BRISCOE GROUP LIMITED

Half Year Addendum

26 WEEK PERIOD ENDED 27 JULY 2025

Contents

Highlights

HY Ended 27 July 2025

Despite extremely challenging economic conditions the Group delivered strong sales of 99.8% of last year's record half year sales and a solid profit performance.

Sales

- Group sales $371.3m.
- 99.8% of LY record sales.
- Homeware sales -0.11% down.
- Sporting Goods sales –0.40% down.

Gross Profit Performance

- Gross Profit 41.43% down from 42.97%.
- Yet to see any recovery in the economic environment, the most challenging trading conditions for many years.

Online Performance

- Online sales 19.36% of total Group sales vs last half year 18.77%.
- Sales growth of 2.92%.
- Transition to new online platform completed early August.

NPAT Performance

- HY NPAT $29.3m.
- Solid result in very tough trading conditions.
- Cost impacts from salary and wage increases, general cost inflation, costs of strategic projects and lower interest income.

Strong Balance Sheet

- Net cash at period end $119.8m.
- Total inventories decreased to $106.0m.
- Capex spend of $14.9m.
- Interim dividend 10.0 cps, payout ratio 76%.

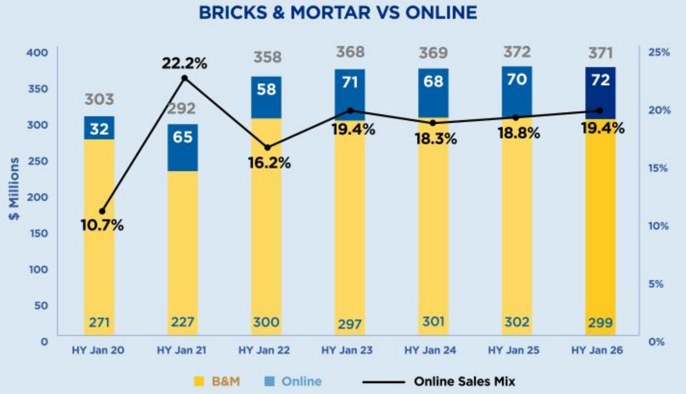
Strategic Initiatives contributing to profitability

- Strategic projects on track and on budget.
- North Island Distribution Centre on track with construction well underway.
- First module of new range planning, allocation and replenishment tool implemented during the period.

Sales

99.8% of last year's record half year sales despite economic pressures.

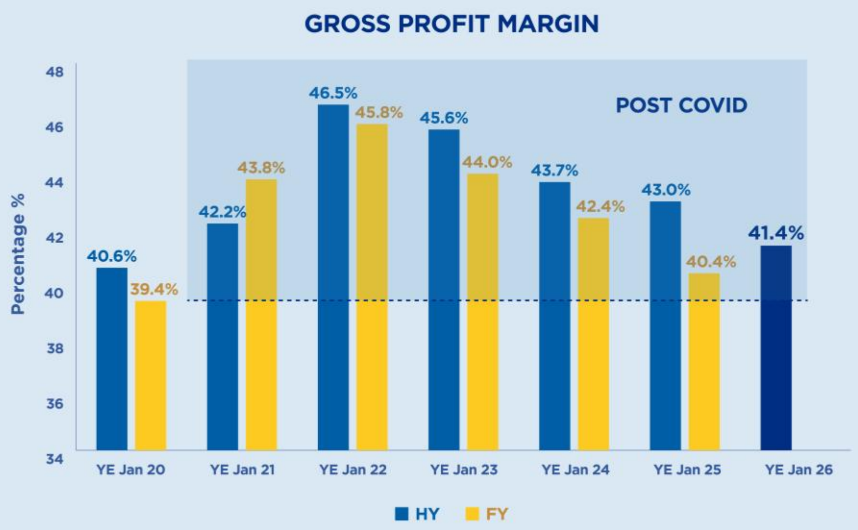
- Economic environment continues to be very **challenging.**
- **47** Briscoes Homeware and **43** Rebel Sport stores.
- Both Homeware and Sporting Goods segments **within 1%** of last year.
- Online sales growth **+2.9%.**
- Online sales mix increase to **19.4%.**

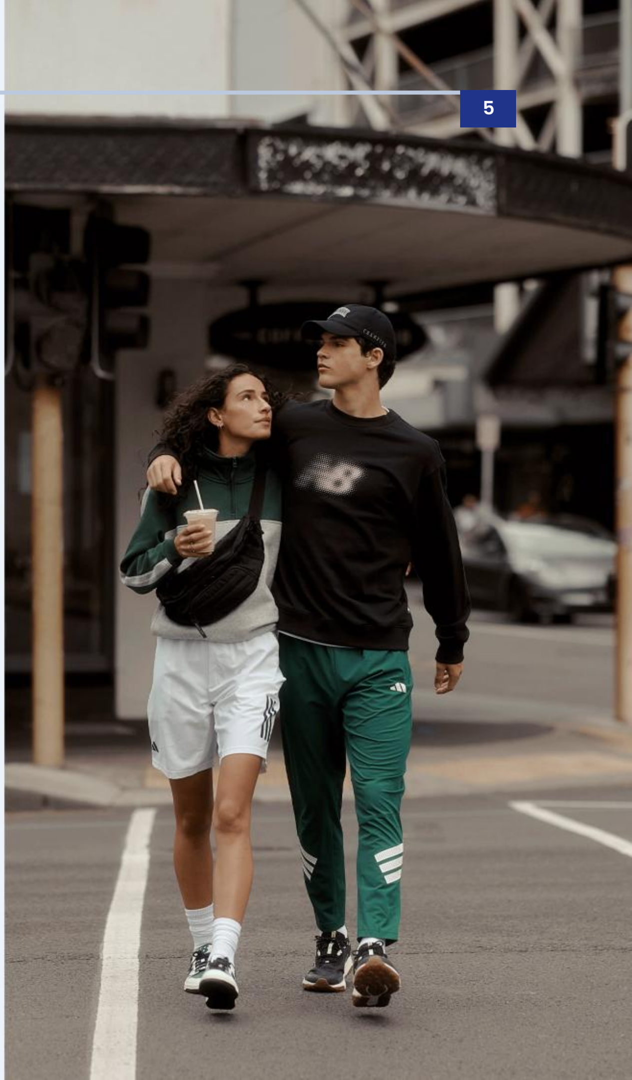


Gross Profit Margin %

Continued subdued consumer confidence and lack of economic recovery continue to compress gross profit margin.

Initiatives targeted at protecting margin are supporting it remaining above pre-covid levels.

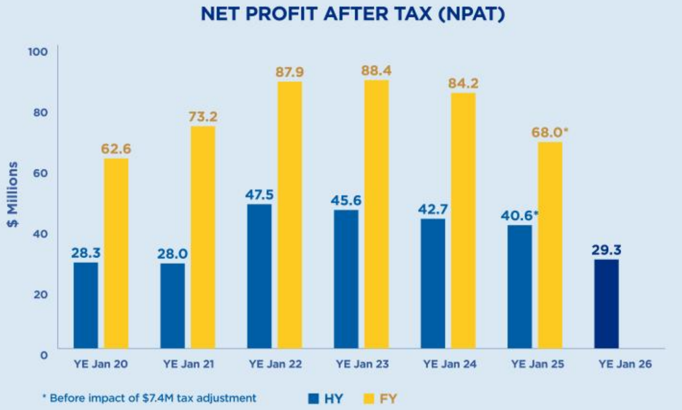


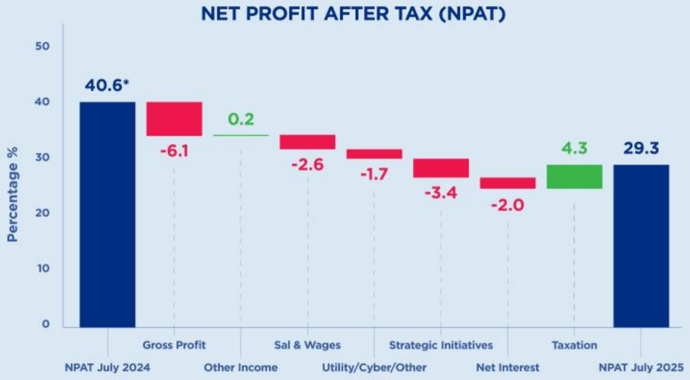


Net Profit After Tax (NPAT)

Solid NPAT performance in context of highly challenging economic environment.

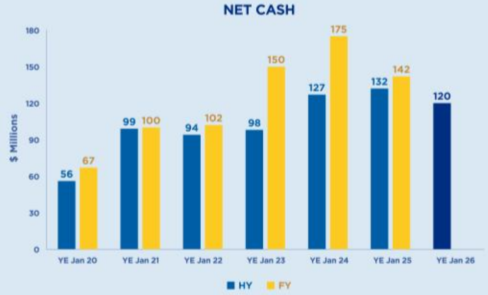
- Gross margins impacted from challenging economic conditions.
- Wage increase of 5% (last year) now annualising and 2.5% (this year) flow through into this half.
- General cost inflation and heightened focus around cyber risks.
- Costs in relation to strategic initiatives incurred ahead of the future year benefits.
- Reduced interest income from lower interest rates and cash balances as capital expenditure on strategic initiatives build.

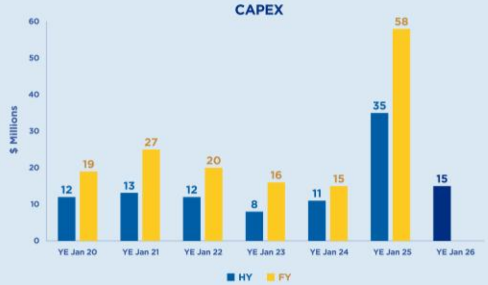




Balance Sheet

- Continued focus on inventory control and inventory quality.
- Healthy cash position with funding facility to be established to support future cash flow requirements.
- Distribution Centre project remains on schedule and within budget.

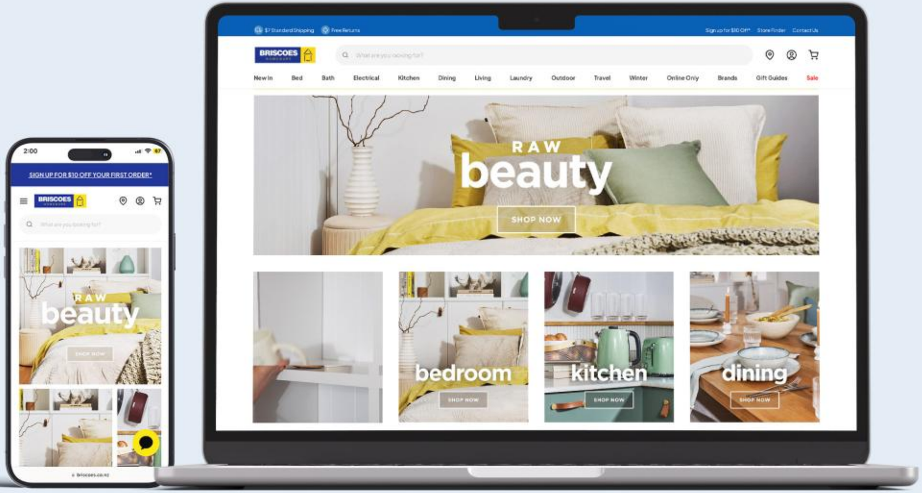




Online Platform Investment

In the first half of this year, two significant technology changes were completed:

- The replatform of our eCommerce website to Adobe Commerce – enabling faster performance and modern technology frameworks.
- The transition to a new Direct to Customer platform – Marketplacer, rescaling our ability to connect customers with more suppliers and products.



Improvements in online fulfilment

3800+ Same Day deliveries made across the country

We've dispatched **1,700,000 units!**

SIGNIFICANT GROWTH IN CLICK & COLLECT → **4%** YOY

CLICK & COLLECT SHARE UP 2%

LABOUR SPEND DOWN 2%

750k TOTAL ONLINE ORDERS

VIP Clubs

We continue to invest and focus on our clubs as our ongoing strategy to drive frequency and lifetime value across our customer base.

Our current membership programme sits at over 2.1 million club members. In this first half we have rewarded our loyal customers with VIP club nights, VIP only deals and exclusive offers and experiences.

We are working on launching our next phase of loyalty with a rewards programme for Rebel Sport that will launch at the start of 2026.

BRISCOES CLUB

FY26 to date

Total database
1.14m +8.8%

Member frequency -
2.5
v 2.0 non-members

Member annual spend -
+22.3%
v non-members

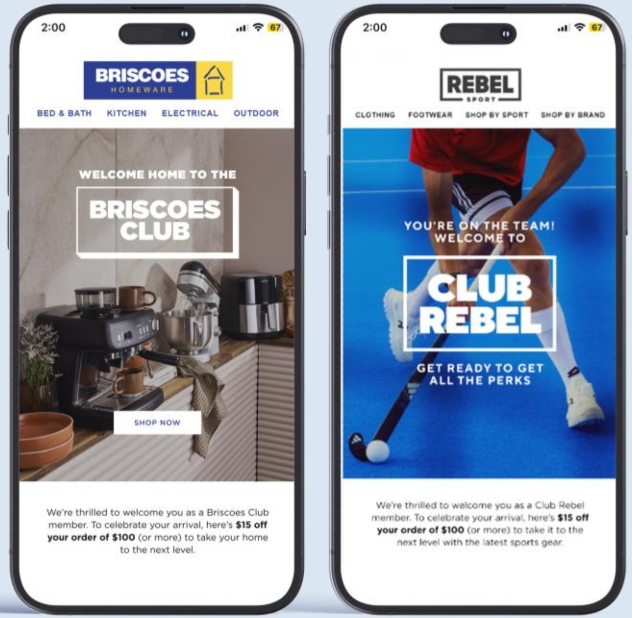
CLUB REBEL

FY26 to date

Total database
1.05m +8.6%

Member frequency -
2.1
v 1.7 non-members

Member annual spend -
+28.1%
v non-members



Supply Chain Transformation

We're taking a phased approach to transforming the way we flow inventory through our network to our stores. The new Drury Distribution Centre (DC) is on track and on budget.

What we have completed

- The new Warehouse Management System (WMS) Phase 1 has been running in our current DC since July 2024.
- Our new DC facility design including automation is complete.
- Auckland Council has issued building consent and construction commenced in February 2025.
- We have completed the design for our WMS and Automation software.
- We have Implemented a tendering process for key fit out procurement items.

In progress 2025

- Configuration, development and testing of Phase 2 WMS for use in the new DC runs through to the end of 2025.
- Construction of the building continues through until practical completion expected to be late April 2026.
- The Automation facility is on track with the software build starting in the second half of 2025, with the physical build scheduled for completion in September 2026.

Benefits for our Team and Customers

- State-of-the-art facility and equipment.
- Reduced stock level in stores by holding more in the DC and regularly replenishing our stores in line with demand.
- Improved on-shelf availability.
- Improved range of products and potential for new product categories in stores.

Our Team

Team Development

Our refreshed Management & Leadership Development Programme saw three new cohorts commence the programme with a blend of participants from stores and support functions. Our review has enabled a significant reduction in time to complete, alongside increased satisfaction (+16%) and increased attendance (+23%).

Health & Safety

Alongside implementation of our unique Virtual Reality led Manual Handling training, we have embarked upon a pilot with Inviol, an innovative New Zealand company making use of artificial intelligence and camera technology. Inviol helps to identify actions which could result in a safety incident or injury while working in one of the areas contained within our Traffic Management Plans. Incidents are categorised according to risk and events used as coaching opportunities to improve operational practices.

Engagement

We maintained Team member engagement and our position of 0.3 above the industry benchmark. Pleasingly, we have seen a continued shift (6%) of respondents into 'Promoters' and a decline in 'Detractors'.

A broad range of investments in our people, systems and processes are contributing to member capabilities, competence and confidence. Our team is well placed to drive the business forward.

Paid Parental Leave

Earlier this year we introduced our enhanced Parental Leave Policy providing a suite of new benefits including income top up, KiwiSaver contributions, and paid Partner's Leave. To date, just over 16% of those making use of the provisions have been partners rather than primary carers, ensuring that those adding to their families are supported from the start.

Retention

Our team appreciate our efforts to provide stable and secure employment in an industry often exposed to headcount reductions. Further assisted by a subdued labour market our team retention continues to increase and is likely a key ingredient in the excellent NPS scores provided by our customers.

Learning Technology

An extensive review of the tools used to create and review content was conducted with changes made to both our development and authoring tools. The new toolset has enabled a 50% reduction in the time required to develop modules, alongside decreasing the amount of time required for new team members to become competent users and create their first learning content.

Sustainability

Our Steps To A Better Tomorrow

Community

Over 6,500 balls through the Pass-it-Forward program in the first half, supporting clubs and schools across the country.

33 grants distributed through our Grassroot Grants programme contributing to our mission of enabling more kiwis to get into sports.

Over 1,200 boots redistributed through our Boot Drive to kids and families in need through our partnership with Replay, Report and Adidas.

Environment

Nespresso Capsule Recycling Programme rolled out to all 47 Briscoes stores, establishing ourselves as Nespresso's key recycling point partner.

Expansion of our Product Returns programme to cover 44% of our store network (up from 34%) diverting more returns from landfill and strengthening support for local communities.

Completion of our store network Forklift Electrification programme. The remaining LPG units at our Distribution Centre will be replaced when our new site opens.

Governance

Successfully launched our Local Ethical Supply Chain Programme, helping improve transparency and due diligence for our local supplier network.

Progression of our Climate-related disclosures, with focus being given to our scope 3 emissions calculations and quantifying the financial impacts of our climate-related risks.

Strategic plan update

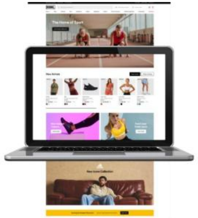
Our strategic plan is on track and on Budget.

2025 has been a massive year of implementation, with group wide initiatives being delivered simultaneously.

The largest ever capital investment period will set the business up for the next phase of growth over the next decade.

Impact Analytics

The implementation of Impact Analytics is well progressed with all seven merchandising modules on track to be live before the end of the year.



Adobe Website

The new Briscoes Homeware and Rebel Sport Websites went live in August alongside the new Marketplacer technology.

Rebel Flagship

Our new Rebel X flagship store will be our biggest and best Rebel yet. The store is on track to open Mid November.

New Drury DC

The new Drury Distribution Centre is well progressed. The construction is in line with the schedule and is due for handover in April 2026.

Looking forward – Our biggest ever period of strategic investment

Despite the most challenging economic climate for many years our Strategic Plan remains on track and within Budget.

Whilst early costs of the programme are now flowing into the business the benefits will start from next financial year.

- Economy yet to show consistent signs of a sustained recovery.
- We remain confident the strategic programme will set the Group up for significant growth in future years.
- This year's Strategic projects are on time:
  - New Adobe / Marketplacer websites live.
  - First Module of Impact Analytics live.
  - Rebel X concept store due to open in November.
  - Construction of new DC on track and building due for completion in April 2026.
- Continued investment in our team capability.
- Relentless focus on cost and inventory to ensure we are in great shape when the economy recovers.
- Whilst we remain cautious about the short-term trading environment, we are confident and excited about the future growth potential.
- The Group has a solid track record of navigating challenging environments.
- World class team delivering both trading and strategic improvements.

Financial Summary

	HY Jul 20	HY Jul 21	HY Jul 22	HY Jul 23	HY Jul 24	HY Jul 25	FY Jan 20[1]	FY Jan 21	FY Jan 22	FY Jan 23	FY Jan 24	FY Jan 25
Homeware Revenue - $000	184,347	222,628	228,739	229,391	230,027	**229,780**	410,908	439,234	460,887	487,501	490,116	489,810
Sporting Goods Revenue - $000	108,060	135,793	139,207	139,846	142,051	**141,489**	242,109	262,563	283,563	298,353	301,837	301,659
Group Total Revenue - $000	292,407	358,421	367,946	369,237	372,078	**371,269**	653,017	701,797	744,450	785,854	791,953	791,469
Online Mix of Sales - %	22.2%	16.2%	19.4%	18.3%	18.8%	**19.4%**	11.3%	18.8%	21.5%	19.0%	18.7%	19.7%
Group Gross Margin - $000	123,275	166,663	167,937	161,464	159,865	**153,803**	257,502	307,116	340,642	345,922	335,762	319,541
Group Gross Margin - %	42.2%	46.5%	45.6%	43.7%	43.0%	**41.4%**	39.4%	43.8%	45.8%	44.0%	42.4%	40.4%
Group EBIT - $000	45,948	73,040	70,016	64,217	60,497	**46,948**	97,223	115,886	136,468	135,494	126,296	104,401
Group EBIT - % to Sales	15.7%	20.4%	19.0%	17.4%	16.3%	**12.6%**	14.9%	16.5%	18.3%	17.2%	15.9%	13.2%
Group NPAT - $000	27,979	47,461	45,620	42,750	40,584[8]	**29,305**	62,583	73,199	87,909	88,437	84,221	68,008[8]
Group NPAT - % to Sales	9.6%	13.2%	12.4%	11.6%	10.9%	**7.9%**	9.6%	10.4%	11.8%	11.3%	10.6%	8.6%
Free Cash Flow -$000 (Operating Cash Flow less Capex)	37.4	33.2	38.9	22.2	3.0	**9.8**	60.3	81.1	76.6	128.0	108.3	51.6
Dividends Per Share - cps	9.0	11.5	12.0	12.5	12.5	**10.0**	8.5[2]	28.5[3]	27.0	28.0	29.0	22.5
Earnings Per Share - cps	12.6	21.3	20.5	19.2	18.2[8]	**13.2**	28.2	32.9	39.5	39.7	37.8	30.5[8]
Net Debt /Cash Position - $000	98.6	93.9	97.6	126.9[5]	131.8[7]	**119.8[10]**	67.4	100.4	102.5	149.9[4]	175.4[6]	142.4[9]
Inventory Turnover - X p.a. (COGS divided by average inventory)							4.7	4.4	3.8	3.7	4.1	4.6

1. NZ IFRS 16 Leases first year of adoption.
2. Final dividend of 12.5cps cancelled as a result of Covid-19 pandemic.
3. Includes special dividends of 6cps.
4. Includes $26 million of creditor payments made on 31 January 2023.
5. Includes $18 million of creditor payments made on 31 July 2023.
6. Includes $20 million of creditor payments made on 31 January 2024.
7. Includes $23 million of creditor payments made by 31 July 2024.
8. Excludes $7.4 million one-off non-cash tax expense adjustment.
9. Includes $30 million of creditor payments made by 31 January 2025.
10. Includes $22 million of creditor payments made by 31 July 2025.

Brand Portfolio

Our global brand portfolio continues to evolve to our customers' needs.

280+ Brands!

BRISCOES HOMEWARE

Electrolux
HOTEL AT HOME
HOTEL QUALITY AT HOME
Hampton &Mason
DēLonghi
dyson
URBAN LOFT
Breville
NINJA
ROYAL DOULTON

REBEL SPORT

UNDER ARMOUR
PUMA
asics
canterbury
LORNA JANE
new balance