



Briscoe Group Limited (NZX/ASX code: BGP)

Highlights for the full year ended 25 January 2026:

- Record total sales \$798.8 million, +0.93% on last year
- Both Homeware and Sporting Goods segments delivered positive growth, +1.42% and +0.13% respectively
- Gross profit margin 39.23%, -114 basis points
(Margin decline for 2nd half of 76 basis points vs 154 basis points for 1st half)
- Online sales as mix of total Group sales 20.04%, (LY 19.69%)
- Total costs only 1.19% increase on last year
- Net profit after tax (NPAT) \$59.2 million
- Total inventory \$8.9 million below last year
- \$50.4 million capital expenditure made during the period

The directors of Briscoe Group Limited announce a net profit after tax (NPAT) of \$59.2 million for the year ending 25 January 2026, compared to \$60.6 million reported for the previous year.

Group Chair Dame Rosanne Meo said, “Delivering record sales and a solid financial result reflects the strength and resilience of the Briscoe Group business. The Group has continued to execute well, maintaining strong inventory discipline and cost control while navigating a year that remained challenging for many households and retailers. Looking forward the Board acknowledges that recent global events are contributing to a more uncertain external outlook, which management continues to actively monitor.”

Directors have resolved to pay a final dividend of 10.0 cents per share (cps). The dividend is fully imputed and, when added to the interim dividend of 10.0cps, brings the total dividend for the year to 20.0 cps. The final dividend will be paid on 31 March 2026. The share register will close to determine entitlements to the dividend at 5pm on 20 March 2026. The Company’s dividend policy is to pay out at least 60% of NPAT when calculated on a full-year basis.

Dame Rosanne Meo said, “The Board is pleased to be able to maintain a fully imputed final dividend while also ensuring the Group has the financial capacity to complete its major investment programme. These investments are critical in positioning the business for the next phase of growth.”

Rod Duke, Group Managing Director, said: “To deliver record Group sales of \$798.8 million in a year marked by persistent pressure on consumer sentiment and discretionary spending is an outstanding result. While gross margin remained under pressure due to a highly competitive retail environment, we continued to focus on disciplined execution – balancing sales performance and gross profit margin, controlling costs and maintaining excellent inventory outcomes.”

The earnings were generated on sales revenue of \$798.8 million, an increase of 0.93% on the \$791.5 million generated for the previous year. Both trading segments contributed to the growth, with Homeware sales increasing by 1.42% to \$496.8 million and Sporting Goods sales by 0.13% to \$302.1 million. Rod Duke said, “To deliver positive full-year growth across both segments and achieve another record sales outcome is a terrific result, reflecting the strength of our brands, their value proposition and the quality of execution by our teams across stores, online and support functions.”

As expected, gross margin percentage declined for the period from 40.37% to 39.23%. Rod Duke said, "Like all retailers we faced margin pressure through the first half of the year as competitive conditions remained challenging in a highly value-driven market. Encouragingly, through targeted promotional adjustments and a sharper focus on specific trading opportunities, we materially reduced the rate of margin decline across the second half with a decline of 0.76% - significantly improved compared to the first half's decline of 1.54%. Our goal for the 2026/27 financial year is to see positive growth in gross profit margin percentage."

The Group's online business continued to strengthen during the year and represented 20.04% of Group sales as at 25 January 2026. Rod Duke said, "We're excited about reaching 20% of sales mix for the first time. Our online teams delivered a number of key initiatives during the year including migration to the new Adobe platform and the launch of the Direct-to-Customer platform, Marketplacerr as well as, further optimisation of our search engine producing faster updates to online pricing and product pages. We remain excited about the potential to continue to grow the Group's online business as we further optimise these platforms and expand ranges and fulfilment options."

"Cost control continues to be an integral part of managing the business and the year has closed with total store and overhead costs only 1.2% higher than the previous year. This is a significant achievement given ongoing wage inflation and other operating cost pressures absorbed throughout the business."

"Interest income for the year is \$3.2 million less than last year due to lower interest rates and reduced cash holdings, reflecting progress on the construction of our new Drury distribution centre, which remains on schedule and within budget."

Inventories totalled \$90.8 million at year-end, \$8.9 million below the \$99.7 million reported for last year. Rod Duke said, "Inventory discipline remains a key focus for us and this year the team has delivered excellent improvements in both the quantum and quality of closing stock. These outcomes reduce clearance pressure and position the Group strongly for the year ahead."

The Group's balance sheet remains strong, with cash and bank balances of \$130.3 million as at 25 January 2026 and no term debt. Approximately \$32 million of creditor payments included in the trade payables balance were subsequently paid on or before 31 January 2026. With the significant investment underway in establishing the new North Island distribution centre at Drury, combined with the seasonality of the Group's operational cashflow, the Group established funding facilities during the year and expects to commence drawdown by early April 2026 to support planned timing of project expenditure.

During the year \$50.4 million of capital investment was made by the Group, supporting the new distribution centre programme, ongoing store development activity and systems investment. This compares with \$58.2 million invested in the prior year and reflects the Group's continued commitment to a period of elevated capital investment, with a further \$57 million capital expenditure anticipated in the current financial year as the distribution centre project progresses toward completion.

The Group progressed a number of store development projects during the year including the opening of its first flagship Rebel Sport store, Rebel X, in Mt Wellington in mid-November. Rebel X has received exceptional feedback and sets a new benchmark for sports retail in New Zealand. In addition, Briscoes Homeware Westgate and Rebel Sport Henderson were refurbished into next generation retail environments and the Group also largely completed a redevelopment of the Rebel Sport CBD store in Wellington into a contemporary high street concept with an expanded footprint on Cuba Street. Looking ahead, the Group hopes to undertake at least five further store development projects during 2026.

Rod Duke said, "We remain very confident in the long-term benefits that will be delivered from the Group's major strategic initiatives. The year just commenced represents the final year in which the costs of these investments will impact profit, ahead of the significant benefits expected to contribute more fully from the following financial year. That confidence is underpinned by the strength, experience and focus

of our senior leadership team, who have consistently demonstrated their ability to deliver against strategic priorities and execute at pace. The new distribution centre is a transformational investment which will materially improve supply chain capability, inventory flow and efficiency. In parallel, the continued roll-out of advanced merchandise planning and analytics tools, including Impact Analytics, is expected to further improve stock management, sell-through and gross margin outcomes over time.

“We do not underestimate how challenging the retail environment is likely to remain in the near term. Recent geopolitical disruption in the Middle East has the potential to place renewed pressure on fuel prices, with flow-through impacts on inflation, operating costs and consumer sentiment across the New Zealand economy. Notwithstanding these near-term headwinds, we are excited about the potential for our initiatives to drive meaningful benefits over time. These initiatives are expected to support profit growth over the next three to four years, targeting a return to record profit levels as these benefits flow.”

Dame Rosanne Meo said, “The Board is very encouraged by the progress the Group continues to make. Our team’s commitment, capability and energy have again been evident throughout the year — delivering strong outcomes in a demanding trading environment while also progressing a number of important initiatives that will enhance the Group’s capability and performance. On behalf of the Board, I sincerely thank our people across stores, distribution and support office for their outstanding effort and teamwork. We are confident these investments position Briscoe Group extremely well for the future.”

Wednesday 11 March 2026

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Briscoe Group Limited is a company incorporated in New Zealand and registered in Australia as a foreign company under the name Briscoe Group Australasia Limited (ARBN 619 060 552). It is listed on the NZX Main Board and also the Australian Securities Exchange as a foreign exempt entity. (NZX/ASX code: BGP).