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FY25 Results Presentation

8 August 2025

FY25 Highlights

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ANZ Group

- 2H Written Sales Orders +7.3%, with FY25 up almost 3% YOY (2.8%).
- 2H Revenue $231m, FY25 Revenue $454m.
- 2H gross profit margin was 65.6%, up 1.2pp from 1H. ANZ gross margin for FY25 65.0%, vs 66.0% in FY24.
- Underlying[1] profit after tax $73.2m.

UK

- FY25 Revenue $42m.
- 2H gross profit margin was 51.8%, up from 1H 45.1% and pre acquisition levels of 41.0%. UK gross margin for FY25 47.1%.
- 12 stores refurbished and rebranded as Nick Scali as at August 2025.
- Underlying[1] loss after tax $11.2m.

Group

- Group underlying[1] profit after tax $62.0m.
- Cash and bank deposits $101.0m at 30 June 2025.
- Final dividend 33 cents per share fully franked bringing full year dividends to 63 cents per share fully franked.

[1] Underlying profit after tax FY25 refers to page 4. Refer Appendix A for reconciliation to statutory profit after tax.

Written Sales Orders and Group Revenue

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ANZ Group Written Sales Orders FY25	$459.9m
Change versus FY24	+2.8%

Written Sales were stronger in the second half with 2H +7.3%, vs -2.2% in 1H. Q4 +10.4%. This included a recovery in NZ and improved performance across all Australian states.

Total FY25 at $459.9m was almost 3% up on FY24 (+2.8%).

ANZ LFL[1] Written sales orders for 2H were +6.5% and + 2.3% for the full year.

UK Written Sales Orders FY25	$33.9m
Change versus FY24	N/A

FY25 UK written sales orders $33.9m. UK written sales were disrupted by discontinuation and clearance of Fabb products and closures of stores for lengthy periods due to store refurbishments.

Remaining Fabb stores traded poorly due to continuous clearance of old Fabb product range with a detrimental effect on consistency of sales. Fabb stores predominantly being used as clearance stores.

Group Written Sales Orders FY25	$493.8m
Change versus FY24	+8.4%

ANZ Group Revenue FY25	$453.5m
Change versus FY24	-1.4%

ANZ 2H revenue -1.0%, reflecting lower written sales in the first half, and a normalisation of delivery lead times in the prior comparison period.

ANZ FY25 Revenue -1.4% vs FY24.

UK Revenue FY25	$41.8m
Change versus FY24	N/A

UK 2H revenue $14.9m.

UK FY25 Revenue $41.8m.

Group Revenue FY25	$495.3m
Change versus FY24	+5.8%

[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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	Underlying[2, 4]			
	ANZ Group FY25	UK FY25	Group FY25	Group FY24
Sales Revenue	**453.5**	**41.8**	**495.3**	**468.2**
Cost of sales	(158.6)	(22.1)	(180.7)	(161.4)
Gross Profit	**294.9**	**19.7**	**314.6**	**306.8**
Gross Margin %	65.0%	47.1%	63.5%	65.5%
Other income	4.8	0.3	5.1	5.5
Operating expenses	(136.4)	(20.4)	(156.8)	(133.9)
Depreciation and amortisation	(44.4)	(9.0)	(53.4)	(45.5)
Bank finance costs	(4.3)	(0.0)	(4.3)	(4.3)
AASB16 interest costs	(10.9)	(1.8)	(12.7)	(10.8)
Profit (Loss) before tax	**103.7**	**(11.2)**	**92.5**	**117.8**
Income tax	(30.5)	–	(30.5)	(35.8)
Profit (Loss) after tax	**73.2**	**(11.2)**	**62.0**	**82.0**
Impact of AASB16 on profit (Loss) after tax [3]	(0.0)	(1.2)	(1.2)	(2.0)
Profit (loss) after tax before AASB16	**73.2**	**(10.0)**	**63.2**	**84.0**
EBITDA [1]	**159.7**	**(0.6)**	**159.1**	**175.0**
EBIT [1]	**115.3**	**(9.6)**	**105.7**	**129.5**

ANZ Group

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

ANZ underlying[2] FY25 operating expenses increased $6.1m compared to the prior year with H2 +$1.1m vs H1 +$5.4m. Consistent with 1H the majority of the increase relates to employment costs.

UK

A strong improvement in UK gross margin over the period with deliveries of Nick Scali product range commencing in 2H and transition to the ANZ delivery model.

2H gross margin 51.8%, vs 45.1%1H and 41% pre acquisition. FY25 gross margin 47.1%.

UK revenue is reported net of interest free subsidy costs, reducing gross margin 2.9% over the year.

UK underlying[2] FY25 operating expenses were $20.4m.

[1] EBITDA and EBIT are based on finance costs net of $3.8m (FY24 $3.4m) interest income included in Other income. Refer Appendix B.
[2] Underlying profit after tax FY25 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 in 1H. 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.
[4] Underlying profit after tax FY24 excludes $1.5m of UK acquisition costs.

Group Cashflow $m

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	FY25	FY24
Operating cash flows net of lease liabilities repayments and lease interest payments	93.1	126.1
UK acquisition – acquired creditor remediation	(3.5)	–
Tax paid	(34.9)	(39.0)
Net bank interest paid	(0.4)	(0.9)
Property and other capital investments	(14.6)	(28.1)
Repayments of borrowings	–	(20.0)
Proceeds of issue of share capital	3.8	54.8
UK acquisition – initial working capital injection and transaction costs net of cash acquired	–	(14.2)
Dividends paid	(53.8)	(56.7)
Net movement in cash and bank deposits	**(10.3)**	**22.0**
Closing cash and bank deposits	**101.0**	**111.3**
Total Borrowings	(71.7)	(71.7)
Net cash (Debt)	**29.3**	**39.6**

Operating cashflows

ANZ Group $118.8m FY25.

UK operational funding $25.7m supporting UK working capital requirements and capital investments.

Property and other capital investments

FY25 includes $1.6m of fit out costs for the new WA Distribution centre, $1.5m for the Macgregor store redevelopment and fit out of 11 UK showrooms.

The prior period included $19m of construction and fit out costs for the new Queensland Distribution centre.

UK Acquisition

$3.8m final proceeds from issue of share capital for the UK acquisition, bringing total net proceeds from the equity raise to $58.6m.

$3.5m paid in remediation of acquired creditors including those on agreed payment plans.

Capital management & dividends

$53.8m returned to shareholders in dividend payments.

Closing Cash and bank deposits at June 2025 of $101.0m and net cash of $29.3m.

Group Balance Sheet $m

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	FY25	FY24
Cash and deposits	101.0	111.3
Inventory – in transit	13.5	14.1
Inventory – on hand	44.6	43.9
Property at net book value	120.1	119.6
Plant and equipment	27.6	22.1
Leased assets	216.0	223.5
Intangibles	166.4	157.6
Other assets	7.5	7.0
Borrowings	71.7	71.7
Payables	34.8	44.4
Lease liabilities	244.5	248.7
Deferred revenue	67.2	62.4
Provisions	9.1	7.7
Tax and other liabilities	2.8	6.5
Net assets	**266.6**	**257.7**

Inventory – On hand

	ANZ DCs	ANZ showrooms	UK DC	UK showrooms
June 2025	15.7	23.5	1.9	3.5
June 2024	17.9	22.8	1.2	2.0

Intangibles

$88m of goodwill and $38m of brand acquired 2021 as part of the Plush acquisition.

$36m of goodwill has been recognised as part of the Fabb Furniture UK acquisition. The YOY increase of $8.3m is due to finalisation of PPA ($4.8m) and exchange rate movements ($3.5m).

Borrowings

$43.7m of borrowings unchanged compared to FY24, relate to property debt secured at less than 30% LVR. Improvement in LVR driven by additional properties funded from cashflow.

Corporate debt $28m at 30 June 2025, also unchanged compared to FY24.

Payables

Payables at June 2025 include $4.6m (June 2024 $16.9m) for the UK.

ANZ Group Online

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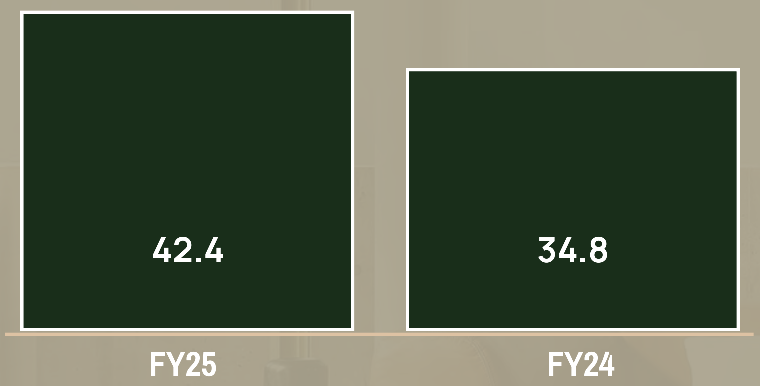
Written sales order growth

- FY25 online written sales orders were $42.4m, up 21.8% with enhancements in the eCommerce user experience driving growth.

Written sales orders ($m)



Nick Scali in the UK

UK Summary

Written Sales Orders

- Disruption to trading as stores being refurbished are closed for a 4-5 week period.
- Fabb branded stores have traded particularly poorly as old product range is cleared and have operated as clearance stores whilst waiting for refurbishment.
- New Nick Scali branded store sales have seen mixed results during February to May when compared to the prior year. June written orders were up on prior year and flat for July.

Margin

- 2H FY25 gross margin 51.8% for both Nick Scali and Fabb stores (net of interest free subsidy).
- May and June 25 gross margin for rebranded Nick Scali stores 58% (net of interest free subsidy).

Distribution

- Progress has been made in restructuring customer delivery model to reduce margin leakage.
- Moved to 3PL furniture specialist, exited warehouse, sold delivery vehicles and redundancies implemented for all distribution employees.

Leadership

- Experienced furniture retailer appointed as GM UK in May.
- Focus is on retail teams in stores.
- Evaluating and seeking new store opportunities.

Product

- Continued belief that Product is right for the UK.
- Small adjustment to product range are ongoing.

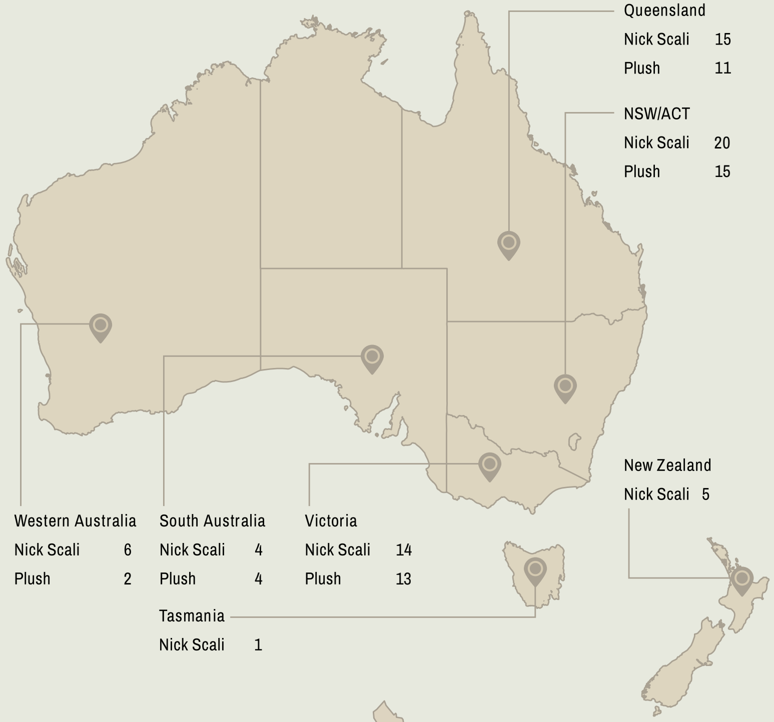
Pathway to Profitability

- Remaining store refurbishments to be completed by 1H FY26.
- On completion of all store refurbishments and based on 58% margin, revenue target to reach break-even is A$53m (£25.4m).
- Based on recent average sales per Nick Scali store, each store would need to increase sales by $A10k (£4.8k) per week. Based on average transaction values this equates to 2.5 additional orders per week.
- Increased marketing spend focused on establishing the Nick Scali brand in the UK and quality sales teams are critical to achieve uplift in sales.

	June 24	New location opened	Converted to clearance	Closed	June 25	Long term Opportunity[1]
Nick Scali						
Australia	59	1	–	–	60	73
New Zealand	5	–	–	–	5	13
	64	1	–	–	65	86
Plush						
Australia	44	3	-2	–	45	85-90
New Zealand	–	–	–	–	–	05-10
	44	3	-2	–	45	90-100
ANZ Total	**108**	**4**	**-2**	**–**	**110**	**180-200**
UK	21	–	–	-1	20	TBC
Total [2]	**129**	**4**	**-2**	**-1**	**130**	**TBC**

FY25

- Nick Scali showroom opened in a new location at Artarmon, NSW.
- Plush showroom opened in a new location in Melton, VIC.
- Two new Plush stores opened in larger locations in Newcastle and Prospect, NSW. Existing locations converted to clearance stores.
- UK Peterborough store closed as at end of lease and not suitable to rebrand to Nick Scali as part of the ongoing optimisation of the UK store network.
- 11 UK stores have been converted to the Nick Scali store design, branding and product range.



[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.*

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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
Caringbah, NSW	Jul 2014	2,633
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		**44,024**

Property Carrying Value	$m
– Historical Acquisition Cost	132.3
– *Current Book Value (Acquisition cost, less depreciation)*	*120.1*

FY25 Key Expenditure	$m
• Macgregor, Qld redevelopment project	1.5

FY26 Commitments	$m
• Campbelltown purchase	7.1
• South Australia DC, Land purchase	3.75

Outlook

ANZ

Written sales for month of July 25 increased by 7.7%, like for like written sales up 7.2%.

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

A further 5 new stores are confirmed for opening during the year, with additional opportunities currently being reviewed.

UK

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


SHUP HOOZ M
PIST ROOM 1

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This document should be read in conjunction with the FY25 Results Announcement and FY25 Appendix 4E.

Authorised for release by the Board of Nick Scali Limited.

Supporting Information

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Appendix A – Underlying Group NPAT Reconciliation $m

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

Appendix B – EBITDA, EBIT and Reconciliations[1] $m

	FY25 ANZ Group	ANZ costs resulting from freight forwarder business failure	FY25 ANZ Group Underlying	FY25 UK	UK restructuring and integration costs	FY25 UK Underlying	FY25 Group Underlying
Profit (loss) before tax	**100.9**	**2.8**	**103.7**	**(13.6)**	**2.4**	**(11.2)**	**92.5**
Finance costs	15.2	–	15.2	1.8	–	1.8	17.0
Interest income in Other income	(3.6)	–	(3.6)	(0.2)	–	(0.2)	(3.8)
Depreciation and amortisation	44.4	–	44.4	9.0	–	9.0	53.4
EBITDA	**156.9**	**2.8**	**159.7**	**(3.0)**	**2.4**	**(0.6)**	**159.1**
Depreciation and amortisation	(44.4)	–	(44.4)	(9.0)	–	(9.0)	(53.4)
EBIT	**112.5**	**2.8**	**115.3**	**(12.0)**	**2.4**	**(9.6)**	**105.7**

[1] *EBITDA,and EBIT are based on finance costs net of $3.8m (FY24 $3.4m) interest income included in Other income.*

Appendix C – Lease Expense $m

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	FY25 ANZ	FY25 UK	FY25 Group	FY24
Property Expense	13.3	4.4	17.7	12.9
AASB 16 depreciation expense	37.2	8.5	45.7	39.2
AASB16 Interest Expense	10.9	1.8	12.7	10.8
Total property expenses statutory	**61.4**	**14.7**	**76.1**	**62.9**
AASB 16 depreciation expense	(37.2)	(8.5)	(45.7)	(39.2)
AASB16 Interest Expense	(10.9)	(1.8)	(12.7)	(10.8)
Lease period obligations not included in statutory property expense	48.1	9.1	57.2	48.0
Lease expense pre AASB16	**61.4**	**13.5**	**74.9**	**60.9**
Statutory expense compared to pre AASB16	**0.0**	**1.2**	**1.2**	**2.0**