For personal use only

MYER
MY STORE

19 March 2025

HALF YEAR 2025 RESULTS
MYER GROUP STRATEGIC RESET IN CHALLENGING MACROECONOMIC ENVIRONMENT

OVERVIEW

- **CHALLENGING MACROECONOMIC ENVIRONMENT AND MYER GROUP RESET**
- **MYER GROUP GROWTH PLAN WELL UNDER WAY AFTER STRATEGIC REVIEW**
- **GROUP COMPARABLE SALES**[1], up 0.8% (Total Sales[2] of $1.8 billion, flat on 1H24)
- **GROUP ONLINE SALES OF $409.0 million**, up 4.8% (22.3% of Total Sales[2])
- **MYER ONE LOYALTY PROGRAM ENGAGEMENT STRONGEST SINCE INCEPTION**:
    - 4.6 million active[3] customers (up 6% year-on-year)
    - 79.1% of total sales generated by MYER one member (tag rate)
    - 453,000 new members (54% aged under 35)
- **STRONG CUSTOMER ENGAGEMENT**: record in-store customer satisfaction score of 85% (up 100bps year-on-year)
- **NPAT[4] OF $42.4M (1H24: $52.0M)**: reflecting adverse impact of National Distribution Centre (NDC) complications and ramp-up delays of -$12m EBIT
- **IMPLEMENTATION OF MYER GROUP STRATEGIC GROWTH PLAN:**
    - Strategic review finalised
    - Apparel Brands acquisition completed
    - New Group Executive Management Team
    - $150 million debt facility arranged with Australian banking majors CBA and NAB
    - Restructure of sass & bide, Marcs and David Lawrence commenced
- **PRE-COMPLETION FULLY FRANKED DIVIDEND OF 2.5 CENTS PER SHARE DECLARED[5]**

Myer Executive Chair Olivia Wirth said:

"We have been focused on resetting the business and positioning the Myer Group as a retail powerhouse. We have concluded our strategic review and started to implement our Myer Group Growth Strategy with the acquisition of Apparel Brands, established our new leadership team and capabilities, arranged refinancing and commenced a restructure of sass & bide, Marcs and David Lawrence.

"Despite challenging trading conditions in a tough macro environment and complications experienced at our National Distribution Centre, Myer traded well throughout the all-important Black Friday and Christmas trading periods. While consumers remain cautious, we reported growth in our comparable and online sales and I'm pleased to report our MYER one loyalty program delivered a record performance with 4.6 million active members and a 79% tag rate. In a year of transition, we remain focused on executing our strategic plans to drive growth and attractive shareholder returns."

---

[1] *Group comparable sales excludes the impact of store openings and closures and stores subject to refurbishment. Significant closures include the Brisbane City store, the temporary closure of Werribee and the closure of 10 sass & bide stores*
[2] *Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $1,352.2 million (1H24: $1,377.2 million)*
[3] *MYER one members who have shopped in the 12-month period*
[4] *Excluding Implementation Costs and Individually Significant Items*
[5] *Pre-completion dividend declared as per Apparel Brands transaction – refer ASX release 17/12/2024 and Appendix 3A 20/01/2025*

For personal use only

Myer Holdings Limited (ASX:MYR) reported financial results (post-AASB16) for the 26 weeks ending 25 January 2025 (1H25)[6].

- **Total Sales[2]** up 0.1% to $1,830.9 million, while **group comparable sales[1]** were up 0.8% (reflecting closure of Brisbane and Werribee stores and 10 standalone sass & bide stores for all or part of the year).
- **Operating Gross Profit (OGP**) reduced 1.4% to $656.0 million; margin rate decreased by 53 basis points (bps) to 35.8%, reflecting sales mix shift to concessions, promotional intensity in response to trading conditions, and additional distribution costs (due to NDC complications).
- **Cost of Doing Business[4] (CODB**) was $457.8 million, an increase of 1.9%, reflecting inflationary cost pressures, higher employee costs (EBA, superannuation and other incentive changes) and higher support office costs including one-off transitional costs associated with a new marketing agency and a separate investment in transformation capabilities.
- NDC complications resulted in estimated impact on 1H25 performance of -$12 million EBIT, including MEB stock unavailability -$7 million, dual sites costs -$3 million and online fulfilment costs -$2 million. Fulfilment costs should have been a saving.
- **Net Profit After Tax[4]** (NPAT) of $42.4 million.
- **Statutory NPAT** of $30.4 million includes Implementation Costs and Individually Significant Items of $14.1 million from transaction costs associated with the Apparel Brands acquisition, and strategic review and implementation costs of $2.5 million.
- **Operating cashflow** of $106.3 million was $13.1 million favourable to pcp, with net cash at period end of $219.0 million.
- **Inventory** was up $31.0 million on pcp due to the timing of Chinese New Year and investment in newness. Inventory ageing improved vs pcp.

NATIONAL DISTRIBUTION CENTRE CHALLENGES AND RECTIFICATION PLAN

In response to its growing online channel, Myer announced the establishment of a National Distribution Centre (NDC) in Ravenhall, Victoria in FY21, with the objective of adding scale and lowering the cost of fulfilment of online orders by leveraging automated pick and pack technology.

The NDC went live in August 2024, however, the site has experienced implementation issues and is not yet operating as designed. During 1H25, Myer flagged implementation issues and delayed ramp-up. The complications created stock flow issues, including Myer Exclusive Brand (MEB) stock remaining trapped in the facility during Q1 FY25 and led to online fulfilment transferring to stores.

Management's priority in the half was to implement contingency planning to enable Myer to perform during the peak trading period, particularly the Black Friday and Cyber Monday promotions. Whilst temporary measures were implemented, MEB sales were adversely impacted in Q1 particularly and stores fulfilled online orders, resulting in increased cost and inefficiencies. Myer reports a -$12 million impact on EBIT in 1H25.

A comprehensive diagnostic review confirmed automation and integration issues, with remediation action plans currently being developed. Myer has also focused on building internal capability to manage the remediation efforts. Chief Supply Chain Officer Darren Wedding joined Myer in early March from Super Retail Group. Myer will continue to drive operational improvements to extract the projected annual benefits of $5-10 million from the NDC, although realisation of benefits will be delayed.

STRATEGIC UPDATE

Myer has completed the Strategic Review announced on 24 June 2024 and developed a comprehensive plan for sustainable growth (the Myer Group Growth Strategy). Myer commenced implementation of the reset for growth in 1H25, with the program now well underway.

---

[6] *Compared to 1H24 (26 weeks to 27 January 2024), unless otherwise stated*

For personal use only

Highlights in 1H25 include:

- Establishing Myer Group after completing Apparel Brands acquisition
- Putting in place a new Leadership structure and capabilities aligned to strategic priorities
- Strengthening the Group's balance sheet via refinancing commitments for a $150 million debt facility with CBA and NAB. The refinancing is expected to deliver:
  - savings of $3 million in 2H25 and annual savings thereafter of $11 million; and
  - enhanced liquidity
- sass & bide, Marcs and David Lawrence (SBMDL) restructure commenced with the closure of 10 standalone sass & bide stores (with four remaining) and new concession pads in Myer stores. Further restructuring is underway with consolidation of support functions and removal of duplication of head office functions by 30 June 2025. Further opportunities have been identified to leverage Myer's loyalty program and omni-channel offering to promote future growth

2H25 UPDATE

Given the Apparel Brands transaction completed on 26 January 2025, the combined Myer Group financials will be reported from 2H25.

Myer continues to reset the base to position the company for future growth. Trading conditions remained challenging due to the tough macroeconomic environment for all consumers. Myer Group sales for first five weeks of 2H25 are down 2.6% versus pcp.

It is anticipated that the NDC challenges will continue to impact financial performance in 2H25 as a result of the remediation support.

The SBMDL restructure is underway, with related costs expected in 2H25 and annual EBIT benefit of $10 million anticipated from FY26.

Myer has scheduled an Investor Strategy Day for 28 May 2025 to provide details on the Group's strategic pillars to build a leading retail platform driving sustainable earnings growth and attractive total shareholder returns.

This announcement was authorised by the Board of Myer Holdings Limited.

-ends-

Market briefing:

Myer Executive Chair Olivia Wirth and Chief Transformation Officer Andrew Taylor will host a teleconference for investors and analysts today at 9:30am (Melbourne time).

Participants can register for the conference by clicking here. Attendees will need to have the attached slides available for the call. An archive of the briefing will be available afterwards at: myer.com.au/investor

For enquiries please contact:

Martin Barr, Corporate Affairs & Communications, +61 (0) 418 101 127

For personal use only

Myer Holdings Ltd

1H25 RESULTS

MYER

OLIVIA WIRTH
Executive Chair

ANDREW TAYLOR
Chief Transformation Officer

Important Information

The information in this document is general only and does not purport to be complete. It should be read in conjunction with Myer's other periodic and continuous disclosure announcements. Investors or potential investors should not rely on the information provided as advice for investment purposes, and it does not take into account their objectives, financial situation or needs.

Investors and potential investors should make their own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

Myer, its related bodies corporate, officers and employees do not warrant the accuracy or reliability of the information in this document and do not accept responsibility or liability arising in connection with the use of or reliance on this document.

This document may contain "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "project", "should", "could", "would", "target", "aim", "forecast", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar expressions, as well as indications of and guidance on future earnings and financial position and performance.

Forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are outside Myer's control, and which may cause actual results or performance to differ materially from those expressed or implied in this document. As such, undue reliance should not be placed on any forward-looking statements.

Subject to law, Myer assumes no obligation to update, review or revise any information contained in this document, whether as a result of new information, future events or otherwise. Past performance cannot be relied upon as a guide to future performance.

Myer uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards (non-IFRS information), including, without limitation, total sales, comparable sales, OGP margin, CODB, EBITDA, total funds employed, net cash, working capital, operating cash flow and free cash flow, NPAT (excluding implementation costs and individually significant items) and other measures (including EBIT, EBITDA, CODB, CODB Margin and Tax) expressed to be excluding implementation costs and individually significant items. These measures are used internally by management to assess the performance of Myer's business, make decisions on the allocation of Myer's resources and assess operational management.

Non-IFRS information has not been subject to audit or review, and should not be considered an indication of, or an alternative to, an IFRS measure of profitability, financial performance or liquidity. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

For personal use only

AGENDA

For personal use only

1H25 Business Overview

The 1H25 results relate to Myer, excluding Apparel Brands. Myer Group including Apparel Brands to be reported from 2H25.

TOTAL SALES[1]

up 0.1% vs 1H24 to
$1,831m
Comparable Sales[2] up
+0.8%

GROUP ONLINE[3] SALES

up 4.8% vs 1H24 to
$409m
22.3% of Total Sales

EBIT[4]

down 14.3% to
$102m
Includes adverse impact of $12m from NDC challenges

NPAT[4]

down 18.5% to
$42m
Includes adverse impact of $8m from NDC challenges

NET CASH

up $7m to
$219m

DIVIDENDS

2.5cps
1H25 pre-completion dividend

No interim dividend declared

1H25 OVERVIEW:

- **Macro economic conditions**
  - Cautious consumers, volatility in discretionary spend.
- **National Distribution Centre (NDC) challenges**
  - Significant operational and financial impacts in 1H25.
  - Inability to fulfill online orders from NDC, stock replenishment impacted availability.
  - Issues with NDC diagnosed – remediation remains ongoing.
- **Strategic review completed**
- **Apparel Brands transaction completed**
  - Integration planning underway.
- **Key executive appointments finalised**
- **Progress to fix the basics (beyond NDC)**
  - Successfully arranged debt refinance with two major Australian banks, CBA and NAB.
  - Sass and bide, Marcs and David Lawrence (SBMDL) restructure underway.

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $1,352.2m (1H24: $1,377.2m)
[2] Group comparable sales excludes the impact of store openings and closures and stores subject to refurbishment. Significant closures include the Brisbane City stores, the temporary closure of Werribee for part of the period and the closure of 10 SBMDL stores
[3] Group online sales includes sass & bide and Marcs and David Lawrence. Excludes sales via in-store iPads
[4] Excluding Implementation Costs and Individually Significant Items

For personal use only

1H25 Business Overview What Worked Well

In-store customer service satisfaction

- Improved by 100 bps in 1H25 vs 1H24
- Roll out of new POS system has increased efficiency in customer service
- M-Metrics continues to drive increased visibility of customer satisfaction results and performance metrics amongst team members and Brand Partners
- Increased focus on MYER one and driving value for customer resulted in more favourable customer sentiment

MYER one tag rate (% of total sales)

- Strongest result on record for MYER one
- Tag rate up 290bps
- Active members[1] up 6% to 4.6m
- Attracted 453k new MYER one members in 1H25 (+21% YoY)
- 54% of new MYER one members under 35 years old
- MYER one customers spent 2.5x more than non-MYER one customers
- Strength of loyalty program in current macro environment

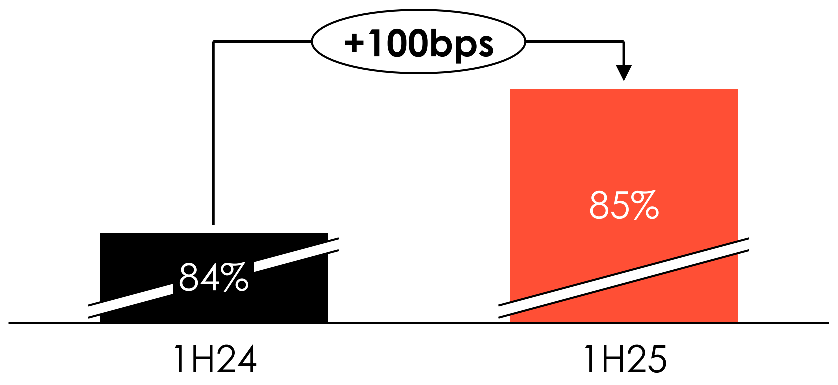
Merchandise

- Full review of key merchandise categories completed with execution of new direction underway
- Higher level of newness, with aged inventory down
- Private label (MEB) margins improved
- Upgrade of Melbourne and Bondi beauty halls completed

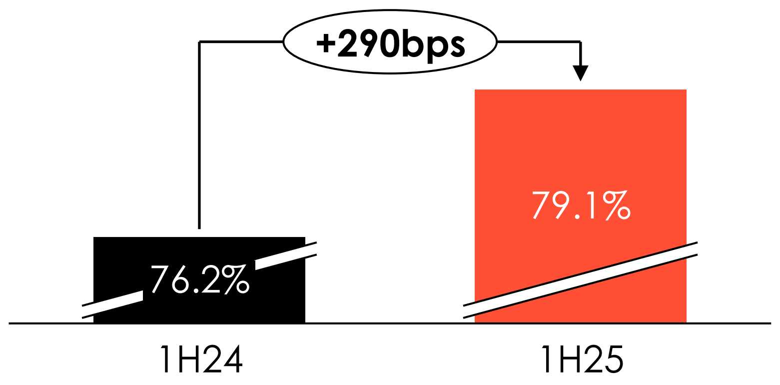
Operations

- 1H25 Shrinkage expense down 12.9% on pcp through initiatives delivered in FY24 now taking effect
- Refurbished Werribee store re-opened
- Works completed to improve category and brand flow at Northland and Doncaster
- WALE now at 8.0 years, down from 8.5 at end July 2024

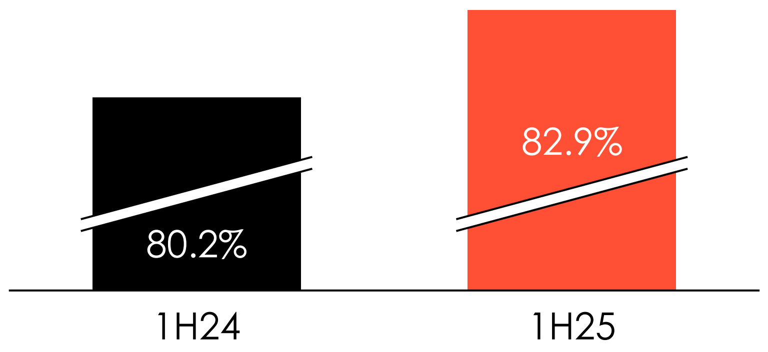
In-store customer service satisfaction



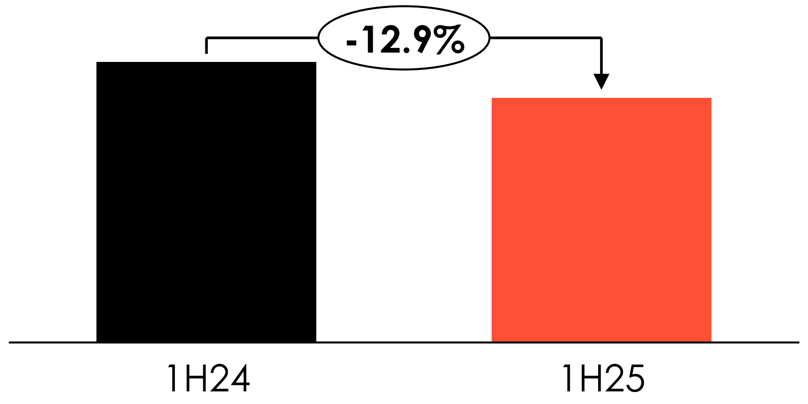
MYER one tag rate (% of total sales)



Inventory[2] % aged below 6 months



Shrinkage Expense



[1] MYER one members who have shopped in the 12 month period
[2] Department store stock on hand` only

For personal use only

For personal use only

1H25 Business Overview Challenges

National Distribution Centre (NDC)– Automation and integration issues delay ramp up and adversely impact 1H25 performance

1H25 NDC Challenges

Diagnostic review completed identified automation and integration issues.

This resulted in:

- Stock (in particular MEB stock) being trapped in the NDC requiring manual work to release.
- Stock replenishment to stores particularly in Vic/Tas being adversely impacted resulting in lost sales.
- Online fulfilment stopped pre-peak trading and handled via stores.

Financial Impact in 1H25

Estimated[1] adverse1H25 financial impact:

- -$12m impact on EBIT:
- ~$7m Loss of MEB's gross profit (trade) from missed sales due to stock being trapped in the NDC.
- ~$3m GP impact relating to duplicative costs (Altona site) incurred during transition.
- ~$2m additional Online fulfilment costs YoY due to store fulfilment.

Rectification actions + 2H25 impact

- Temporary mitigation initiatives now in place to assist in restoring stock replenishment and cross dock facilities.
- Recent cross dock remediation has seen an improvement in cross dock operations, with 60% of volume now cross docked at the NDC. Further initiatives are well underway for potential ongoing improvements.
- We have commenced remediation support and are considering a number of options to ensure we deliver on C25 peak period.
- We anticipate additional costs to be incurred in 2H25 as a result of the remediation support.
- Simultaneously we are working through a permanent resolution of the NDC to ensure we optimise its operation.
- All online fulfilment continues to be conducted via stores which will continue to impact 2H25 financial performance.
- In March, new Chief Supply Chain Officer, Darren Wedding commenced and is working with vendors on solutions.

Future Benefits

- $5-10m pa. of expected benefits from the NDC once challenges are addressed and it is operating optimally.
- Current expectations are that the timing of realisation of these benefits will be delayed whilst remediation is undertaken.
- An update will be provided on realising full benefit potential and short-term steps at Investor Day in May 2025.

[1] Management estimate of unfavourable financial impact associated with ramp up and delays at NDC

AGENDA

For personal use only

Myer 1H25 Income Statement

$ MILLIONS	1H25	1H24	CHANGE
Total Sales[1]	1,831	1,829	-
Operating gross profit	656	665	(1%)
Cost of doing business[2]	(458)	(449)	2%
EBITDA[2]	**198**	**216**	**(8%)**
EBIT[2]	**102**	**119**	**(14%)**
NPAT[2]	**42**	**52**	**(18%)**
Statutory net profit after tax	**30**	**50**	**(40%)**

NDC impact on 1H25 Income Statement

$ MILLIONS	NDC impact[3]	1H25 adj. NDC	1H25 adj. NDC vs. pcp
Total Sales	(12)	1,842	-
Operating Gross Profit	(10)	666	-
Cost of Doing Business[2]	(2)	(456)	2%
EBIT	**(12)**	**114**	**(4%)**

Commentary:

- **Total sales[1]** flat on prior year reflecting mixed trading conditions, store closures and December sales adversely impacted by NDC (in particular, MEB stock trapped at NDC), offset by Concession sales growth.
- **Operating gross profit (OGP) margin** reflects mix shift towards Concessions, exacerbated by MEB stock trapped at NDC and duplicative costs incurred in NDC transition.
- **Cost of doing business[2] (CODB)** aside from impacts associated with NDC, increase is largely driven by higher employee costs (EBA, superannuation and other incentive changes) and higher support office costs reflecting one off transitional costs associated with a new marketing agency and a separate investment in transformation capabilities.
- **Implementation costs and individually significant items** includes transaction costs ($14.1m) and the strategic review ($2.5m).

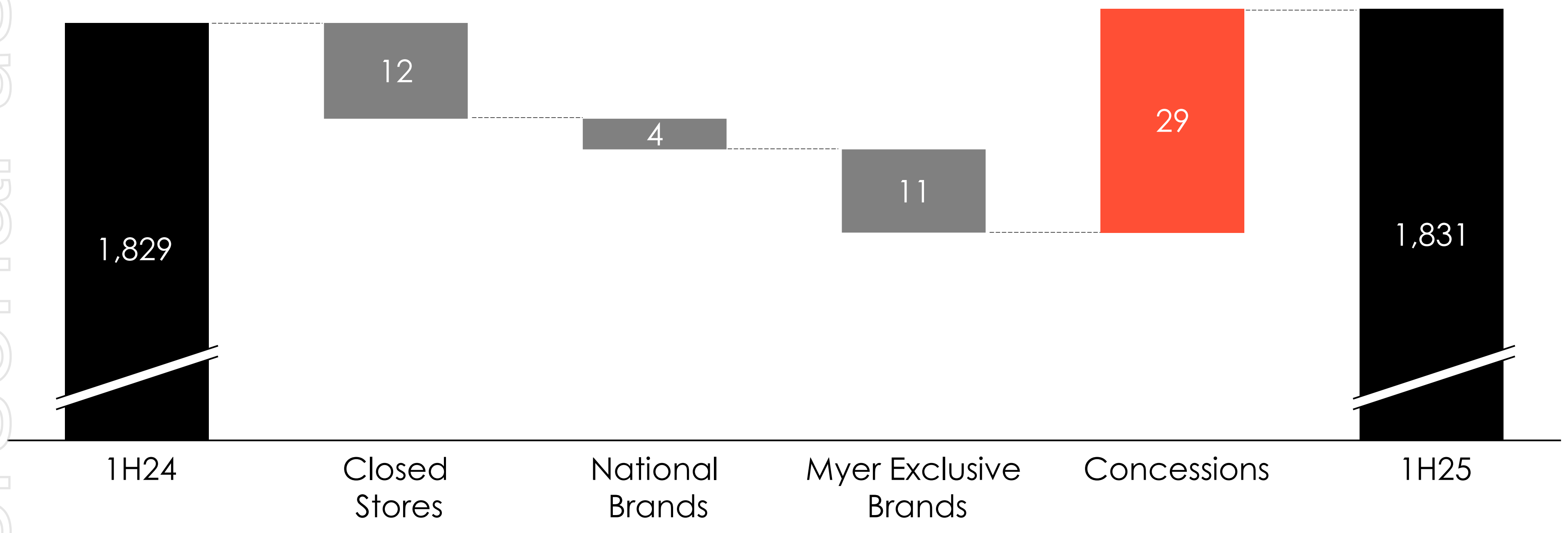
[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $1,352.2m (1H24: $1,377.2m)
[2] Excluding Implementation Costs and Individually Significant Items
[3] Management estimate of unfavourable financial impact associated with ramp up and delays at NDC

For personal use only

Sales and Operating Gross Profit

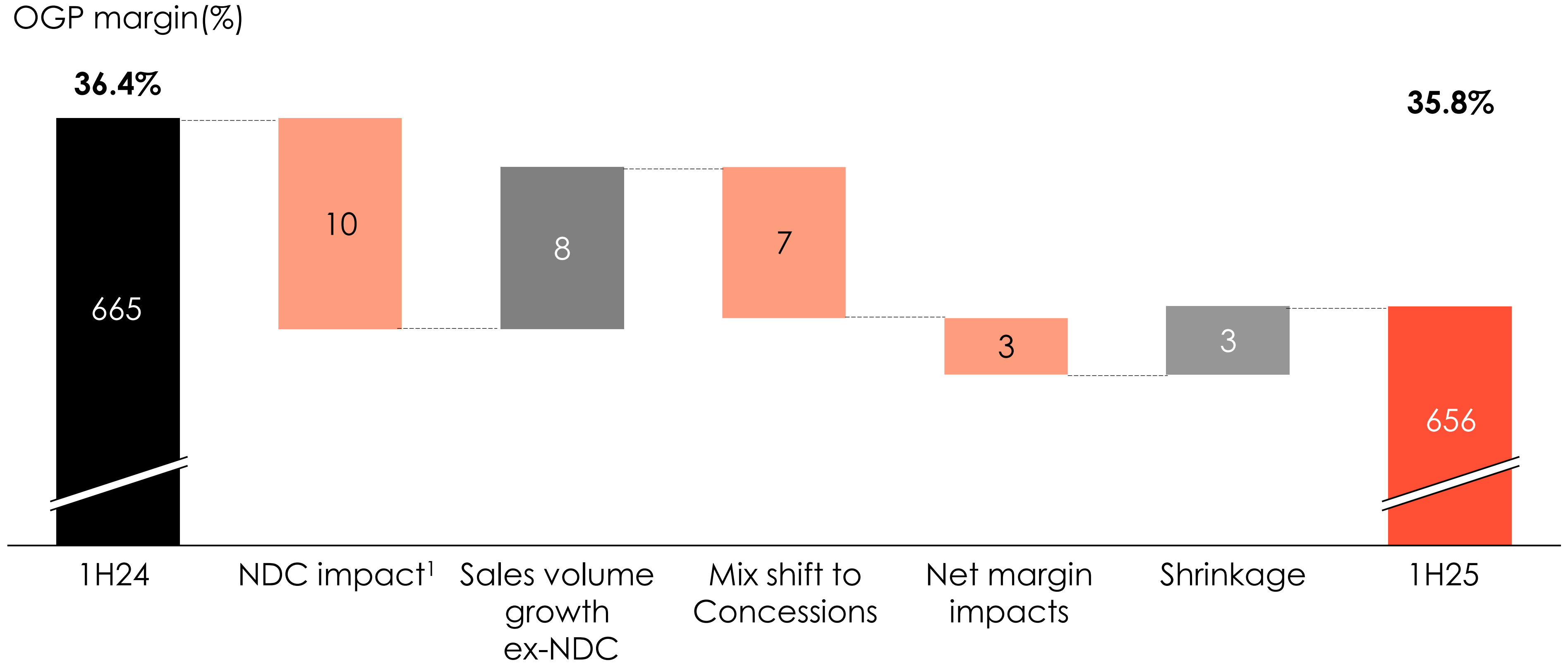
For personal use only

1H24 – 1H25 SALES BRIDGE ($M)



- Sales impact of $12m from closure of 10 SBMDL stores, temporary closure of Werribee and one week of Brisbane CBD closure in 1H25.
- December sales impacted by NDC online fulfillment challenges resulting in stock being trapped in NDC (predominantly impacting MEBs).
- Store closure and adverse NDC sales impacts offset by increase in Concession sales.

1H24 – 1H25 GROSS PROFIT BRIDGE ($M)

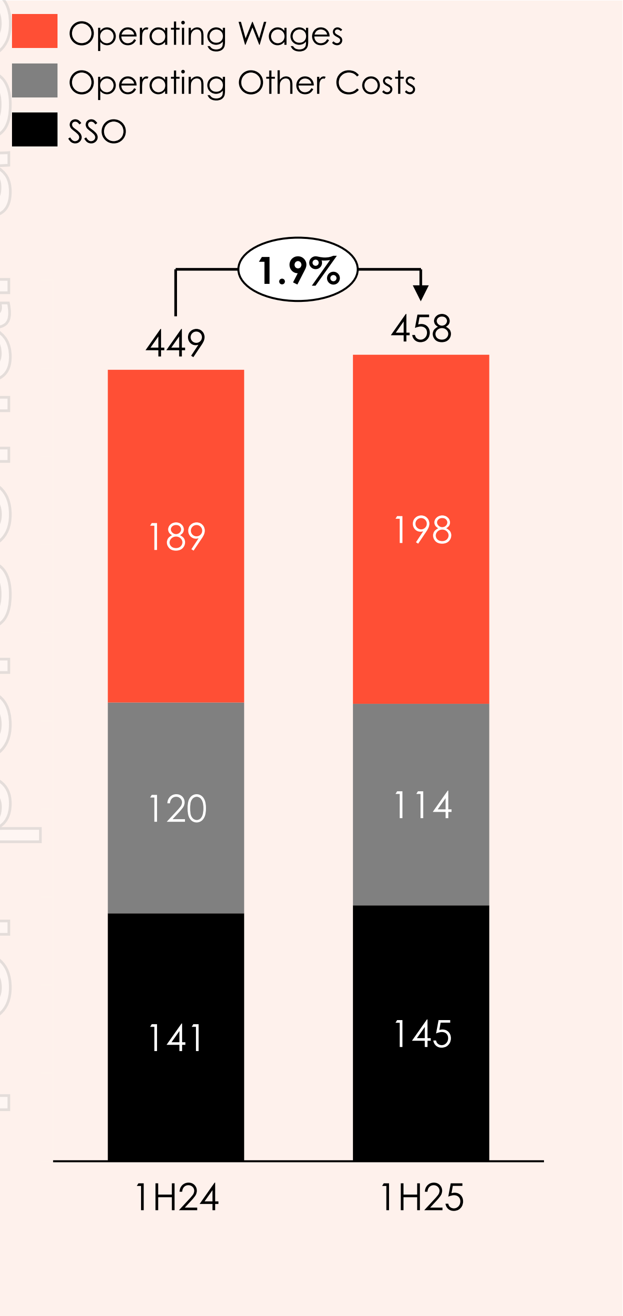


- NDC OGP impact is driven by MEB missed sales ($7m), and duplicative costs incurred during transition ($3m).
- Sales volume growth ex-NDC partially offsetting NDC impact to OGP.
- Mix shift to Concessions drove lower OGP.
- Margins impacted by:
  - Increased MYER one cost as program expands (tag-rate/active customer increase)
  - Unfavourable FX movements
  - Higher promotional intensity (indexed to promotional periods) but mitigated by supplier funding and MEB margin improvements (particularly in Home category)
- Shrinkage expense improvement of $3m as initiatives start to improve trajectory.

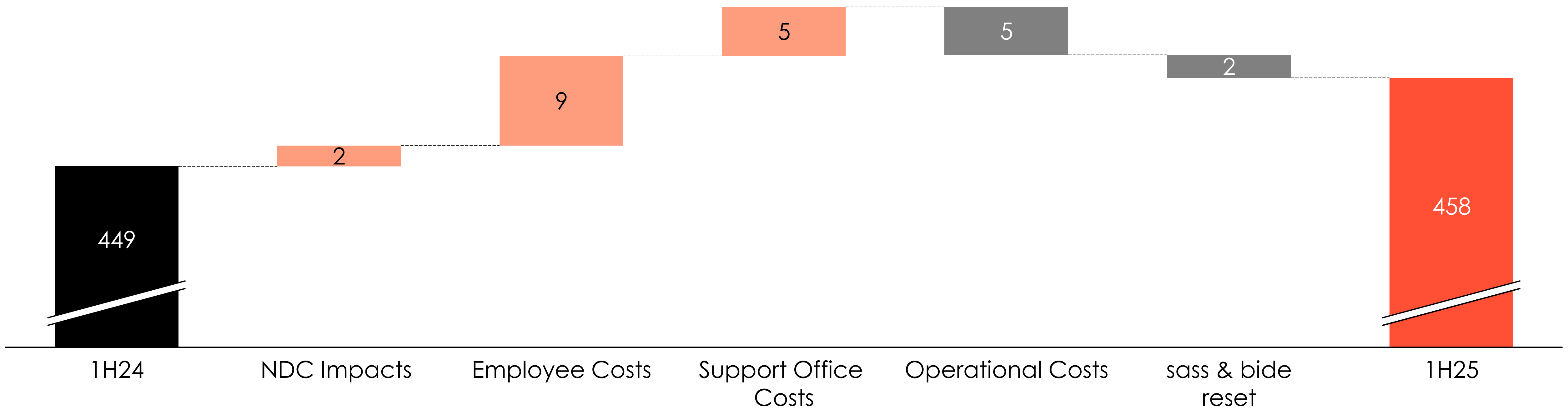
[1] Management estimate of unfavourable financial impact associated with ramp up and delays at NDC

Cost of Doing Business

GROUP COST[1] STRUCTURE ($M)



1H24 – 1H25 COST OF DOING BUSINESS[1] BRIDGE ($M)



- NDC impacts reflects online fulfilment cost per unit increases and commencement of remediation support.
- Employee cost increase due to EBA, superannuation and other remuneration and incentive changes in part offset by reduced labour required due to concession sales mix increase.
- Support office cost increase reflects one off transitional costs associated with a new marketing agency and a separate investment in transformation capabilities.
- Operational cost reductions include closed stores (including the temporary closure of the Werribee store which reopened 29th November), and overhead savings from no longer operating 3PL facility.
- sass & bide operating cost savings attributed to store closures.

[1] Excluding implementation costs and individually significant items

For personal use only

Operating Cash Flow

$ MILLIONS	1H25	1H24
EBITDA	198	216
Add implementation costs and ISIs	(17)	(2)
Add non-cash adjustments	(4)	-
Working capital movement	100	73
Income tax paid	(19)	(22)
Interest received	3	2
Interest paid	(7)	(5)
Interest lease liabilities	(39)	(41)
Operating cash flow	**215**	**221**
Capex paid[1]	(29)	(45)
Free cash flow	**186**	**176**
Dividends	(4)	(8)
Principal portion of lease liabilities paid	(76)	(75)
Net cash flow	**106**	**93**

Commentary

- **Operating cash flow** decrease of $5m reflects earnings decline, partially offset by disciplined working capital management
- **Capital expenditure** was $16m lower as spend on store renewal and key projects (including POS and NDC) reduced
- Overall **net cash flow** improved $13m, pre-completion dividend of $21m payable on 20 March 2025

NET CAPEX[1] SPEND ($ MILLIONS)	1H25	1H24
Stores (Redevelopments, Brands & Operations)	18	26
Online and Systems	8	13
Other (including Supply Chain initiatives)	4	9
Landlord Contributions	-	(3)
	29	**45**

[1] Net of landlord contributions

For personal use only

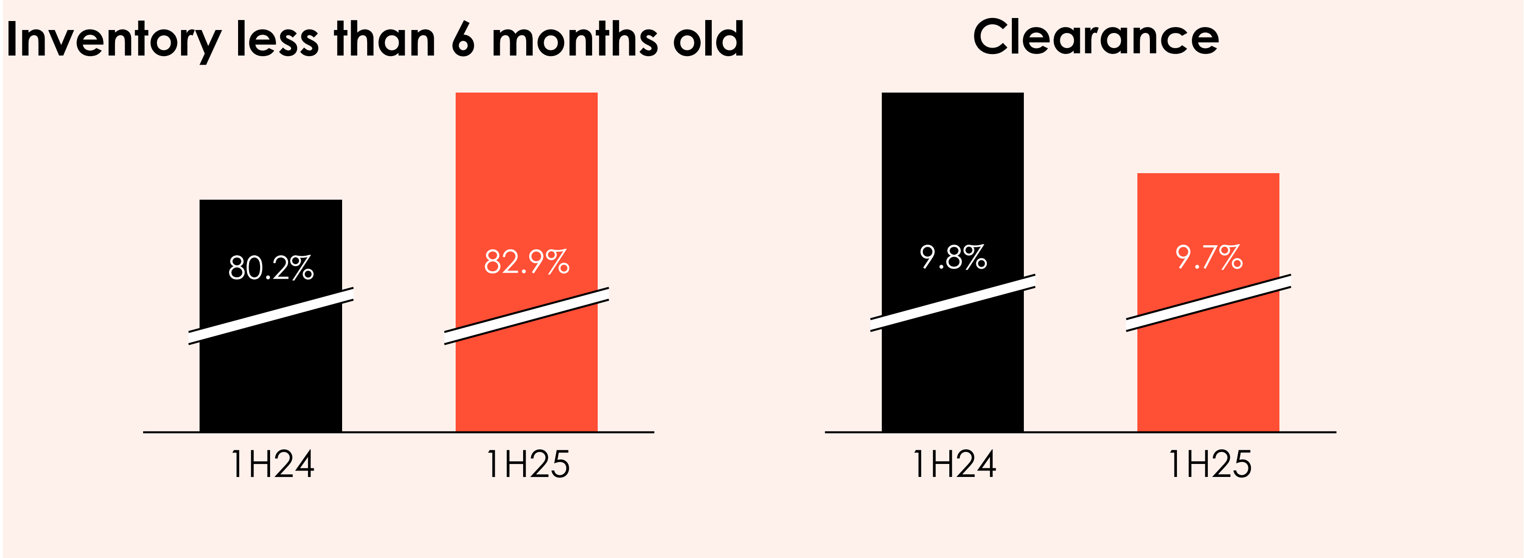
Balance Sheet and Inventory Position

$ MILLIONS	1H25	FY24	1H24
Cash	282	176	273
Debt	(63)	(62)	(61)
Net cash	**219**	**114**	**212**
Inventory	404	369	373
Creditors	(545)	(418)	(484)
Other assets and liabilities	(18)	(35)	(30)
Net working capital	**(159)**	**(84)**	**(141)**
Right-of-use assets	983	1,039	1,104
Lease liabilities	(1,493)	(1,567)	(1,639)
Property and fixed assets	309	317	329
Intangibles (brands and software)	305	306	307
Capital employed	**104**	**95**	**100**
Tax balances	137	130	112
Dividend payable	(21)	-	-
Accrued transaction costs	(13)	-	-
Net Assets	**267**	**255**	**284**

Commentary:

- **Inventory** increase reflects pull forward of newness at start of winter season and Chinese New Year. Inventory ageing improved
- **ROU Assets/Lease liabilities** reflects the depreciation and amortisation of leases under AASB16 with WALE now at 8 years
- Pre-completion **dividend payable** on 20 March 2025

% OF INVENTORY[1]



[1] Department Stores stock on hand only

For personal use only

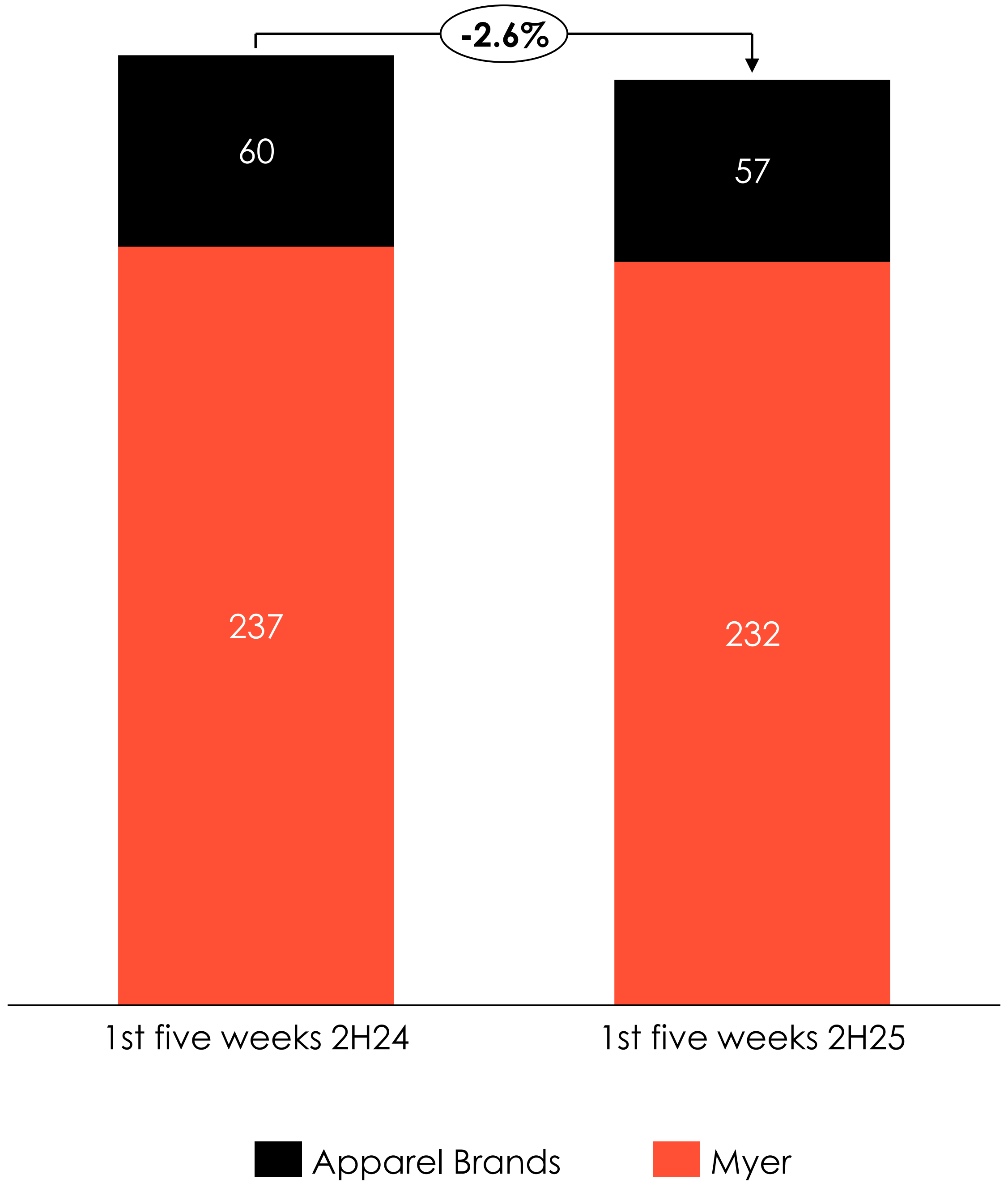
AGENDA

For personal use only

2H25 Update

- Apparel Brands transaction completed on 26 January 2025 (Myer Group including Apparel Brands to be reported from 2H25).
- Trading conditions remain mixed with consumers continuing to be cautious.
- Myer Group sales for first five weeks of 2H25 down 2.6% versus pcp reflecting cycling major events last year (eg. Taylor Swift concerts), timing of key promotional activity and leap year. Adjusting for these non-recurring events, comparable sales would have been flat on pcp.
- Impact of NDC in 2H25:
  - Whilst the non-recurring dual running costs and lost sales due to trapped stock in 1H25 will not be repeated ($10m), there will be ongoing remediation costs and increased online fulfilment through stores.
- SBMDL restructure underway. Net benefits in 2H25 will be offset by restructure costs. Expected net annual EBIT benefit of $10m from FY26.
- Estimated[1] $3m finance cost savings in 2H25 and expected ongoing finance cost savings of ~$11m per annum.

Myer Group sales – First 5 weeks of 2H25



[1] Assumes the revolving facility is undrawn

For personal use only

AGENDA

For personal use only

Myer Today Strategic Review completed and implementation commenced in 1H25

- Strategic Review announced on 24 June 2024 successfully completed.
- Myer Group Growth Strategy developed – comprehensive plan for sustainable growth.
- Implementation of Myer Group Growth Strategy commenced in 1H25 and is well underway.
- Myer Group Investor Day to be held on 28 May 2025 when all members of new leadership team have officially commenced their roles.

RESETTING THE BASE

DRIVE GROWTH

BUILDING COMPETITIVE ADVANTAGE

For personal use only

Myer Today Resetting the base by fixing the basics

Laying the foundation for future growth – strategy implementation commenced

RESETTING THE BASE – 1H25 Deliverables

- ✓ Completed comprehensive strategic review.
- ✓ Developed Myer Group Growth Strategy and commenced implementation.
- ✓ Established Myer Group through Apparel Brands acquisition (completed on 26 January 2025).
- ✓ New Leadership structure and capabilities.
- ✓ Strengthened balance sheet and arranged group refinancing.
- ✓ sass & bide, Marcs and David Lawrence restructure commenced.

For personal use only

Myer Today Resetting the base to support future growth

Apparel Brands Combination

- Apparel Brands (Just Jeans, Jays Jays, Portmans, Dotti and Jacqui E) transaction completed 26 January 2025.
- Transition arrangements in place – integration underway – anticipated to take 12 to 18 months.
- Work has commenced on key focus areas related to realising combination benefits (refinance, eCommerce and MYER one).

The Apparel Brands Combination Benefits

- Accelerates Myer's key strategic priorities – creates a leading Australian retail platform
- Delivers significantly enhanced scale and capabilities to drive growth and operating leverage
- Opportunity to leverage MYER one loyalty program and Myer's eCommerce platform across an enlarged customer base
- Highly complementary customer base - addresses key Myer target customer demographics and drives cross-shop
- Expands Myer's exclusive and private label portfolio and strengthens its brand management capability
- Leverages Apparel Brands' sourcing, design and distribution capabilities to drive efficiencies and improve margins
- Expected to generate combination benefit of at least $30m earnings pre-tax p.a. over the short to medium term
- Significant EPS accretion on a pro-forma FY24 basis
- Enhanced balance sheet and greater capacity to invest in growth across the combined business

For personal use only

Myer Today Resetting the base to support future growth

New leadership structure and capabilities

For personal use only

- A reshaped and bolstered leadership team has now been set to drive the Company's strategic priorities and position the business for growth.
- The changes reflect the new Myer Group's commitment to building a leading Australian omni-retail platform and align organisation structure to strategic priorities and create centres of excellence in key areas including supply chain, eCommerce, loyalty and data, sourcing, operations and customer engagement.

Executive Chair, Olivia Wirth

- **Group Chief Financial Officer**, Kathy Karabatsas
- **Chief People Officer**, Megan Collins
- **Chief Customer Officer**, Geoff Ikin
- **Chief Information Officer**, Mark Medwell
- **Global Head of Property**, Josh Molloy
- **Managing Director of Apparel Brands**, Teresa Rendo
- **Chief Merchandise Officer**, Belinda Slifkas
- **Chief Operating Officer**, Tony Sutton
- **Chief Transformation Officer**, Andrew Taylor
- **Chief Supply Chain Officer**, Darren Wedding
- **Chief Product Officer**, TBC

Myer Today Resetting the base to support future growth

Refinancing commitments from CBA and NAB

- On 18 March 2025, Myer accepted irrevocable and credit approved term sheets for a combined $150m debt facility with two leading Australian major banks CBA and NAB meeting the needs of the larger combined group. CBA and NAB debt facilities expected to be executed shortly.
- Key highlights:
  - Expected $11m annual interest cost saving relative to existing debt facility.
  - Sized to reflect Myer Group's overall improved financial position and funding requirements.
  - Flexible covenant package with ample headroom.

For personal use only

Myer Today Resetting the base to support future growth

Refinance of existing facilities

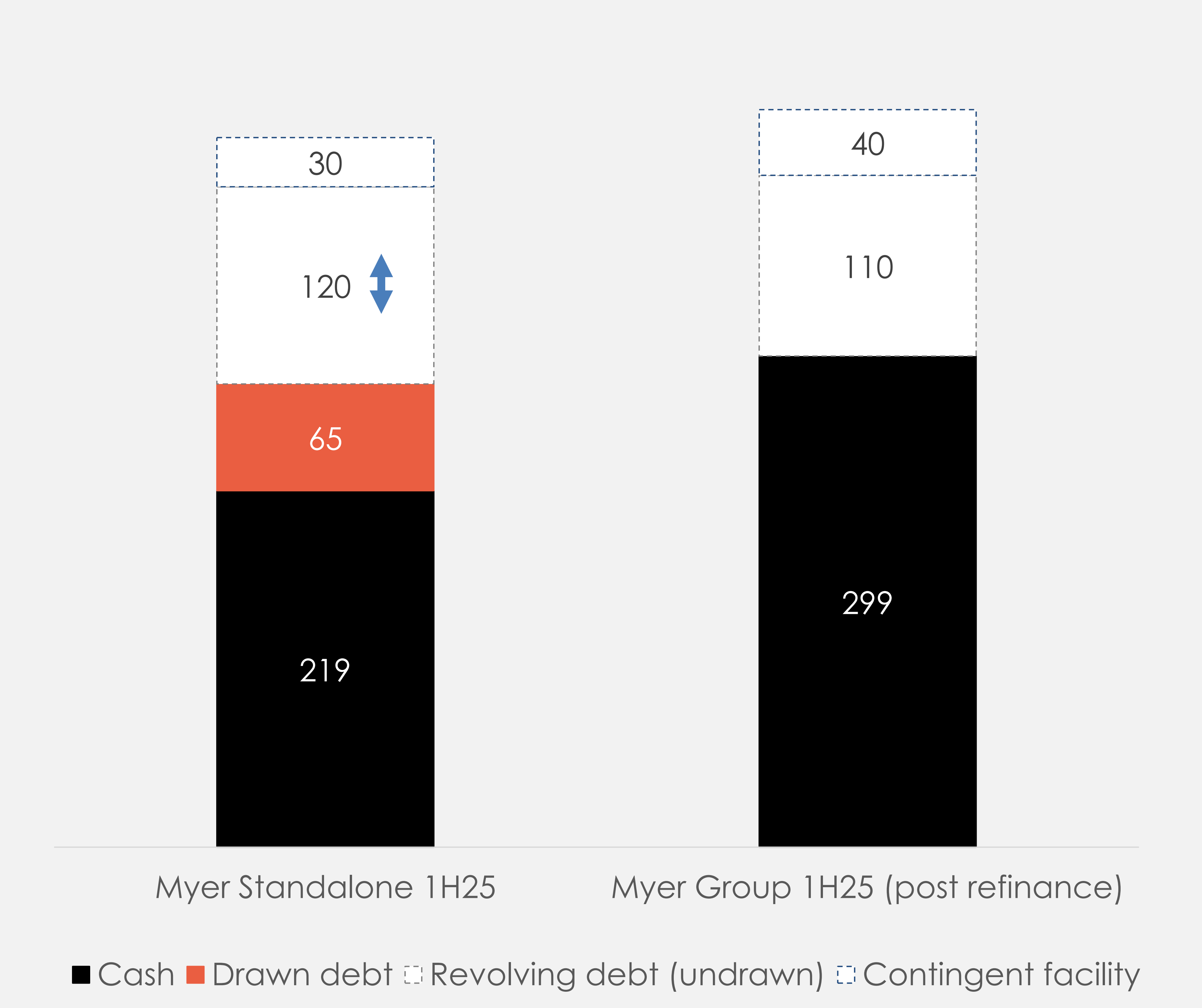
Current:

- $65m drawn debt; and
- $150m asset backed loan.

Asset backed loan availability fluctuates primarily due to inventory balances.

Asset backed loan has been drawn for 16 days since loan inception (November 2021).

Annual interest expense of ~$11m.



New:

- $150m of revolving facilities available as cash advance and/or contingent instruments.

$299m pro forma cash at 1H25 (post refinance):

- Myer 1H25 cash balance $282m
- Less: repayment of $65m drawn debt
- add: Apparel Brands cash on acquisition $82m.

For personal use only

Myer Today Resetting the base to support future growth

Bringing sass & bide, Marcs and David Lawerence (SBMDL) into Myer's private label strategy to drive cost efficiencies

For personal use only

- SBMDL has operated as an independent business with a head office located in Sydney
- SBMDL remain important Australian brands, with strong brand equity and high margins
- Consolidating SBMDL within the Myer portfolio allows for focussed investment at a lower CODB
- Restructure underway with net annual EBIT benefit of ~$10m
  - Consolidation of support functions
  - SBMDL Sydney head office closure 30 June 2025

SBMDL financial performance

$ MILLIONS	1H25	1H24	vPCP
Total Sales	45	50	(10%)
Operating Gross Profit	27	30	(10%)
OGP margin %	*60%*	*60%*	-
Cost of Doing Business[1]	(30)	(32)	(6%)
EBITDA[1]	**(3)**	**(2)**	**(50%)**
EBIT[1]	**(5)**	**(5)**	**11%**

[1] Excluding implementation costs and individually significant items

For personal use only

AGENDA

Myer Tomorrow Our Strategic Pillars: Driving growth + building advantage with our connected customer at the core

Details to be presented by new Leadership team at Investor Day on 28 May 2025

REWARDING LOYALTY ECOSYSTEM	Deliver a world class data-led MYER one and partnership ecosystem that delivers greater insight led decisioning for the business and a more connected and valuable customer	• Grow active members • Increase Frequency and Spend
UNIQUE PRODUCTS & ICONIC BRANDS	Curating and creating a collective of Australia's most loved and in-demand products and brands to meet customer demand	• Increase proportion of full price sales • Reduce reliance on discounting and promotions to drive sales
SMART SOURCING	Enabling a fast, scalable, and efficient sourcing model that delivers quality products at great margins, meeting customer demand quickly and sustainably	• Decrease COGS • Increase stock turns
INSPIRING OMNI-CHANNEL NETWORK	A compelling and seamless shopping experience, which connects with customers whenever and wherever they choose to shop	• Increase sales per sqm • Grow online sales
STRONG FINANCIAL DISCIPLINE	Creating a new and disciplined financial framework that reflects strong balance sheet settings, growth settings and disciplined capital allocation	• New capital management framework • ROIC targets to drive discipline capital management

BUILDING A RETAIL ENGINE POWERED BY A DEEP UNDERSTANDING OF OUR CUSTOMERS

For personal use only

AGENDA

For personal use only

Conclusion

- Total comparable sales remain flat to last year in the challenge macroeconomic environment.
- Strategic review completed.
- Myer Group Growth Strategy developed – implementation commenced in 1H25.
- Details of the Myer Group Growth Strategy to be presented at Investor Day on 28 May 2025.
- Our ambition is to build a retail engine powered by a deep understanding of our customers to deliver throughout economic cycles:
  - sustainable earnings growth; and
  - attractive total shareholder returns.

For personal use only

AGENDA

For personal use only

AGENDA

APPENDICES

For personal use only

For personal use only

Appendix 1: NPAT reconciliation to Statutory Accounts

$ MILLIONS	EBIT	INTEREST	TAX	NPAT
Statutory reported result	**85**	**(42)**	**(13)**	**30**
Add back: Implementation costs and individually significant items				
Transaction Costs	14	-	(4)	10
Strategic Review and implementation costs	3	-	(1)	2
Result: post-AASB 16[1]	**102**	**(42)**	**(18)**	**42**
Impact of AASB 16	(43)	37	2	(4)
Result: pre-AASB 16[1]	**59**	**(5)**	**(16)**	**38**

[1] Excluding implementation costs and individually significant items

Appendix 2: Income Statement – AASB 16 impact

$ MILLIONS	1H25 (STATUTORY)	AASB 16 IMPACT	1H25 (PRE-AASB 16)	1H24 (PRE-AASB 16)	CHANGE (PRE-AASB 16)
Total Sales[1]	1,831	-	1,831	1,829	-
Operating Gross Profit	656	-	656	665	(1%)
Cost of Doing Business[2]	(458)	(101)	(559)	(553)	1%
EBITDA[2]	**198**	**(101)**	**97**	**112**	**(14%)**
Depreciation[2]	(96)	58	(38)	(36)	(6%)
EBIT[2]	**102**	**(43)**	**59**	**76**	**(23%)**
Net Finance Costs	(42)	37	(5)	(4)	(4%)
Tax[2]	(18)	2	(16)	(22)	(24%)
Net Profit after tax[2]	**42**	**(4)**	**38**	**50**	**(24%)**
Implementation Costs and Individually Significant Items (post tax)	(12)	(3)	(15)	(2)	nm[3]
Net Profit after tax	**30**	**(7)**	**23**	**48**	**(52%)**

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $1,352.2m (1H24: $1,377.2m)
[2] Excluding implementation costs and individually significant items
[3] Not meaningful

For personal use only