

MICHAEL HILL

INTERNATIONAL LIMITED

ASX AND NZX ANNOUNCEMENT

FY25 Trading Update and Results Release Date

31 July 2025

Michael Hill International Limited (ASX/NZX: MHJ) provides a trading update for the 52-week year ended 29 June 2025, based on preliminary and unaudited numbers.

KEY POINTS

- **Comparable EBIT** – The Company anticipates FY25 Group comparable EBIT¹ of \$14m to \$16m (FY24: \$15.9m).
- **Group sales** – For the year, Group total sales and Group same store sales were both flat on LY. In the second half, same store sales improved across all segments, with Group same store sales up 2.4% on LY.
- **Gross margin** – The impacts of continued aggressive promotional trading conditions and record high gold prices were largely offset by the introduction and mix of higher margin products. As a result, gross margin is expected to be ~60.5% for the year, broadly in line with the prior year (FY24: 60.6%).
- **Inventory levels** – Group inventory levels remain well-managed, closing at ~\$199m (FY24: \$196m).
- **Capital Management** – Targeted cost reduction initiatives were delivered in the second half, as we aligned resources to our strategic priorities and trading performance. Closing net debt was ~\$42m (FY24: \$39m).
- **Store portfolio management** – For the core Michael Hill brand, 14 stores were permanently closed (AU:10, CA:4), two AU stores were converted to Bevilles, and two stores were opened (CA:1, NZ:1). The year finished with 250 MH stores (AU: 123, CA: 82, NZ:45). For Bevilles, in addition to the two converted MH stores, one store closed, taking the network to 37. The Group finished the year with 287 stores (FY24: 300).

Commenting on the result, Interim CEO of Michael Hill International Limited, Andrew Lowe said:

“Despite retail trading conditions remaining challenging in all markets, the business has delivered full year earnings and gross margin broadly in line with prior year. A relentless focus on store productivity saw a second half lift in Group same store sales of 2.4%. Our Canadian segment yet again delivered record sales, which is a credit to the resilience of the business and our team. New product initiatives, including our “Pendant Bar” range and expanded “LAB.” collection are resonating with both existing and new customers.

“While delivery of flat year-on-year earnings is disappointing, I am very proud of our retail and support centre teams for their unwavering commitment, agility and perseverance, in circumstances where, together, we navigated significant and unexpected disruptions. Looking forward, the business is committed to taking the positive momentum demonstrated in the second half into the all-important Christmas trading period, with a particular focus on executing targeted margin recovery initiatives.”

SEGMENT BREAKDOWN²

Revenue for retail operations for FY25H2:

		\$m	\$m	
		Last Year	This Year	% Var
Segment Same Store Sales in local currency				
Australia segment	AUD	147.2	150.1	2.0%
Canada segment	CAD	66.3	70.7	6.5%
New Zealand segment	NZD	48.4	47.2	-2.4%
Group Same Store Sales	AUD	266.1	272.5	2.4%
Segment Total Sales in local currency				
Australia segment	AUD	157.2	158.1	0.6%
Canada segment	CAD	67.7	71.4	5.5%
New Zealand segment	NZD	49.4	48.5	-1.8%
Group Total Sales	AUD	278.6	282.5	1.4%
Exchange rates used for FY25H2:				
Canada		0.89	0.89	
New Zealand		1.08	1.09	

Revenue for retail operations for FY25:

		\$m	\$m	
		Last Year	This Year	% Var
Segment Same Store Sales in local currency				
Australia segment	AUD	339.9	344.1	1.2%
Canada segment	CAD	153.7	160.3	4.4%
New Zealand segment	NZD	112.6	106.5	-5.5%
Group Same Store Sales	AUD	617.0	618.7	0.3%
Segment Total Sales in local currency				
Australia segment	AUD	359.7	363.0	0.9%
Canada segment	CAD	156.0	161.8	3.7%
New Zealand segment	NZD	114.8	109.0	-5.0%
Group Total Sales	AUD	641.4	641.6	0.0%
Exchange rates used for FY25:				
Canada		0.89	0.90	
New Zealand		1.08	1.10	

¹ Comparable EBIT is unaudited, pre-AASB16, pre-IFRIC SaaS-related adjustments, and with normalisations.

² All figures are prior to final accounting adjustments, and are unaudited. Revenue/Sales figures stated above include the Professional Care Plan (PCP) revenue recognised during the period and sales through our store and online channels. The PCP income recognition pattern is based on existing estimates and is subject to ongoing management review and adjusted at half-year/year-end as required.

FY25 RESULTS RELEASE DATE

The Company intends to release its full year FY25 results for the 52-week year ended 29 June 2025 after the ASX market closes on Friday 22 August 2025.

An investor briefing on the results is scheduled for **10:00am (Brisbane, Qld time) on Monday 25 August 2025**.

Please note that the webcast page will not be available until 9:30am (Brisbane, Qld time) and it is advised that you join at least 5 minutes before the meeting commences.

Webcast link:

The webcast link for the briefing call on Monday 25 August 2025:

<https://meetings.lumiconnect.com/300-958-143-912>

If prompted, please enter the meeting ID: 300-958-143-912

The webcast link to the briefing will also be available on the 'events' section of the website at:

<https://investor.michaelhill.com>

Participants are encouraged to register online in advance. Please use the webcast link. Once registered you will be able to download a calendar invite link.

This announcement is authorised for release by the Board.

ENDS

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ABOUT MICHAEL HILL INTERNATIONAL LIMITED

Michael Hill was founded by Sir Michael Hill in 1979 when he opened his first jewellery store in Whangarei, New Zealand. The Group currently has 287 stores globally across Australia, New Zealand, and Canada. The Group's global headquarters, including its wholesale and manufacturing divisions, are located in Brisbane, Australia. The Company is listed on the ASX (ASX:MHJ) and the NZX (NZX:MHJ).

www.investor.michaelhill.com

Disclaimer

Certain statements in this report constitute forward-looking statements. Forward-looking statements are statements (other than statements of historical fact) relating to future events and the anticipated or planned financial and operational performance of Michael Hill International Limited and its related bodies corporate (the Group). The words "targets", "believes", "expects", "aims", "intends", "plans", "seeks", "will", "may", "might", "anticipates", "projects", "assumes", "forecast", "likely", "outlook", "would", "could", "should", "continues", "estimates" or similar expressions or the negatives thereof, generally identify these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements include, among other things, statements addressing matters such as the Group's future results of operations; financial condition; working capital, cash flows and capital expenditures; and business strategy, plans and objectives for future operations and events, including those relating to ongoing operational and strategic reviews, sustainability targets, expansion into new markets, future product launches, points of sale and production facilities.

Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, they are not guarantees or predictions of future performance or statements of fact. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Group's actual results, performance, operations or achievements or industry results, to differ materially from any future results, performance, operations or achievements expressed or implied by such forward-looking statements.

Such risks, uncertainties and other important factors include, among others: global and local economic conditions; changes in market trends and end-consumer preferences; fluctuations in the prices of raw materials, currency exchange rates, and interest rates; the Group's plans or objectives for future operations or products, including the ability to introduce new jewellery and non-jewellery products; the ability to expand in existing and new markets and risks associated with doing business globally and, in particular, in emerging markets; competition from local, national and international companies in the markets in which the Group operates; the protection and strengthening of the Group's intellectual property rights, including patents and trademarks; the future adequacy of the Group's current warehousing, logistics and information technology operations; changes in laws and regulations or any interpretation thereof, applicable to the Group's business; increases to the Group's effective tax rate or other harm to the Group's business as a result of governmental review of the Group's transfer pricing policies, conflicting taxation claims or changes in tax laws; and other factors referenced to in this report.

Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the Company's actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected. Accordingly, you are cautioned not to place undue reliance on any forward-looking statements, as there can be no assurance the actual outcomes will not differ materially from the forward-looking statements in this report.

Except as required by applicable laws or regulations (including the ASX Listing Rules), the Group does not intend, and does not assume any obligation, to update any forward-looking statements contained herein. All subsequent written and oral forward-looking statements attributable to us or to persons acting on the Group's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.