



## Release to the Australian Securities Exchange

### Adairs Limited FY25 trading update

24 October 2024

#### Adairs Limited (ASX: ADH)

Ahead of its Annual General Meeting tomorrow, Adairs today provides a trading update for the first 16 weeks of FY25, ending 20 October 2024.

#### Trading update<sup>1</sup>

Real-time sales (unaudited)	FY25 v FY24		
	(weeks 1-8)	(weeks 9-16)	(weeks 1-16)
<b>Group</b>	<b>-0.4%</b>	<b>+9.6%</b>	<b>+4.8%</b>
Adairs	+0.2%	+16.1%	+8.6%
Focus on Furniture	-0.1%	-7.4%	-3.7%
Mocka	-5.2%	+6.3%	+0.4%

#### Adairs

In the eight weeks since the successful deployment of the new Warehouse Management System (WMS) at its National Distribution Centre, Adairs has traded strongly with sales up +16.1%, driven by strong product ranges that have resonated well with customers and improving in-store stock levels.

#### Focus on Furniture

Following a successful mid-year sale period across June and July 2024, store traffic levels have been well down on prior years resulting in a decline in total sales. This has been further impacted by the planned temporary closure of two stores for refurbishment.

#### Mocka

Mocka's Australian sales continue to build well with sales over the last 8 weeks up +19.7%. Pleasingly, since the website re-platform in New Zealand, sales have improved with the last 8 weeks down -7.5% compared to -15.6% in the first 8 weeks. The Australian website was re-platformed in April 2024.

#### Group Gross Margin

Gross margin for the Group is up c.50bps on last year, after including the adverse impact of currency shifts and recent higher import container rates.

<sup>1</sup> This trading update is based on unaudited management accounts and other information.



## Outlook

The Group remains optimistic about what it can achieve in FY25, given trade to date and ongoing work across areas such as gross margin management, sales conversion and CODB discipline.

The significant progress made on a number of major projects in FY24, including taking control of the Adairs NDC, the implementation of the new WMS at the NDC and the re-platforming of Mocka's website, enables management to focus on extracting further operational efficiencies in the NDC and pursuing additional growth initiatives to drive like-for-like sales and future profitability.

The current quarter (Oct-Dec) is a key retail promotional period which will include important sales events such as the Adairs Linen Lover Event, Black Friday and Christmas.

The Group re-affirms its target to open six new Adairs stores; however, the number of new Focus on Furniture stores expected to open in FY25 has been revised down to two (previously three) due to development delays.

Capital expenditure in FY25 is expected to be c. \$13m to \$15m.

This announcement has been approved by the Board of Adairs Limited.

**ENDS**

## Contact:

Jamie Adamson  
Head of Investor Relations  
M: +61 (0) 437 449 935  
E: [jadamson@adairs.com.au](mailto:jadamson@adairs.com.au)

## About Adairs Limited

*Adairs Limited is Australia's largest omni channel specialty retailer of home furnishings, home furniture and home decoration products. We own and operate three vertically integrated businesses in the Home category – Adairs, Mocka and Focus on Furniture. All businesses are design led, customer focused, and sell quality in-house designed product direct to customers in Australia and New Zealand.*

*Adairs head office is in Melbourne, Australia.*

*For further information visit our investor relations website [www.investors.adairs.com.au](http://www.investors.adairs.com.au)*