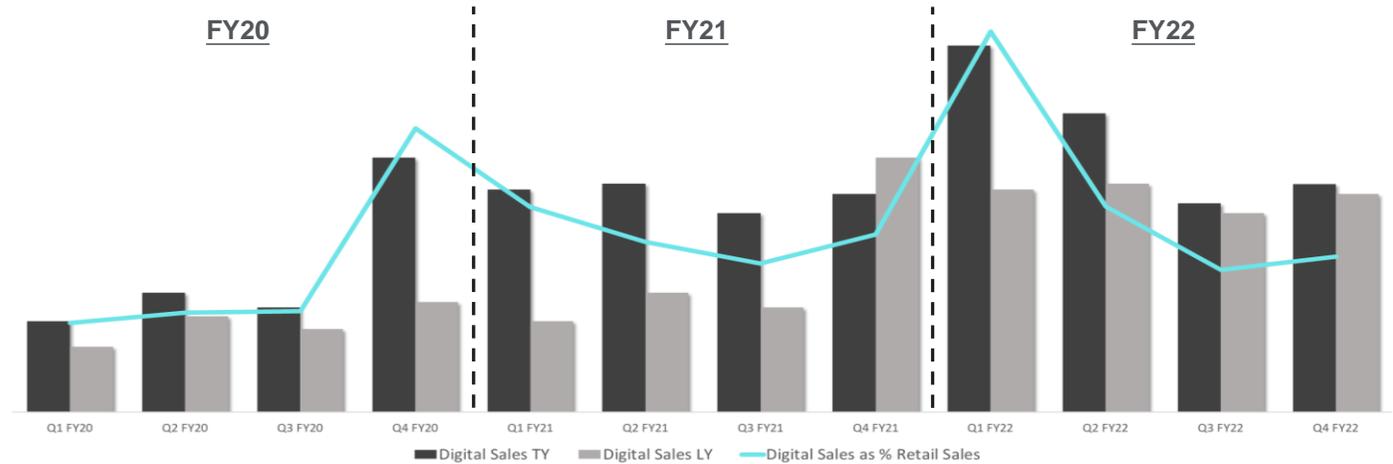
Reduce & Recycle Resources

- Accent Group is a key member of the Australian Sporting Goods Association (ASGA)
- Over 220 shoe recycling collection points across our stores
- In FY22, over 56,000 pairs of shoes were recycled

Digital Sales Growth

Digital sales grew to **\$263.8m, +25.7%** on FY21

Digital sales contributed to **24.4%** of total retail sales¹



1. Digital sales and total retail sales include The Athlete's Foot franchises

9.3m contactable customers **+900k** on FY21

Average order value **+10.6%** in H2 FY22

7 New and re-platformed websites

Fulfilled **+11.4%** more orders than FY21

Launched **Hype & Platypus Loyalty Programs**

Conversion rate grew by **+12.3%**

Key Metrics²

Digital Sales

Website Sessions

Orders

Conversion Rate

Avg. Order Value

Digital as a % of Total Retail Sales

	FY21 Full Year	FY22 H1	FY22 H2	FY22 Full year
Digital Sales	+48.5%	+47.9%	+4.8%	+25.7%
Website Sessions	+24.4%	+8.8%	(10.9%)	(0.8%)
Orders	+30.8%	+37.5%	(15.4%)	+11.4%
Conversion Rate	+5.1%	+26.4%	(5.0%)	+12.3%
Avg. Order Value	+4.7%	(4.4%)	+10.6%	+1.4%
Digital as a % of Total Retail Sales	20.9%	31.2%	18.9%	24.4%

2. Percentages shown in the table represent growth on the same period last year

Accent Group Contactable Customers (Million)



- **9.3 million** contactable customers
- Objective is to grow our customer database to **10 million** customers
- Platypus and Hype Loyalty launched in FY22, in addition to the existing programs in the The Athlete's Foot, Merrell and Skechers
- New customer data platform set to launch in Q1 FY23





Retail

- New stores performing strongly
- Opened 139 new stores
- Momentum and performance across the Glue business continues to strengthen, including new stores in these banners
- At least 50 new stores to open in FY23

Wholesale

- Strong wholesale sales growth

Vertical Owned Brands

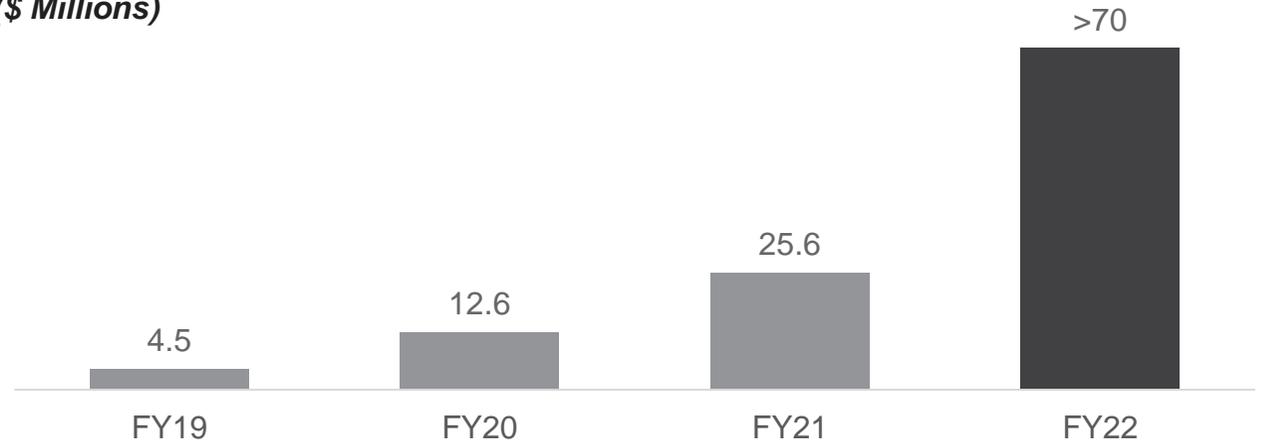
- Sales of over \$70 million, now represent 7% of sales
- Vertical product has positively contributed to underlying margin growth

Store Network¹



1. Includes store closures and websites. For a breakdown by banner refer to page 13

Vertical Owned Brands Sales (\$ Millions)



Store network and distribution agreements



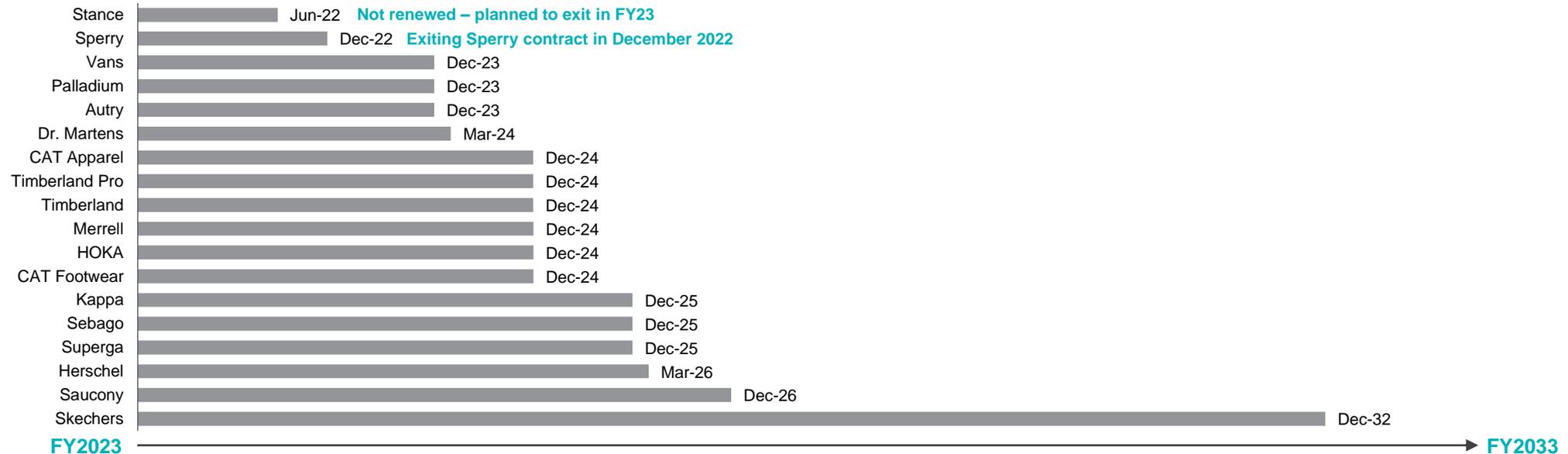
Store Network¹

Jun-22

	TAF	Platypus	Skechers	Vans	Timberland	Dr Martens	Merrell	Hype	Glue	Stylerunner	Other	Discontinued	Total
Stores at End of FY21	145	148	131	28	8	15	15	79	22	4	32	11	638
FY22													
Stores Opened	10	24	22	11	2	6	1	10	8	19	16	10	139
Stores Closed	(2)	(4)	-	-	(1)	-	(1)	(4)	(2)	-	-	(1)	(15)
Stores at End of FY22	153	168	153	39	9	21	15	85	28	23	48	20	762
Projection FY23													
Expected at the End of FY23													812

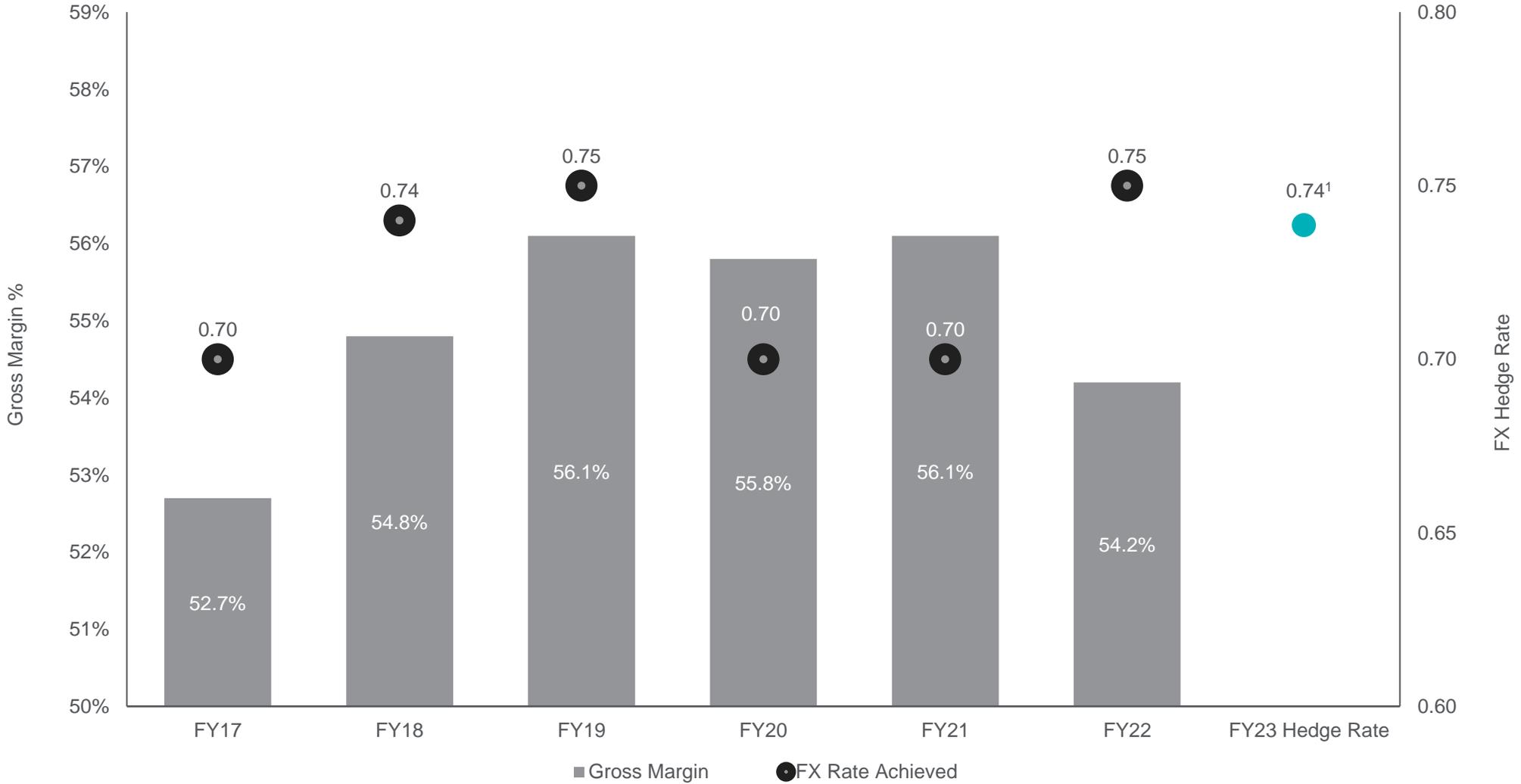
1. Includes websites (36) and franchises (68)

Distribution Agreements





Statutory Gross Margin % and FX Rate Overview



1. As per annual report, refer to note 12



Dividends

- Accent Group has announced a final dividend for FY22 of **4.00 cents** per share, fully franked, payable on **15 September 2022** to shareholders registered on **1 September 2022**
- Accent Group continues to be defined by strong cash conversion and the consistent strong returns it delivers on shareholders' funds

Trading Update

- Trading conditions for the first 7 weeks of FY23 have been positive, driven largely by undisrupted trading conditions and supported by full deliveries of new product. Total sales are up 48.9% reflecting the positive trading conditions, stores open this year that were closed last year, and new store opened during the last 12 months
- Like for Like¹ ("LFL") retail sales for the first 7 weeks of H2 are up 18.9% on the prior year
- Total and like for like gross margin \$ and gross margin % for the period are well ahead of FY22 and are also up on the same undisrupted period in FY20. Based on these early results the company is pleased with the start of the new year

Outlook

- Whilst not providing guidance, we note the previously reported estimate, that due to disrupted trading conditions, around \$95 million of sales were lost in 1H22
- In addition, due to this disruption, gross margin % in FY22 was around 200 basis points less than the gross margin % achieved across FY19 to FY21
- In FY23, assuming undisrupted trading conditions, we are focusing on high quality full margin sales and will benefit from the annualising sales of the 139 stores opened in FY22 and the 50 stores planned to open in FY23

1. Like for like ("LFL") retail sales include TAF Franchises sales, digital sales and Glue stores. The Like for Like measurement is consistent with prior releases and includes the year on year sales comparison for all stores in which a sale has been recorded on the same day the prior year.