24 June 2026

FY26 Trading Update

Highlights

- **Pro forma NPAT expected to be approx. $16.0m to $17.0m, up 32% to 40%** vs pcp (FY25: $12.1m)
- **Total sales expected to be around $553m to $555m, up ~6.0%** vs pcp
    - **Comparable store sales growth of ~3.5%** vs pcp
- **Gross margin will be above 41% for FY26** (FY25: 40.2%) **and ~41.5% in 2H**
- **Store of the Future sales growth will be ~18% for the full year, and ~16% in 2H**
- **Online sales growth will be ~16% for FY26**

Baby Bunting Group Limited (Baby Bunting or the Group) today provides an update on trading for FY26. Following softer than expected trading conditions through the fourth quarter, the Group now expects FY26 pro forma NPAT to be between $16.0m and $17.0m, noting this is subject to the final week of trade and year-end audit. This represents 2H pro forma NPAT of between $11.0m and $12.0m, growth of between 50% and 64% versus pcp, but below the previously guided 2H FY26 range of $12.5m to $14.5m.

Overall, the Group expects comparable store sales growth to be approx. 3% in 2H FY26 versus the 6%-8% in its previous guidance assumptions. Importantly, the Store of the Future program continued to perform in line with expectations with 2H FY26 refurbished stores sales growth of approx. 16%. Group costs and capex investment also remain in line with expectations and net debt is expected to finish at approx. $20 million.

Baby Bunting's CEO, Mark Teperson said, "While trading softened through the fourth quarter, delivering pro forma NPAT growth of 32% to 40% for the full year and further gross margin expansion is a strong result in a difficult consumer environment. The three RBA cash rate rises in the second half, together with higher fuel prices, weighed on consumer spending and added to our distribution costs. Sales across our non-refurbished store network did not meet plan over the last seven weeks, driven by softness in prams and car safety categories relative to expectations, which lowered average transaction values.

"We are proud of the progress we have made against our strategic plan. The Store of the Future program continues to perform in line with expectations, growing approximately 18% for the full year and included two of our largest ever store openings in June. We have held gross margins above 41%, driven double digit growth in our online channel and built strong momentum in New Zealand with sales growth in the second half above 15%, all while maintaining disciplined cost and capital management and a strong balance sheet.

"The fundamentals of the business and the strategy we are executing remain strong. We have a great new product pipeline in car safety, clear gross margin levers and a refurbishment program that continues to deliver. We look forward to continuing to execute and drive value for our customers and shareholders through FY27."

Baby Bunting will release its full year results on **Friday, 14 August 2026.**

The release of this announcement was authorised by the Disclosure Committee of the Board.

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