



Release to the Australian Securities Exchange

Adairs Limited FY24 trading update

24 November 2023

Adairs Limited (ASX: ADH)

Adairs today provides a trading update for the first 21 weeks of FY24, ending 19 November 2023.

Trading update¹

FY24 year to date (first 21 weeks)	Sales v FY23
Group	(9.0%)
Adairs	(9.9%)
Focus on Furniture	(8.7%)
Mocka	(2.4%)

The impact of higher interest rates and cost of living pressures has seen a significant decline in traffic across each of our businesses of c.10% over the same period last year. Whilst sales in each business are below the same period last year, our focus on customer experience and conversion has ensured the sales decline is less than the traffic decline.

Adairs

In a difficult trading environment, the focus of the Adairs business remains on delivering great product and customer experience. The November Linen Lover Sales event produced the fifth highest sales week on record, demonstrating the value of our loyalty program and our customers' willingness to continue to engage with the brand. The National Distribution Centre transition is progressing well. We are seeing significant improvements in customer service and remain on track to deliver the anticipated cost savings.

Focus on Furniture

Whilst down on the same period last year, Focus on Furniture sales in the first 21 weeks of FY24 are ahead of plan. The business is prioritising margin over sales volume and has managed its inventory and sales promotions carefully to maintain margin and its costs of doing business.

¹ This trading update is based on unaudited management accounts and other information.

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Mocka

Mocka continues to improve its profitability, with the anticipated margin improvements being realised in the year to date on lower stock levels and with costs continuing to be carefully managed.

The Group has hedged c.84% of its FY24 USD commitments at an average of US\$0.70

Adairs Limited will release its interim results on Monday 26 February 2024.

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

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Contact:

Jamie Adamson
Head of Investor Relations
M: +61 (0) 437 449 935
E: 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

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