ASX Announcement
Accent Group Limited (ASX: AX1)
22 August 2025

ACCENT GROUP FULL YEAR FY25 RESULTS[1]

FY25 HEADLINES

- Total sales[2] of $1.62 billion (FY24: $1.61 billion)
- Earnings Before Interest, Tax, Depreciation and Amortisation (**EBITDA**) of $288.8 million (FY24: $293.7 million)
- Earnings Before Interest and Tax (**EBIT**) of $110.2 million[3] (FY24: $110.4 million)
- Net Profit After Tax (**NPAT**) of $57.7 million (FY24: $59.5 million)
- Earnings Per Share (**EPS**) of 10.1 cents (FY24: 10.6 cents)
- A fully franked final dividend of 1.5 cents per share bringing dividends for the FY25 year to 7.0 cents per share (FY24: 13 cents per share)
- Inventory in line with plan and aged stock levels clean
- Total store numbers now 892 stores
- Net debt of $100.0 million (FY24: $122.2 million)
- Sports Direct roll out on track
- Skechers distribution agreement extended to a ten year term to 2035

Accent Group Limited (ASX: AX1) (**Accent Group, Group** or **Company**) today reports EBIT of $110.2 million and NPAT of $57.7 million for the 52 weeks ended 29 June 2025 (**FY25**). The result is at the upper end of the EBIT guidance of $108 million to $111 million provided in the trading update on 12 June 2025.

Accent Group CEO, Daniel Agostinelli, said "Accent delivered sales growth and profit, highlighting the strength of the Accent business model and the dedication of the entire Accent team. Over the year, the company achieved 1.6% owned sales growth, opened 54 new stores, and entered into a long-term strategic partnership with Frasers Group to launch the Sports Direct business across Australia and New Zealand (ANZ). We also signed long-term distribution rights for Dickies and Lacoste.

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[1] Financial results for the 52 weeks ended 29 June 2025, are presented on a statutory post AASB 16 basis unless otherwise noted. Unless otherwise noted, FY24 prior year comparisons are based on statutory post AASB 16 results for the 52 weeks ended 30 June 2024.
[2] Includes The Athlete's Foot franchise sales, non-IFRS measure.
[3] EBIT of $110.2 million includes $3.3 million (H1) of non-recurring items relating to the reversal of a historical impairment of the Hype brand carrying value of $9.7 million, the impairment of a number of underperforming Vans stores of $3.8 million and one-off costs and trading losses of $2.6 million relating to the discontinuation of the CAT brand distribution and the divestment of The Trybe.

Accent Group Limited
ABN 85 108 096 251
2/64 Balmain Street
PO Box 213
Richmond Victoria 3121
www.accentgroup.com.au

FY25 OPERATING REVIEW

- **Total owned sales[4] of $1.46 billion up 1.6%** to prior year (Owned Retail up 2.5%, Wholesale down 5.4%). Our performance brands, including The Athlete's Foot, Hoka, Saucony and Merrell along with Hype and Stylerunner performed strongly. Nude Lucy had a record year of sales and profit.

- **Like for Like (LFL) retail sales[5] for the year of 0.7%** (H1: +2.9%; H2: -1.7%).

- **Gross margin of 54.9%** was 85 basis points below the prior year. The decline was largely due to the prevailing consumer and promotional environment, as consumers responded to value and discounts throughout the year. Whilst sales were lower-than-expected, the Company maintained a disciplined focus on managing inventory levels, placing additional downward pressure on gross margins. The year on year increase in inventories arose from the timing of goods in transit, reacquisition of TAF franchise territories, the Frasers transaction and opening stock for Dickies and Lacoste. Aged inventory levels were in line with prior year and fully covered by inventory provision. Our strategy for Gross Margin remains focused on driving underlying improvement through an increasing mix of our distributed and owned vertical brands.

- **CODB % of 46.6%** was 80 basis points above prior year. The CODB % increase was primarily driven by softer trading conditions in H2, which impacted sales performance and consequently CODB%. With flat LFL sales in H2, ongoing inflationary pressures continued to affect key cost areas, including rents and store-team wages. The Company remains focused on its cost efficiency program, delivering gains through store lease renewal negotiations along with savings in support team and distribution costs.

- **Sales of vertical owned brands** continued to grow, with sales of $130 million (c.9% of owned sales) and gross margin rate ahead of prior year.

- **New distribution agreements** signed for Lacoste and Dickies. The distribution agreements for Merrell and Timberland were renewed for further extended terms.

- **The Skechers distribution agreement** has been extended to a 10 year term out to 2035. This is a key agreement as we have more than 200 Skechers stores in ANZ along with a large online and wholesale business.

- **TAF franchise reacquisition program** is on track with 15 stores acquired in FY25 following the expiry of their agreements. Of the 60 franchise territories in place at the time the program was announced in February 2024, 45 TAF franchises are still to be reacquired.

- The company has more than 10 million contactable customers and continues to build analytics and targeting capability to drive owned channel customer loyalty.

- New store performance remains strong with sales, profit and return metrics in line with expectations. During the year, the Group **opened 54 new stores** and closed or divested 57 stores, 39 stores related to divested and discontinued businesses. The remaining 18 store closures were made where the required rent and investment return outcomes could not be achieved. **Total store numbers (including websites) of 892 stores**.

[4] Owned sales exclude The Athlete's Foot Franchise sales
[5] Like for like ("LFL") retail sales based on 52 weeks for current and comparative periods, includes TAF Franchises sales, digital sales, Glue Store, The Trybe and CAT.

DIVIDEND

Final dividend of 1.5 cents per share fully franked to be paid on 25 September 2025 to registered shareholders as of 28 August 2025.

Total dividends (fully franked) for the year of 7.0 cents per share.

GROWTH PLAN

Accent Group continues to pursue a range of growth opportunities across its core banners and new businesses:

- **The Sports Direct roll out is on track**: Accent plans for an initial roll-out of at least 50 Sports Direct stores over the next six years and ultimately sees an opportunity for 100 plus Sports Direct stores. At least 4 stores including online are expected to open in FY26 with the first store planned to launch in Fountain Gate, Victoria in November 2025. The business also expects to incur various costs associated with the establishment and growth of Sports Direct ahead of the sales from the new stores including Team, Distribution, Marketing and other costs

- **New stores:** Continued roll-out of new stores, with 54 stores opened in FY25, at least 30 new stores are planned in FY26 (excluding Sports Direct). The Company sees a continued store roll-out opportunity in both its core banners and new businesses.

- **Wholesale:** Strong forward pipeline of committed wholesale orders led by Skechers and Hoka.

- **Nude Lucy:** Is highly profitable and continues to resonate well with its loyal and growing customer base. The brand now has 44 stores trading including online, 7 stores were added in FY25 with further stores planned.

- **Stylerunner**: Well positioned in the premium fashion & athleisure market, this brand continues to grow, with 9 stores opened in FY25 bringing the total up to 36 at the end of FY25. Further stores are planned in FY26.

- **The Athlete's Foot:** Franchisee reacquisition is on track with 15 stores acquired in FY25. 45 Franchisee stores remain as at the end of FY25. A further 13 reacquisitions are planned in FY26. The longest dated Franchise agreement expires in August 2029.

TRADING UPDATE & OUTLOOK

Total owned sales (ex. discontinued) for the first 7 weeks of FY26 are up 2% to last year. We have seen some early signs that our lifestyle banners including Platypus and Skechers are back to growth with sports and performance banners continuing to grow. We have a strong pipeline of committed wholesale orders.

LFL retail sales for the first 7 weeks of FY26 are up 0.8% on the prior year.

The company is targeting high single digit EBIT growth for FY26 (inclusive of the startup costs associated with Sports Direct). The outlook for H1 FY26 EBIT is for a similar level of EBIT to H1 FY25 then growth in H2 FY26.

This target is based on achieving low single digit LFL sales growth, growth from new and annualising stores, incremental profit from The Athlete's Foot franchise acquisition program, new distributed brands and continued growth in Hoka and Nude Lucy. Gross margin % and CODB % are planned to be broadly flat to FY25. The projection includes the impact of start up costs for Sports Direct.

Mr Agostinelli said "I am pleased with trade in the opening weeks of FY26. In particular the return to positive LFL retail sales growth. Wholesale sales have traded in line with prior year with strong forward orders. The Accent team is focused on executing our plan for FY26 including innovative new product, new stores, launching Sports Direct, growth from our existing and new distributed brands and a continued drive on cost efficiency and underlying gross margin improvement.

I would also like in particular, to acknowledge and thank our Chairman, David Gordon for his support, leadership and stewardship of our company over the past 19 years. David has announced his intention to retire at the company's AGM in November, and we wish him all the best for the future."

Group Chairman David Gordon said "On behalf of the Board, I extend my appreciation to the entire Accent team for their commitment and resilience throughout FY25. While financial performance fell short of our expectations, the team remained focused on optimising results and executing the strategic growth plan. Accent Group continues to be defined by a culture of innovation and a drive for strong long-term investment returns for shareholders.

The ongoing evolution of the Accent brand portfolio and disciplined approach to rationalising underperforming and non-core banners and stores coupled with the sharp focus on costs enables more management focus and targeted capital allocation to drive future growth and shareholder returns. To this end, we are excited about the significant growth opportunity presented by the launch of Sports Direct in ANZ and are focused on executing this key strategic initiative with discipline and ambition. Our partnership with Frasers Group is an important asset in this journey, bringing global retail expertise and brand strength to support the long-term success of the rollout."

For further information contact:

Investors

Matthew Durbin
Chief Financial and Operating Officer
matthew.durbin@accentgr.com.au

Daniel Agostinelli
Group Chief Executive Officer
Investors@accentgr.com.au

Accent Group FY25 Full-Year Investor Briefing | 22 August | 10:00am AEST

Webinar link:
https://openexc.zoom.us/webinar/register/WN_1T-DilGtQ82SiKKKbmoN8A

Webinar ID: 931 3517 4651

Password: 682202

The release of this announcement was authorised by the Board of Accent Group Limited

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Appendix

Financial overview – Statutory (post AASB16 other than where noted)

Financials	FY25 52 weeks	FY24 52 weeks	Var to FY24
Stores	**892**	895	
Total Sales (Inc. TAF franchises)[6] ($m)	**$1,621.2**	$1,608.1	**+0.8%**
Owned Sales ($m)	**$1,458.3**	$1,434.9	**+1.6%**
LFL Retail Sales[7] (%)	**+0.7%**	+1.7%	
EBITDA ($m)	**$288.8**	$293.7	**-1.7%**
EBIT ($m)	**$110.2**	$110.4	**-0.2%**
PBT ($m)	**$82.0**	$84.4	**-2.9%**
NPAT ($m)	**$57.7**	$59.5	**-3.1%**

[6] Includes stores and digital sites, non-IFRS measure
[7] Based on 52 weeks in the current and prior year comparators