Briscoe Group Delivers Positive Sales Growth

Briscoe Group Limited (NZX/ASX code: BGP)

3rd Quarter (13 weeks) to 25 October 2026:

- Total Group sales $174.4 million, +1.98%
- Homeware sales growth, +0.82%
- Sporting goods sales growth, +3.99%
- Fourth consecutive quarter of positive Group sales growth
- Group online sales growth +5.77%, +$1.8 million
- Online sales mix 19.17% vs 18.48% last year
- Group gross profit percentage continues to stabilise

Year-to-date (39 weeks) to 25 October 2026:

- Total Group sales $548.6 million, +1.17%
- Homeware sales growth, +0.06%
- Sporting goods sales growth, +3.00%
- Continued progress across key strategic initiatives

The directors of Briscoe Group Limited (NZX/ASX code: BGP) announce unaudited sales for the 13-week third quarter ended 25 October 2026 of $174.4 million, an increase of 1.98% on the $171.0 million reported for the corresponding period last year.

Group sales for the 39-week period ended 25 October 2026 were $548.6 million, an increase of 1.17% on the $542.3 million reported for the same period last year.

Group Managing Director Rod Duke said, “We are pleased with the improvement in sales growth achieved during the third quarter, particularly given the challenging retail environment which has continued to characterise much of this year. Importantly, we have achieved positive growth in every quarter this year. Group sales increased 1.37% in the first quarter, 0.25% in the second quarter and 1.98% in the third quarter, taking year-to-date growth to 1.17%.

“Sporting goods continued to perform strongly, recording sales growth of 3.99% for the quarter, following growth of 4.84% in the second quarter. This sustained performance is particularly pleasing and reflects the ongoing strength of the Rebel Sport brand, together with the efforts of our merchandise, marketing and store teams in responding to changing customer needs.

“Homewares also returned to positive growth, increasing 0.82% for the quarter compared to a decline of 2.17% in the second quarter. While consumers remain cautious with discretionary spending, it is encouraging to see an improvement in this segment and positive sales growth across both brands as we head into our most important trading period.

“Our online business also delivered a pleasing result during the quarter, with Group online sales increasing 5.77%, representing growth of $1.8 million compared to the same period last year. Both trading segments contributed to this improvement, with homeware online sales increasing

6.41% and sporting goods increasing 4.34%. Online sales represented 19.17% of total Group sales for the quarter compared to 18.48% last year, reflecting continued growth in the importance of our digital channels to the Group's overall performance.

"Most notably, gross profit performance continued to improve during the quarter, extending the trend of progressively narrowing the decline in gross profit percentage relative to the prior corresponding periods, as reported throughout last year and during the first half of this financial year.

"This continued improvement reflects the Group's ongoing efforts to rebuild gross profit percentage and the focus of our merchandise and marketing teams on achieving an appropriate balance between driving sales growth and protecting gross profit margins. In a market which remains extremely promotional, the progress being made in gross profit performance alongside positive sales growth is particularly encouraging.

"During the quarter we also made further progress across our store network. The Rebel Sport Riccarton store was successfully relocated to Tower Junction in Christchurch, providing an opportunity to reinforce the brand's presence in this thriving market. Our Rebel Sport Colombo Street store in Christchurch also underwent a refurbishment, further enhancing the customer shopping experience.

"At Panmure, the work to incorporate Chemist Warehouse within the existing Briscoes Homeware footprint was successfully completed during the quarter, with Chemist Warehouse now trading. This represents another positive step in our strategy to maximise the productivity of our existing store network and improve returns across the property portfolio.

"These developments have been progressed while our teams continue to focus on delivering improved trading performance and advancing the Group's wider strategic investment programme.

"As highlighted in our full-year announcement in March and reinforced with our half-year results in September, the current financial year represents an important period of transition for the Group as we complete and commission several major strategic investments.

"While we are encouraged by the improvement in sales momentum and gross profit performance, profitability continues to be impacted by the challenging retail environment. Elevated fuel prices are adding to pressure on household budgets and operating costs, discretionary spending remains subdued and the market continues to be highly promotional. Continued pressure on the New Zealand dollar is adding to cost challenges for retailers, while uncertainty surrounding the general election may also have contributed to further consumer caution.

"In addition to these trading pressures, the operating costs associated with our new North Island distribution centre and expenditure relating to the SAP S/4HANA upgrade continue to impact current-year earnings, ahead of the more substantial financial benefits expected from these investments.

"Full-year profitability will therefore reflect both the continuing challenges of the current operating environment and the additional costs associated with this significant investment programme.

"With the new distribution centre now operational and its automation programme progressing towards full commissioning and optimisation, we remain confident in the significant efficiencies and financial benefits these investments are expected to deliver. We anticipate these benefits will become increasingly evident during the 2027/28 financial year.

"Against this backdrop, and based on trading to date, the Group currently anticipates full-year reported net profit after tax of up to $55 million, with the final outcome remaining dependent on trading performance during the important fourth quarter.

“With the critical fourth quarter now underway, our focus remains firmly on maintaining this momentum, managing inventory and costs carefully, and continuing to strike the right balance between sales growth and margin performance.

“While we remain cautious about the broader consumer environment, we believe the investments made across the business position the Group well to deliver improved operating performance as their benefits become more fully realised.”

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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 and also the Australian Securities Exchange as a foreign exempt entity. (NZX/ASX code: BGP).