Accent Group

# Half Year FY2026 Results

Half Year ended 28 December 2025

# Contents



SKECHERS · PLATYPUS · VANS "OFF THE WALL" · HYPE DC · The Athlete's Foot · Dr. Martens AirWair
Timberland · MERRELL · STYLERUNNER · SPORTS DIRECT · NUDE LUCY
UGG · HOKA · SUBTYPE · ALPHA · The Herschel Supply Co. Brand · saucony
LACOSTE · Glue. STORE · I—T—N—O

# Operational highlights

## Total Sales (inc. Franchisees)

**$865 million**[1]

**+2.4%** on H1 FY25

## Store Network

**898**

stores across Australia & New Zealand with **27** new stores opened during H1 FY26

## Retail Sales

**$719 million**

**+5.2%** on H1 FY25

## Wholesale Sales

**$91 million**

**+9.4%** on H1 FY25

## Vertical Sales

**$67 million**

**c.8%** of total sales with improving margins YoY


## Sports Direct

SPORTS DIRECT

First store at Fountain Gate opened November 2025

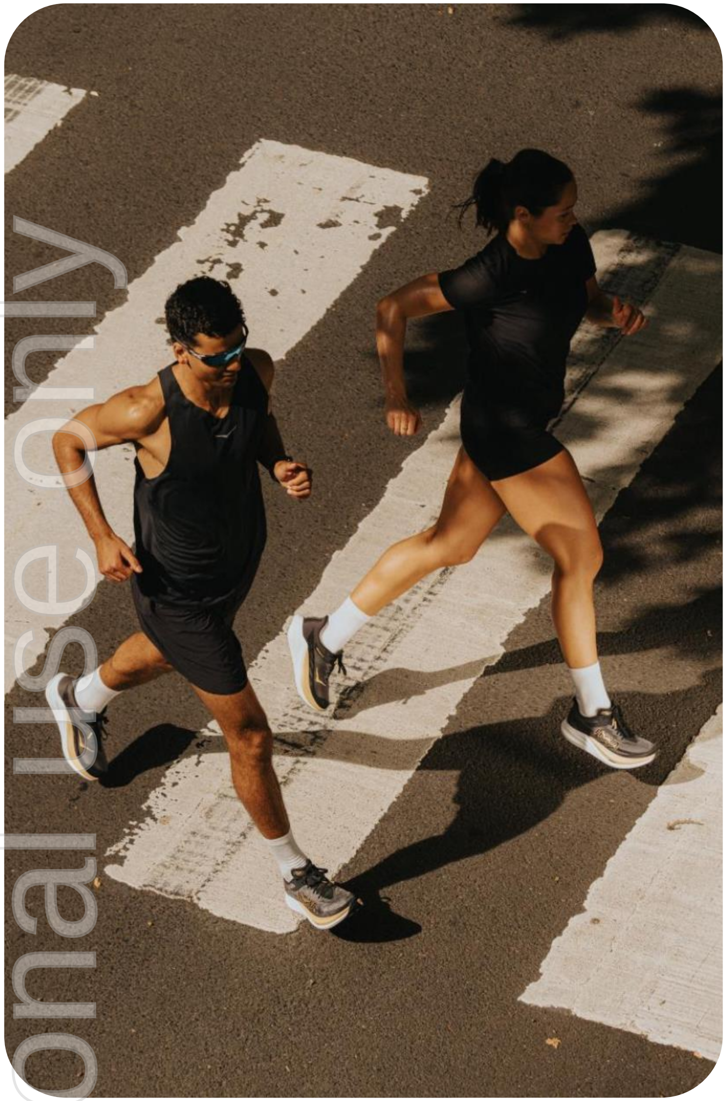
## Lacoste

LACOSTE

Melbourne flagship store opened December 2025

1. Financial results for the 26 weeks ended 28 Dec 2025, are presented on a statutory post AASB 16 basis unless otherwise noted.

# H1 FY26 sales and profit



## Key Metrics

| $'000's | H1 FY26[1] | H1 FY25 | % Change |
|---|---|---|---|
| Total Sales | 865,184 | 844,646 | 2.4% |
| EBITDA | 156,040 | 158,329 | (1.4%) |
| EBIT[2] | 56,500 | 80,653 | (29.9%) |
| EBIT from Continuing Business[3] | 72,706 | | |
| PBT | 40,892 | 66,579 | (38.6%) |
| NPAT | 28,087 | 47,184 | (40.5%) |
| Interim Dividend | 3.25 cents | 5.5 cents | |

1. Financial results for the 26 weeks ended 28 December 2025, are presented on a statutory post AASB 16 basis unless otherwise noted.
2. H1 FY26 includes a $16.2M negative impact from $9.7M of non-recurring trading losses and $6.5M provisions relating to the closing MySale and Glue businesses. H1 FY25 included $3.3 million net benefit of non-recurring items.
3. EBIT (management estimated) from continuing business excludes the OzSale and Glue businesses.

# H1 FY26 summary of financial performance

## Financial Summary— H1 FY26 Vs H1 FY25

| Profit & Loss ($000's) | H1 FY26[1] | H1 FY25 | % Change | Pro Forma[3] H1 FY26 |
|---|---|---|---|---|
| Sales (ex Franchisees) | 810,521 | 766,960 | 5.7% | 773,726 |
| Gross profit | 429,427 | 426,491 | | |
| Gross margin (%) | 53.0% | 55.6% | (263bps) | 54.3% |
| CODB – excl. lease depreciation & interest | (279,853) | (277,165) | | |
| CODB % – excl. lease depreciation & interest | 34.5% | 36.1% | (161bps) | |
| CODB % | 44.3% | 44.7% | (43bps) | 44.1% |
| Other income – inc. royalties and franchise fees | 6,466 | 9,003 | | |
| **EBITDA** | **156,040** | **158,329** | (1.4%) | **164,416** |
| Depreciation on leases | (69,058) | (57,310) | | |
| Depreciation & amortisation | (30,482) | (20,366) | | |
| **EBIT[4]** | **56,500** | **80,653** | (29.9%) | **72,706** |
| Net finance costs on lease liabilities | (9,882) | (8,365) | | |
| Net interest (paid) / received | (5,726) | (5,709) | | |
| **PBT** | **40,892** | **66,579** | (38.6%) | |
| Tax | (12,805) | (19,395) | | |
| **Net Profit After Tax** | **28,087** | **47,184** | (40.5%) | |

## Operating Highlights

**Sales**
- Total company sales of $810.5 million up 5.7% on prior year
- LFL retail sales up 0.9%[2]
- Wholesale sales up 9.4%

**Gross Margin**
- Continuing Business Gross Margin % for the half was 54.3%[3].
- Gross Margin % was impacted by the promotional environment and the year-on-year decline in the AUD/USD exchange rate, with management estimating a H1 FY26 impact of approximately -80bp (-0.8%) compared to H1 FY25.

**CODB**
- CODB was well managed with efficiencies in store lease renewal negotiations, store team costs and marketing spend offsetting continued inflationary cost pressures in rents and store team wage rates. Disciplined cost management remains a key focus for the Group.

**NPAT**
- **NPAT of $28.1 million**





1. Financial results for the 26 weeks ended 28 December 2025, are presented on a statutory post AASB 16 basis unless otherwise noted.
2. Like-for-Like ("LFL") sales include TAF Franchisee sales, measurement is based on the year-on-year sales comparison for all stores in which a sale has been recorded on the same day in the prior year.
3. Management estimate H1 FY26 Proforma of Continuing Businesses – excludes the OzSale and Glue businesses.
4. H1 FY26 includes a $16.2M negative impact from $9.7M of non-recurring trading losses and $6.5M provisions relating to the closure of the OzSale and Glue businesses. H1 FY25 included $3.3 million net benefit of non-recurring items.

# Operational update

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# Retail Owned Sales & Store Network

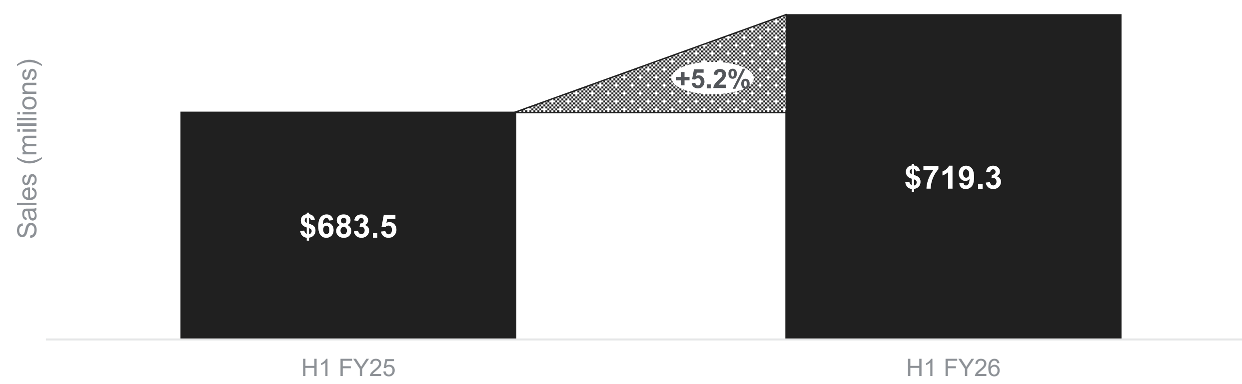
## Retail

- Retail sales up +5.2% on H1 FY25.
- LFL retail sales up +0.9%.
- Strong retail performance across TAF, Hoka, Platypus and Nude Lucy.

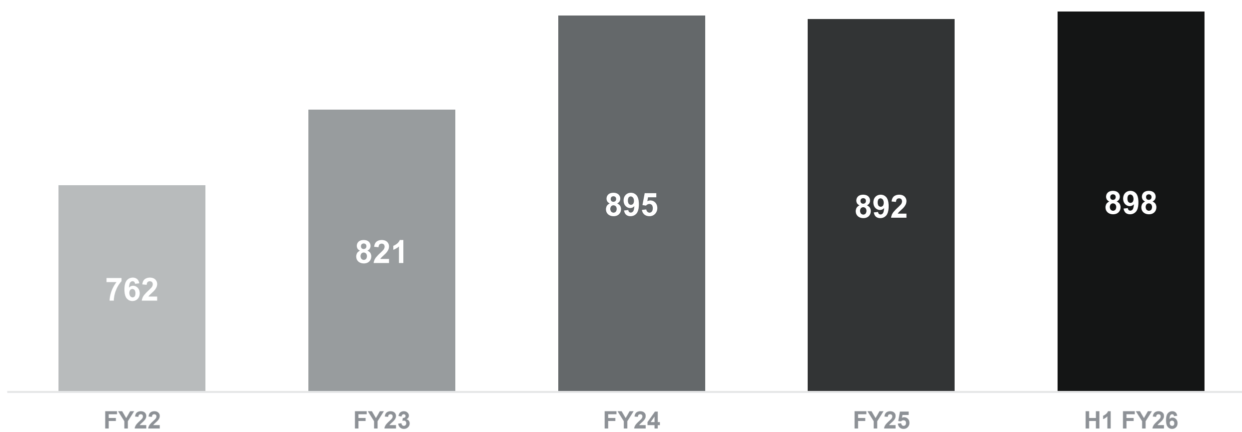
## Stores

- 27 new stores added to the store network in H1 FY26 including the launch of Sports Direct and Lacoste.
- Ongoing efficiency and strategic reviews resulted in the closure of 21 stores, including 12 loss-making Glue and Vans stores.

## Retail Owned Sales
***(Millions)***




## Store Network[1]




1. Includes store closures and websites. For a breakdown by banner refer to page 15

# Vertical Owned Brands & Wholesale Sales

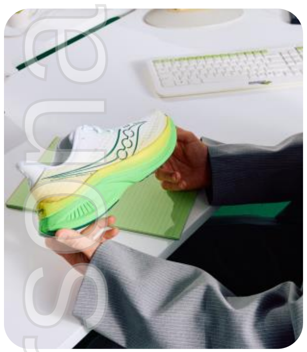
### Vertical Owned Brands

- Sales of $67 million (+1.5% on H1 FY25).
- Sales above H1 FY25, with a c.200bps improvement in gross margin.

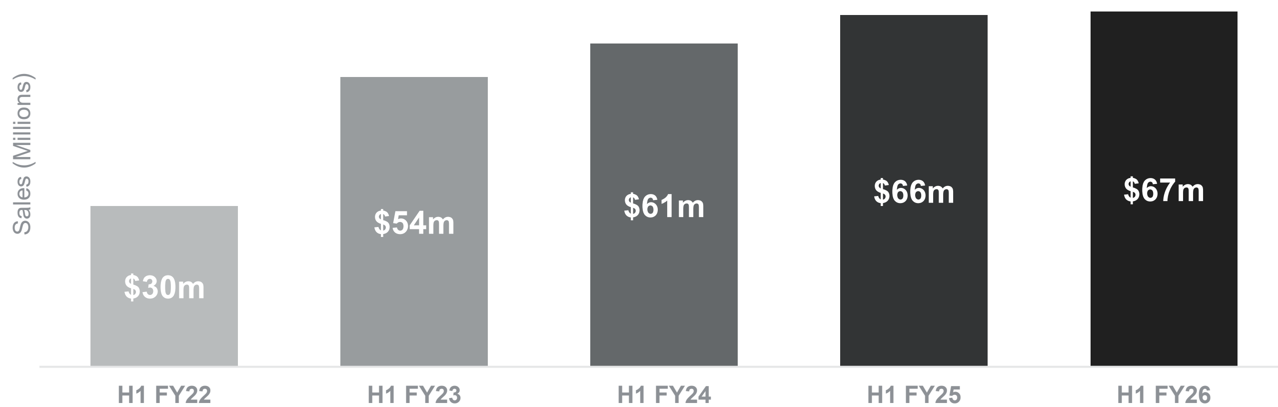


### Wholesale

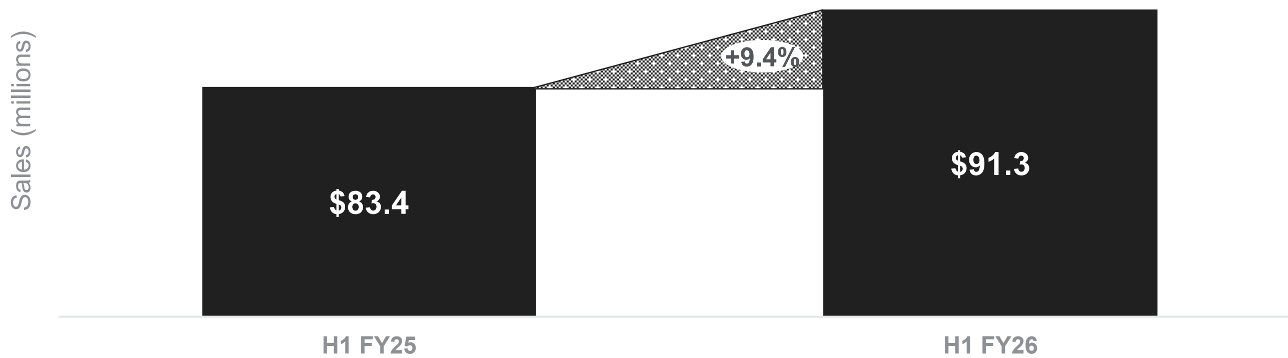
- Wholesale sales up +9.4% on H1 FY25.
- Strong overall performance, particularly across Hoka and Ugg, with the recent addition of Lacoste showing early positive momentum.




## Vertical Owned Brands Sales
***(Millions)***




## Wholesale Sales
***(Millions)***



# Growth plan

## Sports Direct

- **The Company successfully opened its first Sports Direct store** at Fountain Gate, Victoria, on 15 November 2025, alongside the launch of the Sports Direct online store.
- **Two further stores** are planned to open in H2 FY26, with a third store signed and scheduled for opening in H1 FY27. The Group are currently active in negotiations on a further 9 locations.
- Trading to date at the **Sports Direct Fountain Gate** store has been pleasing, providing confidence in the growth plan.

## Hoka

- **Continues to grow in all channels**, particularly digital, with the launch of its new website on 29th October 2025.
- **1 new HOKA store** was opened in H1 with a further 3 stores planned to open in H2, including a flagship store in Sydney's CBD which is expected to open in Q4 FY26.
- **Further stores** are planned beyond FY26 for this high growth brand.

## Lacoste

- **Successful launch** of this premium lifestyle brand, supported by marketing activations concurrent with the Australian Open.
- Opened a flagship **concept store** in Melbourne in December 2025.
- A **further 5 stores**, including online, are planned for the remainder of FY26, with additional stores in future years.

## The Athlete's Foot (TAF)

- Franchisee reacquisitions are ahead of plan with **9 stores acquired** in H1. Trading and profit from the acquired stores is on track.
- **36 Franchisee stores remain** as at the end of H1 FY26, with a further 8 reacquisitions planned in H2 FY26.
- The longest dated Franchisee agreement expires in **August 2029**.

# Growth plan continued

## Stores

- **Continued roll-out of new stores** across the brands, with around 40 new stores planned to open in FY26.
- In addition to the 16 Glue Store closures, a further 7 stores are forecast for closure in H2.

## Wholesale

- Growth supported by the **forward pipeline of committed wholesale orders for H2 FY26.**
- **Hoka and Lacoste** will drive growth along with Skechers, Vans and Ugg forward wholesale orders ahead of prior year.

## Operating Efficiency

- **Continue lease renewal program** (with around 200 renewals to be negotiated by the end of FY27), stores will close where sustainable lease terms cannot be agreed with landlords
- The **Vans turnaround program** is progressing, supported by the closure of loss-making stores.
- **Sustained focus on CODB reduction**, including support office right-sizing, store cost initiatives, and lease optimisation
- Closure of OzSale and Glue businesses, and expiry of non-core/unprofitable distribution agreements (Dickies, Herschel)

# Sports Direct and The Athlete's Foot

SPORTS DIRECT

## Fountain Gate Launch

- Early performance pleasing, providing confidence in the growth plan.

## Continued Rollout in FY26

- A further 2 stores are planned for the remainder of FY26 with a third store signed and scheduled for opening in H1 FY27. There are currently active negotiations on a further 9 locations.

## Outlook

- Target of at least 50 stores over the next 6 years with the opportunity for 100+ stores

*Sports Direct – Fountain Gate, Victoria*

The Athlete's Foot

## H1 FY26 Buyback Update

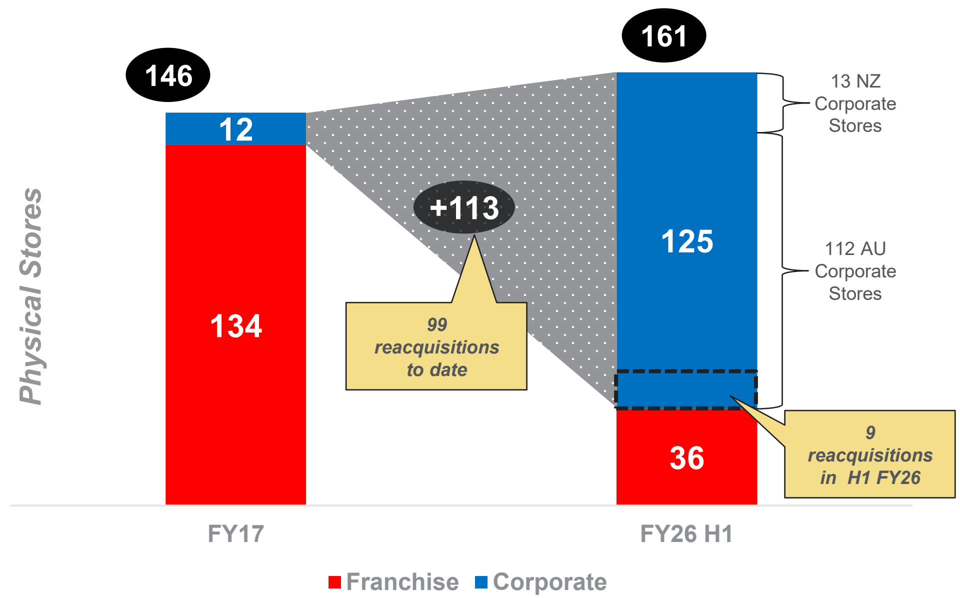
- Ahead of plan with 9 stores acquired in H1 FY26 with 36 franchisee stores remaining
- The 9 acquisitions contributed $27m of annualised sales in FY25, while the remaining 36 locations generated $108m

## H2 FY26 Buyback Plan

- A further 8 stores are planned for acquisition in H2 FY26

## Outlook

- The longest dated agreement expires in August 2029 with trading and profit from the acquired stores on track with plan







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# Dividends and trading update

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Group

# Dividends and trading update

**Dividends**

- Accent Group has announced an interim dividend for H1 FY26 of **3.25 cents** per share, fully franked, payable on **18 March 2026** to shareholders registered on **4 March 2026.** The interim dividend represents a c. 70% payout ratio of H1 FY26 Statutory EPS.

**Debt Refinancing**

- Successfully completed debt refinancing increasing the total facility by $102M to $372M on improved terms including a lower margin with tenure extended to December 2028.

**Trading Update**

- Total owned sales for the first 8 weeks of H2 (29 December - 22 February) have grown by 7.1%. For the same period, LFL sales are flat on the prior year.
- Continuing business Gross Margin % in January was also in line with the prior year.

**Outlook**

- The company confirms guidance for H2 FY26 EBIT in the range of $30M - $35M. This guidance assumes H2 FY26 LFL sales and gross margin % flat to prior year.
- The recent strengthening in the AUD/USD exchange rate provides Gross Margin support for the back end of FY26 and into FY27.

**Investor Strategy Day**

- In the context of the evolution of the business and significant levers for growth in the short through to long term, Accent Group plans to host an investor Strategy Day in Q4 FY 2026. The Strategy Day will provide an update on Accent's strategy, growth priorities and medium-term financial framework. Further details will be made available closer to the time.

# Appendix

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## Store Network

| Store Network[1] | Platypus | Skechers | TAF | Distributed Brands | Hype, Subtype | Lifestyle Brands | Sports Direct | Closing Businesses[2] | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **Store Network Dec-25** | | | | | |
| **Stores as at FY25** | **211** | **207** | **160** | **120** | **92** | **81** | **0** | **21** | **892** |
| **FY26** | | | | | | | | | |
| Stores Opened | 2 | 9 | 2 | 3 | 0 | 9 | 2 | 0 | 27 |
| Stores Closed | (6) | 0 | (1) | (10) | 0 | 0 | 0 | (4) | (21) |
| **Stores as at end of H1 FY26** | **207** | **216** | **161** | **113** | **92** | **90** | **2** | **17** | **898** |

1. Includes websites (31) and franchises (36)
2. Ceasing of Glue operations

## Distribution Agreements

Total Distribution Agreements: **10**

# Balance sheet

## Balance Sheet

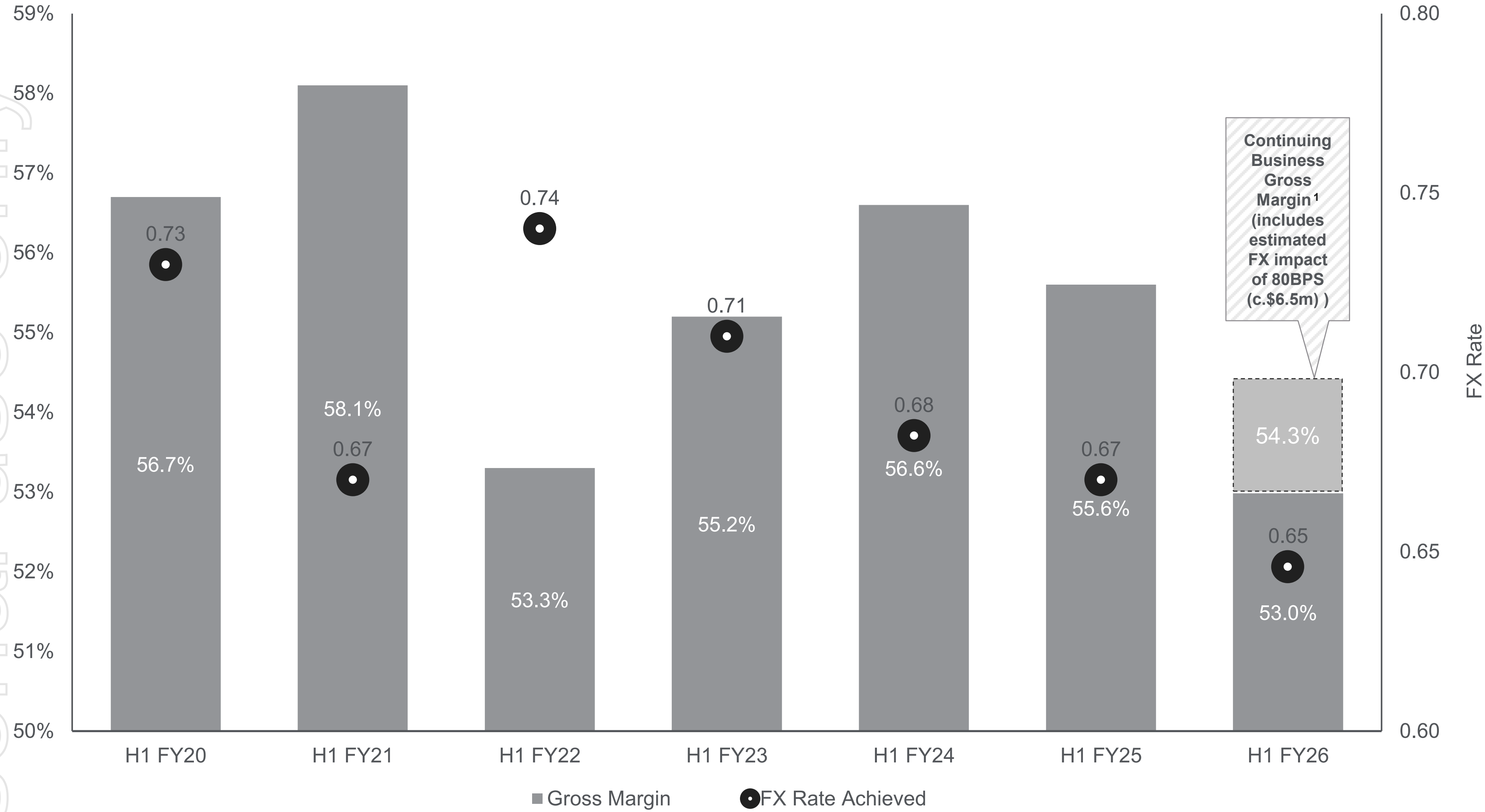
| $000's | 28 Dec 2025 FY26 | 29 Jun 2025 FY25 | 29 Dec 2024 FY25 |
|---|---|---|---|
| Trade receivables and prepayments | 60,743 | 40,817 | 54,893 |
| Inventories | 350,543 | 308,556 | 285,960 |
| Trade payables and provisions | (257,897) | (223,948) | (203,470) |
| **Net working capital** | **153,389** | **125,425** | **137,383** |
| | | | |
| Intangible assets | 425,989 | 416,282 | 399,194 |
| Property, plant and equipment | 106,579 | 111,465 | 120,800 |
| **Capital investments** | **532,568** | **527,747** | **519,994** |
| | | | |
| Lease receivable | 18,688 | 16,411 | 17,456 |
| Right of use asset | 320,053 | 285,933 | 283,723 |
| Lease liabilities | (429,596) | (396,066) | (407,466) |
| **Lease balances** | **(90,855)** | **(93,722)** | **(106,287)** |
| | | | |
| Net cash/(debt) | (114,620) | (100,033) | (115,897) |
| Deferred income | (13,546) | (12,694) | (15,285) |
| Tax and derivatives | 28,991 | 28,367 | 26,316 |
| **Net assets/equity** | **495,927** | **475,090** | **446,224** |

## Commentary

- Inventory increase from FY25 includes timing of Goods in Transit (+$12.2m), The Athlete's Foot reacquisition program (+$3.2m), Sports Direct (+$4.3m), Lacoste (+$11.3m) with the remaining associated with store network expansion and timing of new stock purchases.
- Intangible asset increase from 29 Jun 2025 predominantly driven by TAF Franchise Buyback Goodwill (+$13.7m).

# Gross margin and FX rate

## Statutory Gross Margin (%) and FX Rate Overview




*1. Gross Margin % excluding the MySale and Glue businesses*

# Frasers Group Strategic Partnership

## Sports Direct across the Globe

**500+**
UK stores

**275+**
Europe stores

**45+**
Asia stores

- Wider variety of sports, athleisure and sports fashion products at affordable prices compared to competitors
- Existing strong global brand recognition which builds trust and value perception
- Innovative store designs providing an engaging customer shopping experience blending physical and digital experiences
- Ability to attract a broader customer base and maintain customer loyalty

## Strategic Rationale

*1. Strategic alliance with Frasers Group*

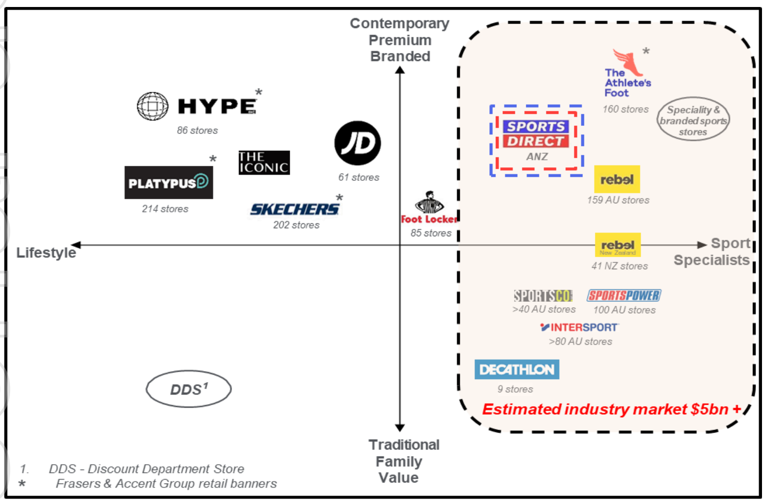
*2. Operation of market leading global brand*

*3. Strong strategic alignment with Accent Group*

*4. Expansion into complementary and attractive market*

*5. Creates significant opportunity for growth*

## Market opportunity




*The Australian and New Zealand sports market estimated at $5bn+*

## Sports Direct brand offering


1. Select brands shown

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