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FY26 Results Presentation

7 August 2026

FY26 Summary

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Group

- Group net profit after tax $75.7m, up 22% on FY25 underlying NPAT, and up 31% on statutory NPAT.
- Revenue $516.7m up 4.3%.
- Gross profit margin was 65.6%, up 210 basis points.
- Cash on hand $106.6m.
- Final dividend 39 cents per share fully franked.

ANZ Group

- Written orders up 2.7% reflecting a challenging second half.
- Net profit after tax $80.5m, up 10% on FY25 underlying NPAT and 13% on statutory NPAT.
- Revenue $476.7m, up 5.1% on prior year.

UK

- Written orders for FY26 of $45.0m with 2H orders of $23.2m, up 55.5%.
- Nick Scali branded stores LFL up 19% in 2H.
- Revenue $40.0m, $1.8m less than last year with interrupted trading in 1H for store closures due to rebranding program.
- Gross profit margin FY26 was 60.3%, compared to 47.1% in FY25.
- 16 stores refurbished and rebranded as Nick Scali by December 2025.
- Net loss after tax $4.8m, with a 2H statutory profit of $0.8m.

Written Sales Orders and Group Revenue

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Group Written Sales Orders FY26	$517.5m
Change versus FY25	+4.7%

ANZ Group Written Sales Orders FY26	$472.5m
Change versus FY25	+2.7%

Written Sales for FY26 were up 2.7% vs prior year with softer trading in 2H -3.6% compared to prior year 2H LFL[1] growth of 7.3%.

UK Written Sales Orders FY26	$45.0m
Change versus FY25	+31.4%

Written Sales for FY26 were up 31.4% vs prior year, as sales recovered following store closures and store refurbishments.

Nick Scali branded stores trading LFL[1] were up 19% in 2H.

Group Revenue FY26	$516.7m
Change versus FY25	+4.3%

ANZ Group Revenue FY26	$476.7m
Change versus FY25	+5.1%

ANZ FY26 revenue growth 5.1%.

UK Revenue FY26	$40.0m
Change versus FY25	-4.3%

UK revenue for FY26 reflects lower written sales over 1H FY26, caused by closures of numerous stores for lengthy periods. Written sales orders of $45.0m exceeded sales revenue by $5m.

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

Group Financial Performance $m

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	FY26 ANZ	FY26 UK	FY26 Group	FY25[2] Group
Sales Revenue	**476.7**	**40.0**	**516.7**	**495.3**
Cost of sales	(161.9)	(15.9)	(177.8)	(180.7)
Gross Profit	**314.8**	**24.1**	**338.9**	**314.6**
Gross Margin %	66.0%	60.3%	65.6%	63.5%
Other income	5.4	1.6	7.0	5.1
Operating expenses	(141.4)	(20.4)	(161.8)	(156.8)
Depreciation and amortisation	(47.9)	(8.1)	(56.0)	(53.4)
Bank finance costs	(3.7)	–	(3.7)	(4.3)
AASB16 interest costs	(12.2)	(2.0)	(14.2)	(12.7)
Profit (Loss) before tax	**115.0**	**(4.8)**	**110.2**	**92.5**
Income tax	(34.5)	–	(34.5)	(30.5)
Profit (Loss) after tax	**80.5**	**(4.8)**	**75.7**	**62.0**
Impact of AASB16 on profit (Loss) after tax[3]	(1.7)	0.3	(1.4)	(1.2)
Profit (loss) after tax before AASB16	**82.2**	**(5.1)**	**77.1**	**63.2**
EBITDA[1]	**175.6**	**5.1**	**180.7**	**159.1**
EBIT[1]	**127.7**	**(3.0)**	**124.7**	**105.7**

ANZ Group

ANZ Group gross margin at 66.0%, vs FY25 at 65.0%.

ANZ FY26 operating expenses increased by $5m compared to the prior year attributable to employment bonuses and additional advertising in 1H. 2H was flat including start- up costs of $600k for 4 new stores.

Impact of AASB16 was ($1.7m) after tax compared to nil the previous year.

UK

Gross margin continued to improve to 60.3% for FY26.

Other income included:

- Interest earned.
- Lower than estimated final acquisition payment.
- The early surrender of onerous leases, on stores which incurred trading losses during landlord negotiations.

[1] EBITDA and EBIT are based on finance costs net of $3.4m (FY25 $3.8m) interest income included in Other income. Refer Appendix B.
[2] FY25 underlying financial performance excludes $2.4m restructuring and integration costs for the UK and $2.8m ($1.9 post tax) costs in ANZ resulting from business failure of a freight forwarder. Refer Appendix A for reconciliation to Group statutory profit after tax.
[3] Refer Appendix C for Impact of AASB16 on profit (loss after tax) reconciliation.

Group Cashflow $m

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	Group	
	FY26	FY25
Operating cash flows net of lease liabilities repayments and lease interest payments	117.9	89.6
Tax paid	(26.2)	(34.9)
Net bank interest paid	(0.3)	(0.4)
Property and other capital investments	(23.0)	(14.6)
Proceeds of issue of share capital	–	3.8
Repayment of borrowings	–	–
Dividends paid	(61.6)	(53.8)
Net movement in cash and bank deposits	**6.8**	**(10.3)**
Closing cash and bank deposits	**106.6**	**101.0**
Total Borrowings	(71.7)	(71.7)
Net cash	**34.9**	**29.3**
Property debt secures at less than 22% LVR	(43.7)	(43.7)
Corporate Plush acquisition debt	(28.0)	(28.0)
Total Borrowings	(71.7)	(71.7)
Net cash	**34.9**	**29.3**

Operating cashflows

Cash of $117.9m generated from operating activities in FY26 (including operating lease and interest payments) compared to $89.6m FY25.

UK operational funding requirements have decreased as sales have grown and refurbishments are completed. Operating cash flows at -$2.1m compared to -$10.2m in the prior year, with 2H generating operating cashflows of -$0.2m.

Property and other capital investments

Land acquired for $3.8m in July 25 to facilitate the building of a new South Australian distribution centre. Construction has commenced and has an expected completion in 1H27.

Purchase of Campbelltown retail store settled in Nov 25, $7.9m.

Refurbishment of ANZ $4.2m and UK $4.0m showrooms.

The purchase of a new showroom property in Richmond, Victoria will complete in August 2026.

Capital management & dividends

Payment of the FY25 final and FY26 interim dividend has returned $61.6m to shareholders in the period being an uplift of $7.8m on FY25.

Closing cash and bank deposits at June 26 of $106.6m and net cash after borrowings of $34.9m, up $5.6m.

Group Balance Sheet $m

	Jun 2026	Jun 2025
Cash and deposits	106.6	101.0
Inventory – in transit	10.9	13.5
Inventory – on hand	41.6	44.6
Property at net book value	131.0	120.1
Plant and equipment	30.1	27.6
Leased assets	250.5	216.0
Intangibles	163.6	166.4
Other assets	9.5	7.5
Borrowings	71.7	71.7
Payables	30.3	34.8
Lease liabilities	278.4	244.5
Deferred revenue	65.5	67.2
Provisions	9.1	9.1
Tax and other liabilities	9.0	2.8
Net assets	**279.8**	**266.6**

Inventory – On hand

	ANZ DCs	ANZ showrooms	UK DC	UK showrooms	Total
Jun 2026	13.9	22.6	1.6	3.5	41.6
Jun 2025	15.7	23.5	1.9	3.5	44.6

Property

Increased largely due to the acquisition of Campbelltown store and land for the SA distribution centre.

Leased Assets & Liabilities

Increased by $34.5m due to the extension of the UK showroom leases and addition of the UK warehouse lease together with new ANZ stores and normal renewals of the existing network.

Intangibles

Includes $126m of goodwill and brand value acquired in 2021 as part of the Plush acquisition and $33m of goodwill recognised as part of the Fabb Furniture UK acquisition in 2024.

Borrowings

$43.7m of borrowings unchanged over the period relate to property debt secured against the property portfolio at a loan-to-value ration of less than 22%.

Corporate debt $28m at 30 June 2026, also unchanged over the reporting period.

Nick Scali in the UK

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UK Summary

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Written Sales Orders

- Sales orders of $45m for FY26 with rebranding process completed by Dec 25.
- Nick Scali branded stores trading LFL in 2H showed growth of 19% in difficult market.

Margin

- FY26 gross margin 60.3% (net of interest free subsidy).
- Margin in 2H 61.2%.

Distribution

- Lease of new warehouse commenced June 2026 with capacity for growth.

Leadership

- Focus remains on retail teams in stores.
- Evaluating and seeking new store opportunities.

Product

- Best sellers in the UK in line with best sellers in Australia.
- New product introductions based on Australian performance.

New Stores

- New store expected to open in October.
- Other stores currently under negotiation.

Store Network

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	June 25	New locations[3]	July 26	Long term Opportunity[1]
Nick Scali				
Australia	60	+1	61	73
New Zealand	5	–	5	13
	65	+1	66	86
Plush				
Australia	45	+3	48	85-90
New Zealand	–	–	–	05-10
	45	+3	48	90-100
ANZ Total	**110**	**+4**	**114**	**180-200**
UK	20	-2	18	60-70
Total [2]	**130**	**+2**	**132**	**240-270**

- New Plush showrooms opened
  - Bendigo, Vic Nov 25
  - Tuggerah, NSW March 26
  - Cannington, WA May 26
- A new Nick Scali store was opened in Ballarat, Vic in April 26.
- Two new Nick Scali stores have opened in July 26 at Bendigo, Vic and Bunbury, WA.
- UK Lincoln store closed Oct 25 and Nottingham April 26 as they were shared concessionary stores and therefore not suitable in respect of our long term network strategy.
- New store in the UK expected to open in October 26.
- A number of potential new store locations in the UK are under review.

[1] Opportunity is based on demographic data and proximity to existing showrooms. Timing of store rollout is dependent on site availability and commercial terms.
[2] Total excludes clearance stores and on-line.
[3] New locations represents net movement of new store locations offset by closed store locations (June 25 to July 26)

Property

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Location	Date Acquired	Net Lettable Area (m^2)
Auburn, NSW	Dec 2017	5,469
Auburn, NSW	Feb 2020	788
Alexandria, NSW	Jul 2010	1,680
Campbelltown, NSW	Nov 2025	2,277
Caringbah, NSW	Jul 2014	2,633
Edinburgh, SA	Jul 2025	6,377
Fyshwick, ACT	Nov 2012	4,120
Nunawading, VIC	Sep 2014	2,667
Macgregor, QLD	Oct 2015	4,839
Townsville, QLD	Nov 2021	5,396
Crestmead, QLD	Dec 2022	11,661
Keswick, SA	Jul 2020	2,573
Joondalup, WA	Mar 2015	2,198
Total		**52,678**

Property Carrying Value	$m
– Historical Acquisition Cost	145.2
– *Current Book Value (Acquisition cost, less depreciation)*	*131.0*
– Based on Independent Valuation	208.2

FY26 Key Expenditure	$m
• Campbelltown purchase	7.9
• South Australia DC, Land purchase	3.8

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Outlook

ANZ

For the first 5 weeks of trading for FY27, written sales orders were flat when compared to the same period the previous year cycling off high single digit growth.

The group opened four new stores during FY26 and a further two in July, which are expected to contribute positively to FY27 earnings.

A further 4 stores are expected to be opened during FY27, supporting the Group's continued growth strategy.

UK

The positive momentum in the UK continued into FY27, with written sales orders for the first 5 weeks increasing 35% on the prior corresponding period. The Group expects to open a new store in October and is in negotiations on a number of other locations as we continue to expand our presence in this important growth market.


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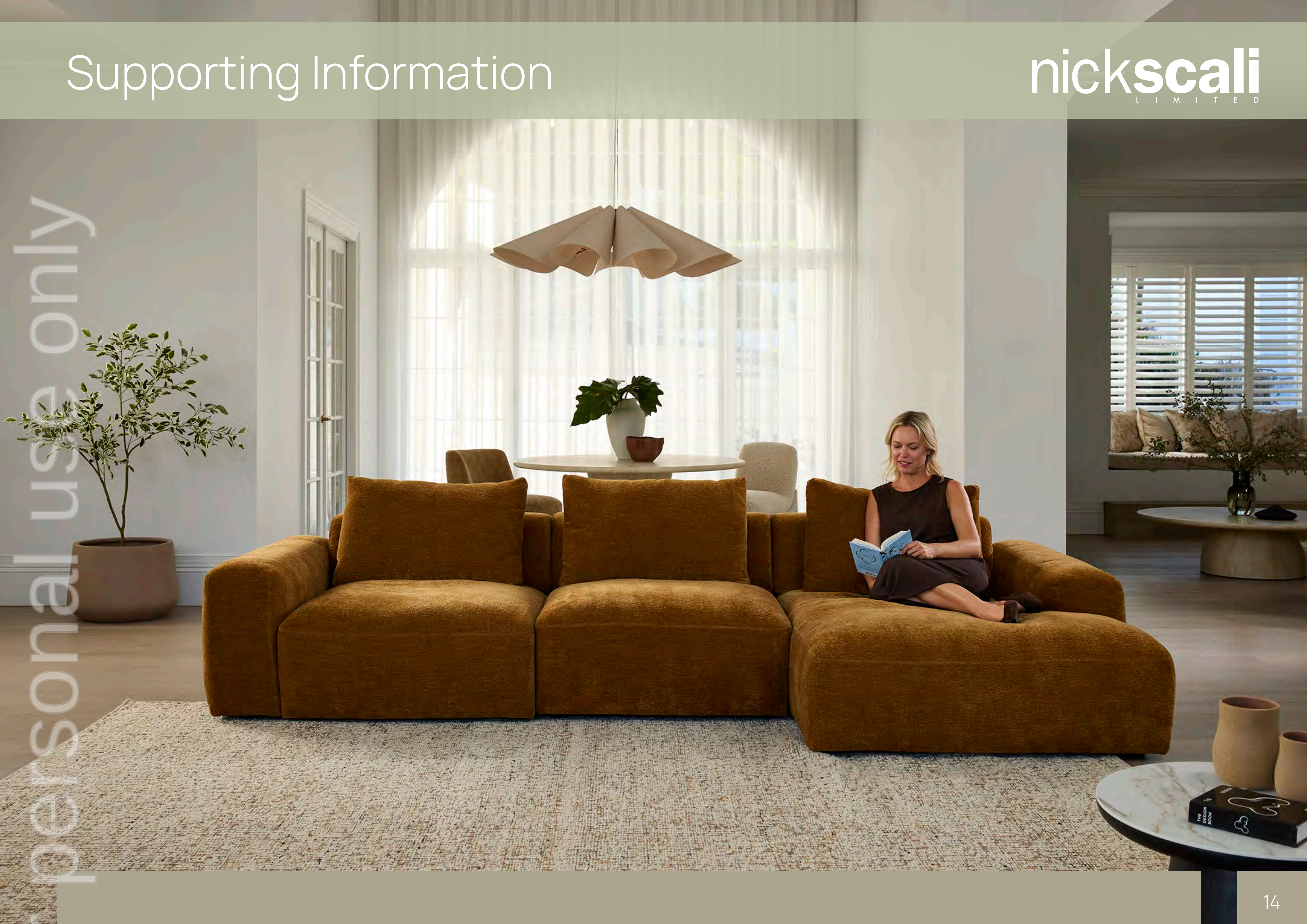
This document should be read in conjunction with the FY26 Results Announcement and FY26 Appendix 4E.

Authorised for release by the Board of Nick Scali Limited.



Appendix A – Underlying Group NPAT Reconciliation $m

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	FY26	FY25			
	FY26 Statutory	FY25 Statutory	UK Restructuring & integration costs	ANZ Costs resulting from freight forwarder business failure	FY25 Underlying
Sales Revenue	**516.7**	**495.3**	–	–	**495.3**
Cost of sales	(177.8)	(180.7)	–	–	(180.7)
Gross Profit	**338.9**	**314.6**	–	–	**314.6**
Gross Margin %	65.6%	63.5%	–	–	63.5%
Other income	7.0	5.1	–	–	5.1
Operating expenses	(161.8)	(162.0)	2.4	2.8	(156.8)
Depreciation and amortisation	(56.0)	(53.4)	–	–	(53.4)
Finance costs	(17.9)	(17.0)	–	–	(17.0)
Profit before tax	**110.2**	**87.3**	**2.4**	**2.8**	**92.5**
Income tax	(34.5)	(29.6)	–	(0.9)	(30.5)
Profit after tax	**75.7**	**57.7**	**2.4**	**1.9**	**62.0**

Appendix B – EBITDA and EBIT Reconciliations $m

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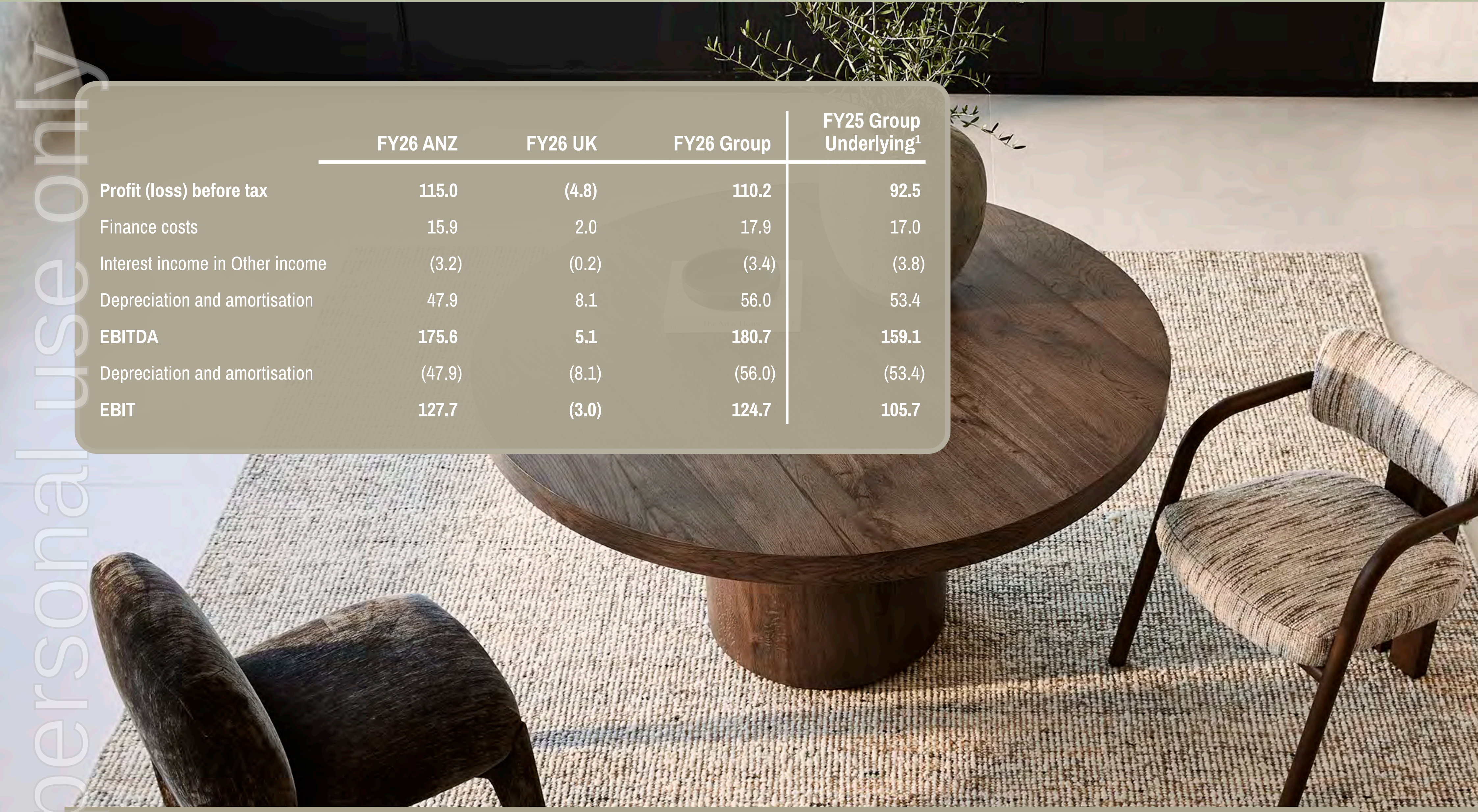

	FY26 ANZ	FY26 UK	FY26 Group	FY25 Group Underlying[1]
Profit (loss) before tax	**115.0**	**(4.8)**	**110.2**	**92.5**
Finance costs	15.9	2.0	17.9	17.0
Interest income in Other income	(3.2)	(0.2)	(3.4)	(3.8)
Depreciation and amortisation	47.9	8.1	56.0	53.4
EBITDA	**175.6**	**5.1**	**180.7**	**159.1**
Depreciation and amortisation	(47.9)	(8.1)	(56.0)	(53.4)
EBIT	**127.7**	**(3.0)**	**124.7**	**105.7**

[1] EBITDA and EBIT are based on finance costs net of $3.4m (FY25 $3.8m) interest income included in Other income.

Appendix C – Lease Expense $m

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	FY26 Group	FY26 ANZ	FY26 UK	FY25 Group
Property Expense	18.4	14.2	4.2	17.7
AASB16 Depreciation expense	47.5	40.2	7.2	45.7
AASB16 Interest Expense	14.1	12.2	1.9	12.7
Total property expenses statutory	**80.0**	**66.6**	**13.4**	**76.1**
AASB16 Depreciation expense	(47.5)	(40.2)	(7.3)	(45.7)
AASB16 Interest Expense	(14.1)	(12.2)	(1.9)	(12.7)
Lease period obligations not included in statutory property expense	60.2	50.7	9.5	57.2
Lease expense pre AASB16	**78.6**	**64.9**	**13.7**	**74.9**
Statutory expense compared to pre AASB16	**(1.4)**	**(1.7)**	**0.3**	**(1.2)**