

SHAVER SHOP GROUP LIMITED

Appendix 4E

Preliminary Final Report

Results for Announcement to the Market

Year ended 30 June 2025 (Previous corresponding period: Year ended 30 June 2024)

1. Statutory Result Summary

Statutory Result		%		FY2025 \$'000	FY2024 \$'000
Revenue from ordinary activities	Down	-0.4%	to	218,598	219,374
Profit from ordinary activities after tax attributable to members	Down	-1.3%	to	14,924	15,123
Net profit after tax attributable to the members	Down	-1.3%	to	14,924	15,123

2. Dividends

Dividend	Amount per ordinary share	Franked amount per ordinary share
2025 final dividend	5.5 cents	5.5 cents
2025 interim dividend	4.8 cents	4.8 cents
2024 final dividend	5.5 cents	5.5 cents
2024 interim dividend	4.7 cents	4.7 cents

The record date for determining the entitlement to the FY2025 final dividend is 4 September 2025. The payment date in respect of the FY2025 final dividend is 18 September 2025.

The company does not have a dividend reinvestment plan.

3. Net tangible assets per security

	30 June 2025	30 June 2024
Net tangible asset backing per ordinary security ⁽¹⁾	24.0 cents ⁽²⁾	22.4 cents ⁽²⁾

⁽¹⁾ Net tangible asset backing per ordinary share of 24.0 cents (30 June 2024 - 22.4 cents) above, is inclusive of right-of-use assets. The net tangible asset backing per ordinary share at 30 June 2025 would reduce to 4.0 cents if right-of-use assets were excluded and lease liabilities were included in the calculation (30 June 2024 - 10.4 cents).

⁽²⁾ The reduction in the net tangible asset backing per ordinary security includes the application of the new accounting standard AASB 16 Leases.

4. Entities over which control has been gained or lost during the period

Not applicable.

5. Basis of Preparation

This report is based on the consolidated financial statements which have been audited. The audit report, which was unqualified, is included within the Company's Financial Report which accompanies this Appendix 4E.

6. Other information required by Listing Rule 4.3A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the 30 June 2025 Preliminary Financial Report. The information above should be read in conjunction with the accompanying Preliminary Financial Report of the Group for the year ended 30 June 2025 and ASX market releases made during the period.

Shaver Shop Group Limited

ABN 78 150 747 649

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Consolidated financial report

For the year ended 30 June 2025

Shaver Shop Group Limited
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Shaver Shop Group Limited
Directors' Report
30 June 2025

Your directors present their report on the consolidated entity consisting of Shaver Shop Group Limited and the entities it controlled at the end of, or during, the year ended 30 June 2025. Throughout the report, the consolidated entity is referred to as the "Group", the "Company" or "Shaver Shop".

Principal activities

The principal activities of the Group during the financial year was the retailing of specialist personal care and grooming products both through Shaver Shop's corporate owned stores as well as online through its websites and the online marketplaces it partners with. No significant change in the nature of these activities occurred during the year.

Directors

The following persons were directors of Shaver Shop Group Limited during the whole of the financial year:

Broderick Arnhold
 Cameron Fox
 Craig Mathieson
 Trent Peterson
 Debra Singh

Company secretary

Lawrence Hamson held the position of Company Secretary during the whole of the financial year and up to the date of this report.

Directors and directors' interests

The following information is current as at the date of this report:

Broderick Arnhold	<i>Independent Chair, Non-Executive Director</i>	
Expertise and experience	Brodie has over 15 years domestic and international experience in private equity, investment banking and corporate finance. He is currently an active investor and independent director for a number of private and public companies. Prior to his previous role as Chairman of iSelect Limited, he was the CEO of iSelect Limited and prior to that, the CEO of Melbourne Racing Club for four years. Brodie worked for Investec Bank from 2010-2013 where he was responsible for building a high-net-worth private client business. Prior to this, Brodie worked for Westpac Banking Corporation where he grew the institutional bank's presence in Victoria, South Australia and Western Australia, and from 2006-2010 held the role of Investment Director at Westpac's private equity fund. While Brodie is no longer a member of Chartered Accountants Australia & New Zealand, he obtained his Chartered Accounting designation while working at Deloitte.	
Other current listed directorships	Bailador Technology Investments Limited	
Former listed directorships in last 3 years	Chairman, iSelect Limited	
Special responsibilities	Chair of the Board Member of the Audit and Risk Committee Member of the Nomination and Remuneration Committee	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	700,000

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Cameron Fox	<i>Chief Executive Officer and Managing Director</i>	
Expertise and Experience	Cameron has over 25 years' experience working across the personal care and grooming industry. Cameron joined Shaver Shop as General Manager in 2006 before being appointed to the position of Chief Executive Officer in July 2008. Cameron previously worked for Gillette Australia for a period of approximately 10 years. During his time at Gillette Australia, Cameron held various roles, including Associate Product Manager, Business Analyst, National Account Manager and National Sales Manager.	
Other Current Listed Directorships	None	
Former Listed Directorships in last 3 years	None	
Special Responsibilities	Managing Director Chief Executive Officer	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	4,086,987
	Unvested LTI Shares	0
	Unvested LTI Performance Share Rights	1,260,000
	Total	5,346,987

Craig Mathieson	<i>Non-Executive Director</i>	
Expertise and Experience	Craig became a director of Shaver Shop Pty Ltd in June 2011. Craig is the Chief Executive Officer of the Mathieson Group which has diverse business interests from company investment to property development. From 2001 to 2007 Craig was the Managing Director of DMS Glass Pty Ltd which was the largest privately-owned glass manufacturer in Australia.	
Other Current Listed Directorships	None	
Former Listed Directorships in last 3 years	None	
Special Responsibilities	Chair of the Audit and Risk Committee	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	4,240,004

Trent Peterson	<i>Non-Executive Director</i>	
Expertise and Experience	Trent is a managing director and partner at Catalyst Investment Managers and has over 15 years' experience as a company director and private equity investor. He is currently a Director of Adairs Limited, dusk Group Limited and Universal Store Limited. He was a former director of Just Group, Global Television, EziBuy, Max Fashions, Power Farming, Metro GlasTech, Moraitis Group, Taverner Hotel Group, SkyBus and Australian Discount Retail. Trent is also a Non-Executive director of the Ascham Foundation and Gathermycrew.org. Trent is no longer a member of Chartered Accountants Australia & New Zealand, however he obtained his Chartered Accounting designation while working for PricewaterhouseCoopers.	
Other Current Listed Directorships	Adairs Limited (non-executive Chair) dusk Group Limited Universal Store Limited	
Former Listed Directorships in last 3 Years	None	
Special responsibilities	Chair of the Nomination and Remuneration Committee Member of the Audit and Risk Committee	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	547,619

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Debra Singh	<i>Non-Executive Director</i>	
Expertise and Experience	Debra Singh has a wealth of retail experience gained while working within the Woolworth's group across supermarkets, operations and consumer electronics. Debra has also held key leadership roles as CEO of Fantastic Furniture and Group CEO at Fantastic Holdings Limited as well as Group CEO of Household Goods at Greenlit Brands. Debra is currently Chair of ASX listed G8 Education and is also a Director on The Kids Cancer Project Board.	
Other Current Listed Directorships	G8 Education Limited (non-executive Chair) Baby Bunting Group Limited	
Former Listed Directorships in last 3 years	None	
Special responsibilities	Member of the Audit and Risk Committee Member of the Nomination and Remuneration Committee	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	100,000

Lawrence Hamson	<i>Chief Financial Officer and Company Secretary</i>	
Expertise and Experience	Lawrence joined Shaver Shop in April 2016 immediately prior to the Company's listing on the ASX. Lawrence is a Chartered Accountant (Canada) and Chartered Financial Analyst with more than 20 years experience in both public practice and within industry. For the 9 years prior to joining Shaver Shop, Lawrence acted as Chief Financial Officer for both private and public companies, most recently with Dun & Bradstreet as its CFO for the Asia Pacific region. He has experience across venture capital with Rothschild as well as corporate communications having been Mayne Group Limited's General Manager Corporate Relations through its demerger into two ASX listed entities - Symbion Healthcare Limited and Mayne Pharma Limited.	
Interests in shares	Ordinary Shares - Shaver Shop Group Limited	1,248,820
	Unvested LTI Shares	0
	Unvested Performance Share Rights	630,000
	Total	1,878,820

Meetings of Directors

During the financial year, 10 meetings of directors were held, 6 meetings of the Audit and Risk Committee were held, and 3 meetings of the Nomination and Remuneration Committee were held. Attendances by each director who was a member of the Board and relevant subcommittee during the year were as follows:

	Board of Directors Meetings		Audit and Risk Committee Meetings		Nom and Rem Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Broderick Arnhold	9	9	6	6	3	3
Cameron Fox	10	10	6	6	-	-
Craig Mathieson	9	9	6	6	-	-
Trent Peterson	10	10	6	6	3	3
Debra Singh	10	10	6	6	3	3

Dividends paid or recommended

The Directors have announced a 100% franked final dividend of 5.5 cents per share or (\$7.2 million) to be paid on 18 September 2025 (FY2024: 5.5 cents per share 100% franked or \$7.2 million). The Directors announced an interim dividend of 4.8 cents per share, 100% franked or (\$6.4 million) in February 2025 (FY2024: 4.7 cents per share 100% franked or \$6.2 million). The FY2025 interim dividend was paid on 20 March 2025. This brings total 100% franked dividends declared for FY2025 to 10.3 cents per share (up 0.1 cents compared to the FY2024 dividends of 10.2 cents per share 100% franked).

The combined interim and final dividend payments for FY2025 represent the payout of approximately 90% of the Company's FY2025 reported net profit after tax.

2025 Operating and Financial Review

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Non-IFRS measures

The Directors' Report includes references to non-IFRS financial measures. The Directors believe the presentation of non-IFRS financial measures are useful for the users of this financial report as they provide additional and relevant information that reflect the underlying financial performance of the business. Non-IFRS financial measures contained within this report are not subject to audit or review.

Group Results

	Reported 2025 \$000	Reported 2024 \$000	Increase (Decrease) %
Sales	218,598	219,374	(0.4%)
Gross profit	99,516	97,453	2.1%
<i>Gross margin %</i>	45.5%	44.4%	2.5%
Operating expenses (costs of doing business)	(60,160)	(59,304)	1.4%
<i>Operating expenses % of sales (costs of doing business)</i>	27.5%	27.0%	1.8%
Earnings before interest, tax, depreciation & amortization (EBITDA)	39,356	38,150	3.2%
<i>EBITDA margin</i>	18.0%	17.4%	3.5%
Depreciation & amortisation – non-lease	(2,224)	(1,984)	12.1%
Depreciation & amortisation – right of use assets (leases)	(14,664)	(14,228)	3.1%
Earnings before interest & tax (EBIT)	22,468	21,938	2.4%
<i>EBIT margin</i>	10.3%	10.0%	2.8%
Interest expense - borrowings	140	467	(70.0%)
Interest expenses - leases	(1,514)	(988)	53.3%
Income tax expense	(6,170)	(6,294)	(2.0%)
Net profit after tax (NPAT) attributable to owners	14,924	15,123	(1.3%)
Earnings per share (EPS) - basic (cents)	11.5	11.7	(1.7%)
Cash earnings per share (Cash EPS) - basic (cents)	12.1	12.5	(3.4%)
Dividends per share (cents)*	10.3	10.2	1.0%

* Reflects the period from which the dividends were declared - not the financial period in which they were declared and paid - accordingly the FY2025 final dividend has been included in the table above. The FY2025 final dividend is to be paid in September 2025.

** Cash EPS represents basic EPS plus the cash benefit from the franchise buyback tax deduction Shaver Shop received in that year. See "Taxation of franchise terminations on franchise buybacks" section below for further detail.

In FY2025, the Company's consolidated revenue declined by 0.4% to \$218.6 million (FY2024 - \$219.4 million). The sales decline was driven primarily by:

- Lower foot traffic in-stores and the associated reduction in transaction volumes as consumers became increasingly budget conscious due to the rise in interest rates and costs of living over the prior 24 months. This was partially offset by an increase in sales conversion within Shaver Shop's stores; and
- Online sales declined 2.3% or \$1.2 million to \$49.7 million (FY2024 – \$50.9 million).

Shaver Shop opened four new stores in FY2025 being Busselton, Port Macquarie and Manawa Bay in H1 FY2025 and in late June 2025, opened Plenty Valley. Shaver Shop also closed three of its stores being Melbourne Central (Sep 2024), Greensborough (Feb 2025) and the Company's second store in Chadstone (Mar 2025). This temporary location was established for approximately two years while the centre redeveloped the area around Shaver Shop's primary location in Chadstone.

Gross profit margins increased 110 basis points to 45.5% in FY2025 approximately (FY2024 - 44.4%). The substantial increase in gross profit margin was driven by:

- The launch of Shaver Shop's first private brand in late October 2024 called Transform-U™;
- Securing the exclusive distribution rights to the Skull Shaver brand and range of products in June 2024 which in turn resulted in lower sourcing costs and an increased gross margin on sales of Skull Shaver items; and
- Ongoing focus on maximising gross profit dollars through balancing sales and volume growth with gross margin.

Shaver Shop's total operating expenses increased 1.4% to \$60.2 million (FY2024 - \$59.3 million), primarily due to:

- The increase in the minimum wage by 3.5% effective 1 July 2024 and the corresponding impact on store salaries and wages; and
- Inflation related increase across other expense lines.

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This was partially offset by adjustments to changes in estimates for vesting of Shaver Shop's FY2022, FY2023 and FY2024 long term incentive plans.

Overall, Shaver Shop's costs of doing business as a percentage of total sales increased to 27.5% in FY2025, up approximately 50 basis points (FY2024 - 27.0%).

Lease interest and lease depreciation increased \$0.5 million and \$0.4 million respectively, as Shaver Shop renewed a significant number of leases during the year. These leases tended to have a longer lease term than the prior renewal (due to the uncertainty caused by COVID-19 at the times of the previous renewals). In addition, a number of leases were renewed for the first time after the store was established and did not have similar lease inducements from the landlord. All else being equal, this leads to an increase in lease depreciation on renewal of the lease.

Shaver Shop's EBIT in FY2025 increased 2.4% or \$0.5 million to \$22.5 million. Net profit after tax (NPAT) was \$14.9 million in FY2025 (FY2024 - \$15.1 million), a decrease of \$0.2 million or 1.3%.

Taxation of franchise licence terminations on franchise buybacks

Shaver Shop receives a tax deduction over five years for the cost of franchise licence terminations that occurred through its franchise buy-back program. This leads to income tax payable being lower than income tax expense for the five-year tax period that followed each buy-back (all else being equal). The reduction in cash tax payable for FY2025 (the final year of the tax deductions) as a result of the franchise buy-back tax deduction, is set out in the table below.

(at 30 June 2025)	FY2025 \$000
Reduction in income tax payable	795

After adjusting for the tax benefit associated with franchise buy-backs, Shaver Shop's Cash EPS was 12.1 cents per share, (FY2024 - 12.5 cents), a decrease of 3.4% over the prior corresponding year. Given the final tax deduction for the last franchise licence termination have now reached the end of their 5-year amortisation period, there will no longer be these tax benefits to Shaver Shop from FY2026 onwards and accordingly, Shaver Shop's income for tax purposes in Australia and tax payable will increase in future years (all else being equal).

Liquidity and Capital Management

As at 30 June 2025, Shaver Shop had net cash of \$3.9 million (FY2024 - \$13.3 million) and undrawn debt facilities amounting to \$30.0 million in aggregate. These facilities comprised a \$20.0 million term debt facility, together with a \$10 million trade finance facility. The term debt facility expires on 31 July 2027 and the trade finance facility is reviewed annually. All banking covenants were well within thresholds for FY2025.

The decrease in net cash versus 30 June 2024 was primarily due to:

1. An increase in inventory of \$6.1 million due to changed payment terms and associated increases in investment in Shaver Shop's private brand products as well as increased stock for brands sourced on an exclusive basis (e.g. Skull Shaver and Epilady) and category creep opportunities. This is in-line with Shaver Shop's strategic category management and range expansion initiatives that are designed to increase the Company's sale of exclusive products as well as broaden and deepen its personal care range; and
2. As highlighted in Shaver Shop's FY2024 results announcement, one of Shaver Shop's major suppliers having due dates for its invoices that extended into early FY2025, rather than 30 June 2024 (impact \$3.8 million).

The Company's debt facility has three key covenants: the leverage ratio (Gross Debt / EBITDA); the fixed coverage ratio ((Occupancy Costs + EBITDA)/(Occupancy Costs + Interest expense)); and the net worth ratio ((Total assets - Total liabilities) / Total assets).

Shaver Shop generated \$23.6 million in operating cash flow in FY2025 (FY2024 - \$34.1 million). This operating cash flow was used to fund the payment of the two dividends that were paid in FY2025 amounting to approximately \$13.0 million.

Strategy and key drivers of growth

Shaver Shop offers customers a wide range of quality brands, at competitive prices, supported by excellent staff product knowledge and customer service. Shaver Shop seeks to identify consumer trends and works closely with major manufacturers and suppliers of personal care and beauty goods to source products that cater for these changing personal grooming and beauty trends.

With almost four decades of specialist experience in its core hair removal product categories, Shaver Shop believes it is the only significant pure-play specialty retailer in these categories in Australia and New Zealand. Shaver Shop invests heavily in staff training to ensure that its store managers and customer facing staff are equipped to recommend the best product that meets the customer's needs. This strong expertise, segment focus and customer experience has enabled

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Shaver Shop to negotiate exclusive supply arrangements for a significant proportion of its top 50 products by sales.

Shaver Shop believes its service focussed ethos and differentiated product range provides a unique customer experience that distinguishes its business from other retailers that sell personal grooming products in the market.

Organic growth both online and in-store (omnichannel retail growth)

Shaver Shop will continue to implement a strategic marketing plan and other initiatives to attract new customers to the business and encourage repeat business. Important components of this aspect of the Company's strategy include ongoing investments in its omni-retail capabilities, (across both online channels and in-store), which continue to improve, as well as establishing a customer experience program to attract and support returning customers. Shaver Shop is also undertaking a deliberate store refit strategy to refresh the look and feel of several of its key stores.

Securing exclusive sales and distribution rights

Shaver Shop seeks and obtains exclusive rights to sell new and innovative personal grooming and beauty products in the Australian and New Zealand markets, which assists with product and range differentiation. Given Shaver Shop's market share and brand loyalty in the sector, Shaver Shop is often able to negotiate exclusive rights without having to pay any additional consideration. With its deep domain knowledge, Shaver Shop also launched its first private brand, Transform-U™ in late October 2024. The Transform-U™ brand targets gaps in Shaver Shop's existing product range where those products are unable to be sourced from the Company's existing supplier partners. In situations where Shaver Shop sees a competitive and commercial benefit from doing so, Shaver Shop may choose to pay for the exclusive rights to distribute and sell a product across Australia and New Zealand (e.g. Skull Shaver product range) given this further differentiates Shaver Shop's range and improves its relevance to customers.

Continued product innovation and range expansion

Shaver Shop benefits as consumer beauty and grooming trends evolve and require new and changing tools to help customers achieve their desired look. Shaver Shop seeks to work with manufacturers and suppliers to source products that cater to the emerging demands of consumers within the hair removal and personal care categories. Shaver Shop may also choose to source products under its own private label brands where customer needs are not currently being met by its global supplier partners.

Private label expansion (Transform-U™)

Shaver Shop has identified what it considers to be gaps in its current product range that are not currently being satisfied by its current supplier partners. The Company intends to fill these gaps with high quality, cost competitive products that it sources and imports directly and markets through its retail stores and online channels under the Transform-U™ brand. It is expected that, over time, these brands will become a core part of Shaver Shop's range, and will deliver both sales growth and gross margin expansion for the business.

Store rollout and network optimisation

Shaver Shop aims to grow total store network numbers across Australia and New Zealand to approximately 130-135 within the next three years. Shaver Shop continues to apply prudence to new store openings given the variability in foot traffic at shopping centres experienced over the last 24 to 36 months, as well as consumer trends to continue purchasing through online channels. Subject to the forecast financial returns meeting appropriate hurdle rates, the Company expects to open these additional stores in Australia and New Zealand.

NZ business growth

Shaver Shop opened its first three New Zealand stores in mid-2014. Since that time the New Zealand network has grown to nine locations across both the north and south islands. With recent in-store and online improvements, together with increased brand awareness and recognition in New Zealand, the business has now reached sufficient critical mass to drive economies of scale and profitability. Shaver Shop expects to drive further growth in New Zealand through the opening of additional stores as well as ongoing improvements in its omni-retail offering.

Market growth in personal care and grooming solutions

Shaver Shop operates in the personal care, beauty and grooming solutions market. This market has been growing for many years as new and innovative do-it-yourself (DIY) products enable consumers to perform their daily beauty regime in the comfort of their home rather than going to a salon. In addition, over the last 10-20 years, the prevalence and acceptance of men having a beauty regime has increased. This has resulted in men buying and using more grooming and beauty tools. Management expects that these trends will continue over the long-term.

Key Business Risks

There are a number of factors that could have an effect on the financial performance of Shaver Shop Group Limited. These include:

Retail environment and general economic conditions may deteriorate

Shaver Shop's performance is sensitive to the current state of, and future changes in, the retail environment and general economic conditions in Australia and New Zealand. Australian and New Zealand economic conditions may worsen due to higher cost of living pressures and interest rates rising. These and other factors may lead to the economy entering into a recession or another cause of a reduction in consumer spending. This could cause the retail environment to deteriorate as consumers reduce their level of consumption of discretionary items.

Competition may increase

Shaver Shop faces competition from specialty retailers, department stores, discount department stores, grocery chains as well as online only retailers and professional salons. Shaver Shop's competitive position may deteriorate as a result of actions by existing competitors, the entry of new competitors, (including manufacturers and suppliers of products who decide to sell directly to end consumers), or a failure by Shaver Shop to successfully respond to changes in the market.

Cyber & information security

Shaver Shop, like most retailers, relies heavily on technology for the operation of both its' stores as well as its' online sales channels. The rapid changes in technology and data management creates challenges for all companies to maintain a robust and resilient technology network as well as a strong cyber security program. Shaver Shop has implemented strategies and systems with the aim of protecting against deliberate exploitation of computer systems, data and networks by internal and external parties. Cyber security is constantly evolving and is a significant risk to all retailers and Shaver Shop will need to maintain vigilance and adopt appropriate responses to protect its information assets. Should Shaver Shop's systems, and/or the systems that Shaver Shop relies on from suppliers be breached, and customer data become unprotected, this could have significant reputational, financial and regulatory implications for the Group.

Product sourcing may be disrupted

Shaver Shop's products are sourced from third party suppliers of major hair removal, hair care, personal care and other shaving brands. In FY2025, approximately 86.2% (FY2024 - 92%) of Shaver Shop's total network sales came from products sourced from its top ten third party suppliers. Shaver Shop's private brand, Transform-U™, generated 3.4% of total sales during the year. Shaver Shop's largest supplier constitutes approximately 35.7% (FY2024 - 36.1%) of all sales, with the next two largest suppliers contributing approximately 16.4% (FY2024 - 19.2%) and 8.6% (FY2024 - 13.0%) of total sales. Whilst Shaver Shop has a diversified supplier base, Shaver Shop is exposed to potential increases in the cost of materials and the cost of manufacturing and foreign exchange rates applicable to its products. There may also be delays in delivery or failure by a supplier to deliver goods. Such increases, delays and failure to supply, could significantly increase Shaver Shop's cost of operations or lead to a reduction in the available range of products, which may affect Shaver Shop's operating and financial performance.

Private label product sourcing

Shaver Shop is embarking on a new private label strategy (branded Transform-U™) for the business which involves sourcing products directly from manufacturers overseas, importing the products and marketing them in Australia and New Zealand. As a result, the success of this initiative is uncertain and exposes Shaver Shop to new risks including, but not limited to: product liability risk (including potential for recall of one or more of its private label products with the associated brand and potential reputational impacts); potential for Shaver Shop to overestimate the demand for these products which may require the Company to discount the products (perhaps below cost) in order to sell them; increased foreign exchange risk; increased exposure to product sourcing and supply chain risks including production and shipping delays, compliance with local electrical standards, and Human Rights and Modern Slavery Act regulations. Due to minimum order quantities for private label products from Shaver Shop's suppliers, the Company also expects it will need to increase its investment in working capital (inventory) to support these new products and their launch. Should any of these risks materialise, they could lead to lower revenues, increased costs, lower profits and the potential for damage to Shaver Shop's brand and reputation.

Reputational risk

Shaver Shop's brand and reputation is important for building and maintaining strong relationships with customers and suppliers which in turn has an influence on the sales and profitability of the Company. A significant issue or event could attract criticism of Shaver Shop and negatively impact the Company's brand and reputation as well as Shaver Shop's share price. Shaver Shop has a range of policies and initiatives to mitigate brand risk, including our Code of Conduct, a Whistleblower Policy, a Modern Slavery Policy, a Supplier Charter, as well as ongoing environmental and corporate social responsibility initiatives.

Changes in international pricing or supply may change local demand for Shaver Shop products

Many of the products which Shaver Shop sells are available in many overseas markets. With the increasing propensity for consumers in Australia and overseas to purchase products over the internet, should the comparative price of Shaver Shop's products be significantly lower in overseas markets, this could have an influence on local demand for Shaver Shop's products. Conversely, if the price for Shaver Shop's products is significantly lower than the comparable price for the same product overseas, this could increase demand and sales of Shaver Shop products. Should suppliers increase (decrease) prices to create global wholesale price parity, this could materially decrease (increase) local demand for Shaver Shop's products. This is particularly true in relation to any bulk sales of products to customers in Australia.

Supplier relationships, supplier input costs and the ability to source products exclusively

The Company's relationships with suppliers are often governed by individual purchase orders and invoices. Under those arrangements, suppliers may seek to alter the terms on which products are supplied as well as the range of products available for supply. This, together with potential changes in input costs of suppliers, may result in changes of pricing levels and a reduction in the range of products made available to Shaver Shop, both of which could adversely impact the Company's ability to successfully provide customers with a wide range of products at competitive prices. This could reduce Shaver Shop's overall profitability and adversely impact its financial performance. In addition, Shaver Shop receives income from suppliers in the form of purchase rebates and supplier contributions to specific marketing and advertising campaigns. Supplier rebates and contributions are negotiated on a periodic basis.

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Shaver Shop has a limited number of fixed contracts in place with suppliers relating to rebates and contribution income. Most suppliers who provide Shaver Shop with rebates or marketing contributions may elect to cease such payments at any point in time. Any such action could adversely impact Shaver Shop's income which would reduce Shaver Shop's overall profitability and impact its financial performance. Finally, through good relationships with some suppliers, Shaver Shop has been able to secure arrangements with third party distributors and brands for the supply of products to Shaver Shop on an exclusive basis. These arrangements are for specific products and for varying time periods. There is a risk that Shaver Shop may not be able to renew exclusive distribution agreements with these suppliers or that suppliers may enter into exclusive distribution arrangements with Shaver Shop's competitors. If this occurs, it may have a material adverse impact on the Company's business and reputation, operational performance as well as its financial results.

Seasonality of trading patterns

Shaver Shop's sales are subject to seasonal patterns. In FY2025, the contribution of sales for the first half to total sales for the full year was approximately 57.6% (FY2024 - 57.9%). The seasonality of Shaver Shop's sales towards the first half of the financial year is largely due to the Black Friday, Christmas and Boxing Day trading periods and Father's Day, (being the first Sunday in September in Australia and New Zealand) occurring in this half. An unexpected decrease in sales over traditionally high-volume trading periods for Shaver Shop could have a materially adverse effect on the overall profitability and financial performance of Shaver Shop. In addition, an unexpected decrease in sales over traditionally high-volume trading periods could also result in abnormally large amounts of surplus inventory, which Shaver Shop may seek to sell through abnormally high and broad-based price discounting to minimise the risk of the product becoming aged or obsolete. If Shaver Shop were to sell a significant volume of its products at deep discounts, this would likely reduce the business' revenue and would have an adverse impact on the Company's financial performance.

Customer buying habits/trends may change

Any adverse change in personal grooming trends and/or a failure of Shaver Shop to correctly judge the change in consumer preferences or poor quantification of purchases for related product may have an adverse impact in the demand for Shaver Shop's products or the gross margins achieved on these products.

Product innovation and exclusivity arrangements

Product innovation by suppliers has been a key driver in Shaver Shop's sales growth. Shaver Shop relies on its suppliers to continue to drive R&D and product innovation in its product categories. A material reduction in the frequency or appeal of new product innovations by suppliers may have an adverse impact on sales, rebates received and gross margin levels achieved. In addition, a key driver in Shaver Shop's sales growth has been the ability to secure new innovative products on an exclusive basis. If Shaver Shop is unable to secure new product innovations on an exclusive basis, or if the appeal of an existing product sold by Shaver Shop on an exclusive basis is weakened by a new innovative product made widely available to retailers or on an exclusive basis to one of Shaver Shop's competitors, Shaver Shop's sales and gross margin levels may be adversely affected.

Breach of industrial practices

Shaver Shop, like all retailers, is exposed to industrial relations risk that can impact the reputation and financial performance of its business. The Company has governance programs in place to mitigate this risk including remuneration oversight, training and policies and procedures.

Significant changes in state of affairs

Except as otherwise described in this report, there have been no significant changes in the state of affairs of the entities in the Group during the year.

Matters or circumstances arising after the end of the year

Subsequent to year end, the Directors declared a 100% franked final dividend of 5.5 cents per share to shareholders of record on 4 September 2025. The dividend payment date is 18 September 2025. The Directors also updated Shaver Shop's dividend policy to payout approximately 65% to 90% of underlying NPAT (previously approximately 60% to 80% of cash NPAT).

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could materially affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Future developments and outlook

Total sales for the period from 1 July 25 to 21 August 25 inclusive (year to date or "YTD") versus the prior comparative period are set out in the table below:

	YTD vs FY2025
Sales Growth (%) – 1 Jul 25 to 21 Aug 25	
Total sales	+2.7%
In-store sales	+2.2%
Online sales	+4.4%
Like for like sales (including online sales)	+1.5%

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Total sales have been encouraging in the early stages of FY26 with total sales up 2.7% despite Father's Day occurring approximately one week later this year. Similar to the trends seen in the second half of FY25, gross profit margin also continues to be above the prior corresponding period. Shaver Shop will begin cycling sales of Transform-U™ (Shaver Shop's private brand) in late October 2025.

Shaver Shop has secured three new store openings in FY26 with two due to open in the first half (Albany, NZ and Bathurst, NSW) and one scheduled to open in March 2026 (Eastern Creek Quarter (ECQ), NSW). These stores together with a number of full store refits and relocations is expected to result in net CAPEX of \$4 million to \$5 million in FY26.

Consistent with prior years, having regard to the importance of the Black Friday, Christmas and Boxing Day trading results to Shaver Shop's FY26 financial performance, it is not appropriate to provide sales or profit guidance at this time.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory of Australia.

Non-audit services

The Board of Directors, in accordance with advice from the audit committee, are satisfied that the provision of non-audit services during the year are compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Details of the amounts paid to Grant Thornton Audit Pty Ltd (FY2024 – PricewaterhouseCoopers) for audit and non-audit services during the year are set out in note 25 to the audited financial statements.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 22 of the consolidated financial report.

Shares under option

There have been no unissued shares or interests under option in the Company or a controlled entity during or since reporting date.

Indemnification and insurance of officers and auditors

During the financial year, the Company paid an insurance premium to insure the directors and senior management of the Company and its subsidiaries.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

The terms of the insurance policies prohibit disclosure of the details of the premium paid.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Grant Thornton, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Grant Thornton during or since the financial year.

Proceedings on behalf of company

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

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Remuneration report (audited)

The Board of Directors of Shaver Shop Group Limited present the Remuneration Report for the Company for the reporting period of 1 July 2024 to 30 June 2025. This Remuneration Report forms part of the Directors' Report and has been audited in accordance with *the Corporations Act 2001*.

Shaver Shop's remuneration report for the 2024 financial year received positive shareholder support at the 2024 Annual General Meeting (AGM), with 98.12% of votes in favour of adoption.

(a) Summary

Group financial and operational performance

Shaver Shop again delivered solid financial results for shareholders in FY2025 evidenced by:

- Sales of \$218.6 million down 0.4% (or \$0.8 million) on the prior year. In-store sales increased 0.2% (or \$0.3 million) as the impact of interest rate increases and the rising cost of living resulted in lower foot traffic. This lower foot traffic was able to be offset with increased sales conversion at Shaver Shop's stores. Online sales declined 2.3% or \$1.2 million and represented approximately 22.7% of total sales for the year (FY2024 – 23.2%);
- Gross profit margins increased 110 basis points to 45.5% resulting from:
 - The successful launch of Shaver Shop's first private brand offering – Transform-U™;
 - Incremental margins associated with Shaver Shop securing the exclusive distribution rights to Skull Shaver branded products across ANZ; and
 - Ongoing focus on maximising gross profit dollars across all categories;
- The increase in gross profit margins leading to gross profit dollars increasing 2.1% (or \$2.1 million) to \$99.5 million;
- Operating expenses being well controlled despite inflationary costs pressures. Total operating expenses increased 1.4% (or \$0.9 million) to \$60.2 million in FY2025;
- EBIT increased 2.4% or \$0.5 million to \$22.5 million;
- Net profit declining \$0.2 million (or 1.3%) to \$14.9 million; and
- Continuing strong customer service metrics with an average net promoter score (NPS) of 89 (out of 100).

Short-term incentive (STI)

The Company achieved the minimum internal threshold for awarding STIs to the Executive Leadership Team. As a result, 25% of the maximum potential STI award for FY2025 was granted to executive Key Management Personnel, (KMP or Senior Executives), by Shaver Shop's Board of Directors. Consistent with FY2024, the STI targets for FY2025 were based on the underlying NPAT of the Company. The STI awards for FY2026 will again be set on the Company's underlying NPAT.

Long-term incentive (LTI)

As outlined in Shaver Shop's prior Remuneration Reports, in FY2023, the Company undertook a review (in conjunction with advice from external remuneration and tax consultants) of its incentive structures which included the benchmarking of its program against comparable retailers listed on the ASX. As a result of this review, Shaver Shop's Board of Directors decided from FY2023 to change its LTI structure to be based on Performance Share Rights rather than continuing with the pre-existing loan share plan. Share rights are a more generally accepted and common structure for executive leadership incentive plans for listed entities and are considered less complex to administer and easier for participants to understand. Details regarding the new LTI plan including specifics of the vesting conditions associated with the Performance Share Rights were included in Shaver Shop's 2022 Notice of Annual General Meeting (AGM) dated 7 October 2022. Shareholders adopted the Shaver Shop Executive Long-Term Incentive Plan at the Company's 2022 AGM held on 10 November 2022 with 97.6% of the votes cast in favour of the resolution. The loan share plan will stay in place until the previously issued awards (and the associated loans) either vest or expire in accordance with the terms of that plan and the associated loans are repaid.

The FY2022 LTI grant reached the end of its three-year performance period on 30 June 2024. The related service condition for the shares ended on 10 November 2024. 70% of the LTI grant was subject to Total Shareholder Return (TSR) performance criteria for vesting and 30% had earnings per share (EPS) vesting conditions. The Company's EPS CAGR over the performance period was below the minimum threshold for vesting and accordingly no FY2022 EPS Shares vested with participants when the related Service Condition was met. The TSR CAGR for the FY2022 LTI grant was 14.3% and accordingly, following the service condition being met (10 November 2024) 94.2% (or 1,351,196 shares) of the granted Tranche 3 TSR shares (1,435,000 shares) vested with the participants.

The FY2023 LTI grant reached the end of its three-year performance period on 30 June 2025. The performance condition attaching to the rights are based on the Company's fully diluted earnings per share for FY2025. The minimum EPS threshold of \$0.14 per share was not met, and accordingly, none of the performance rights vested with participants and the rights will lapse.

(b) Key Management Personnel covered in this report

This report sets out the remuneration arrangements for Shaver Shop's key management personnel, (KMP) (listed in the

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table below), who have been KMP during the reporting period. For the remainder of this Remuneration Report, the KMP are referred to as either Non-Executive Directors or Senior Executives.

All Non-Executive Directors and Senior Executives have held their positions for the duration of the reporting period unless indicated otherwise.

Non-Executive Directors

Broderick Arnhold
Craig Mathieson
Trent Peterson
Debra Singh

Position

Independent, Non-Executive Chairman
Independent, Non-Executive Director
Independent, Non-Executive Director
Independent, Non-Executive Director

Senior Executives

Cameron Fox
Lawrence Hamson
Philip Tine

Chief Executive Officer (CEO) and Managing Director
Chief Financial Officer (CFO) and Company Secretary
Retail Director

(c) Remuneration overview

The Board recognises that the performance of the Group depends, to a large extent, on the quality and motivation of the Shaver Shop team, including the Senior Executives and our approximately 750 team members employed by the Group across Australia and New Zealand. Shaver Shop's remuneration strategy therefore seeks to appropriately attract, reward and retain team members at all levels in the organisation, but in particular aligning and motivating key Senior Executives to create shareholder wealth. By aligning various remuneration mechanisms, the Board seeks to have a structure that incentivises sustainable growth, risk management, as well as driving a positive culture across the business.

In FY2025, the primary performance mechanism for determining whether Senior Executives were rewarded by the Short-Term Incentive Plan (STIP), was the Company's Net Profit After Tax (NPAT), having regard to pre-set growth objectives relative to Shaver Shop's internal NPAT targets for FY2025. Shaver Shop generated \$14.9 million NPAT in FY2025 which met Shaver Shop's minimum internal threshold for awarding an STI. Accordingly, 25% of the maximum STI award for Senior Executives was granted for FY2025. The Board believes the STI outcomes were fair and appropriate and reflect the alignment between shareholders' interests and the Company's remuneration practices and policies.

In terms of Shaver Shop's Executive Long-Term Incentive Plan (ELTIP), in FY2025 Shaver Shop granted 1,230,000 performance share rights to participants in the ELTIP. The performance rights allocations are subject to Service and EPS vesting conditions over a three-year performance period which is outlined in further detail below.

The Nomination and Remuneration Committee will continue to review the remuneration arrangements for Non-Executive Directors and Senior Executives to ensure that they are relevant, competitive and appropriate for a listed company.

(d) Relationship between remuneration policy and company performance

The performance criteria and targets for Senior Executives to realise benefits under both the Company's STIP and LTIP are aligned to company performance and enhancing shareholder value. Shaver Shop's Nomination and Remuneration Committee considers both the statutory and normalised results (where appropriate) for the business, in evaluating performance against key metrics.

The following table provides a summary of the Company's statutory financial performance from FY2021 to FY2025.

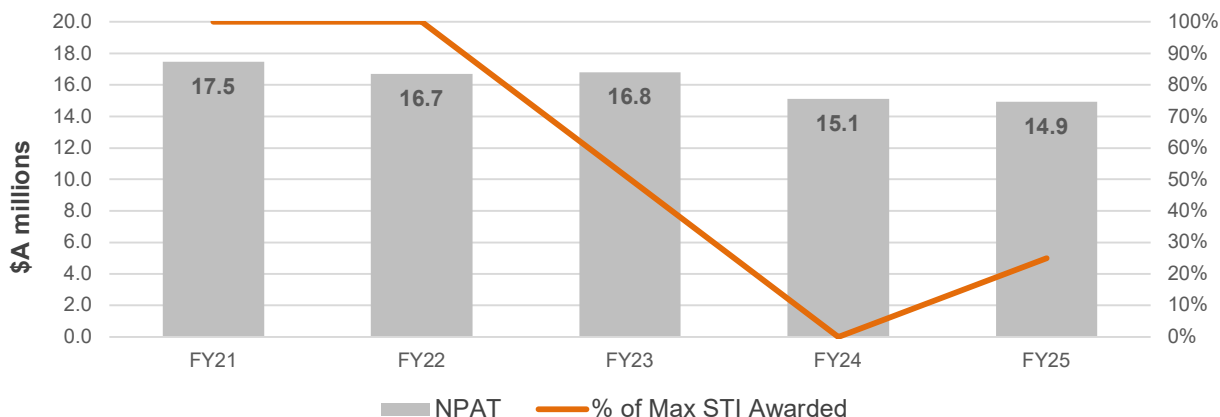
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	Statutory FY2025 Result \$000	Statutory FY2024 Result \$000	Statutory FY2023 Result \$000	Statutory FY2022 Result \$000	Statutory FY2021 Result \$000
Revenue	218,598	219,374	224,524	222,745	213,667
EBIT	22,468	21,938	25,770	25,896	26,358
Net Profit After Tax (NPAT)	14,924	15,123	16,819	16,692	17,473
Basic earnings per share (cents)	11.5	11.7	13.1	13.2	14.2
Dividends declared	13,028	12,836	12,788	11,794	7,261
Dividends per share declared (cents)	10.3	10.2	10.2	9.5	5.9
Year-end share price (\$)	\$1.335	\$1.17	\$0.945	\$0.975	\$1.00

% of Maximum STI Awarded vs Reported NPAT

The graph below illustrates the percentage of the maximum available STI that was awarded to Senior Executives for each of the last five financial years versus the reported NPAT for the Company. Shaver Shop's FY2025 NPAT result of \$14.9 million is 1.3% lower than the FY2024 NPAT result, however it exceeded the Board's minimum NPAT target for the purposes of Shaver Shop's STIP in FY2025.



Long-Term Incentive Plan Outcomes for FY2025

Loan Plan Shares issued up to FY2022

The Company's FY2022 LTI share grant had one tranche with one, three-year performance period. 70% of the shares issued were subject to TSR performance hurdles and 30% were subject to EPS performance hurdles. The base share price used for calculating the TSR performance hurdle was equivalent to the 5-day VWAP after the release of Shaver Shop's FY2021 financial results. The ending share price for the TSR performance hurdle was calculated using the 5-day VWAP of Shaver Shop's shares following the release of the Company's results for FY2024 and the Service Condition for these shares ended on 10 November 2024. The issue price of the shares was based on the 5-day VWAP of the Company's shares immediately prior to the date of Grant.

Vesting percentages and vesting amounts for KMP are only shown in the table below where both the performance conditions and service conditions related to a tranche have been achieved.

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Performance Period Starting	Performance Period Ending	Service Condition	LTI shares granted to KMP	EPS CAGR (30% of tranche shares)			TSR CAGR (70% of shares)		
				Performance outcome	Vested	Forfeited	Performance outcome	Vested	Forfeited
FY2022	FY2024	10 Nov 24	1,400,000	-6.1%	NIL	420,000	14.3%	922,768	57,232

Performance Share Rights issued in FY2023 to FY2025

The table below outlines the performance share rights issued to KMP under the ELTIP. The minimum performance hurdle for vesting of the FY2023 and FY2024 LTI issues is diluted EPS of \$0.14. The corresponding maximum hurdle for 100% vesting of the FY2023 and FY2024 LTI tranches is diluted EPS of \$0.16. For the FY2025 LTI issue, the minimum and maximum vesting hurdles are diluted EPS of \$0.135 and \$0.165, respectively. As a result of Shaver Shop's diluted EPS in FY2025 being lower than the minimum performance threshold for vesting of the FY2023 LTIs, all of the performance share rights that were issued to KMP in FY2023 will lapse and, in accordance with accounting standards, the expense recorded for these LTIs in prior financial years was reversed in FY2025. For further information regarding the respective LTI tranches that have been issued over the last four years, please refer to section (g) of this report.

The table below summarises the tranches issued under the ELTIP and the associated vesting percentages to date (as appropriate).

Performance Period Starting	Performance Period Ending	Service Condition	Performance Rights granted to KMP	EPS (100% of shares)		
				Performance outcome	Vested	Forfeited
FY2023	FY2025	30 Jun 25	840,000	\$0.114	0%	100%
FY2024	FY2026	30 Jun 26	840,000	N/A	0%	0%
FY2025	FY2027	30 Jun 27	840,000	N/A	0%	0%

(e) Remuneration objectives

One of Shaver Shop's core beliefs is that the success of the business is driven in large part by the skills, motivation and the performance of all of its team members - from Senior Executives to Store Managers to retail assistants on the shop floor. Creating an environment that fosters a high performance culture and aligns the team behind a common set of values and behaviours is core to the Company's continuing success.

Shaver Shop believes that the knowledge and expertise of its sales staff is a critical differentiating factor for the business and an important factor in its success. As a result, the Company takes pride in training team members in Shaver Shop's values and approach to business, as well as in promoting high performing staff through the business from the retail shop floor through to national office positions.

In addition to building the appropriate culture, Shaver Shop's philosophy is to provide competitive remuneration arrangements that reward team members for the underlying performance of the company as well as building shareholder value over the short and long-term.

As such, remuneration for team members can include fixed pay, superannuation, short-term incentives, long-term incentives, as well as support for training and education, relocation assistance and dues and membership fees that are aligned with Shaver Shop's needs and objectives. The components of total remuneration for a team member will vary depending on the role, his or her seniority, the team member's experience, as well as their performance.

The Remuneration Committee also considers the importance of equity ownership for Senior Executives when setting remuneration packages.

Shaver Shop's key principles underpinning its remuneration plans are set out below:

- Simplicity:** We seek to ensure remuneration arrangements are simple and can be easily understood by both Senior Executives and other key stakeholders.
- Alignment:** We seek to ensure material components of the Senior Executive's remuneration arrangements (including their shareholding as appropriate) contribute to alignment of the interests of the Senior Executives with those of the shareholders.
- Best Practice:** We seek to ensure the material aspects of an employee's remuneration arrangements are sustainable and could withstand tests of precedent and transparency within the organisation and market place.
- Competitive:** We seek to ensure our Senior Executives are remunerated such that (when taken as a whole and having regard to their particular circumstances, including any risks and opportunities) their individual remuneration arrangements are competitive with relevant comparable positions.

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- e. *Risk Conscious*: In considering remuneration arrangements, the Company seeks to manage certain key risk exposures, including the risk of loss of an individual, retention of intellectual property and skills, issues associated with replacement of the individuals, risk of poaching and the presence and quality of our succession planning.
- f. *Company First*: The Company develops systems, policies, processes and team depth to manage its reliance on any given individual within its leadership team. This extends to remuneration, where we seek to ensure the remuneration architecture and individual arrangements are orderly and deliberate in line with our Core Competencies.
- g. *Rewards tied to outcome and performance*: We back ourselves to identify the outcomes that drive sustainable value creation (or value protection) and seek to reward executives who influence those outcomes most significantly and directly to business strategy.

(f) Role of the Nomination and Remuneration Committee

The primary objective of the Nomination and Remuneration Committee is to assist the Board to fulfil its corporate governance and oversight responsibilities in relation to the Company's people strategy including remuneration components, performance measurements and accountability frameworks, recruitment, engagement, retention, talent management and succession planning.

The Committee also works with the CEO in considering the specific situations pertaining to employment terms for individuals or groups of individuals as needed.

The Committee undertakes an annual review of the Company's remuneration strategy and remuneration policy to facilitate understanding of the overall approach to remuneration and to confirm alignment with the Company's business strategy, high standards of governance and compliance with regulatory standards.

The Committee reviews and recommends to the Board for approval, remuneration arrangements for the CEO and other Senior Executives, having regard to external remuneration practices, market expectations and regulatory standards. The Committee also establishes the policy for the remuneration arrangements for Non-Executive Directors.

Where appropriate, the Nomination and Remuneration Committee will seek the advice of independent external remuneration consultants.

(g) Senior Executive Remuneration Structure

The remuneration framework for Senior Executives is based on a structure that includes:

1. Fixed remuneration - salary and superannuation and non-monetary benefits;
2. Short-Term Incentives - tied to in-year performance against metrics; and
3. Long-Term Incentives - tied to multi-year performance against value creation metrics.

The proportion of remuneration between fixed and variable (i.e. at risk) for a Senior Executive is determined after consideration of the seniority of the role, the responsibilities of the role for driving business performance and responsibilities for developing and implementing business strategy.

Element	Purpose	Metrics	Potential Value
Fixed Remuneration	Provide competitive market salary including super	NIL	Based on market competitive rates
STI (Cash bonus)	Reward superior performance in-year	Specific NPAT target(s) set at or around the beginning of the financial year	\$630,000
LTI (Loan Share Plan)	Reward superior long-term value creation	EPS growth - 100%	Dependent on NPAT result and capital structure

The mix of fixed and at risk components of each of the Senior Executives as a percentage of total target remuneration for FY2025 was as follows:

Senior Executive	Fixed Remuneration	At Risk STI Maximum Opportunity	At Risk LTI Maximum Opportunity
Cameron Fox	48.5%	22.5%	29.0%
Lawrence Hamson	58.1%	19.0%	22.9%
Philip Tine	54.1%	21.5%	24.4%

Fixed Remuneration

Senior Executive base salaries include a fixed component of base salary together with employer superannuation contributions that are in line with statutory obligations. The fixed remuneration component also includes car allowances and other benefits.

The fixed remuneration component for Senior Executives is based on market data for comparative companies of the same size and complexity as well as having regard to the experience and expertise of the Senior Executive.

Fixed remuneration for Senior Executives is reviewed annually to provide competitiveness with the market, whilst also taking into account capability, experience value to the organisation and performance of the individual. There is no guaranteed salary increase in any Senior Executive service contract.

Short-Term Incentives (STI)

Senior Executive	Target STI (\$)	Actual STI Awarded (\$)	Awarded STI as % of Maximum STI	% of Maximum STI Award Forfeited
Cameron Fox	300,000	75,000	25%	75%
Lawrence Hamson	160,000	40,000	25%	75%
Philip Tine	170,000	42,500	25%	75%

The Board of Directors may decide to pay Senior Executives discretionary bonuses depending on individual and Company performance. For FY2025, the Remuneration Committee and Board of Directors chose an NPAT target as the performance measure because the Company believes this is one of the key business drivers that is understood by stakeholders and is a balanced indicator of the relative performance of the business.

Long-Term Incentives (LTI)

Shaver Shop established an LTIP to assist in the motivation, retention and reward of Shaver Shop's management team. The LTIP is designed to align the interests of Senior Executives more closely with the interests of shareholders by providing an opportunity for eligible leaders to obtain equity interests in Shaver Shop subject to the conditions of the LTIP.

Up until FY2022, Shaver Shop's LTIP was based on a loan share plan structure. Plan Shares were issued to participants as fully paid ordinary shares in the Company subject to certain vesting conditions. The holder of a Plan Share must not dispose of the Plan Share until the Plan Share vests and any Loan relating to that Plan Share has been repaid. Unless as determined otherwise by the Board of Shaver Shop, the performance and service conditions specified for each tranche must be met in order for the relevant Plan Shares to vest.

In FY2023, Shaver Shop changed its LTI structure to be based on Performance Share Rights. Similar to the loan share plan, rights issued to participants have a three-year performance period with vesting subject to an EPS performance condition as well as a service condition. Each right, upon vesting, enables the holder to acquire one ordinary share in the Company for NIL value.

The table below summarises the key terms of each LTI share grant over the last four financial years.

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	FY2025 LTI Grant	FY2024 LTI Grant	FY2023 LTI Grant	FY2022 LTI Grant
Total LTI securities granted	1,230,000	1,350,000	1,280,000	2,200,000
LTI security type	Performance Rights	Performance Rights	Performance Rights	Loan Shares
LTI securities granted to KMP	840,000	840,000	840,000	1,400,000
Grant Date	14 Nov 2024	9 Nov 2023	28 Nov 2022	10 Nov 2021
Issue price	N/A	N/A	N/A	\$1.0252
Starting price for TSR	N/A	N/A	N/A	\$1.0773
% of grant with TSR hurdle	0%	0%	0%	70%
% of grant with EPS hurdle	100%	100%	100%	30%
Performance period	1 Jul 24 - 30 Jun 27	1 Jul 23 - 30 Jun 26	1 Jul 22 - 30 Jun 25	1 Jul 21 - 30 Jun 24
TSR Vesting CAGR (%) Hurdle applicable to each performance period	N/A	N/A	N/A	Under 6% - NIL 6-15% - pro-rata vesting from 20% to 100% Above 15% - 100%
EPS Vesting hurdle applicable to each performance period	FY27 EPS under \$0.135 - NIL FY27 EPS from \$0.135 to \$0.165 - pro-rata vesting from 30% to 100% FY27 EPS above \$0.165 - 100%	FY26 EPS under \$0.14 - NIL FY26 EPS from \$0.14 to \$0.16 - pro-rata vesting from 30% to 100% FY26 EPS above \$0.16 - 100%	FY25 EPS under \$0.14 - NIL FY25 EPS from \$0.14 to \$0.16 - pro-rata vesting from 30% to 100% FY25 EPS above \$0.16 - 100%	Under 3% - NIL 3-13% - pro-rata vesting from 20% to 100% Above 13% - 100%
Service Condition	30 Jun 27	30 Jun 26	30 Jun 25	10 Nov 24
Expiry date	15 years from Grant Date unless otherwise determined by the Board	15 years from Grant Date unless otherwise determined by the Board	15 years from Grant Date unless otherwise determined by the Board	None, however the latest loan repayment date is 7 years after the grant date.

EPS Performance Conditions

The EPS hurdle for the Performance Share Rights issued in FY2023 to FY2025 is based on achieving discrete EPS targets for the last financial year in the relevant performance period as outlined in the table above.

For the LTI Shares issued in the years prior to FY2023, the EPS performance hurdle is a measure of the compound annual growth rate in the Company's EPS measure over the relevant performance period. The EPS CAGR was determined by the Board and is the compound annual growth rate (expressed as a percentage) of the Company's EPS which is measured by reference to the Group's underlying NPAT for the performance period divided by the weighted average number of shares on issue across the relevant performance period. The Board may from time to time adjust the EPS CAGR to exclude the effects of material business acquisitions or divestments and for certain one-off costs.

TSR Performance Conditions

The TSR performance hurdle for the FY2022 grant is structured as an absolute TSR growth target and was determined by the Board. TSR is a measure of the performance of the Company's shares over a period of time. It combines share appreciation and dividends paid to show the total return to shareholders expressed as an annualised percentage. It is the rate of return of all cash flows to an investor during the holding period of an investment.

For the FY2022 Grant, the starting point for the TSR hurdle was the 5-day VWAP per share immediately after the release of the Company's FY2021 financial results, which was \$1.0773. The TSR result was based on the 5-day VWAP of the Company's shares following the Company's FY2024 full year results announcement.

Service condition

In addition to the performance conditions, each tranche of Plan Shares is subject to specific service conditions, meaning that if a participant in the LTIP ends their employment with Shaver Shop before the specified service periods, except as otherwise determined by the Board of Shaver Shop, the Plan Shares issued to the participant will not vest, regardless of whether the performance conditions have been met.

The table below sets out the number of Performance Share Rights (FY2023 to FY2025) and Plan Shares (FY2022) offered

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to the relevant Senior Executives, including details of the number of Rights or Plan Shares for each Senior Executive for grants between FY2022 and FY2025. Each of these grants (whether performance share rights or loan shares) had one, three-year Performance Period.

Senior Executive	FY2025 LTI Grant (# rights)	FY2024 LTI Grant (# rights)	FY2023 LTI Grant (# rights)	FY2022 LTI Grant (# shares)
Cameron Fox	420,000	420,000	420,000	700,000
Lawrence Hamson	210,000	210,000	210,000	350,000
Philip Tine	210,000	210,000	210,000	350,000

Shaver Shop obtains an independent valuation of the Performance Share Rights and LTIP Shares at the date of grant. The following table summarises the valuation of each Performance Share Right that was issued to participants in the ELTIP from FY2023 to FY2025:

Performance Condition	FY2025 LTI Grant	FY2024 LTI Grant	FY2023 LTI Grant
EPS (100% of allocation)	\$1.04	\$0.79	\$0.89

The following table summarises the valuation of each LTIP share for each tranche in each year of grant:

Performance Condition	FY2022 LTI Grant
TSR (70% of securities)	\$0.360
EPS (30% of allocation)	\$0.440

LTIP Granted in Relation to FY2022 to FY2025 LTIP Allocation

Senior Executive	LTI Grant Year	LTI Securities Granted	% Paid / Vested in Period	# LTIP Securities Vested in Period	% Forfeited in Period	# LTIP Securities Forfeited in Period	Value Expensed in FY2025 \$
Cameron Fox	FY2025	420,000	0%	-	0%	-	98,507
	FY2024	420,000	0%	-	0%	-	(25,164)
	FY2023	420,000	0%	-	0%	-	(217,238)
	FY2022	700,000	65.9%	461,384	34.1%	238,616	(58,215)
Lawrence Hamson	FY2025	210,000	0%	-	0%	-	49,253
	FY2024	210,000	0%	-	0%	-	(12,582)
	FY2023	210,000	0%	-	0%	-	(108,619)
Philip Tine	FY2022	350,000	65.9%	230,692	34.1%	119,308	(29,107)
	FY2025	210,000	0%	-	0%	-	49,253
	FY2024	210,000	0%	-	0%	-	(12,582)
	FY2023	210,000	0%	-	0%	-	(108,619)
Philip Tine	FY2022	350,000	65.9%	230,692	34.1%	119,308	(29,107)

The shares noted as forfeited in the above table did not meet their required Performance Conditions and were compulsorily divested by the Company in FY2025.

(h) Non-Executive Director Remuneration

Under the Constitution, the Board may decide the remuneration for the Company to which each Non-Executive Director is entitled to for their services as a Director. However, the total amount of fees paid to all Non-Executive Directors for their services as Directors must not exceed in any financial year the amount fixed by the Company in the annual general meeting. As disclosed in the Company's prospectus, the pre-IPO Shareholders approved \$440,000 per annum.

For FY2025, the annual base Non-Executive Director fees currently agreed to be paid by the Company were \$140,000 (FY2024 - \$140,000) to the Chairman of the Board, Broderick Arnold, \$80,000 (FY2024 - \$80,000) to each of Craig Mathieson (Chair of the Audit and Risk Committee) and Trent Peterson (Chair of the Nomination and Remuneration Committee), and \$70,000 to Debra Singh (FY2024 - \$70,000). These amounts comprise fees paid in cash. In subsequent

Shaver Shop Group Limited
Directors' Report
30 June 2025

years, these figures may vary.

The director's fees for Trent Peterson were paid to Catalyst Direct Capital Management Pty Ltd. The director's fees for Debra Singh were paid to PD Singh Enterprises Pty Limited.

Directors may also be reimbursed for travel and other expenses incurred in attending to the Company's affairs. Directors may be paid additional or special remuneration where a Director performs services outside the ordinary duties of a Non-Executive Director.

(i) Statutory remuneration details and other statutory disclosures

The following tables in respect to the FY2025 and FY2024 financial years detail the components of remuneration for each Non-Executive Director and Senior Executive of the Group.

FY2025 table of benefits and payments

KMP	Cash salary / Director's fees	STI / bonus	Annual leave / long service leave	Post-employment benefits	Share-based payments ⁽³⁾	Total
	\$	\$	\$	\$	\$	\$
Non-Executive Directors						
Broderick Arnhold	140,000	-	-	-	-	140,000
Trent Peterson ⁽¹⁾	80,000	-	-	-	-	80,000
Craig Mathieson	80,000	-	-	-	-	80,000
Debra Singh ⁽²⁾	70,000	-	-	-	-	70,000
Senior Executives						
Cameron Fox	618,077	75,000	68,976	30,000	(202,110)	589,943
Lawrence Hamson	460,500	40,000	19,053	30,216	(101,055)	448,714
Philip Tine	399,289	42,555	13,446	29,932	(101,055)	384,167
TOTAL	1,847,866	157,555	101,475	90,148	(404,220)	1,792,824

⁽¹⁾ The directors fees paid to Trent Peterson are paid to Catalyst Direct Capital Management Pty Ltd

⁽²⁾ The directors fees paid to Debra Singh are paid to PD Singh Enterprises Pty Ltd

⁽³⁾ Share-based payments refer to LTI Shares and Performance Share Rights only.

FY2024 table of benefits and payments

KMP	Cash salary / Director's fees	STI / bonus	Annual leave / long service leave	Post-employment benefits	Share-based payments ⁽³⁾	Total
	\$	\$	\$	\$	\$	\$
Non-Executive Directors						
Broderick Arnhold	140,000	-	-	-	-	140,000
Trent Peterson ⁽¹⁾	80,000	-	-	-	-	80,000
Craig Mathieson	80,000	-	-	-	-	80,000
Brian Singer	70,000	-	-	-	-	70,000
Debra Singh ⁽²⁾	70,000	-	-	-	-	70,000
Senior Executives						
Cameron Fox	607,116	-	22,914	30,000	323,747	983,777
Lawrence Hamson	447,483	-	9,368	27,399	161,873	646,123
Philip Tine	386,538	-	8,357	27,399	161,873	584,167
TOTAL	1,881,137	-	40,639	84,798	647,493	2,654,067

⁽¹⁾ The directors fees paid to Trent Peterson are paid to Catalyst Direct Capital Management Pty Ltd

⁽²⁾ The directors fees paid to Debra Singh are paid to PD Singh Enterprises Pty Ltd

⁽³⁾ Share-based payments refer to LTI Shares and Performance Share Rights only.

(j) Additional Statutory information

The Board may decide to pay Senior Executives discretionary bonus amounts in addition to their maximum STI amount under the STIP outlined above. The Board rarely exercises this discretion and only does so in exceptional circumstances.

(k) KMP shareholdings

The number of ordinary shares (excluding unvested LTIP shares) in Shaver Shop Group Limited held by each KMP

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Shaver Shop Group Limited
Directors' Report
30 June 2025

of the Group during the financial year is as follows:

30 June 2025	Balance at Beginning of Year	On Market Sale of Shares	On Market Purchase of Shares	Shares Vested as Remuneration	Balance at End of Year
Directors					
Broderick Arnhold	1,250,000	(550,000)	-	-	700,000
Cameron Fox	3,625,603	-	-	461,384	4,086,987
Craig Mathieson	4,900,004	(660,000)	-	-	4,240,004
Trent Peterson	547,619	-	-	-	547,619
Debra Singh	100,000	-	-	-	100,000
Senior Executives					
Lawrence Hamson	1,018,128	-	-	230,692	1,248,820
Philip Tine*	565,076	-	-	230,692	795,768
TOTAL	12,006,430	(1,210,000)	-	922,768	11,719,198

LTIP holdings of KMP

The following table details the LTIP holding and the movements in the LTIP shares for KMP during FY2025:

Senior Executives	LTI Security Type	Unvested Balance at 30 June 2024	LTI Securities Granted as Remuneration	Vested / Exercisable	Forfeited	Unvested Balance at 30 June 2025
Cameron Fox	Shares	700,000	-	(461,384)	(238,616)	-
	Rights	840,000	420,000	-	-	1,260,000
Lawrence Hamson	Shares	350,000	-	(230,692)	(119,308)	-
	Rights	420,000	210,000	-	-	630,000
Philip Tine	Shares	350,000	-	(230,692)	(119,308)	-
	Rights	420,000	210,000	-	-	630,000

The performance share rights issued to Senior Executives in respect of the FY2023 tranche (840,000 rights) did not meet their vesting criteria and accordingly will lapse during FY2026.

(l) Contractual arrangements with Senior Executives

The remuneration and other terms of employment for the CEO and Senior Executives are set out in formal service agreements as summarised below.

In FY2025 the CEO was entitled to fixed remuneration of \$650,000 (FY2024: \$640,000) whilst the fixed remuneration for other Senior Executives was in the range of \$440,000 to \$510,000.

All service agreements are for an unlimited duration. The Chief Executive Officer's contract may be terminated by giving six months' notice (except in the case of serious or wilful misconduct). The Chief Financial Officer's contract may be terminated by giving eight weeks' notice.

No contracted retirement benefits are in place with any of the Company's Senior Executives.

(m) Loans made to KMP

The following information relates to KMP loans made, guaranteed, or secured during the reporting period on an aggregate basis.

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	Balance at beginning of the year \$	Balance at the end of the year \$	Provision for bad debts expense \$
Employee Share Plan Loans	56,189	56,189	-

Loans to KMP arise as a result of the early Shaver Shop long-term incentive plans. The above KMP loans related to incentive plans established prior to the Company's IPO and are repayable after a maximum period of six years or upon disposal of the shares.

(n) Transactions with KMP (excluding loans)

There were no other material transactions or contracts with KMP except as disclosed elsewhere in the remuneration report.

Signed in accordance with a resolution of the Board of Directors:



Broderick Arnhold
Director

Melbourne
25 August 2025

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Auditor's Independence Declaration

To the Directors of Shaver Shop Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Shaver Shop Group Limited or the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants



A C Pitts
Partner – Audit & Assurance

Melbourne, 25 August 2025

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Shaver Shop Group Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Revenue			
Revenue from continuing operations	3	218,598,274	219,374,178
Cost of goods sold		<u>(119,082,713)</u>	<u>(121,921,002)</u>
Gross profit from corporate owned retail stores		<u>99,515,561</u>	<u>97,453,176</u>
Expenses			
Employee benefits expense		(38,110,265)	(37,423,483)
Marketing and advertising expense		(6,426,768)	(6,384,331)
Depreciation and amortisation expense	4	(16,887,891)	(16,211,978)
Occupancy expenses		(3,365,833)	(3,552,109)
Operational expenses		(9,310,236)	(9,028,576)
Other expenses		(2,946,851)	(2,915,722)
Finance costs	4	<u>(1,374,656)</u>	<u>(520,767)</u>
Profit before income tax		21,093,061	21,416,210
Income tax	5	<u>(6,169,501)</u>	<u>(6,293,681)</u>
Profit after income tax for the year attributable to the owners of Shaver Shop Group Limited	21	14,923,560	15,122,529
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations and net loss on cash flow hedges		<u>(6,114)</u>	<u>(35,788)</u>
Other comprehensive income for the year, net of tax		<u>(6,114)</u>	<u>(35,788)</u>
Total comprehensive income for the year attributable to the owners of Shaver Shop Group Limited		<u>14,917,446</u>	<u>15,086,741</u>
		Cents	Cents
Earnings per share for profit attributable to the owners of Shaver Shop Group Limited			
Basic earnings per share (weighted average shares)	20	11.5	11.7
Diluted earnings per share (weighted average shares)	20	11.4	11.5

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Shaver Shop Group Limited
Consolidated Balance Sheet
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	7	3,932,245	13,314,704
Trade receivables and current assets	8	4,020,475	2,906,770
Inventories	9	29,205,494	23,135,682
Total current assets		<u>37,158,214</u>	<u>39,357,156</u>
Non-current assets			
Property, plant and equipment	11	14,707,075	11,244,540
Right-of-use assets	10	26,120,745	15,736,462
Deferred tax assets	24	2,400,002	3,070,992
Intangible assets	12	57,564,913	58,145,311
Total non-current assets		<u>100,792,735</u>	<u>88,197,305</u>
Total assets		<u>137,950,949</u>	<u>127,554,461</u>
Liabilities			
Current liabilities			
Trade and other payables	13	15,504,336	17,971,503
Lease liabilities	10	11,684,117	8,371,005
Current tax liabilities	24	500,688	13,611
Employee benefits	15	3,024,926	2,856,288
Other liabilities	16	15,762	30,883
Total current liabilities		<u>30,729,829</u>	<u>29,243,290</u>
Non-current liabilities			
Lease liabilities	10	18,147,111	10,627,506
Other liabilities	16	119,378	134,654
Total non-current liabilities		<u>18,266,489</u>	<u>10,762,160</u>
Total liabilities		<u>48,996,318</u>	<u>40,005,450</u>
Net assets		<u>88,954,631</u>	<u>87,549,011</u>
Equity			
Issued capital	17	50,275,510	50,275,510
Reserves	19	2,876,657	3,366,388
Retained earnings	21	35,802,464	33,907,113
Total equity		<u>88,954,631</u>	<u>87,549,011</u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes

Shaver Shop Group Limited
Consolidated Statement of Changes In Equity
For the year ended 30 June 2025

Consolidated	Ordinary Shares \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024	50,275,510	3,366,388	33,907,113	87,549,011
Profit after income tax for the year	-	-	14,923,560	14,923,560
Other comprehensive income for the year, net of tax (note 19)	-	(6,114)	-	(6,114)
Total comprehensive income for the year	-	(6,114)	14,923,560	14,917,446
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 19)	-	(483,617)	-	(483,617)
Dividends paid (note 18)	-	-	(13,028,209)	(13,028,209)
Balance at 30 June 2025	<u>50,275,510</u>	<u>2,876,657</u>	<u>35,802,464</u>	<u>88,954,631</u>

Consolidated	Ordinary Shares \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	50,275,510	2,400,932	31,620,312	84,296,754
Profit after income tax for the year	-	-	15,122,529	15,122,529
Other comprehensive income for the year, net of tax (note 19)	-	(35,788)	-	(35,788)
Total comprehensive income for the year	-	(35,788)	15,122,529	15,086,741
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 19)	-	1,001,244	-	1,001,244
Dividends paid (note 18)	-	-	(12,835,728)	(12,835,728)
Balance at 30 June 2024	<u>50,275,510</u>	<u>3,366,388</u>	<u>33,907,113</u>	<u>87,549,011</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Shaver Shop Group Limited
Consolidated Statement Of Cash Flows
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		239,869,311	241,054,798
Payments to suppliers and employees (inclusive of GST)		<u>(209,932,592)</u>	<u>(200,435,068)</u>
		29,936,719	40,619,730
Interest received		453,749	652,753
Interest paid - borrowings		(286,024)	(224,864)
Interest paid - leases		(1,515,356)	(988,461)
Income taxes paid		<u>(5,009,285)</u>	<u>(5,938,880)</u>
Net cash from operating activities	30	<u>23,579,803</u>	<u>34,120,278</u>
Cash flows from investing activities			
Payments for property, plant and equipment	11	(5,460,241)	(2,289,886)
Payments for software	12	(325,418)	(675,239)
Purchase of other intangibles	12	-	(3,386,346)
Contributions for new premises fitouts		<u>1,120,193</u>	<u>593,970</u>
Net cash used in investing activities		<u>(4,665,466)</u>	<u>(5,757,501)</u>
Cash flows from financing activities			
Principal elements of lease repayments		(15,376,865)	(15,683,782)
Proceeds from repayment of LTI share loans		108,277	
Dividends paid	18	<u>(13,028,209)</u>	<u>(12,835,728)</u>
Net cash used in financing activities		<u>(28,296,797)</u>	<u>(28,519,510)</u>
Net increase/(decrease) in cash and cash equivalents		(9,382,459)	(156,733)
Cash and cash equivalents at the beginning of the financial year		<u>13,314,704</u>	<u>13,471,437</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>3,932,245</u></u>	<u><u>13,314,704</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Shaver Shop Group Limited
Notes to the Consolidated Financial Statements
30 June 2025

1. Basis of preparation

The consolidated financial report covers Shaver Shop Group Limited and its' controlled entities ('the Group'). Shaver Shop Group Limited is a for-profit Company, limited by shares, incorporated and domiciled in Australia.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*.

Where necessary, and as a result of a change in the classification of certain expenses during the current year, comparative amounts in the statement of profit and loss and balance sheet have been reclassified for consistency with current year presentation.

Compliance with IFRS

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 25 August 2025. Comparatives are consistent with prior years, unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Shaver Shop Group Limited ('Company' or 'Parent entity') as at 30 June 2025 and the results of all subsidiaries for the period then ended. Shaver Shop Group Limited and its subsidiaries together are referred to in these financial statements as the 'Group' or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of controlled entities is contained in Note 26 to the financial statements.

2. Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving significant estimates or judgements are estimates of goodwill impairment, refer to Note 12 and net realisable value of inventory, refer to Note 9.

3. Revenue and other income

Revenue from continuing operations

	Consolidated	
	2025	2024
	\$	\$
Sales revenue		
Retail sales	<u>218,598,274</u>	<u>219,374,178</u>
Total revenue	<u><u>218,598,274</u></u>	<u><u>219,374,178</u></u>

3. Revenue and other income (continued)

Accounting policy for revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are presented net of returns, trade allowances, discounts, rebates and amounts collected on behalf of third parties. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. This is generally in-store when the customer purchases the goods or services, or on delivery in the case of online sales.

Revenue is recognised for the major business activities using the methods outlined below:

Sale of goods

The Group operates a chain of retail stores and associated websites selling personal care and grooming products. Revenue from the sale of goods is recognised at a point in time when a Group entity sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the product and takes delivery in store. The Group uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The Group has deferred revenue for the likelihood of sales to be returned and presents a refund liability and an asset to recover the products from a customer separately on the Consolidated Balance Sheet. It is the Group's policy to sell its products to the end customer with a right of return within 21 days. Therefore, a refund liability (included in trade and other payables) and a right to the returned goods (included in other current assets) are recognised for the products that could be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). As the number of products returned has been relatively steady for a number of years, it is not considered probable that a significant reversal in the cumulative revenue recognised will occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Online sales are recognised upon the satisfaction of the Group's performance obligation which is deemed to occur upon delivery of the customer's order.

Interest income

Interest is recognised using the effective interest method, which, for floating rate financial assets, is the rate inherent in the financial instrument.

4. Expenses

	Consolidated	
	2025	2024
	\$	\$
Profit before income tax includes the following specific expenses:		
Finance costs		
Interest and finance charges - borrowings	286,024	224,864
Interest and finance charges - leases	1,515,356	988,461
Interest income	(426,724)	(692,558)
Total finance costs	<u>1,374,656</u>	<u>520,767</u>
Depreciation and amortisation		
Intangible assets (excluding licence amortisation expense)	229,427	148,625
Property, plant & equipment	1,994,717	1,834,991
Right-of-use assets	14,663,747	14,228,362
Depreciation and amortisation expense	16,887,891	16,211,978
License amortisation expense (included in cost of goods sold)	677,269	-
Total depreciation and amortisation expense	<u>17,565,160</u>	<u>16,211,978</u>

Shaver Shop Group Limited
Notes to the Consolidated Financial Statements
30 June 2025

5. Income tax

The major components of tax expense comprise:

	Consolidated	
	2025	2024
	\$	\$
Current tax expense		
Current tax on profits for the year	5,498,510	4,981,881
Deferred tax expense		
Movements in deferred tax assets and liabilities	670,991	1,311,800
Income tax expense relating to continuing operations	6,169,501	6,293,681

Reconciliation of income tax to accounting profit

	Consolidated	
	2025	2024
	\$	\$
Profit before income tax	21,093,061	21,416,210
Tax at the statutory tax rate of 30%	6,327,918	6,424,863
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other items	(158,417)	(131,182)
Income tax	6,169,501	6,293,681

Shaver Shop Group Limited (parent entity) and its wholly owned subsidiaries have formed an income tax consolidation group under the tax consolidation regime.

Franchise Buy-Backs

Shaver Shop has received a private ruling from the Australian Tax Office in respect of deductions for the amount relating to the termination of the franchise licence forming part of the purchase consideration paid for the buy-back of franchise stores. The tax ruling confirms that this amount is to be deducted in equal portions over a five-year period following the date of purchase.

For each franchise store, a portion of the purchase consideration equal to the total tax benefit to be received over five years, is recognised as a deferred tax asset and included in the calculation of goodwill. The deferred tax asset is then released over five years in accordance with the deduction schedule for each acquired franchise store with the effect of reducing income tax payable for each period.

Accounting policy for income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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5. Income tax (continued)

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. However, deferred tax liabilities are recognised in respect of any adjustments to goodwill subsequent to the initial recognition. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount of tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

6. Operating segments

The Group operates within one operating segment, being retail sales of specialist personal grooming products through their corporate and online stores. The chief operating decision maker for the Company is the Managing Director and Chief Executive Officer. Total revenue disclosed in the consolidated statement of comprehensive profit and loss all relates to this one operating segment. The Group is not reliant on any one single customer. At 30 June 2025, the Group operated 115 stores in Australia (FY2024: 115) and 9 stores in New Zealand (FY2024: 8).

Accounting policy for operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group operates within one operating segment, being retail store sales of a variety of specialist personal grooming products.

7. Cash and cash equivalents

	Consolidated	
	2025	2024
	\$	\$
Cash at bank and on hand	3,932,245	13,314,704

Accounting policy for cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three-months or less, which are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts (if applicable) are shown within borrowings in current liabilities in the balance sheet.

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8. Trade receivables and other current assets

	Consolidated	
	2025	2024
	\$	\$
<i>Current assets</i>		
Trade and other receivables	1,931,632	1,908,089
Prepayments	2,007,466	917,304
Related party receivables	<u>81,377</u>	<u>81,377</u>
Total trade receivables and other current assets	<u><u>4,020,475</u></u>	<u><u>2,906,770</u></u>

Trade and other receivables are initially recognised at fair value and subsequently at fair value less any provision for impairment.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Accounting policy for credit losses on trade and other receivables

The Group has elected to apply the simplified approach to measuring expected credit losses, using the lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. A provision matrix is then determined based on the historic credit loss rate for each group, adjusted for any material expected changes to the future credit risk for that group.

9. Inventories

	Consolidated	
	2025	2024
	\$	\$
<i>Current assets</i>		
Finished goods	<u>29,205,494</u>	<u>23,135,682</u>

Amounts recognised in profit and loss

Inventories recognised as an expense in costs of goods sold during the year ended 30 June 2025 amounted to \$119,082,713 (FY2024 \$121,921,002). Amounts recognised in expenses relating to write-downs and write-offs of stock in FY2025 amounted to \$ 1,007,654 (FY2024: \$1,286,842).

Critical accounting estimates - realisable value of inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated costs necessary to make the sale. Determining the net realisable value of inventories relies on key assumptions that require the use of management judgement. These key assumptions are the variables affecting the expected selling price and are reviewed at least annually. Any reassessment of the selling price in a particular year will effect the cost of goods sold.

Accounting policy for inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises of cost of purchases and direct shipping costs to bring the inventories into their current location. Costs are assigned to individual items of inventory on the basis of the first in first out (FIFO) method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

10. Leases

	Consolidated	
	2025	2024
	\$	\$
Lease liabilities		
Lease liabilities - current	11,684,117	8,371,005
Lease liabilities - non-current	18,147,111	10,627,506
	<u>29,831,228</u>	<u>18,998,511</u>

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

	Consolidated	
	2025	2024
	\$	\$
Right-of-use assets		
Right-of-use assets - at cost	54,072,003	42,963,883
Less: accumulated depreciation	<u>(27,951,258)</u>	<u>(27,227,421)</u>
	<u>26,120,745</u>	<u>15,736,462</u>

Accounting policy for leases

The Group leases retail sites for its store locations across Australia and New Zealand. Rental contracts are typically made for fixed periods of 2-7 years and in very limited situations contain an option to renew at the end of the initial term. Lease terms are negotiated on an individual basis.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

As a practical expedient, AASB 16 permits a lessee not to separate non-lease components and instead account for any lease and associated non-lease components as a single arrangement. The Group has elected to apply this practical expedient.

In line with accounting standard guidance where leases have a fixed escalation rate, the fixed rate has been applied when accounting for the lease payments. No rate has been applied to leases that increase at the rate of CPI or leases that have a variable escalation rate.

Right-of-use assets are measured at cost comprising the initial measurement of the lease liability and other components as required under AASB16. Payments associated with leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Low-value assets comprise IT equipment and small office related items.

11. Property, plant and equipment

Movements in carrying amounts of property, plant and equipment

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Leasehold Improvements in Progress	Plant and Equipment	Computer Equipment	Improvements	Total
	\$	\$	\$	\$	\$
Consolidated					
Year ended 30 June 2025					
Balance at the beginning of the year	51,971	10,279,346	890,445	22,778	11,244,540
Additions	65,402	5,113,484	222,413	58,942	5,460,241
Disposals and write-downs	-	(13,141)	-	-	(13,141)
Transfers	(17,434)	10,558	6,876	-	-
Depreciation expense	-	(1,732,293)	(244,419)	(18,005)	(1,994,717)
Foreign exchange movements	164	10,023	(35)	-	10,152
Balance at the end of the year	100,103	13,667,977	875,280	63,715	14,707,075

	Leasehold Improvements in Progress	Plant and Equipment	Computer Equipment	Improvements	Total
	\$	\$	\$	\$	\$
Consolidated					
Year ended 30 June 2024					
Balance at the beginning of the year	361,887	9,932,104	515,803	29,568	10,839,362
Additions	17,271	1,680,208	592,407	-	2,289,886
Disposals and write-downs	-	(41,467)	-	-	(41,467)
Transfers	(327,187)	327,187	-	-	-
Depreciation expense	-	(1,610,508)	(217,693)	(6,790)	(1,834,991)
Foreign exchange movements	-	(8,178)	(72)	-	(8,250)
Balance at the end of the year	51,971	10,279,346	890,445	22,778	11,244,540

Accounting policy for property, plant and equipment

Property, plant and equipment is stated at historical cost minus depreciation. Depreciation is calculated using the straight line method over the asset's estimated useful life. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Plant and Equipment	2-12 years
Computer Equipment	1-7 years
Leasehold Improvements	12 years

11. Property, plant and equipment

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying value. These are included in profit or loss.

12. Intangible assets

Movements in carrying amounts of intangible assets

	License \$	Software \$	Brand names \$	Goodwill \$	Total \$
Consolidated					
Year ended 30 June 2025					
Opening net book value	3,386,346	919,606	529,782	53,309,577	58,145,311
Additions	-	325,418	-	-	325,418
Amortisation	(677,269)	(156,989)	(72,438)	-	(906,696)
Foreign exchange movements	-	-	880	-	880
Balance at the end of the year	2,709,077	1,088,035	458,224	53,309,577	57,564,913

	License \$	Software \$	Brand names \$	Goodwill \$	Total \$
Consolidated					
Year ended 30 June 2024					
Opening net book value	-	320,474	602,987	53,309,577	54,233,038
Additions	3,386,346	675,239	-	-	4,061,585
Amortisation	-	(76,107)	(72,518)	-	(148,625)
Foreign exchange movements	-	-	(687)	-	(687)
Balance at the end of the year	3,386,346	919,606	529,782	53,309,577	58,145,311

License additions represents the acquisition of an exclusive distribution agreement across Australia and New Zealand for the Skull Shaver range of products for a 5 year term commencing 1 July 2024.

Software is generally amortised over a period of three to seven years depending on the expected useful life.

For the purpose of impairment testing, goodwill is monitored as one cash-generating unit group.

12. Intangible assets (continued)

Significant estimate: key assumptions used for value-in-use calculations

The Group performed its annual impairment testing as at 30 June 2025. The Group considers the relationship between its market capitalisation and its carrying value, among other factors, when reviewing for indicators of impairment. The recoverable amount of the relevant CGU Group has been determined based on the value-in-use calculation using cash flow projections from budgets approved by senior management and presented to the Board of Directors covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates of 2.5% (FY2024: 2.5%). The pre-tax discount rate applied to cash flow projected is 13.8% (FY2024: 13.8%).

The value-in-use calculation is most sensitive to the following key assumptions: gross margin, growth rate and discount rate.

Gross margin: Gross margin is based on average values achieved in the past. Margins are not increased over the forecast timeline. The gross margin used in the forecast period is 46.2% (FY2024: 45.8%) based on recent gross margins achieved, together with expectations of the future.

Growth rate: Sales growth rates are based on management's best estimates of anticipated growth (based on industry and company considerations) in the short to medium-term and consider the historical average like for like sales growth achieved in the past. The growth rate in the terminal year is 2.5% (FY2024: 2.5%) and the same store sales growth rate used for the five-year forecast period varies from 1% to 3% (FY2024: 1% to 3%).

Discount rate: The discount rate is specific to the Group's circumstances as well as the industry and environment that the Group operates in and is derived from its weighted average cost of capital (WACC). The WACC takes into account the cost of both debt and equity. The cost of equity is determined by the expected return on investment by the Group's shareholders. The cost of debt is based on the risk-free interest rate as well as a margin that takes into consideration both industry and company specific risk factors.

Sensitivity analysis: Management recognises that the recoverable amount of goodwill is sensitive to the assumptions used in the model. In Management's view, there are no reasonably possible changes in any of the key assumptions at this time that would result in an impairment to the value of goodwill.

The Group believes the assumptions adopted in the value-in-use calculations reflect an appropriate balance between the Group's experience to date and ongoing macroeconomic risks and uncertainties.

Accounting policy for intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Licences

Acquired licences generally have a finite term and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the licence over its associated term.

Brand names

Brand names have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the brand names over their useful life of 20 years.

Costs incurred in configuring and customising cloud-based software

Costs incurred in configuring or customising cloud software and Software as a Service (SaaS) arrangements can only be recognised as intangible assets if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Those costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangements to significantly customise the cloud-based software for the Group, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

13. Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	10,854,034	13,760,977
GST payable	1,291,511	1,053,697
Payroll related accruals	2,005,037	1,545,586
Other creditors and accruals	1,353,754	1,611,243
	15,504,336	17,971,503

All amounts are short-term and the carrying values are considered to be a reasonable approximation of fair value.

Accounting policy for trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

14. Borrowings

There were no drawn borrowings at 30 June 2025 (30 June 2024: no drawn borrowings). The carrying amounts of current and non-current assets pledged as collateral for liabilities are:

	2025	2024
	\$	\$
Fixed and floating charge:		
Cash and cash equivalents	3,932,245	13,314,704
Trade and other receivables	1,931,632	1,908,089
Inventories	29,205,494	23,135,682
Property, plant and equipment	14,707,075	11,244,540
Intangible assets	57,564,913	58,145,311

Under the terms of the major borrowing facilities, as at 30 June 2025, the Group was required to comply with the following primary financial covenants:

- (a) Leverage Ratio: the ratio of debt to EBITDA must be less than or equal to 2.5;
- (b) Fixed Charge Cover Ratio: the ratio of a) EBITDA plus occupancy costs; to b) Interest expense plus right of use asset amortisation plus occupancy costs must be great than 1.5; and
- (c) Net Worth Ratio: the ratio of total assets less total liabilities to total assets must be greater than 0.45.

During the current and prior year, there were no defaults on borrowings or breaches of debt covenants.

Accounting policy for borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

15. Employee benefits

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Provision for employee benefits	<u>3,024,926</u>	<u>2,856,288</u>

The provision for employee benefits includes accrued annual leave and long service leave. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Consolidated	
	2025	2024
	\$	\$
Leave obligations expected to be settled after 12 months	<u>1,301,679</u>	<u>1,223,245</u>

Accounting policy for employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the reporting period in which the employees render the related service, are recognised in respect of employee's services up to the end of the reporting period. These are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables. Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period in which the employees render the related services are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on high-quality corporate bond rates with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

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16. Other liabilities

	Consolidated	Consolidated
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Other liabilities	15,762	30,883
<i>Non-current liabilities</i>		
Other liabilities	119,378	134,654
Total other liabilities	135,140	165,537

17. Issued capital

	Consolidated	Consolidated
	2025	2024
	\$	\$
131,012,494 (FY2024: 131,012,494) Ordinary shares	50,275,510	50,275,510

Shaver Shop has NIL issued and unvested shares (LTI Plan Shares) under its Long-Term Incentive Plan (LTI Plan) at 30 June 2025 (FY2024: 2,100,000). The LTI Plan Shares have vesting criteria and are therefore only included, if appropriate, in diluted share calculations and are not included in the calculation of basic weighted average shares outstanding. In addition, in FY2023, FY2024 and FY2025 Shaver Shop issued 3,840,000 rights to acquire Shaver Shop shares under its Executive Long Term Incentive Plan (ELTIP). At 30 June 2025, 3,690,000 of these rights remain outstanding and are subject to both performance conditions for vesting as well as service conditions.

Movements in share capital

	Consolidated	Consolidated
	2025	2024
	\$	\$
At the beginning of the reporting period	50,275,510	50,275,510
At the end of the reporting period	50,275,510	50,275,510

Number of shares outstanding

	2025	2024
	No.	No.
At the beginning of the reporting period	131,012,494	131,012,494
At the end of the reporting period	131,012,494	131,012,494

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17. Issued capital (continued)

Calculation of weighted average number of diluted shares

	2025 No.	2024 No.
Weighted average number of ordinary shares used for calculating basic earnings per share	130,170,028	128,912,494
Adjustment for weighted average number of LTI Plan Shares issued (unvested shares)	<u>842,466</u>	<u>2,100,000</u>
Weighted average number of ordinary shares and potential ordinary shares used in calculating diluted earnings per share	<u><u>131,012,494</u></u>	<u><u>131,012,494</u></u>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy and upon a poll, each share is entitled to one vote.

Performance share rights issued under the ELTIP are considered contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time. Contingently issuable shares are treated as outstanding and included in the calculation of diluted earnings per share only if the conditions are satisfied. If the conditions are not satisfied, the number of contingently issuable shares included in the calculation of diluted earnings per share is based on the number of shares that would be issuable if the end of the period were the end of the contingency period.

The Company does not have authorised capital or par value in respect of its shares.

Capital risk management

Capital of the Group is managed in order to safeguard the ability of the Group to continue as a going concern, to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure.

The Group monitors capital through the gearing ratio which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is defined as equity per the consolidated statement of financial position plus net debt.

There are no externally imposed capital requirements.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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18. Dividends

Dividends

The following dividends were declared and paid:

	Consolidated 2025	2024
	\$	\$
FY2024 final dividend of 5.5 cents per share – 100% franked (FY2023: 5.5 cents per share, franked 100%)	6,936,767	6,910,285
FY2025 interim dividend of 4.8 cents per share – 100% franked (FY2024: 4.7 cents per share, franked 100%)	<u>6,091,442</u>	<u>5,925,443</u>
	<u><u>13,028,209</u></u>	<u><u>12,835,728</u></u>

	Consolidated 2025	2024
Total dividends declared per share	<u>0.103</u>	<u>0.102</u>

Franking account

	Consolidated 2025	2024
	\$	\$
Franking credits available for subsequent financial years based on a tax rate of 30%	<u>2,645,315</u>	<u>3,460,275</u>

The above available balance is based on the dividend franking account at year-end adjusted for:

- franking credits that will arise from the payment/(receipt) of the current tax liabilities/(receivable);
- franking debits that will arise from the payment of dividends recognised as a liability at the year-end; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

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19. Reserves

	Consolidated	
	2025	2024
	\$	\$
Foreign currency translation reserve		
Opening balance	(47,694)	(11,906)
Currency translation differences arising during the year	51,973	(35,788)
Closing balance	<u>4,279</u>	<u>(47,694)</u>
Cash flow hedge reserve		
Opening balance	-	-
Net (loss) on cash flow hedges	(58,087)	-
Closing balance	<u>(58,087)</u>	<u>-</u>
Share-based payments reserve		
Opening balance	3,414,082	2,412,838
Transfers in (out) - Share-based payments	(483,617)	1,001,244
Closing balance	<u>2,930,465</u>	<u>3,414,082</u>
Balance at the end of the year	<u><u>2,876,657</u></u>	<u><u>3,366,388</u></u>

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Cash flow hedge reserve

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and that could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised directly in equity (in other comprehensive income), while the ineffective portion is recognised in profit or loss.

Share-based payments reserve

This reserve records the cumulative value of employee service received for the issue of share options. When the option is exercised, the amount in the share option reserve is transferred to share capital.

20. Earnings per share

	Consolidated	
	2025	2024
	\$	\$
Profit from continuing operations	14,923,560	15,122,529
Earnings used to calculate basic EPS from continuing operations	<u>14,923,560</u>	<u>15,122,529</u>

Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS and diluted EPS:

	2025	2024
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>130,170,028</u>	<u>128,912,494</u>
Weighted average number of ordinary shares outstanding during the year used in calculating fully diluted EPS	<u>131,012,494</u>	<u>131,012,494</u>

20. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	11.5	11.7
Diluted earnings per share	11.4	11.5

Information concerning classification of securities

LTI Plan shares and rights granted to participants in Shaver Shop's long term incentive plans are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required TSR and EPS hurdle would have been met based on the company's performance up to the reporting date or if the company expects the potential shares to become ordinary issued shares, and to the extent to which they are dilutive.

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

21. Retained earnings

	Consolidated	
	2025	2024
	\$	\$
Retained earnings at beginning of the financial year	33,907,113	31,620,312
Net profit for the year	14,923,560	15,122,529
Dividends declared	(13,028,209)	(12,835,728)
Retained earnings at the end of the financial year	<u>35,802,464</u>	<u>33,907,113</u>

22. Commitments

Bank Guarantees and Other Commitments

The Company has bank guarantees in place as security for rental payments on several of its locations. As at 30 June 2025 \$51,602 (FY2024: \$62,620) was drawn under the Company's bank guarantee facility. This facility has a capacity limit of \$0.1 million.

Shaver Shop has a minimum purchase commitment of approximately \$3 million per annum with one supplier in relation to sourcing a range of products.

The Group is exposed to a variety of financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The Group does not speculate in derivative financial instruments.

The most significant financial risks to which the Group is exposed to are described below:

23. Financial risk management

Risk	Exposure arising from
Liquidity risk	Borrowings, bank overdrafts and other liabilities
Credit risk	Cash at bank and trade and other receivables
Market risk - currency risk	Recognised assets and liabilities not denominated in Australian dollars
Market risk - interest rate risk	Borrowings at variable rates

Objectives, policies and processes

Risk management is carried out by the Group's senior management and the Board of Directors. The Chief Financial Officer has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Group. These policies and procedures are then approved by the Risk Management Committee and tabled at the Board meeting following their approval. Reports are presented to the Board regarding the implementation of these policies and any risk exposure which the Risk Management Committee believes the Board should be aware of.

Specific information regarding the mitigation of each financial risk to which the Group is exposed is provided below.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities, as and when they fall due. The Group maintains cash to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities, as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling six-week projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	Consolidated	
	2025	2024
	\$	\$
Term debt facility	20,000,000	19,500,000
Trade finance facility	10,000,000	10,000,000
Bank guarantee facility	48,398	437,380
	<u>30,048,398</u>	<u>29,937,380</u>

The term debt facility has a maturity date of 31 July 2027 and the trade finance facility is reviewed annually.

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23. Financial risk management

Maturities of financial liabilities

	Not later than 1 month 2025 \$	Not later than 1 month 2024 \$	1 month to 1 year 2025 \$	1 month to 1 year 2024 \$	1 to 5 years 2025 \$	1 to 5 years 2024 \$
Bank loans	-	-	-	-	-	-
Trade and other payables	13,269,584	16,209,745	2,234,752	1,761,758	-	-
Lease liabilities	1,049,966	971,446	10,634,151	7,399,559	18,147,111	10,627,506
	<u>14,319,550</u>	<u>17,181,191</u>	<u>12,868,903</u>	<u>9,161,317</u>	<u>18,147,111</u>	<u>10,627,506</u>

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the consolidated statement of financial position due to the effect of discounting.

The timing of expected outflows is not expected to be materially different from contracted cash flows.

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to certain customers and suppliers, including outstanding receivables and committed transactions.

The Group has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. In addition, sales to retail customers are required to be settled in cash or through the use of major credit cards, reducing credit risk associated with sales.

Trade and other receivables consist mainly of supplier rebates owing to the Group. Ongoing credit evaluation is performed on the financial condition of accounts receivable. No material impairment exists within trade and other receivables at year end.

Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	Consolidated	
	2025 \$	2024 \$
Cash at bank		
AA- (Standard & Poors)	<u>3,932,245</u>	<u>13,314,704</u>
Accounts receivable		
Counter-parties with no external credit rating		
Group 1*	<u>1,363,379</u>	<u>1,655,743</u>

* Group 1: Existing counter-parties (more than 12 months) with no defaults in the past.

23. Financial risk management

Market risk

Foreign currency risk

Most of the Group's transactions are carried out in Australian Dollars. Exposures to currency exchange rates arise from the Group's New Zealand operations, which are denominated in New Zealand Dollars.

Whilst the Group's exposure to foreign currency is not considered to be material, the Group's exposure to non-Australian Dollar cash flows is monitored in accordance with the Group's risk management policies.

Shaver Shop Pty Ltd has an inter-company receivable from Shaver Shop (New Zealand) Ltd of \$0.6 million at 30 June 2025 (30 June 2024: \$0.1 million).

Interest rate risk

The Group is exposed to interest rate risk arising from both short-term and long-term variable rate borrowings. The Group does not hedge against interest rate movements and monitors the exposure to interest rate risk in accordance with the Group's risk management policy. All of the Group's borrowings are denominated in Australian Dollars.

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	Weighted average interest rate %	2025 \$	Weighted average interest rate %	2025 \$
Floating rate instruments				
Bank loans	1.30%	-	1.15%	-
Total	-	-	-	-

Accordingly, the weighted average interest rate represents the line fee payable on the \$20.0 million term debt facility. There is no line fee on the trade finance facility.

Management considers that interest rates could reasonably increase by 1.0% or decrease by 1.0% (FY2024: increase of 1.0%, decrease of 1.0%). As these movements would not have a material impact on either the net result for the year or equity, no sensitivity analysis has been performed.

24. Tax assets and liabilities

Current tax assets and liabilities

	Consolidated	
	2025 \$	2024 \$
Income tax payable	500,688	13,611

Recognised deferred tax assets and liabilities

	Consolidated	
	2025 \$	2024 \$
Deferred tax assets	10,548,854	8,117,548
Deferred tax liabilities	(8,148,852)	(5,046,556)
Net deferred tax assets	2,400,002	3,070,992

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24. Tax assets and liabilities (continued)

	Opening balance \$	Charged to income \$	Closing balance \$
Deferred tax assets (liabilities)			
Provisions - employee benefits	928,276	54,987	983,263
Accruals	127,663	109,329	236,992
Leased liabilities	5,675,663	3,229,072	8,904,735
Cancellation of franchise licence on acquisition	795,101	(795,101)	-
Software intangibles	208,138	(114,480)	93,658
Other deferred tax assets	382,707	(52,500)	330,207
Right-of-use assets	(4,708,014)	(3,164,290)	(7,872,304)
Other deferred tax liabilities	(338,542)	61,993	(276,549)
Balance at 30 June 2025	3,070,992	(670,990)	2,400,002

	Opening balance \$	Charged to income \$	Closing balance \$
Deferred tax assets (liabilities)			
Provisions - employee benefits	901,688	26,588	928,276
Accruals	264,510	(136,847)	127,663
Leased liabilities	6,327,454	(651,791)	5,675,663
Cancellation of franchise licence on acquisition	1,750,403	(955,302)	795,101
Software intangibles	415,090	(206,952)	208,138
Other deferred tax assets	414,696	(31,989)	382,707
Right-of-use assets	(5,303,532)	595,518	(4,708,014)
Other deferred tax liabilities	(387,515)	48,973	(338,542)
Balance at 30 June 2024	4,382,794	(1,311,802)	3,070,992

25. Auditors' Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2025 \$	2024 \$
Grant Thornton Audit Pty Ltd (2024 – PricewaterhouseCoopers)		
(i) Audit and other assurance services		
Audit of financial statements (consolidated group)	190,000	263,000
Audit of financial statements (New Zealand)	-	80,000
Total remuneration for audit and other assurance services	190,000	343,000
(ii) Taxation services		
Tax services	-	40,462
Total remuneration for taxation services	-	40,462
(iii) Other services		
Other consulting services	-	1,894
Total remuneration for other services	-	1,894
Total remuneration of Grant Thornton Audit Pty Ltd (2024 – PricewaterhouseCoopers)	190,000	385,356

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26. Interests in subsidiaries

The Group's subsidiaries as at 30 June 2025 are set out below.

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Lavomer Riah Pty Ltd	Australia	100%	100%
Shaver Shop Pty Ltd	Australia	100%	100%
Shaver Shop (New Zealand) Limited	New Zealand	100%	100%

The percentage of ownership interest held is equivalent to the percentage of voting rights for all subsidiaries.

27. Deed of cross guarantee

Shaver Shop Group Limited, Lavomer Riah Pty Ltd and Shaver Shop Pty Ltd are parties to a deed of cross guarantee under which each company guarantees the debts of the others. Under ASIC class order 98/1418 there is no requirement for these subsidiaries to prepare or lodge a consolidated financial report and directors' report, as a result of entering into the deed.

These companies represent a closed Group for the purposes of the class order.

The consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position, comprising the closed group, after eliminating all transactions between parties to the deed of cross guarantee are shown below:

	2025 \$	2024 \$
Consolidated Statement of Comprehensive Income		
Revenue	208,099,986	209,010,570
Cost of Sales	(113,090,015)	(115,927,456)
Gross Profit	<u>95,009,971</u>	<u>93,083,114</u>
Operating expenses	(73,030,524)	(72,419,468)
Finance costs	(1,326,194)	(471,555)
Profit before income tax	<u>20,653,253</u>	<u>20,192,091</u>
Income tax expense	(5,972,771)	(6,515,603)
Profit after income tax	<u>14,680,482</u>	<u>13,676,488</u>
	2025 \$	2024 \$
Equity - retained profits		
Retained profits at the beginning of the financial year	30,799,824	29,959,064
Profit after income tax	14,680,482	13,676,488
Dividends paid	(13,028,287)	(12,835,728)
Retained profits at the end of the financial year	<u>32,452,019</u>	<u>30,799,824</u>

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27. Deed of cross guarantee (continued)

	2025	2024
	\$	\$
Balance sheet		
Current assets		
Cash and cash equivalents	3,013,661	11,751,924
Trade and other receivables	4,468,387	2,910,877
Inventories	27,045,769	21,990,024
	<u>34,527,817</u>	<u>36,652,825</u>
Non-current assets		
Property, plant and equipment	13,027,608	10,428,423
Right-of-use assets	24,277,813	14,784,697
Deferred tax assets	9,892,004	7,758,259
Intangible assets	57,507,613	58,083,257
	<u>104,705,038</u>	<u>91,054,636</u>
Total assets	<u>139,232,855</u>	<u>127,707,461</u>
Current liabilities		
Trade and other payables	18,034,167	20,701,797
Lease liabilities	11,028,029	7,883,483
Current tax liabilities	444,812	(67,812)
	<u>29,507,008</u>	<u>28,517,468</u>
Non-current liabilities		
Lease liabilities	16,571,513	9,920,513
Deferred tax liabilities	7,554,425	4,780,062
	<u>24,125,938</u>	<u>14,700,575</u>
Total liabilities	<u>53,632,946</u>	<u>43,218,043</u>
Net assets	<u>85,599,909</u>	<u>84,489,418</u>
Equity		
Issued capital	50,275,510	50,275,510
Reserves	2,872,380	3,414,084
Retained profits	32,452,019	30,799,824
Total equity	<u>85,599,909</u>	<u>84,489,418</u>

28. Contingent liabilities

There are no contingent liabilities recognised by the Group.

29. Related parties

Subsidiaries

Interests in subsidiaries are set out in note 26.

Key management personnel

Key management personnel remuneration (excluding Directors Fees) included within employee expenses for the year is shown below:

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29. Related parties (continued)

	Consolidated	
	2025	2024
	\$	\$
Short-term employee benefits	1,736,896	1,481,776
Post-employment benefits	90,148	84,798
Share-based payments	(404,221)	647,493
Total remuneration for the year	<u>1,422,823</u>	<u>2,214,067</u>

Detailed remuneration disclosures are provided in the Remuneration Report.

Loans to/from related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	Consolidated	
	2025	2024
	\$	\$
Current receivables:		
Loans to KMP and related parties	81,377	81,377

The loans to KMP resulted from a share incentive scheme implemented prior to the Shaver Shop Employee Share Plan (refer Note 31). Interest is payable on the KMP loans based on the Australian Taxation Office benchmark rate from time to time. KMP loans upon disposal of the shares.

30. Cash flow information

	Consolidated	
	2025	2024
	\$	\$
Profit after income tax for the year	14,923,560	15,122,529
Non-cash flows in profit:		
Depreciation and amortisation	17,565,160	16,211,978
Disposal/write-down of property, plant & equipment	13,143	41,467
Share-based payments	(591,895)	973,837
Net exchange differences	(6,187)	13,971
Change in operating assets and liabilities:		
(Increase) Decrease in trade, leases and other receivables	(1,113,705)	(774,977)
(Increase) Decrease in inventories	(6,069,812)	(1,176,091)
Decrease in deferred tax assets	670,991	1,311,800
Increase (Decrease) in trade and other payables	(2,298,529)	3,441,533
Decrease in income taxes payable	487,077	(1,045,769)
Net cash from operating activities	<u>23,579,803</u>	<u>34,120,278</u>

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31. Share-based payments

The Group's Long-Term Incentive Plan (LTIP) is designed to align the interests of Senior Executives more closely with the interests of shareholders by providing an opportunity for eligible Shaver Shop managers and executives to acquire shares (Plan Shares) in the Company subject to the conditions of the LTIP. From FY2017 to FY2022, the Group granted shares to participants using a loan share plan structure. In this Plan, ordinary shares in the Company (Plan Shares) are granted to participants subject to various performance conditions. The Plan Shares may be funded by a limited recourse loan to the eligible participant from the Company or one of its subsidiaries. The Plan Shares rank pari passu in all respects with the ordinary shares of the Company.

Under the terms of the loan share plan and relevant offer letters, vesting of the Plan Shares is subject to the achievement of performance conditions as well as service conditions. Vesting of 70% of the Plan Shares is subject to the achievement of a minimum Total Shareholder Return (TSR) and 30% of the Plan Shares is subject to the achievement of Earnings Per Share (EPS) conditions. If the minimum TSR and EPS performance conditions are achieved, then the relevant service condition attaching to the shares must also be met. In the event the participant leaves the Company prior to the vesting date, the Plan Shares will generally be compulsorily divested in accordance with the terms of the Plan. Details of the number of Plan Shares issued under the loan share plan in FY2022 is set out in the table below. The Plan Shares have been treated as equity-settled, share-based payment transactions in the Company's financial accounts.

In FY2023, following a review of the Company's incentive plan structures and benchmarking against peer listed entities, shareholders approved a new performance rights LTIP structure at the Company's 2022 Annual General Meeting. The new structure is considered to better align LTIP participants and shareholder objectives and is a more commonly used program. Similar to the loan share plan, the rights will only convert into ordinary shares in the Company if the performance conditions (EPS based) and service conditions attaching to the rights are met.

Details of the number of rights and Plan Shares granted and the fair value of the Rights and Plan Shares on the relevant Grant Date is set out below.

	FY2025	FY2024	FY2023	FY2022
Grant Date	14 Nov 24	9 Nov 23	28 Nov 22	10 Nov 21
Security type	Rights	Rights	Rights	Plan Shares
Number of Securities Granted	1,230,000	1,350,000	1,280,000	2,200,000
Issue Price of Securities	\$0.0000	\$0.0000	\$0.0000	\$1.0252

The number of securities outstanding and the relative exercise price of the LTIP shares is set out below.

	FY2025 LTIP (Shares)	FY2024 LTIP (Shares)	FY2023 LTIP (Shares)	FY2022 LTIP (Shares)
Outstanding at the beginning of the year	-	1,230,000	1,230,000	2,050,000
Granted during the year	1,230,000	-	-	-
Vested during the year	-	-	-	(1,351,196)
Forfeited during the year	-	-	-	(698,804)
Outstanding at the end of the year	1,230,000	1,230,000	1,230,000	-
Average exercise price	\$0.0000	\$0.0000	\$0.0000	\$1.0252

The fair value at grant date of the rights is independently determined using a Black-Scholes model. The fair value at grant date of the Plan Shares is independently determined using an adjusted form of Monte Carlo model for TSR LTIP Shares and a Black-Scholes model for EPS based shares. The model takes into account the vesting criteria, the current share price, the expected dividend yield, the risk-free interest rate, the expected volatility of the shares and the correlations and volatilities of peer group companies. The assessed fair value at grant date of rights granted during the year ended 30 June 2025 was \$1.04 per right.

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31. Share-based payments (continued)

	FY2025	FY2024	FY2023	FY2022
Grant Date	14 Nov 24	9 Nov 23	28 Nov 22	10 Nov 21
Closing share price on Grant Date	\$1.34	\$1.01	\$1.11	\$1.06
Exercise price	\$0.00	\$0.00	\$0.00	\$1.0252
Volatility	n/a	n/a	n/a	45%
Dividend yield (Nil for Loan Shares as used to pay off loan value)	8.5%	9.0%	8.0%	Nil
Risk-free rate	4.21%	4.16%	3.20%	1.31%

Total expenses arising from share-based payment transactions recognised during the period as part of Employment Benefit Expenses were as follows:

	Consolidated	
	2025	2024
	\$	\$
Expense for Plan Shares issued under LTI Plans	(591,894)	973,837

Accounting policy for share-based payments

Share-based compensation benefits are provided to employees via the Company's Long-Term Incentive Plan (LTIP).

Equity-settled transactions are awards of shares or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The fair value of shares granted under the Shaver Shop Group Limited's LTIP is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, the entity's share price);
- excluding the impact for any service and non-market performance vesting conditions (for example, sales growth targets, profitability and an employee remaining an employee of the entity over a specified time period); and
- including the impact of non-vesting conditions (for example, the requirement for employees to hold shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specific vesting conditions are to be satisfied. At the end of each period, the entity revises estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

32. Events occurring after the reporting date

Subsequent to year end, the Directors declared a final dividend of 5.5 cents per share (100% franked) to shareholders of record on 4 September 2025. The dividend payment date is 18 September 2025. The Directors also updated Shaver Shop's dividend policy to payout approximately 65% to 90% of underlying NPAT (previously approximately 60% to 80% of cash NPAT).

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

33. Parent entity information

The following information has been extracted from the books and records of the parent, Shaver Shop Group Limited and has been prepared in accordance with Accounting Standards.

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33. Parent entity information (continued)

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Shaver Shop Group Limited. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

The financial information for the parent entity, Shaver Shop Group Limited, has been prepared on the same basis as the consolidated financial statements.

	2025 \$	2024 \$
Assets		
Current assets	17,447,140	17,719,735
Non-current assets	28,714,799	28,714,799
Total assets	<u>46,161,939</u>	<u>46,434,534</u>
Liabilities		
Current liabilities	(500,688)	(228,094)
Total liabilities	<u>(500,688)</u>	<u>(228,094)</u>
Equity		
Contributed equity	50,275,510	50,275,510
Reserves	2,896,252	3,488,146
Retained losses	(6,509,135)	(7,101,029)
Total equity	<u>46,662,627</u>	<u>46,662,627</u>
Profit for the period	<u>14,086,181</u>	<u>11,861,891</u>
Total comprehensive income	<u>14,086,181</u>	<u>11,861,891</u>
Opening retained losses	(7,101,029)	(6,127,192)
Profit for the period	14,086,181	11,861,891
Dividends paid or provided for	<u>(13,494,287)</u>	<u>(12,835,728)</u>
Closing retained losses	<u><u>(6,509,135)</u></u>	<u><u>(7,101,029)</u></u>

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

Contractual commitments

The parent entity did not have any commitments as at 30 June 2025 or 30 June 2024.

34. Summary of other material accounting policies

Foreign currency transactions and balances

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is Shaver Shop Group Limited's functional and presentation currency.

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34. Summary of other material accounting policies (continued)

Transactions and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to fair value. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gain or losses arising from the changes in the fair value of derivatives, except for those that qualify as cash flow hedges, are taken directly to net profit or loss for the year as defined by AASB 9. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

For the purposes of hedge accounting, hedges are classified as:

- fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset or liability;
- cash flow hedges when they hedge exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability or to a forecast transaction; or
- hedges of a net investment in a foreign operation.

A hedge of the foreign currency risk of a firm commitment or highly probable forecast transaction is accounted for as a cash flow hedge.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and that could affect profit or loss.

The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred to the Consolidated Statement of Profit or Loss when the hedged transaction affects profit or loss, such as when hedged income or expenses are recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the Consolidated Statement of Profit or Loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to the Consolidated Statement of Profit or Loss.

34. Summary of other material accounting policies (continued)

Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

34. Summary of other material accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

35. Company details

The registered office of and principal place of business of the Company is:

Shaver Shop Group Limited
Level 1, Chadstone Tower One
1341 Dandenong Road
CHADSTONE VIC 3148

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**Shaver Shop Group Limited
Consolidated Entity Disclosure Statement
30 June 2025**

As at 30 June 2025

Name of entity	Type of Entity	Trustee, partner or participant in JV	% of share capital	Place of business / country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) or foreign residents
Shaver Shop Group Limited	Body Corporate	-	N/A	Australia	Australian	N/A
Lavomer Riah Pty Limited	Body Corporate	-	100	Australia	Australian	N/A
Shaver Shop (New Zealand) Limited	Body Corporate	-	100	New Zealand	Australian	N/A*
Shaver Shop Pty Limited	Body Corporate	-	100	Australia	Australian	N/A

* These entities are also a tax resident in their respective countries of incorporation. However, they are assessed as an Australian resident under the *Income Tax Assessment Act 1997* and therefore not classified as a foreign resident under that Act.

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

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Shaver Shop Group Limited
Directors' Declaration
30 June 2025

The directors of the Company declare that:

1. the consolidated financial statements and notes for the year ended 30 June 2025 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the consolidated financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the consolidated Group.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The consolidated entity disclosure statement is true and correct.
4. In the directors' opinion, there are reasonable grounds to believe that the Company and its subsidiary which have entered into a Deed of Cross Guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

This declaration is made in accordance with a resolution of the Board of Directors.

Broderick Arnhold
Director



Melbourne
25 August 2025

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Independent Auditor's Report

To the Members of Shaver Shop Group Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Shaver Shop Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Net realisable value of inventory (note 9) <p>At 30 June 2025 the Group held \$29.2 million of inventory in the consolidated balance sheet. Inventory is valued at the lower of cost and net realisable value in accordance with AASB 102 "Inventories".</p> <p>Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>Determining the net realisable value of inventory is a key audit matter due to level of judgement and estimation required, including the key assumptions made in determining the expected future selling price.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• Obtaining a detailed understanding of management's processes for determining that inventory is held at the lower of cost and net realisable value in accordance with AASB 102;• Assessing the design and implementation of relevant controls over management's processes for ensuring that inventory is held at the lower of cost and net realisable value;• For a sample of inventory items, comparing the latest selling price to the recorded cost price to verify the inventory item is recorded at the lower of cost and net realisable value;• Evaluating the appropriateness of the assumptions used in management's assessment of slow moving or obsolete stock, by reviewing:<ul style="list-style-type: none">– Aggregate value of inventory sold below cost during the financial year; and– Expected weeks cover based on historical sales.• Testing the accuracy of inputs in the provision calculation; and• Evaluating the disclosures in the financial statements for appropriateness and consistency with Australian Accounting Standards.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

- a the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

- b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 11 to 21 of the Directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Shaver Shop Group Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants



A C Pitts
Partner – Audit & Assurance

Melbourne, 25 August 2025