



30 April 2025

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir or Madam

Coles Group Limited – 2025 Third Quarter Sales Results

Please find attached for immediate release to the market the 2025 Third Quarter Sales Results Release for Coles Group Limited.

This announcement is authorised by the Board.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Daniella Pereira".

Daniella Pereira
Group Company Secretary

For personal use only

Results Release

colesgroup

30 April 2025

2025 Third Quarter Sales Results

Solid sales momentum continued in the third quarter
with a focus on value across the Group

Third Quarter Sales - 12 weeks from 6 January to 30 March 2025

GROUP SALES REVENUE (\$M)	3Q25	3Q24	CHANGE	COMPARABLE GROWTH ¹
Supermarkets	9,401	9,065	3.7%	3.0%
Liquor	813	786	3.4%	(2.0%)
Other	165	182	(9.3%)	n/m
Total Group sales revenue	10,379	10,033	3.4%	n/m

¹ Comparable sales are based on the period from 8 January 2024 to 31 March 2024 (weeks 29 to 40 of FY24) to more closely align the dates of the reporting period in FY25 to the prior corresponding period in FY24. Normalising for timing differences, comparable sales growth based on Event adjusted headline sales growth less net space growth for Supermarkets was 3.2% and for Liquor was flat ("Adjusted comparable sales growth").
n/m denotes not meaningful.

Statement from Coles Group CEO, Leah Weckert

"We are pleased to have delivered another solid quarter of sales growth, particularly as we were cycling a very strong third quarter in FY24. These results reflect the continued investments we are making in value and in improving the shopping experience for our customers both in store and online. This period also marked our first quarter where we were able to fully operate both our Automated Distribution Centres and our Customer Fulfilment Centres, underpinning improved efficiency and delivering enhanced product availability.

At the same time we faced a number of major weather events, including Cyclone Alfred and severe flooding in Far North Queensland. Despite the difficult conditions, our team members came together to help ensure that our local communities had access to essential food and grocery supplies throughout these events, as well as dedicating significant time and resources to assist with recovery efforts. I would like to thank all of our team members for the courage and care they demonstrated in delivering for our customers and communities during these times of need."

Third quarter performance highlights



Sales revenue growth

▲3.7%
in Supermarkets
▲3.4%
in Liquor



Two year growth

▲8.9%
in Supermarkets
▲1.5%
in Liquor



eCommerce sales growth

▲25.7%
in Supermarkets
▲18.2%
in Liquor

Destination for food and drink

- Continued focus on value, including through the Summer value campaign and the Price Match Promise in Liquor
- Introduced 'Value Bays' in more than 800 stores in the grocery and health and home categories, allowing customers to easily identify value items
- Launched 138 new Exclusive to Coles products with 48 new products added to the 'Coles Simply' value range
- Commenced national rollout of Liquorland banner simplification program, 'Simply Liquorland' following successful pilot across selected stores in SA, VIC and QLD

Accelerated by digital

- Added new features to the website and App, including 'Due to Buy' recommendations
- Launched 'Deliver More' branding and marketing to customers within our Customer Fulfilment Centre (CFC) catchment areas, highlighting the benefits of improved availability and freshness and extended range
- Achieved significant uplift in online customer NPS

Delivered consistently for the future

- Successfully completed ramp up of Kemps Creek Automated Distribution Centre (ADC) and closure of manual ambient DCs in NSW
- Rolled out Liquor Easy Ordering (LEO) to more than 600 stores, removing manual ordering for team members and improving availability for customers
- Opened two and renewed eight stores in Supermarkets and opened four and renewed 10 stores in Liquor

Win Together

- Donated \$100,000 to Foodbank following Cyclone Alfred to ensure those in impacted areas had access to essential food and grocery supplies
- Raised more than \$1.3 million for charity partner Hospitals United for Sick Kids to support paediatric care, equipment and projects across Australia, and almost \$1.0 million for Fitted for Work to help empower vulnerable women and gender-diverse jobseekers

Segment performance overview

Supermarkets

	3Q25	3Q24	CHANGE
Sales revenue (\$m)	9,401	9,065	3.7%
Sales revenue growth (excl. tobacco) (%)	4.7	6.6	(189bps)
Comparable sales growth ^{1,2} (%)	3.0	4.7	(167bps)
eCommerce sales ³ (\$m)	1,063	846	25.7%
eCommerce penetration ³ (%)	11.3	9.3	198bps
Sales density per square metre ⁴ (MAT \$/sqm)	20,173	19,786	2.0%
Inflation / (deflation) (%)	1.5	2.2	(70bps)
Inflation / (deflation) excl. tobacco (%)	1.1	1.9	(80bps)
Inflation / (deflation) excl. tobacco and fresh (%)	(0.3)	3.3	(360bps)

¹ Comparable sales are based on the period from 8 January 2024 to 31 March 2024 (weeks 29 to 40 of FY24) to more closely align the dates of the reporting period in FY25 to the prior corresponding period in FY24.

² Normalising for timing differences, comparable sales growth based on Event adjusted headline sales growth less net space growth was 3.2% ("Adjusted comparable sales growth").

³ eCommerce sales and penetration are based on IFRS sales revenue and include Liquor sold through coles.com.au (previously based on gross retail sales, comparatives restated).

⁴ Sales per square metre is a moving annual total (MAT), calculated on a rolling 52 week basis.

Key highlights

Supermarkets sales revenue of \$9.4 billion for the third quarter increased by 3.7%¹ (8.9% growth on a two-year basis). Excluding tobacco, sales revenue increased by 4.7%.

Customers remained value conscious throughout the period with solid volume growth supported by our value offering, including Summer value campaign and ongoing promotional activity, successful execution across trade events including Australia Day and Valentine's Day, and our Harry Potter collectibles campaign.

eCommerce sales increased by 25.7% to \$1.1 billion with penetration increasing to 11.3%. eCommerce sales growth was strong across all shopping missions (Next Day, Same Day and Rapid) underpinned by continued enhancements to App and website functionality, expanded reach and successful trade plans, including the 'App Mega Sale' event and Back to School offers. A significant uplift in online customer NPS was also recorded, particularly for those customers whose orders were fulfilled via our CFCs.

By the end of the period, we had fulfilled over 1.5 million orders from our CFCs since launch. Perfect order rates continue to track at more than double the national home delivery rate with Next Day home delivery in New South Wales and Victoria growing significantly ahead of the rest of nation. The CFC range was also expanded with more than 27,000 SKUs now ranged within each of the CFCs, including new products added this period across the deli, global and seasonal categories.

Our Exclusive to Coles portfolio continued to play an important role in delivering value to customers. Exclusive to Coles sales revenue increased by 4.5% to \$3.2 billion (13.2% growth on a two-year basis) with Coles Finest remaining the strongest performing tier, with revenue growth of 13.7%.

During the period, the business also navigated several severe weather events, including flooding in Far North Queensland in February and the impacts of Cyclone Alfred on Southeast Queensland and Northern New South Wales in March.

Total Supermarkets price inflation was broadly stable at 1.5% (1.4% in 2Q25) with inflation excluding tobacco of 1.1% (1.0% in 2Q25). Inflation in the fresh category was driven by meat and fresh produce. Continued increases in livestock costs impacted inflation in meat, particularly across the lamb, pork and poultry categories. Whilst fresh produce inflation was elevated due to the impacts of Cyclone Alfred and the cycling of abundant supply in some categories, such as avocados, in 3Q24. Inflation excluding tobacco and fresh moved into deflation at (0.3%) (inflation of 0.1% in 2Q25), with deflation in the health and home category offsetting continued inflation across categories impacted by higher coffee and cocoa prices, such as confectionery, boxed chocolates and coffee.

Two new supermarkets were opened, two were closed and eight were renewed during the quarter.

¹ Adjusted for the differences in the retail calendar which included New Years Day and a period of pre-Easter trading in the prior corresponding period, sales revenue increased by 3.5% ("Event adjusted headline sales growth").

Liquor

	3Q25	3Q24	CHANGE
Sales revenue (\$m)	813	786	3.4%
Comparable sales growth ^{1,2} (%)	(2.0)	(3.1)	112bps
eCommerce sales ³ (\$m)	52	44	18.2%
eCommerce penetration ³ (%)	6.5	5.7	73bps
eCommerce penetration (inc. COL) ⁴ (%)	7.6	6.4	113bps
Sales density per square metre ⁵ (MAT \$/sqm)	15,683	15,983	(1.9%)

¹ Comparable sales are based on the period from 8 January 2024 to 31 March 2024 (weeks 29 to 40 of FY24) to more closely align the dates of the reporting period in FY25 to the prior corresponding period in FY24.

² Normalising for timing differences, comparable sales growth based on Event adjusted headline sales growth less net space growth was flat ("Adjusted comparable sales growth").

³ eCommerce sales and penetration are based on IFRS sales revenue and excludes Liquor sold through coles.com.au (reported in Supermarkets' eCommerce sales) and B2B sales (previously based on gross retail sales, comparatives restated).

⁴ eCommerce penetration including Liquor sold through coles.com.au.

⁵ Sales per square metre is a moving annual total (MAT), calculated on a rolling 52 week basis.

Key highlights

Liquor sales revenue of \$813 million for the third quarter increased by 3.4%². Headline sales benefited from an uplift in space growth with 31 net new stores added to the portfolio over the last 12 months, including the acquisition of 20 stores in Tasmania in June 2024. Comparable sales were impacted by the timing of Easter Sunday which fell in the prior corresponding period. Adjusted comparable sales growth was flat.

Whilst the liquor market continues to be impacted by subdued discretionary spending, sales revenue was underpinned by strong execution across events, such as Australia Day, and a reset of our value offer across all stores to deliver a more compelling offer for customers. This included the move to consistent base and promotional pricing across all three retail banners and the nationwide rollout of Price Match Promise.

eCommerce sales revenue increased by 18.2% with penetration of 6.5% (7.6% including liquor sold through Coles Online). Strong growth was delivered across both home delivery and Click & Collect channels.

Four new stores were opened, four stores were closed and 10 store renewals were completed. All acquired Tasmanian stores have now been renewed following their conversion to the Liquorland banner in June 2024.

In March, Liquor also announced that it will proceed with the national rollout of its 'Simply Liquorland' program. The program will simplify the customer offer by converting Vintage Cellars and First Choice Liquor Market stores to the Liquorland brand. It will also align product range, promotions, the Flybuys loyalty program and omnichannel services across the portfolio whilst still enabling stores to be tailored for local demographics. This decision follows a successful pilot program which led to increased brand awareness and customer engagement, repeat visits and overall greater shopping satisfaction across the trial stores. Approximately \$7 million in program related costs are expected to be incurred in the second half of FY25.

Other

Revenue of \$165 million was recorded in the third quarter in the Other segment relating to the Product Supply Agreement (PSA) with Viva Energy Group Ltd. As previously communicated, the PSA is expected to conclude in April 2026.

² Adjusted for the differences in the retail calendar which included New Years Day in the prior corresponding period, sales revenue increased by 2.9% ("Event adjusted headline sales growth").

Outlook

In the early part of the fourth quarter, Supermarkets sales growth has remained broadly in line with the third quarter with continued volume growth supported by a positive response from customers across our Easter offer, including our award winning hot cross buns and our Own Brand range.

In Liquor, we have continued to see positive sales growth underpinned by the success of our recent value campaigns and the addition of new space over the last 12 months, including our Tasmanian acquisition.

Coles Group CEO, Leah Weckert, said: "With the ramp up of our second Automated Distribution Centre in New South Wales now complete, the ability to deliver a step change in online customer experience through our Customer Fulfilment Centres, and our Liquor banner simplification program underway, we enter the fourth quarter focused on delivering a great shopping experience for our customers underpinned by quality products at affordable prices."

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Appendix

Appendix 1

Number of retail stores

	OPEN AS AT 6 JAN 2025	OPENED	CLOSED	OPEN AS AT 30 MAR 2025
NSW & ACT	265	0	0	265
QLD	185	1	0	186
VIC & TAS	245	1	0	246
SA & NT	61	0	(2)	59
WA	102	0	0	102
Supermarkets	858	2	(2)	858
Liquor	995	4	(4)	995
Group store numbers	1,853	6	(6)	1,853

Appendix 2

Reporting calendars for FY24, FY25 and FY26

FY24	1Q24	2Q24	3Q24	4Q24
Reporting period	26 Jun 2023 - 24 Sep 2023	25 Sep 2023 - 31 Dec 2023	1 Jan 2024 - 24 Mar 2024	25 Mar 2024 - 30 Jun 2024
Number of days	91 days	98 days	84 days	98 days
Number of weeks	13 weeks	14 weeks	12 weeks	14 weeks
FY25	1Q25	2Q25	3Q25	4Q25
Reporting period	1 July 2024 - 29 Sep 2024	30 Sep 2024 - 5 Jan 2025	6 Jan 2025 - 30 Mar 2025	31 Mar 2025 - 29 Jun 2025
Number of days	91 days	98 days	84 days	91 days
Number of weeks	13 weeks	14 weeks	12 weeks	13 weeks
FY26	1Q26	2Q26	3Q26	4Q26
Reporting period	30 June 2025 - 28 Sep 2025	29 Sep 2025 - 4 Jan 2026	5 Jan 2026 - 29 Mar 2026	30 Mar 2026 - 28 Jun 2026
Number of days	91 days	98 days	84 days	91 days
Number of weeks	13 weeks	14 weeks	12 weeks	13 weeks

Appendix 3

Key trading events impacting quarterly sales

		HEADLINE SALES				COMPARABLE SALES ¹			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
AFL grand final	FY24		x			x			
	FY25	x				x			
NRL grand final	FY24		x			x			
	FY25		x				x		
New Years Day	FY24			x			x		
	FY25		x				x		
Easter	FY24				x			x	
	FY25				x				x

¹ Comparable sales for FY25 are based on the period from 3 July 2023 to 30 June 2024 (weeks 2 to 53 of FY24) to more closely align the dates of the reporting periods in FY25 to the prior corresponding periods in FY24.