

Appendix 4D



(Rule 4.2A.3)

Baby Bunting Group Limited
ABN 58 128 533 693

For the period ended: For the half-year ended 29 December 2025 (26 weeks and 1 day)
Previous corresponding period: For the half-year ended 29 December 2024 (26 weeks)

Results for announcement to the market

Statutory Financial Results	29 Dec 2025 \$'000	29 Dec 2024 \$'000	Mvmt \$'000	up/(down) %
Revenue from ordinary activities	271,407	254,368	17,039	6.7%
Net profit from ordinary activities after tax (attributable to members)	1,848	3,892	(2,044)	(52.5%)
Net profit attributable to members	1,848	3,892	(2,044)	(52.5%)

Pro Forma Financial Results	29 Dec 2025 \$'000	29 Dec 2024 \$'000	Mvmt \$'000	up/(down) %
Revenue from ordinary activities	271,407	254,368	17,039	6.7%
Net profit from ordinary activities after tax (attributable to members)	5,014	4,816	198	4.1%
Net profit attributable to members	5,014	4,816	198	4.1%

Pro forma financial results exclude certain items contained in the statutory financial results to more clearly represent the consolidated entity's underlying earnings (noting that this financial information has not been audited in accordance with Australian Auditing Standards).

The following tables reconcile the statutory financial results to pro forma financial results for the half-years ended 29 December 2025 and 29 December 2024 and provide further detail on each pro forma adjustment.

Pro Forma Financial Results - half-year ended 29 December 2025 \$'000	Sales \$'000	NPAT \$'000
Statutory results	271,407	1,848
Employee equity incentive expenses ¹	-	4,371
Transformation project expenses ²	-	191
Tax impact from pro forma adjustments	-	(1,396)
Pro forma results	271,407	5,014

1. Employee equity incentive expenses represent the cost amortisation of performance rights (long term incentive plan and deferred short term incentive) on issue and the associated payroll tax costs.

2. Transformation project expenses represent non-capital expenditure incurred to enable the future technology platform upgrade of the Group's ERP and POS environments.

Pro Forma Financial Results - half-year ended 29 December 2024 \$'000	Sales \$'000	NPAT \$'000
Statutory results	254,368	3,892
Employee equity incentive expenses ¹	-	1,222
Tax impact from pro forma adjustments	-	(298)
Pro forma results	254,368	4,816

1. Employee equity incentive expenses represent the cost amortisation of performance rights (long term incentive plan) on issue and the associated payroll tax costs.

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Dividends

	Amount per security (cps)	Franked amount
2025 final dividend	Nil	-
2026 interim dividend	Nil	-

The Group does not propose to pay an interim dividend.

The Group does not currently offer a dividend reinvestment plan.

Net tangible assets per ordinary share

	29 December 2025 \$	29 December 2024 \$
Net tangible assets per ordinary share	0.47	0.38

Net tangible assets are calculated by deducting intangible assets from the net assets of the Group.

Other information

This report is based on the consolidated financial statements which have been reviewed by Ernst & Young.

For further explanation of the figures above please refer to the ASX Announcement dated 17 February 2026 outlining the results for the half-year ended 29 December 2025 and the notes to the financial statements.

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Baby Bunting

Financial Report

for the half-year ended
29 December 2025

Baby Bunting
Group Limited
ABN 58 128 533 693

The best start for the brightest future

CONTENTS

2	Directors' Report	10	Consolidated Statement of Changes in Equity
6	Auditor's Independence Declaration	11	Consolidated Statement of Cash Flows
7	Financial Report	12	Notes to the Consolidated Financial Statements
8	Consolidated Statement of Profit or Loss and Other Comprehensive Income	20	Directors' Declaration
9	Consolidated Statement of Financial Position	21	Independent Auditor's Review Report
		23	Corporate Directory



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Directors' Report

The directors present their report, together with the financial statements of the consolidated entity (referred to in this report as the Company or Group) consisting of Baby Bunting Group Limited (referred to as Baby Bunting) and the entities it controlled at the end of or during the half-year ended 29 December 2025.

For financial reporting purposes, the Group has adopted a 26 week and 1 day reporting period, which concluded on 29 December 2025. The prior half-year period comprised 26 weeks and ended on 29 December 2024, ensuring a like for like comparison of promotional activity across both periods.

Directors

The following persons were directors of Baby Bunting during the whole of the half-year and up to the date of this report, unless otherwise stated:

- Stephen Roche
- Mark Teperson
- Gary Levin
- Donna Player
- Gary Kent
- Fran Ereira
- Debra Singh

Principal Activities

Baby Bunting is Australia's largest speciality retailer of maternity and baby goods, primarily catering to parents with children from newborn to three years of age and parents-to-be through its store network in Australia and New Zealand and its online channels.

The Group's principal product categories include prams, cots and nursery furniture, car safety, toys, babywear, feeding, nappies, manchester and associated accessories. Baby Bunting also provides services that are complementary to the products it sells, including car seat installation and hire services of certain nursery products.

Operational highlights and developments

Store Network and Format Development

The Group progressed its Store of the Future program with the refurbishment of six stores during the period: Helensvale (QLD), Osborne Park and Joondalup (WA), Moore Park (NSW) and Thomastown and Narre Warren (VIC).

The pilot of the small format store concept commenced, with three 'Baby Bunting Junior' stores opened at Robina (QLD), Plenty Valley (VIC) and Marion (SA). These stores are smaller than the Group's large format stores and provide a curated range of products.

The Group opened two new stores during the period, Dubbo (NSW) and Westgate (NZ) and closed the Hornsby (NSW) store. In addition, the Bentleigh (VIC) store was closed in early January. A new store is planned for the same catchment at Mentone (VIC), which is scheduled to open in February 2026.

As at the date of this report, the Group operates 78 stores across Australia and New Zealand.

Gross Margin and Operating Efficiency

Gross margin improvement initiatives continued to deliver positive results, with a 124 basis point uplift relative to the prior corresponding period.

The Group also transitioned to 100% store based fulfilment for online orders, enabling improved utilisation of existing store labour and optimisation of delivery costs.

New Revenue Streams

The Retail Media business was launched in December 2024 and is performing in line with expectations, providing a new and growing revenue stream for the Group.

Review of the Group's financial performance

Statutory results

The statutory results for the half-year ended 29 December 2025 are summarised below:

- Total sales were \$271.407 million, an increase of 6.7% on the prior corresponding period.
- Gross profit increased to \$111.391 million, up 10% on the prior corresponding period. Gross margin improved by 124 basis points to 41.0%.
- Statutory net profit after tax (NPAT) was \$1.848 million, a decrease of 52.5% against the prior corresponding period.

Sales from the store network represented around 75% of total sales, with online delivery and click and collect contributing 17% and 8% respectively. Online sales grew 18% on the prior period, supported by increased digital marketing investment, enhanced delivery propositions and a broader store fulfilment footprint.

Private label and exclusive products accounted for 48.6% of total sales (29 December 2024: 46.1%), driven by (among other things) expanding exclusive partnerships and the launch of exclusive innovative products, including a rotating car seat range.

Gross margin strengthened to 41.0% (29 December 2024: 39.8%) reflecting improved supplier trading terms and ongoing margin management initiatives.

Pro forma results

In relation to the half-year ended 29 December 2025 and the half-year ended 29 December 2024, the Group's underlying results (as measured by pro forma earnings) are more clearly demonstrated with the following exclusions or adjustments:

- Equity incentive expenses, as the primary economic impact is issued capital dilution if and when shares are issued; and
- Transformation project expenses, as these expenses represent non-capital expenditure incurred to enable the future technology platform upgrade of the Group's ERP and POS environments.

The directors consider that these adjustments are appropriate to better represent the underlying financial performance of the business and to facilitate comparison with prior periods.

The pro forma results for the half-year ended 29 December 2025 are summarised below:

- Total sales were \$271.407 million, an increase of 6.7% on the prior corresponding period.
- Gross profit increased to \$111.391 million, up 10% on the prior corresponding period. Gross margin improved by 124 basis points to 41.0%.
- Pro forma earnings before interest, tax, depreciation and amortisation (EBITDA) (excluding the impact of AASB 16 leases accounting) was \$14.570 million, up 3.8% on the prior corresponding period.
- Pro forma NPAT was \$5.014 million, an increase of 4.1%.
- Pro forma cost of doing business (CODB) (excluding the impact of AASB 16 leases accounting) was \$96.820 million or 35.7% of sales, an increase of 138 basis points on the prior corresponding period (29 December 2024: 34.3%).

The increase in business expenses was primarily driven by the opening of five new stores, the full year impact of stores opened in 2025, and wage inflation. The business also incurred \$3.162 million in store closure and refurbishment costs, including the closure of Hornsby (NSW), the closure of Bentleigh (VIC), and refurbishment expenses for six Store of the Future locations.

Non-IFRS financial measures

The Group uses a number of financial measures that are not defined under Australian Accounting Standards. These 'non IFRS financial measures' are used to assist in managing the business and assessing performance. They are intended to complement, not replace, statutory measures.

Underlying statutory and pro forma results are provided to give shareholders additional insight into the performance of the Group.

Non IFRS financial measures referred to in this report include the following:

Cost of doing business (CODB)	Represents store, administrative, marketing and warehousing expenses, excluding the impact of AASB 16 lease accounting.
Operating EBIT	Represents earnings before interest, finance costs, income tax and other non operating items. The CEO evaluates the performance of the Australia and New Zealand operating segments using this measure.

Pro Forma financial results

Pro forma financial results exclude certain items contained in the statutory financial results to more clearly represent the consolidated entity's underlying earnings (noting that this financial information has not been audited in accordance with Australian Auditing Standards).

The following tables reconcile the statutory financial results to pro forma financial results for the half-years ended 29 December 2025 and 29 December 2024 and provide further detail on each pro forma adjustment.

Half-year ended 29 December 2025 \$'000	Sales	NPAT
Statutory results	271,407	1,848
Employee equity incentive expenses ¹	-	4,371
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Tax impact from pro forma adjustments	-	(1,396)
Pro forma results	271,407	5,014

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Statutory results	254,368	3,892
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Pro forma results	254,368	4,816

1. Employee equity incentive expenses represent the cost amortisation of performance rights (long term incentive plan) on issue and the associated payroll tax costs.

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Dividends

Reflecting an approach to disciplined balance sheet management, the Board has chosen not to pay an interim dividend for 2026.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the directors



Stephen Roche
Chair

17 February 2026

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Auditor's Independence Declaration



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with confidence**

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Auditor's Independence Declaration to the Directors of Baby Bunting Group Limited

As lead auditor for the review of the half-year financial report of Baby Bunting Group Limited for the half-year ended 29 December 2025, I declare to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- (b) no contraventions of any applicable code of professional conduct in relation to the review; and
- (c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Baby Bunting Group Limited and the entities it controlled during the financial period.


Ernst & Young



Katie Struthers
Partner
17 February 2026

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Financial Report

for the half-year ended 29 December 2025



Contents

8	Consolidated Statement of Profit or Loss and Other Comprehensive Income	16	Note 9: Inventories
9	Consolidated Statement of Financial Position	16	Note 10: Other assets
10	Consolidated Statement of Changes in Equity	16	Note 11: Impairment of Assets
11	Consolidated Statement of Cash Flows	17	Note 12: Trade and other payables
12	Notes to the Consolidated Financial Statements	17	Note 13: Borrowings
12	Note 1: Reporting entity	17	Note 14: Issued capital
12	Note 2: Basis of preparation	18	Note 15: Share Based Payments
13	Note 3: Significant Accounting Policies	18	Note 16: Fair Value Measurement
13	Note 4: Operating Segments	18	Note 17: Contingent Liabilities
14	Note 5: Revenue	18	Note 18: Capital Commitments
14	Note 6: Other income	19	Note 19: Earnings per share
15	Note 7: Profit for the period	19	Note 20: Subsequent events
15	Note 8: Trade and other receivables	20	Directors' Declaration
		21	Independent Auditor's Review Report

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 29 December 2025

	Note	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Revenue	5	271,407	254,368
Cost of sales		(160,016)	(153,113)
Gross profit		111,391	101,255
Other income	6	-	798
Store expenses	7	(66,442)	(60,458)
Marketing expenses		(7,202)	(5,357)
Warehousing expenses	7	(6,163)	(6,225)
Administrative expenses	7	(24,246)	(18,607)
Transformation project expenses		(191)	-
Restructuring costs		-	(408)
Finance costs	7	(4,433)	(4,379)
Profit before tax		2,714	6,619
Income tax expense		(866)	(2,727)
Profit after tax		1,848	3,892
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations		(82)	14
Net (loss)/gain on cash flow hedges		(380)	100
Income tax effect relating to the components of OCI		114	(30)
Net other comprehensive gain/(loss) that may be reclassified to profit or loss in subsequent periods		(348)	84
Net other comprehensive income/(loss) for the year, net of tax		(348)	84
Total comprehensive income for the year, net of tax		1,500	3,976
Profit for the period attributable to:			
Equity holders of Baby Bunting Group Limited		1,848	3,892
Total comprehensive income attributable to:			
Equity holders of Baby Bunting Group Limited		1,500	3,976
		Cents	Cents
Earnings per share			
From continuing operations			
Basic (cents per share)		1.4	2.9
Diluted (cents per share)		1.3	2.8

Notes to the consolidated financial statements are included in pages 12 to 19.

Consolidated Statement of Financial Position

as at 29 December 2025

	Note	29 Dec 2025 \$'000	29 June 2025 \$'000
Current Assets			
Cash and cash equivalents		5,167	12,408
Trade and other receivables	8	2,722	2,551
Inventories	9	106,977	95,626
Other assets	10	9,609	4,375
Total Current Assets		124,475	114,960
Non-Current Assets			
Property, plant and equipment		47,657	28,700
Intangibles		9,739	9,546
Goodwill		45,321	45,321
Right of use assets		131,751	127,509
Deferred tax assets		13,272	10,914
Total non-current assets		247,740	221,990
Total assets		372,215	336,950
Current Liabilities			
Trade and other payables	12	56,010	43,429
Other liabilities		6,102	5,224
Provision for income tax		2,812	629
Lease liabilities		38,825	37,838
Derivative financial instruments		423	43
Provisions		7,332	6,517
Total current liabilities		111,504	93,680
Non-Current Liabilities			
Borrowings	13	26,280	16,930
Lease liabilities		113,915	111,648
Provisions		1,786	2,026
Total non-current liabilities		141,981	130,604
Total liabilities		253,485	224,284
Net assets		118,730	112,666
Equity			
Issued capital	14	88,694	88,694
Reserves		22,271	18,055
Retained earnings		7,765	5,917
Total Equity		118,730	112,666

Notes to the consolidated financial statements are included in pages 12 to 19.

Consolidated Statement of Changes in Equity

for the half-year ended 29 December 2025

	Issued Capital \$'000	Shares held in Trust \$'000	Share- based Payments Reserve \$'000	Share- based Payment Tax Reserve \$'000	Cash Flow Hedge Reserve \$'000	Foreign Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 30 June 2024	88,694	(1,045)	16,694	2	-	(80)	(3,642)	100,623
Profit for the period	-	-	-	-	-	-	3,892	3,892
Other comprehensive income	-	-	-	-	70	14	-	84
Total comprehensive income for the period	-	-	-	-	70	14	3,892	3,976
Allocation of shares to equity incentive plan participants	-	1,045	(1,045)	-	-	-	-	-
Tax benefit arising on issue of shares to employees	-	-	-	3	-	-	-	3
Share-based payment expense	-	-	1,083	-	-	-	-	1,083
Balance at 29 December 2024	88,694	-	16,732	5	70	(66)	250	105,685
Balance at 29 June 2025	88,694	-	18,095	15	(30)	(25)	5,917	112,666
Profit for the period	-	-	-	-	-	-	1,848	1,848
Other comprehensive income	-	-	-	-	(266)	(82)	-	(348)
Total comprehensive income for the period	-	-	-	-	(266)	(82)	1,848	1,500
Allocation of shares to equity incentive plan participants	-	-	-	-	-	-	-	-
Tax benefit arising on issue of shares to employees	-	-	-	335	-	-	-	335
Share-based payment expense	-	-	4,229	-	-	-	-	4,229
Balance at 29 December 2025	88,694	-	22,324	350	(296)	(107)	7,765	118,730

Notes to the consolidated financial statements are included in pages 12 to 19.

Consolidated Statement of Cash Flows

for the half-year ended 29 December 2025

	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Cash flows from operating activities		
Receipts from customers	299,405	278,778
Payments to suppliers and employees	(269,176)	(249,486)
Income tax paid	(698)	(1,974)
Finance costs paid	(4,309)	(3,903)
Net cash from operating activities	25,222	23,415
Cash flows from investing activities		
Payments for plant and equipment	(25,757)	(4,373)
Net cash used in investing activities	(25,757)	(4,373)
Cash flows from financing activities		
Lease payments	(15,992)	(15,122)
Net borrowings/ (repayments)	9,350	(1,461)
Net cash used in financing activities	(6,642)	(16,583)
Net increase/(decrease) in cash and cash equivalents	(7,177)	2,459
Net foreign exchange difference	(64)	(10)
Cash and cash equivalents at beginning of the period	12,408	9,525
Cash and cash equivalents at end of the period	5,167	11,974

Notes to the consolidated financial statements are included in pages 12 to 19.

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Notes to the

Consolidated Financial Statements

for the half-year ended 29 December 2025

Note 1: Reporting Entity

The consolidated financial statements cover Baby Bunting Group Limited (Company or parent entity) as a Group consisting of Baby Bunting Group Limited and the entities it controlled at the end of, or during, the half year (Group).

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency. The Company is a public company limited by shares, listed on the Australian Securities Exchange (ASX), incorporated and domiciled in Australia. Its registered office and principal place of business is 153 National Drive, Dandenong South, Victoria, 3175, Australia.

A description of the nature of the Group's operations and its principal activities is included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 17 February 2026.

Note 2: Basis of Preparation

These condensed financial statements for the half-year ended 29 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as applicable to for-profit entities. Compliance with AASB 134 also ensures compliance with IAS 34 Interim Financial Reporting.

As interim financial statements, they do not include all disclosures normally required in an annual report. Accordingly, they should be read in conjunction with the Group's Annual Report for the year ended 29 June 2025, together with any public announcements made during the interim period in accordance with the continuous disclosure obligations of the Corporations Act 2001.

The financial statements have been prepared under the historical cost convention, except for derivative financial instruments and share-based payment arrangements which have been measured at fair value at the grant date.

The preparation of these interim financial statements requires the Group to apply estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates, and changes in assumptions could lead to material adjustments in future reporting periods.

The current reporting period spans from 30 June 2025 to 29 December 2025, covering 26 weeks and one day. The comparative period runs from 1 July 2024 to 29 December 2024 and comprises 26 weeks, providing a like-for-like comparison of promotional activity across both periods.

From time to time, management may change prior year comparatives to reflect classifications applied in the current year.

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Note 3: Significant Accounting Policies

The accounting policies applied in these consolidated interim financial statements are the same as those applied in the Group's 2025 Annual Report.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 4: Operating Segments

Management has determined the Group's operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic and operating decisions.

The Chief Executive Officer considers the business primarily from a geographic perspective. On this basis, management has identified two reportable segments, Australia and New Zealand. The Chief Executive Officer monitors the performance of these two segments separately.

The segment information provided to the Chief Executive Officer for the reportable segments for the half-year ended 29 December 2025 is as follows:

Half-year ended 29 December 2025	Australia \$'000	New Zealand \$'000	Consolidated \$'000
Revenue	262,396	9,011	271,407
Cost of sales	(155,704)	(4,312)	(160,016)
Store expenses	(63,561)	(2,881)	(66,442)
Marketing expenses	(6,621)	(581)	(7,202)
Administrative expenses	(23,612)	(634)	(24,246)
Warehouse expenses	(5,652)	(511)	(6,163)
Operating EBIT	11,617	92	11,709
Total segment assets	347,138	25,077	372,215
Total segment liabilities	246,367	7,118	253,485
Additions to property, plant & equipment	24,102	1,655	25,757

Reconciliation of Operating EBIT to profit before tax is as follows:

Operating EBIT	11,617	92	11,709
Finance costs	(4,070)	(363)	(4,433)
Share based payments expense ¹	(4,371)	-	(4,371)
Transformation project expenses	(191)	-	(191)
Profit before tax	2,985	(271)	2,714

1. Share based payments expense is inclusive of payroll tax.

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Notes to the Consolidated Financial Statements
continued

Half-year ended 29 December 2024	Australia \$'000	New Zealand \$'000	Consolidated \$'000
Revenue	246,467	7,901	254,368
Cost of sales	(148,171)	(4,942)	(153,113)
Store expenses	(57,637)	(2,821)	(60,458)
Marketing expenses	(4,939)	(418)	(5,357)
Administrative expenses	(18,017)	(590)	(18,607)
Warehouse expenses	(5,406)	(819)	(6,225)
Operating EBIT	13,111	(1,689)	11,422
Total segment assets	312,829	24,121	336,950
Total segment liabilities	219,997	4,287	224,284
Additions to property, plant & equipment	4,236	137	4,373

Reconciliation of Operating EBIT to profit before tax is as follows:

Operating EBIT	13,111	(1,689)	11,422
Finance costs	(4,003)	(376)	(4,379)
Share based payments expense ¹	(1,222)	-	(1,222)
Other income	798	-	798
Profit before tax	8,684	(2,065)	6,619

1. Share based payments expense is inclusive of payroll tax.

Revenue reported above represents revenue generated from external customers.

The Chief Executive Officer assesses the performance of the Group's operating segments based on a measure of Operating EBIT. This measurement excludes the effects of interest revenue, finance costs, income tax, equity expenses and other non-operating costs.

Note 5: Revenue

	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Revenue from contracts with customers ⁽ⁱ⁾	271,407	254,368

(i) Revenue from contracts with customers includes online revenue (including click & collect) \$67.245 million (29 December 2024: \$56.866 million).

Note 6: Other income

	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Other income ⁽ⁱ⁾	-	798

(i) In the prior comparative period, the Group recorded compensation of \$0.798 million from the South Australian government following the compulsory acquisition of the Mile End store.

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Note 7: Profit for the period

	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Profit before income tax expense includes the following expenses:		
Interest and finance charges paid/payable:		
Interest on lease liabilities	3,400	3,351
Interest on borrowings	1,033	1,028
Depreciation and amortisation	6,269	4,350
Depreciation on right of use assets	15,472	15,278
Employee benefits expense	54,971	49,124

Depreciation and amortisation

Depreciation and amortisation are disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income under "Store expenses", "Warehousing expenses" and "Administrative expenses" as detailed below:

	As reported \$'000	Depreciation and amortisation on PPE and intangibles \$'000	Depreciation on right of use assets \$'000	Excluding Depreciation and amortisation \$'000
Half-year ended 29 December 2025				
Store expenses	(66,442)	5,309	14,070	(47,063)
Warehousing expenses	(6,163)	50	1,325	(4,788)
Administrative expenses	(24,246)	910	77	(23,259)
Total	(96,851)	6,269	15,472	(75,110)
Half-year ended 29 December 2024				
Store expenses	(60,458)	3,588	13,572	(43,298)
Warehousing expenses	(6,225)	76	1,547	(4,602)
Administrative expenses	(18,607)	686	159	(17,762)
Total	(85,290)	4,350	15,278	(65,662)

Note 8: Trade and other receivables

	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Trade receivables	38	59
Other receivables	2,684	2,492
	2,722	2,551

There are no material receivables past due date. The receivables are expected to be settled within 30 – 90 days, subject to the terms of the relevant trading agreement.

Note 9: Inventories

	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Finished goods	108,132	96,788
Less: Provision for shrinkage, obsolescence and mark-down	(1,155)	(1,162)
	106,977	95,626

The cost of inventories recognised as an expense during the current reporting period in respect of continuing operations was \$160.016 million (29 December 2024: \$153.113 million).

Note 10: Other assets

	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Prepayments	8,148	2,969
Right of return	1,461	1,406
	9,609	4,375

Prepayments primarily relate to insurance, technology licenses, and other operating expenditure paid in advance. The balance also includes prepaid capital expenditure, representing deposits and progress payments made for property, plant and equipment assets.

Note 11: Impairment of Assets

Intangibles

Goodwill was subject to an annual impairment test as at 29 June 2025. There were no indicators of impairment identified that would require a full impairment test to be performed at the end of the half year.

Property, Plant and Equipment and Right of Use Assets

The Group is required to assess whether there is any indication that an asset or cash generating unit (CGU) may be impaired. For impairment testing purposes, the Group has determined that each store is a separate CGU.

The Group performed an impairment indicator assessment at the individual store level as part of its half-year review.

This assessment considered each store's financial performance, with store profitability forming the primary basis for determining whether any indicators of impairment were present.

Based on this review, no indicators of impairment were identified that would require an incremental impairment charge to be recognised for the half-year ended 29 December 2025.

Note 12: Trade and other payables

	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Trade payables	33,859	22,970
Sundry payables and accruals	22,151	20,459
	56,010	43,429

Note 13: Borrowings

	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Bank Loan	26,280	16,930

The Group's Corporate Market Loan (CML) facility of \$70,000,000 remains unchanged from 29 June 2025. The CML facility matures on 30 September 2027. The facility may be drawn to the lower of \$70,000,000 or 2.5 times the Group's last 12 months' historical rolling EBITDA. Interest is payable at a variable rate, and the facility does not require the consolidated entity to amortise the borrowings.

The facility is subject to two covenants: an operating leverage ratio and a financial charge cover ratio. The Group reviews its compliance with these covenants quarterly and provides quarterly compliance reporting to the bank. The Group has met all covenant requirements to date, and there is no indication that the Company will have difficulty meeting these covenants.

The Group has access to a bank guarantee facility with a total limit of \$8,000,000 (2025: \$8,000,000). The facility is used to issue guarantees primarily in respect of property leases. Refer to Note 17 for further details.

Note 14: Issued capital

	29 Dec 2025 Shares	29 Jun 2025 Shares	29 Dec 2025 \$'000	29 Jun 2025 \$'000
Ordinary shares – full paid	135,400,726	134,919,963	88,694	88,694

Movements in ordinary share capital

Details	Date	Shares	Issue Price	\$'000
Balance	29 Jun 25	134,919,963	–	88,694
Shares issued during the period ⁽ⁱ⁾	10 Oct 25	480,763	–	–
Balance	29 Dec 25	135,400,726	–	88,694

(i) A total of 480,763 ordinary shares were issued in relation to the performance rights plan (long term incentive plan).

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Note 15: Share Based Payments

As set out in the annual financial report for the period ended 29 June 2025, the Group introduced a deferred share component to the short term incentive plan (STI) for executives. Under this arrangement, 25% of the STI award was paid in cash, with the remaining amount delivered as deferred rights that vest on 1 August 2026. The CEO's award of rights was conditional upon shareholder approval which was obtained at the 2025 annual general meeting.

The STI component paid in cash is accounted for as a bonus and expensed to the profit and loss in the period it is earned. The portion delivered as deferred rights is recognised on a straight line basis over the service period, with the expense recorded under share based payments and a corresponding credit to the share based payments reserve.

On 17 September 2024, members of the executive team (excluding the CEO) were offered STI awards comprising a total of 1,025,265 performance rights. A further 417,908 performance rights were granted to the CEO on 14 October 2025.

The service conditions stipulate that participants must remain employed from the date of grant through to the vesting date of 1 August 2026. The fair values assigned to these rights were \$3.00 and \$1.63 per right, respectively.

The following table reconciles the outstanding performance rights for the half-year ended 29 December 2025.

Details	Balance as at 29 June 2025	Granted	Exercised	Expired/ forfeited/other	Balance at the end of the period
TSR performance rights	5,469,744	-	-	(821,022)	4,648,722
EPS performance rights	1,110,538	-	-	(411,205)	699,333
ROFE performance rights	2,539,718	-	-	(131,128)	2,408,590
Service rights	636,526	-	(480,763)	-	155,763
Deferred rights	-	1,443,173	-	-	1,443,173
Total	9,756,526	1,443,173	(480,763)	(1,363,355)	9,355,581

Note 16: Fair Value Measurement

The only financial assets and liabilities measured at fair value are the Group's foreign currency forward contracts. These contracts are used to hedge highly probable inventory purchases, with maturities aligned to the expected payment dates.

The fair value of the forward contracts is determined using third party valuations based on discounted cash flow models that incorporate forward exchange rates at reporting date and the contracted exchange rates. These instruments are classified as Level 2 in the fair value hierarchy, as their valuation relies on observable market inputs other than quoted prices in active markets.

Note 17: Contingent Liabilities

The Group has bank guarantees outstanding as at 29 December 2025 of \$2,027,954 (June 2025: \$2,331,642), primarily supporting store lease obligations. These guarantees are issued under the Group's banking facilities. No liability has been recognised in relation to these guarantees.

Note 18: Capital Commitments

The Group has capital commitments relating to property, plant and equipment of \$9,758,626 (June 2025: \$2,400,000). The commitment excludes any landlord contributions toward store fit-out costs.

Note 19: Earnings per share

	29 Dec 2025 \$'000	29 Dec 2024 \$'000
Profit after income tax	1,848	3,892
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	135,025,336	134,539,415
Adjustments for calculation of diluted earnings per share:		
Performance rights	6,837,959	5,433,681
	141,863,295	139,973,096
	Cents	Cents
Basic earnings per share	1.4	2.9
Diluted earnings per share	1.3	2.8

Basic earnings per share is calculated by dividing profit after income tax by the weighted average number of ordinary shares on issue during the period.

Diluted earnings per share is calculated by dividing profit after income tax by the weighted average number of ordinary shares on issue during the period, adjusted for the impact of dilutive potential ordinary shares.

Note 20: Subsequent events

There have been no matters or circumstances occurring subsequent to the end of the half-year, that have significantly affected or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial years.

Directors' Declaration

In the directors' opinion:

- the financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the financial statements and notes give a true and fair view of the Group's financial position as at 29 December 2025 and of its performance for the period ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the directors



Stephen Roche
Chair

17 February 2026

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Independent Auditor's Review Report



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Independent auditor's review report to the members of Baby Bunting Group Limited

Conclusion

We have reviewed the accompanying half-year financial report of Baby Bunting Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 29 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 29 December 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our review of the half-year financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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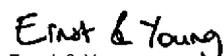
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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 29 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Ernst & Young


Katie Struthers
Partner
Melbourne
17 February 2026

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Securities Exchange Listing

Baby Bunting Group Limited shares are listed on the Australian Securities Exchange (ASX)
(ASX code: BBN)

Investor website

investors.babybunting.com.au

Online store

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babybunting.co.nz

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