



## Briscoe Group Repays Wage Subsidy On Back of Sustained Trading Recovery

---

### Briscoe Group's Covid response :

- **Cancelled \$28 million dividend on 23 March after lockdown announced**
- **All frontline employees paid 100% of normal pay**
- **No redundancies**
- **No permanent store closures**
- **\$11.5 million wage subsidy repaid in full**
- **Cautious optimism for balance of financial year**

The Board of Briscoe Group decided today that it would pay back the \$11.5 million wage subsidy after experiencing continued strong sales during the third quarter.

Board Chair, Dame Rosanne Meo said, "Management have confirmed that the sales momentum we saw leading into our half year results has continued into the third quarter. Whilst we were unquestionably eligible for the first round of wage subsidy, our recent trading performance has given the Board confidence to repay the subsidy in full."

The Group is due to report its 3<sup>rd</sup> quarter sales to 25 October 2020 around 3 November 2020.

Dame Rosanne said, "It is a credit to the team led by Rod Duke that we have come through this once-in-a-generation crisis so strongly. The energy and success of the team in continuing with new developments and initiatives during this extraordinary period has far exceeded the Board's expectations.

None of us imagined we would be in such a strong position when New Zealand went into lockdown on 25 March. Our immediate response at this time was to cancel the \$28 million dividend due to all shareholders and undertake a commitment to our staff to keep their jobs and protect their families.

"The full extent of the lockdown was seen in our first quarter sales announced 1 May, which were down 35.6%. The rebound over the following three months, however, was equally as remarkable enabling Briscoe Group to report a half year result that was broadly in line with our previous year.

"As a Board we have taken a considered approach to the past seven months. While encouraged by the half year performance, the continued strong recovery through this third quarter and also the reduced likelihood of another Level 4 lockdown of all stores has now confirmed our confidence in reaching our decision to repay the wage subsidy. We are confident it is the right decision for our company to pay back the \$11.5 million.

“We also want to thank our shareholders for their patience in relation to the cancellation of our earlier dividend. Retaining these funds within the business contributed to our ability to support our employees in those earlier months. In light of this shareholder sacrifice and similarly by the executive team and the Board, it was pleasing that we were subsequently able to announce the dividend payment of \$20m for the first half of this financial year.”

Dame Rosanne said the Board would continue to closely monitor the trading environment ahead. “We are certainly not out of the woods but we are in good shape. Other companies have leveraged their balance sheets and, in some cases, have had to go to shareholders for more funds. We have not had to do this. Unlike other companies Briscoe Group has not made people redundant or closed stores. We pride ourselves with having a strong balance sheet so we can continue to expand our economic footprint with new store openings which will inevitably lead to the creation of jobs. In that regard the company is playing its part in helping rebuild New Zealand.”

Friday, 16 October 2020

Dame Rosanne Meo  
Chair - Board of Directors

For further contact:  
Geoff Senescall  
+64 21 481 234