

NICK SCALI LIMITED
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nickscali

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8 August 2025

Results announcement – year ended 30 June 2025 (FY25)

Furniture retailer Nick Scali Limited ("the Group") (ASX: NCK) today reported its results for the full year ended 30 June 2025.

Anthony Scali, Managing Director and CEO, said "I am pleased to report a strong second half trading result in ANZ with written sales order growth of 7.3%, resulting in full year written sales order growth of almost 3%, whilst maintaining a strong gross profit margin of 65%. Our UK expansion continues to progress with 12 stores now refurbished and rebranded. Trading performance in the rebranded Nick Scali stores for May and June is now achieving a gross profit margin of 58%, compared to 42% at acquisition. I look forward to completing the store refurbishment and rebranding program during the first half of FY26."

Group underlying¹ Result:

A\$m	FY25	FY24	Change
ANZ Group			
ANZ Group Revenue (\$m)	453.5	459.9	-1.4%
Gross margin %	65.0%	66.0%	100bps
Underlying¹ Net profit after tax (NPAT)	73.2	83.5	-12.3%
UK			
UK Revenue (\$m)	41.8	8.3	-
Gross margin %	47.1%	42.0%	510bps
Underlying¹ Net loss after tax \$m	-11.2	-1.4	-
Total Group			
Group Revenue (\$m)	495.3	468.2	5.8%
Gross margin %	63.5%	65.5%	-200bps
Underlying¹ Net profit after tax (NPAT)	62.0	82.0	-24.4%
Underlying ¹ EBITDA ²	159.1	175.0	-9.1%
Underlying¹ EBIT²	105.7	129.5	-18.4%

Group Statutory Result:

A\$m	FY25	FY24	Change
ANZ Group Net profit after tax (NPAT)	71.3	82.0	-13.0%
UK Net loss after tax	-13.6	-1.4	
Group Net profit after tax (NPAT)	57.7	80.6	-28.3%
Basic earnings per share (EPS, cents)	67.5	98.7	-31.6%
Final dividend per share (cents)	30	33	-9.1%
Total dividends per share (cents)	60	68	-11.8%

¹ Underlying NPAT FY25 excludes \$2.4m of restructuring and integration cost relating to the UK acquisition and \$2.8m (\$1.9m post tax) of costs in ANZ resulting from the business failure of a freight forwarder in 1H. Underlying NPAT FY24 excludes \$1.5m of UK acquisition costs.

² Underlying EBITDA and EBIT are based on finance costs net of \$3.8m (\$3.4m FY24) interest income included in other income.

Australia and New Zealand Group ("ANZ Group") FY25 Result

ANZ Group Underlying¹ net profit after tax was \$73.2m.

ANZ Group written sales orders for the period were \$459.9m, + 2.8% compared to FY24. Written sales were stronger in the second half with 2H +7.3% compared to FY24. On a LFL³ basis written sales were +2.3% for FY25 and 6.5% for 2H.

ANZ Group revenue for the period was \$453.5m, with 2H Group Revenue being -1.0% vs -1.8% in 1H on the prior corresponding periods.

Online sales continue to increase driven by enhancements in the eCommerce user experience with ANZ Group Online written orders \$42.4m, +21.8% compared to FY24.

ANZ Group gross margin 2H 65.6%, vs 64.4% 1H. FY25 was 65.0%.

ANZ Underlying¹ FY25 operating expenses increased \$6.1m compared to FY24, the majority being attributable to higher employment expenses.

Excluded from underlying operating expenses are 1H costs of \$2.8m (pre-tax) incurred from extensive detention and demurrage fees caused by the appointment of a liquidator to our main freight forwarder which restricted access to our containers landed into Australia for several weeks.

United Kingdom ("UK") Result FY25

UK Underlying¹ net loss after tax was \$11.2m.

The application of AASB16 increased the UK loss by \$1.2m. Note the application of AASB16 has no cash impact on the business.

UK written sales orders of \$33.9m were significantly impacted during the period from the disruption to the business caused by stores closed for refurbishment for long periods and the continuous clearance of old Fabb product range being sold from showrooms and warehouse inventory.

UK gross margin improved throughout the period with deliveries of Nick Scali product commencing in 2H. 2H gross margin 51.8%, vs 1H 45.1% and 41.0% pre-acquisition. FY25 gross margin 47.1%.

For May and June the gross margin was 58% for the branded Nick Scali stores

Following the refurbishment of 4 stores in the first half, a further 8 stores have been refurbished and rebranded Nick Scali, with 7 by the end of June 25 and 1 recently completed.

The refurbishment and rebranding of the remaining stores is expected to be completed by end of 1H FY26.

Excluded from underlying operating expenses are UK restructuring and integration expenses, \$2.4m in FY25.

¹ Underlying net profit / loss after tax FY25 excludes \$2.4m of restructuring and integration cost relating to the UK acquisition and \$2.8m (\$1.9m post tax) of costs in ANZ resulting from the business failure of a freight forwarder in 1H.

³ LFL represents written sales orders from online and from showrooms which were open for the whole of both reporting periods.

Dividends

The directors declared a fully franked final dividend of 33 cents per share, with a record date of 2 October 2025 and a payment date of 28 October 2025.

Store Network

During the period, one new Nick Scali store in Artarmon, NSW, and one new Plush store in Melton, VIC, were opened. Two new Plush stores opened in larger locations in Newcastle and Prospect NSW, with existing locations converted to clearance stores.

The UK Peterborough store was closed at the end of the lease term as it was deemed not suitable to rebrand to Nick Scali as part of the ongoing optimisation of the UK store network.

The company has identified a long-term opportunity⁵ of up to 86 Nick Scali stores and 90-100 Plush stores. The long-term opportunity of growth the UK store network has not yet been confirmed.

Outlook

Australia and New Zealand

Written sales orders for the month of July increased by 7.7% compared to the prior year, with LFL³ written sales orders up 7.2%.

Sales revenue for the first quarter FY26 is expected to be up on prior year.

A further five new stores are confirmed for opening during the year, with additional opportunities currently being reviewed.

UK

Losses are expected to continue until remaining stores are refurbished and individual store sales improve.

Results Presentation

Anthony Scali will be presenting the FY25 results by teleconference at 10h00 AEDT on Friday 8 August 2025. Attendees are required to pre-register for the conference using the following link and will receive dial-in details upon completion of the brief pre-registration process.

Registration Link <https://s1.c-conf.com/diamondpass/10048345-6sf5drd.html>

For further information contact:

Anthony Scali
Kylie Archer

(Chief Executive Officer and Managing Director)
(Chief Financial Officer)

Authorised for release by the Board of Nick Scali Limited

³ LFL represents written sales orders from online and from showrooms which were open for the whole of both reporting periods.

⁵ Opportunity is based on demographic data and proximity to existing showrooms. Timing of store roll out is dependent on site availability and commercial terms.