

B&M European Value Retail S.A.
Société Anonyme
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(the "Company")

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 ("EU MAR") AND ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF DOMESTIC LAW IN THE UNITED KINGDOM (THE "UK") BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("UK MAR").



22 January 2026

Q3 FY26 Trading Statement

Positive December sales Lowering guidance on deeper investment in our future growth

B&M European Value Retail S.A. ("the Group"), the UK's leading variety goods value retailer, today provides a trading update for the third quarter ("Q3") of its current financial year ("FY26"), relating to the 13 week period from 28 September 2025 to 27 December 2025.

Tjeerd Jegen, Chief Executive Officer, said:

"We entered our Golden Quarter sharper on price to reinforce our value proposition with our customers. Price investment has continued, particularly in FMCG, and while the full benefits will take time to come through, I am encouraged by the early signs of like-for-like (LFL) sales growth at B&M UK late in the quarter. This includes the strong sell through of our seasonal ranges, which contributed to 3 percent UK LFL growth in December, with similar LFL trends continuing in early January trading.

As we progress Back to B&M Basics, we are identifying opportunities to make deeper investments in clearing discontinued lines to support planned reductions in SKU count and to clean up stock as we restore on-shelf availability towards industry benchmarks. As with our pricing actions, these are investments in the long-term strength of B&M, but they do impact near-term financial performance. As a result, we are revising our full-year guidance downwards to reflect these actions and the financial underperformance at Heron. We now expect FY26 Adjusted EBITDA (pre-IFRS 16) to be in the range of £440m to £475m, compared with our previous guidance of £470m to £520m.

The reset we are driving through Back to B&M Basics is necessary to rebuild the long-term value of the business and these workstreams continue to progress at pace. Actions on FMCG SKU count and on-shelf availability are now moving out of their initial pilot phases and towards implementation across all stores later this year. I remain confident that the actions we are taking will restore sustainable LFL growth at B&M UK over the next 12 to 18 months and provide a strong foundation for future growth."

Highlights

Revenue performance	Q3 FY26			YTD FY26		
	£m	YoY% ¹	LFL %	£m	YoY% ¹	LFL %
B&M UK ²	1,413m	1.9%	(0.6)%	3,609m	2.9%	(0.2)%
B&M France	186m	8.5%	0.4%	466m	10.7%	3.3%
Heron Foods	138m	1.4%	(0.1)%	411m	(0.2)%	(1.8)%
Group	1,737m	2.9%	-	4,486m	3.6%	-

- Group year-to-date (YTD) revenue grew 3.6% year-on-year (YoY) (3.3% constant currency³). Group Q3 revenue growth was 2.9% YoY (2.6% constant currency³)
- B&M UK delivered Q3 total revenue growth of 1.9% and like-for-like⁴ (LFL) sales of (0.6)%, with positive LFL growth in December of 3.0% following low single-digit LFL declines in October and November. Early January trading has seen a positive LFL trend continue, with a good customer response to our clearance events across seasonal ranges and discontinued lines
- Both FMCG and General Merchandise saw good seasonal range sell-through during Q3, with Seasonal Grocery, Giftware, Toys and Christmas ranges contributing to positive LFL⁴ sales growth in December
- B&M France continued to compete well during Q3 in a competitive market, with total revenue growth¹ of 8.5% and LFL⁴ revenue growth of 0.4%
- Heron Foods delivered Q3 total revenue growth of 1.4% and LFL sales of (0.1)%. Heron Foods' profit performance is below our expectations and a further review of its customer proposition is being conducted
- B&M UK gross margin remained below prior year levels in Q3 as we continued to invest in price in a competitive FMCG marketplace. We expect this trend to continue in Q4 as we broaden the clearance of discontinued lines to enter FY27 with sharper, more compelling ranges across our stores
- Back to B&M Basics continues to move forward at pace. Results from the first three FMCG category pilots to reduce line count have informed a further four trials, which will start in February ahead of commencing a full rollout to the entire UK estate in Q1 FY27. Early results from our stock availability trials are helping us to improve the quality of our stock records, which we continue to adjust in support of our ongoing activities to clear discontinued lines
- On 27 October 2025, the Board engaged EY to undertake a comprehensive third-party review of the IT systems and balance sheet controls that resulted in the overseas freight costs systems issue (as announced on 20 October 2025). This investigation is now complete and the implementation of the report's recommendations on specific IT and Financial operational processes is underway

Outlook & Guidance

We are revising our financial guidance downwards and now expect FY26 Group adjusted EBITDA (pre-IFRS 16) to be between £440m to £475m, versus our previous guidance of £470m to £520m. The downward movement in range is driven by ongoing investments in pricing and clearance, improvements in stock quality and the financial underperformance of Heron Foods, where we continue to review and reposition our customer offer. We remain confident the actions we are taking can restore sustainable LFL growth at B&M UK over the next 12 to 18 months, which is an essential foundation of the Group's future growth.

Notes:

- B&M France Q3 and YTD year-on-year total revenue growth % are calculated in local currency.
- References in this announcement to the B&M business include the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
- Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
- One-year like-for-like revenues exclude wholesale revenues and include each store's revenue for that part of the current period that falls at least 14 months after it opened compared with its revenue for the corresponding part of FY25. This 14-month approach has been adopted as it excludes the 2-month halo period which new stores experience following opening.

Investor Call

B&M Retail will host an investor call at 09:00 AM (GMT) today. The registration link for the call is available [here](#).

Enquiries

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About B&M European Value Retail S.A.

B&M European Value Retail S.A. is a variety retailer with 791 stores in the UK operating under the "B&M" brand, 343 stores under the "Heron Foods" and "B&M Express" brands, and 146 stores in France also operating under the "B&M" brand as at 27 December 2025. It is a constituent of the FTSE 250 index.

The B&M Group was founded in 1978 and listed on the London Stock Exchange in June 2014. For more information, please visit www.bandmretail.com

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