schoolblazer
LIMITED

21 September 2026

Company Announcements Office
Australian Securities Exchange

Authorised by the Board for immediate release

FY26 Trading Update and Outlook

Schoolblazer Limited (ASX: SBZ) ("the Company") provides the following trading update for Schoolblazer Group ("SBG" or the "Group"), its wholly owned principal operating business, for the financial year ending 30 September 2026 (FY26), ahead of the release of its audited full-year results.

FY26 has been a challenging year in which a weaker than expected Northern Hemisphere back-to-school period weighed on revenue. Notwithstanding this, SBG has responded decisively to reduce costs, strengthen its cash position through the second half, and enters FY27 with a clear plan and improved growth outlook.

Highlights

- **Schoolblazer Group (SBG) FY26 revenue expected to be A$165–170m** on a constant-currency basis, against pro-forma FY25 revenue of approximately A$180m and previous guidance of A$190m
- **SBG FY26 Underlying EBITDA expected of A$11–13m**, on a constant currency basis, reflecting the magnified earnings impact of a fourth-quarter revenue shortfall on the fixed cost base
- **SBG FY27 guidance of A$170–180m revenue and A$18–20m Underlying EBITDA**, underpinned by an accelerated cost-reduction program, contracts won and a strong new-business pipeline
- **Strong 2nd half cash flow:** SBG generated operating cashflow before interest of approx. $20m since 31 March
- **Enhanced leadership**: Schoolblazer co-founder and SBZ major shareholder Tim James has taken a significantly greater operational role as Acting Managing Director

Unless stated otherwise, revenue and EBITDA figures in this update are presented at the SBG operating level post AASB16 and on a constant-currency basis (FY26 numbers reported at FY25 FX rates). All numbers are preliminary and unaudited, FY26 and other forward-looking statements are subject to completion of September trading, year-end close procedures and audit review.

Schoolblazer Group — FY26 trading

- SBG FY26 revenue is expected to be in the range of A$165–170m on a constant-currency basis, against pro-forma FY25 revenue of approximately A$180m and guidance of A$190m
- Sales were impacted by a weaker than expected Northern Hemisphere back-to-school period particularly in the UK
- The revenue shortfall was concentrated in the fourth quarter, which had a magnified and late impact on earnings given the largely fixed cost base for the period despite gross margins remaining strong. As a result, SBG Underlying FY26 EBITDA is expected to be in the range of A$11–13m on a constant currency basis
- The estimated Underlying FY26 EBITDA result excludes c. $2.5m non-recurring costs largely relating to the Australian ERP implementation and banking refinance transaction costs and includes c. $1.3m establishment costs for the Schoolblazer Australia/NZ business ahead of 5 new schools commencing in FY27
- The revenue shortfall was largely in wholesale channels (down 13% YTD). Revenue from the Group's higher-margin direct-to-consumer channels remained steady (up 1% YTD) but were expected to grow at a faster rate

The main drivers were:

- UK independent sector: VAT imposed on school fees had a more pronounced impact than expected on enrolments
- UK public sector: Regulatory changes limiting the number of branded uniforms led to weak wholesale demand from other retailers, however our own direct retail business performed strongly
- Middle East disruption: delays in pupils returning to school due to ongoing conflict in the region
- Regulatory change in China: simplified school-uniform rules reduced branded product demand
- Operational factors: Australian ERP go-live temporarily affected fulfilment during the second half; this is now resolved and operational benefits are showing

Schoolblazer Limited
ABN 25 009 657 961
Suite 11.02, Level 11, 68 Pitt Street, Sydney NSW 2000 Australia
www.schoolblazerlimited.com

schoolblazer LIMITED

Schoolblazer Group — Outlook and Management Changes

Schoolblazer Group expects to return to earnings growth in FY27, with guidance of A$170–180m revenue and A$18–20m Underlying EBITDA. Improvement on FY26 is not reliant on material revenue recovery, and is driven by:

- **Accelerated cost savings**. Approximately A$4m of FY27 integration and efficiency benefits (around A$5m annualised), a meaningful portion of which is already confirmed or in execution
- **Contract wins and pipeline**. The Group's underlying strategy remains on track, supported by continued contract wins (29 in FY26 and 11 already for FY27) and a strong pipeline of new school partnerships
- **Higher-margin channel mix**. Growth is weighted toward the Group's contracted direct-to-consumer channels, which carry higher margins and greater revenue stability than legacy wholesale

Schoolblazer co-founder, SBZ Director and major shareholder Tim James has stepped in as Acting Managing Director. Recent industry disruption is accelerating the anticipated market shift away from wholesale channels to direct retail. Tim's extensive experience will be vital in capitalising on this opportunity and driving operational efficiencies including the cost program.

Schoolblazer Group's previous FY27 target $25m EBITDA remains the target underlying profitability for the business at a $200m revenue level. Given the difficulties experienced in FY26 delivery of this target is now anticipated for FY28 depending on FY27 achievements.

Consolidated Balance Sheet

- SBG has generated approximately A$20m of operating cash flow before interest during the second half of FY26 driven by inventory efficiency. Net bank debt has reduced by approximately A$10m between 31 March and 18 September 2026
- At 18 September 2026, SBG held approximately A$32m of cash and had A$28m of drawn trade-finance facilities
- Given the weaker than expected earnings result and rising interest rates, Schoolblazer Group expects to apply some of its cash balance to reduce its $45m term debt and reduce core leverage
- Separate to SBG's facilities, SBG's parent, Schoolblazer Limited, has a $16m loan (maturing Nov 2027) against c. $15m of investment assets
- The Company is evaluating a range of proactive capital management initiatives to strengthen its balance sheet, with indicated support from members of the Board and senior executives

Schoolblazer Limited Full Year Statutory Results

- FY26 is the first year of consolidated accounting following the SBG business combination. The Company expects to report a material statutory loss subject to audit, driven by non-cash acquisition accounting adjustments and intangible impairments
- Reported results will also reflect a negative translation impact from the strengthening of the Australian dollar against the British pound and New Zealand dollar. This is a non-cash reporting effect rather than a change in underlying trading
- The Company's full year FY26 results are expected to be released in late November 2026

For further information, please contact: Sandy Beard, Chairman 0412 308 263

About Schoolblazer Limited

Schoolblazer Limited (ASX: SBZ) is the holding company of Schoolblazer Group, a technology-led, vertically integrated global schoolwear and sportswear business. The Schoolblazer Group has school relationships across the UK, Australia, New Zealand and a growing international footprint, with a portfolio of premium and value brands including Schoolblazer, Trutex, Limitless and Akoa, supported by a custom in-house e-commerce and product platform.