

# JB Hi-Fi Limited

## 2020 AGM



# Agenda

---

1. Procedural Issues
2. Items of Business
3. Voting Opens
4. Chairman's Address
5. Group CEO's Address
6. Directors standing for election & re-election
7. Proxy Votes received
8. Questions
9. Voting Closes
10. Final Votes
11. Close of Meeting

# Procedural issues

## Online Attendees – Question Process

When the Question function is available, the Q&A icon will appear at the top of the app

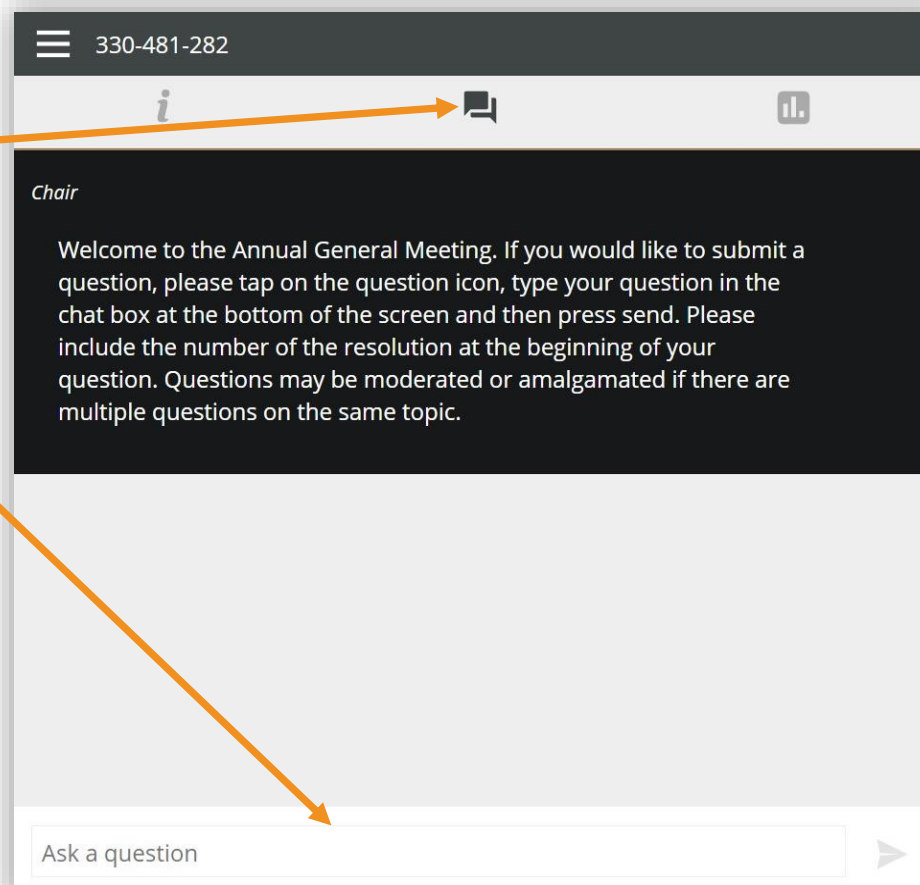


To send in a question, click in the 'Ask a question' box, type your question and press the send arrow



Your question will be sent immediately for review

✓ Received



# Procedural issues

## Online Attendees – Voting Process

When the poll is open, the vote will be accessible by selecting the voting icon at the top of the screen



To vote simply select the direction in which you would like to cast your vote. The selected option will change colour

For	Against	Abstain
-----	---------	---------

There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed



330-481-282

i

You have voted on 0 of 2 items

**Resolution 1: Adoption of the Remuneration Report**

Select a choice to send.

For

Against

Abstain

CANCEL

**Resolution 2: Approval of issue of securities under the Short-Term Incentive Plan**

Select a choice to send.

For

Against

Abstain

CANCEL

## **Items of Business**

---

- 1. Consideration of Financial and other Reports**
- 2. Election and Re-election of Directors**
- 3. Adoption of Remuneration Report**
- 4. Grant of restricted shares to the Executive Director**

Chairman's address

# STEPHEN GODDARD

---



# Motivated, passionate and knowledgeable staff



# The Group model

## Two iconic Australian retail brands

**JB HI-FI**

**THE GOOD GUYS®**

### Product offering

Leading retailer of **technology** and consumer electronics

Leading retailer of **home appliances** and consumer electronics

### Target customer base / demographic

Strong position with a **young tech-savvy** demographic

Strong position with **home-making families** and Gen X demographics

### Value proposition

**Best brands** at low prices

### Customer focus

**Exceptional customer service** provided by **passionate, knowledgeable team members**

### Multi-channel

**In-store, online, phone, commercial**

leveraging a **Group support function** and underpinned by **5 unique competitive advantages**

1

**Scale**

2

**Low Cost  
Operating  
Model**

3

**Quality Store  
Locations**

4

**Supplier  
Partnerships**

5

**Multichannel  
Capability**



# Generating sustainable long-term growth

In FY20, the Group adopted a Sustainability Plan outlining the Group's commitment to having a positive impact on our people, our community and our environment and released our first Sustainability Report.



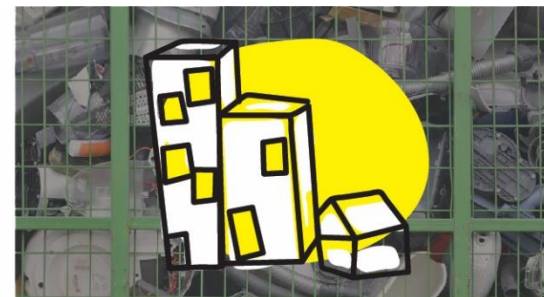
## Our People & Culture

- Health, safety & wellbeing
- Employee engagement, communication & employment practices
- Responsible business
- Diversity & inclusion



## Creating Positive Impacts for our Communities

- Community investment
- Ethical sourcing

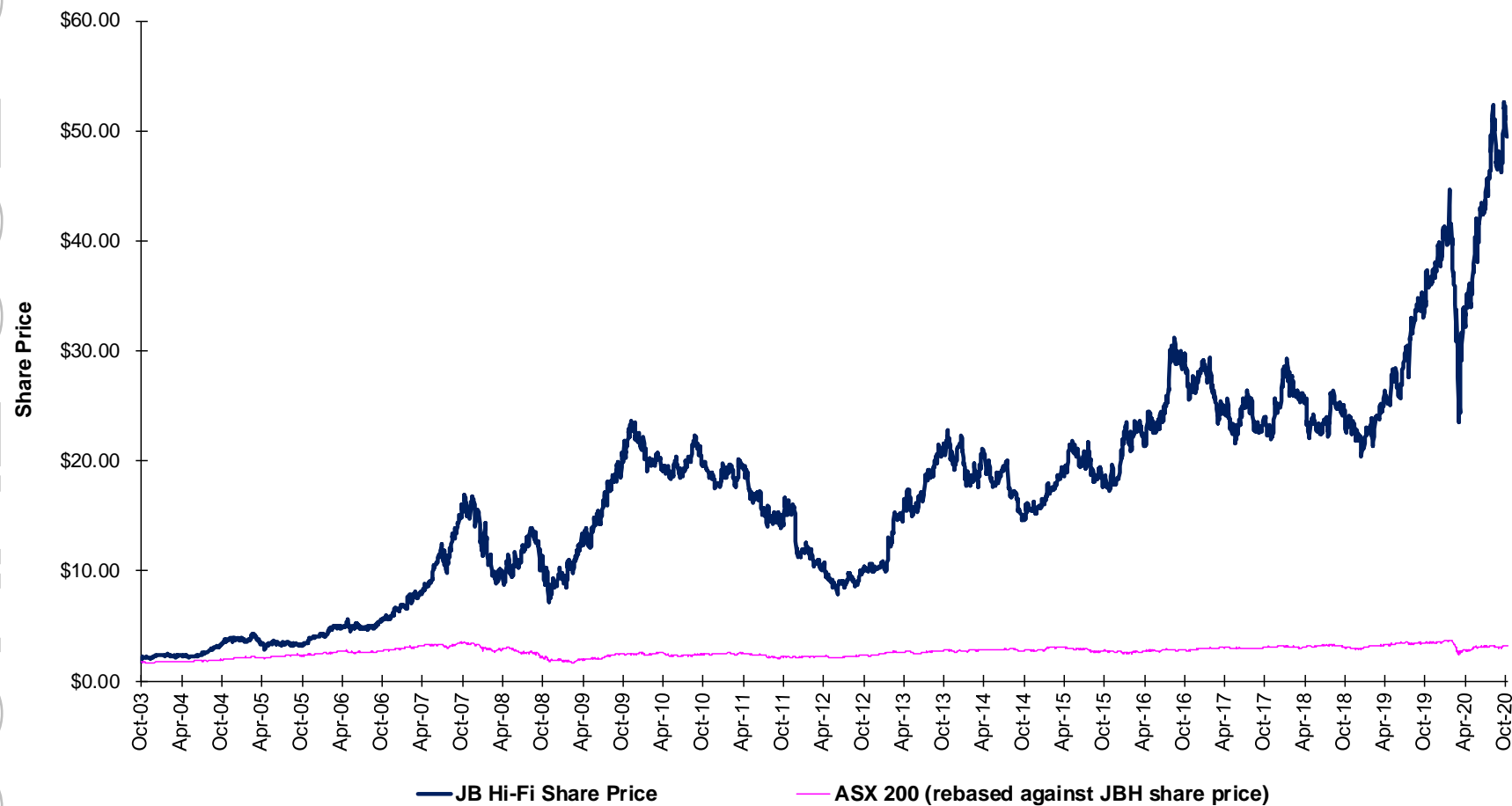


## Our Environment

- Product & waste recycling
- Product packaging
- Emissions & energy

## A focus on long-term shareholder value

JBH share price CAGR of 21.9% since listing, compared to 3.7% on the ASX 200 over the same period



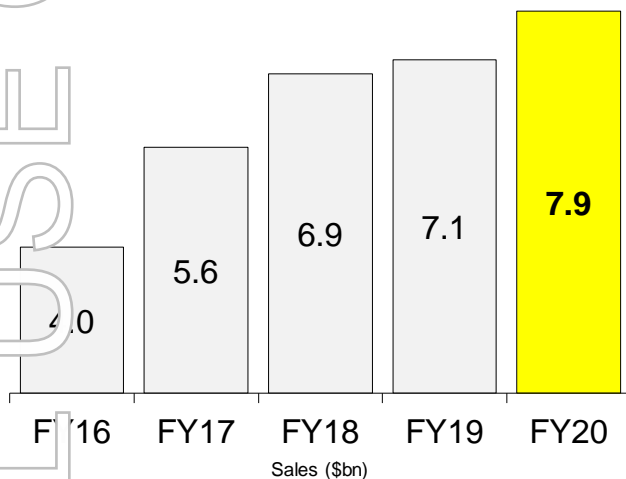
Group CEO's address

**RICHARD  
MURRAY**

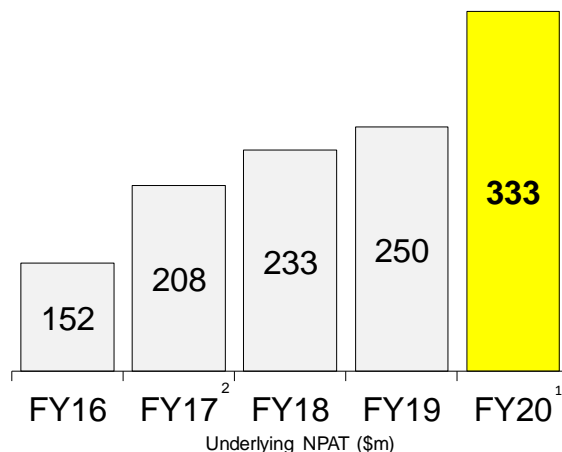


# FY20 Group Results

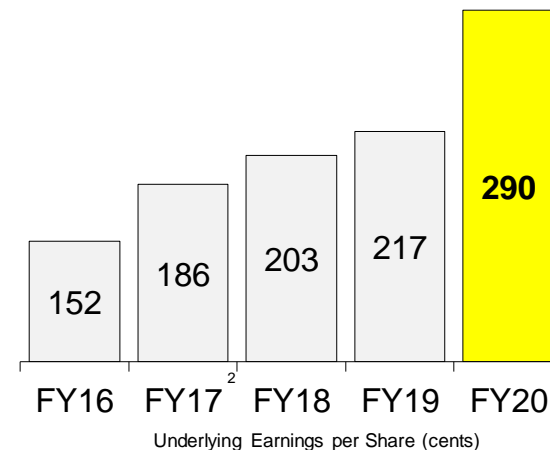
Total sales up 11.6% to \$7.9b



Underlying NPAT up 33.2% to \$332.7m



Underlying EPS up 33.2% to 289.6cps



<sup>1</sup> The Group adopted the new Accounting Standard AASB 16 Leases on 1 July 2019 and, accordingly, FY20 Statutory Results have been prepared in accordance with the new standard. The Group used the modified retrospective approach when adopting AASB 16 and, as a result, prior period comparatives were not restated. FY20 Statutory NPAT also includes a \$24.0m AUD (post tax) non-cash write-off of certain JB Hi-Fi New Zealand assets ("NZ impairment"). Unless otherwise stated, all results disclosed in this Chairman's and Group CEO's address are underlying results and exclude the impact of AASB 16 and the NZ impairment.

FY17 are underlying results which exclude transaction fees and implementation costs totalling \$22.4m associated with the acquisition of The Good Guys in November 2016 and \$15.8m of fixed asset and goodwill impairments in New Zealand.

# FY20 Brand Performance

	FY20 <sup>1</sup> (Underlying)	FY19	Growth (Underlying)	
			\$m	%
<b>Sales (\$m)</b>				
- JB HI-FI Australia	5,318.9	4,726.0	592.9	12.5% ▲
- JB HI-FI New Zealand (NZD)	222.8	236.2	(13.4)	(5.7%) ▼
- The Good Guys	2,388.8	2,147.9	240.9	11.2% ▲
<b>Total Sales (AUDm)</b>	<b>7,918.9</b>	<b>7,095.3</b>	<b>823.6</b>	<b>11.6% ▲</b>
<b>EBIT (\$m)</b>				
- JB HI-FI Australia	380.8	301.7	79.1	26.2% ▲
- JB HI-FI New Zealand (NZD)	(1.9)	(1.9)	(0.0)	(1.0%) ▼
- The Good Guys	107.8	72.9	34.9	47.8% ▲
<b>Total EBIT (AUDm)</b>	<b>486.5</b>	<b>372.8</b>	<b>113.6</b>	<b>30.5% ▲</b>
<b>EBIT Margin (%)</b>				
- JB HI-FI Australia	7.16%	6.38%	+78 bps	▲
- JB HI-FI New Zealand	(0.85%)	(0.80%)	(6 bps)	▼
- The Good Guys	4.51%	3.40%	+112 bps	▲
<b>Total EBIT Margin (%)</b>	<b>6.14%</b>	<b>5.25%</b>	<b>+89 bps</b>	<b>▲</b>

<sup>1</sup> Underlying FY20 results which exclude the impact of AASB 16 and the NZ impairment.

# FY21 trading update & re-opening of metropolitan Melbourne stores

## Q1 FY21 sales update<sup>1</sup>:

For the period 1 July 2020 to 30 September 2020:

- JB HI-FI Australia total sales growth was 27.3% (pcp: 4.7%) with comparable sales growth of 27.6% (pcp: 3.7%)
- JB HI-FI New Zealand total sales growth was -2.5% (pcp: 3.8%) with comparable sales growth of -2.5% (pcp: 3.8%)
- The Good Guys total sales growth was 30.9% (pcp: -0.5%) with comparable sales growth of 30.9% (pcp: -1.8%)

Whilst the Group is pleased with its start to FY21, in view of the uncertainty arising from Covid-19, the Group does not currently consider it appropriate to provide FY21 sales guidance.

## Re-opening of metropolitan Melbourne stores

As announced on 4 August 2020, following the Victorian Government's announcement of stage 4 restrictions, 46 JB HI-FI stores and 21 The Good Guys stores located within metropolitan Melbourne were temporarily closed to customers from Thursday 6 August 2020.

Following the Victorian Government's announcement of a move to Third Step restrictions, all stores located in metropolitan Melbourne re-opened to customers on Wednesday 28 October 2020.

The Group is pleased to welcome back metropolitan Melbourne customers into stores in a safe manner, as well as continuing to meet the needs of its customers online with fulfillment by home delivery and contactless click and collect.

<sup>1</sup> During Q1 FY21, in Australia 46 JB HI-FI stores and 21 The Good Guys stores in metropolitan Melbourne were temporarily closed to customers from the 6th of August. In New Zealand, 7 JB HI-FI stores in Auckland were temporarily closed to customers from the 12th of August to the 31st of August. No adjustments have been made for these temporary store closures.

## Item 2(a) Election of Ms Melanie Wilson

That Ms Melanie Wilson, being a Director of the Company appointed since the last Annual General Meeting who retires pursuant to the Company's Constitution, and being eligible offers herself for election, is elected as a Director of the Company.



## Item 2(b) Re-election of Ms Beth Laughton

That Ms Beth Laughton, being a Director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers herself for re-election, is re-elected as a Director of the Company.





## Item 2(a) Election of Ms Melanie Wilson

That Ms Melanie Wilson, being a Director of the Company appointed since the last Annual General Meeting who retires pursuant to the Company's Constitution, and being eligible offers herself for election, is elected as a Director of the Company.

In respect of this item of business, the following proxies have been received.

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	87,841,189	99.09
Open / Undirected (Chairman)	91,923	0.10
The Chairman intends to vote his open/undirected proxies in favour of the resolution		
Against	563,888	0.64
Open / Undirected (Other)	147,587	0.17
Abstain	253,947	N/A

## Item 2(b) Re-election of Ms Beth Laughton

That Ms Beth Laughton, being a Director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers herself for re-election, is re-elected as a Director of the Company.

In respect of this item of business, the following proxies have been received.

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
--	----------------	---

For	87,473,147	98.68
-----	------------	-------

Open / Undirected (Chairman)	91,896	0.10
------------------------------	--------	------

The Chairman intends to vote his open/undirected proxies in favour of the resolution

Against	934,052	1.05
---------	---------	------

Open / Undirect (Other)	147,587	0.17
-------------------------	---------	------

Abstain	251,852	N/A
---------	---------	-----

## Item 3 Remuneration Report

That the Remuneration Report (which forms part of the Directors' Report) for the financial year ended 30 June 2020 be adopted.

In respect of this item of business, the following proxies have been received.

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
For	85,505,567	96.95
Open / Undirected (Chairman)	107,707	0.12
The Chairman intends to vote his open/undirected proxies in favour of the resolution		
Against	2,426,011	2.76
Open / Undirected (Other)	145,975	0.17
Abstain	583,790	N/A

## Item 4 Approval of grant of restricted shares to Executive Director

that the grant of restricted ordinary shares to the Executive Director, Mr Richard Murray, on the terms and conditions described in the Explanatory Notes to this Notice of Meeting, be approved.

In respect of this item of business, the following proxies have been received.

	Votes Received	% of Eligible Votes Cast (excluding abstentions)
--	----------------	---

For	70,175,353	79.36
-----	------------	-------

Open / Undirected (Chairman)	90,875	0.10
------------------------------	--------	------

The Chairman intends voting his open / undirected proxies in favour of the resolution

Against	18,021,403	20.38
---------	------------	-------

Open / Undirected (Other)	144,477	0.16
---------------------------	---------	------

Abstain	466,426	N/A
---------	---------	-----