MYER
MY STORE

20 September 2024

FULL YEAR 2024 RESULTS
MYER ONE AND CUSTOMER SATISFACTION DRIVING COMPARABLE SALES GROWTH IN CHALLENGING ENVIRONMENT

OVERVIEW

- **FY24 GROUP COMPARABLE SALES[1] GROWTH UP 0.4% ON FY23**; improving trajectory despite no discernible improvement in macro conditions; 2H24 comparable sales up 0.8% on 2H23 (1H24: up 0.1% on 1H23)
- **FY24 GROUP ONLINE SALES OF $704.3 MILLION**; up 2.0% on FY23 (21.6% of Total Sales)
- **FY24 TOTAL SALES[2] OF $3,266.1 MILLION**; down 2.9% on FY23 reflecting store closures
- **MYER ONE LOYALTY PROGRAM ENGAGEMENT STRONGEST SINCE INCEPTION**:
  - 10.4 million members; 4.4 million active customers (up 4.8%); 77.2% tag rate – all at record levels
  - 706,000 new members in FY24 (more than 50% aged under 35)
- **STRONG CUSTOMER ENGAGEMENT**: FY24 record in-store customer satisfaction score of 84.6%; up 210bps year-on-year
- **COMPREHENSIVE STRATEGIC REVIEW UNDERWAY:**
  - Preliminary phase has identified opportunity to expand private label and exclusive brands
  - Decision to retain sass & bide, Marcs and David Lawrence
  - Exploring potential combination with Premier Investment's Apparel Brands
- **NPAT[3] OF $52.6 MILLION (FY23: $71.1 MILLION)** (approximately half of decline attributable to underperformance of sass & bide; Marcs and David Lawrence)
- **FINAL FULLY FRANKED DIVIDEND OF 0.5 CENTS PER SHARE DECLARED, BRINGING FULL YEAR DIVIDEND TO 3.5 CENTS PER SHARE**

Myer Holdings Limited (**ASX:MYR**) today announced its financial results (post-AASB16) for the 52 weeks ending 27 July 2024 (FY24)[4].

- Total Sales down 2.9% to $3,266.1 million (reflecting closure of Brisbane, Frankston and Werribee stores for all or part of the year as well as challenging macroeconomic conditions); comparable Group sales up 0.4%.
- Operating Gross Profit (OGP) reduced 2.5% to $1,194.4 million; margin rate increased by 15 basis points (bps) to 36.6%. Excluding a reclassification adjustment of delivery income[5], underlying margin rate declined 12bps reflecting sales mix changes.
- Cost of Doing Business[3] (CODB) was $834.7 million, an increase of 1.3%, but was broadly flat if the delivery income reclassification is excluded, reflecting the focus on mitigating cost increases, including the impact on CODB of the store closures.

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[1] *Group comparable sales excludes the impact of store openings and closures and stores subject to refurbishment. Significant closures include the Frankston and Brisbane City stores, and the temporary closure of Werribee*
[2] *Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)*
[3] *Excluding Implementation Costs and Individually Significant Items*
[4] *Compared to FY23 (52 weeks to 29 July 2023), unless otherwise stated*
[5] *Reclassification of $9.1 million of delivery income from CODB to OGP*

- Net Profit After Tax[3] (NPAT) of $52.6 million, reflecting impact of store closures, challenging trading conditions, inflationary cost pressures and underperformance of sass & bide, Marcs and David Lawrence.
- Statutory NPAT of $43.5 million includes Implementation Costs and Individually Significant Items of $9.1 million from impairment of store assets including Right of Use lease assets, taxation adjustments related to prior periods, and certain Software as a Service (SaaS) implementation costs that cannot be capitalised.
- Operating cashflow of $250.4 million was $8.0 million favourable to pcp, with Net Cash at period end of $113.8 million. Inventory was well controlled, down $2.8 million on pcp.
- Net Capital Expenditure of $69.4 million (versus $74.5 million in FY23). Key capex projects include three refurbished stores, a new Point of Sale System and the new National Distribution Centre which has encountered delays in ramping up, increased implementation costs and complexity that are currently being addressed.

Myer's Executive Chair, Olivia Wirth, said on the FY24 Full Year Results:

"Today's result reflects the challenging macroeconomic environment for Australian retailers.

"Despite the tougher trading conditions, work undertaken by the Myer team in recent years has helped stabilise the business and established a foundation for future growth. With a highly engaged customer base, a leading loyalty program, positive comparable department store sales growth and high levels of trust in the Myer brand, there are significant opportunities for growth.

"We are laser-focused on improving our profitability, performance and shareholder returns. We have commenced a comprehensive strategic review to increase Myer's profitability and drive sustainable earnings growth. Our objective is to identify opportunities to deliver a step-change in Myer's market position and generate strategic and financial benefits."

STRATEGIC UPDATE

In March, Myer commenced a broad-ranging strategic review focused on repositioning Myer's retail platform for sustainable and profitable long-term growth in an evolving retail landscape.

This review is well progressed and includes a comprehensive assessment of Myer's product offering, brand portfolio, store network, supply chain, eCommerce platform, loyalty program, technology, capital management framework and cost base.

While the review remains ongoing, the preliminary phase of the review has identified growth of Myer's private label and exclusive brands portfolio as a strategic priority. In light of this, the Board has decided to:

1. Cease the sale process of sass & bide, Marcs and David Lawrence; and
2. Explore a potential combination with Premier Investment's Apparel Brands.

Sass & bide, Marcs and David Lawrence: On 24 June 2024, Myer announced plans to retain and leverage the equity in these well-known and loved brands, recognising that in the three periods prior to FY24 (and the disruption of a potential sale) they had a combined track record of positive earnings contribution.

As a result, Myer has commenced a reset of sass & bide to improve its performance, including the closure of 10 retail stores in 1H25 (with four stand-alone stores remaining), the restructure of its support operations and new Myer concession pads to open from 1Q25.

Further opportunities have been identified to leverage Myer's loyalty program and omni-channel offering to promote and grow all three brands.

Apparel Brands: Discussions with Premier Investments to explore a possible combination with Apparel Brands, which were announced on 24 June 2024, are progressing. Due diligence is underway with a focus on Myer assessing the opportunity to create material value for all shareholders through:

- Significantly enhanced scale, revenue and growth.
- Material potential cost and revenue synergies across supply chain, sourcing, property and brand management.
- The ability to leverage Myer's leading MYER one loyalty program and eCommerce platform across an enlarged customer base.
- Expansion of Myer's exclusive and private label portfolio.
- A larger and more diversified shareholder base with improved trading liquidity and access to capital.

Olivia Wirth said on the Strategic Update and Apparel Brands:

"We are progressing our discussions with Premier Investments and are undertaking due diligence to assess the benefits for Myer shareholders of a potential combination with Apparel Brands. While this process is still underway, we are seeing opportunities to capitalise on the highly complementary nature of the businesses and potential cost and revenue synergies across supply chain, sourcing, property and brand management."

TRADING UDPATE

In the first seven weeks of FY25, Department store[6] comparable sales[7] are up 0.2% versus the corresponding period in the prior year.

INVESTOR DAY

Given the ongoing Apparel Brands due diligence process, Myer will reschedule the Investor Strategy Session initially earmarked for October to enable a more comprehensive briefing on the Strategic Review and initiatives to drive improved performance and profitability.

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

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Market briefing:

Myer's Executive Chair, Olivia Wirth, and CFO, Matt Jackman, 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

[6] *Excludes sass & bide and Marcs and David Lawrence*

[7] *Comparable sales excludes the impact of store openings and closures and stores subject to refurbishment. Significant closures include the Brisbane City store, and the temporary closure of Werribee*

MYER

MY STORE

MYER HOLDINGS LTD FY24 RESULTS

TO 27 JULY 2024

OLIVIA WIRTH
Executive Chair

MATT JACKMAN
Chief Financial 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.

Agenda

FY24 Financial Overview

TOTAL SALES[1]
down 2.9% to
$3,266m

COMPARABLE SALES[2] GROWTH
up on FY23
+ 0.4%

GROUP ONLINE[3] SALES
up 2.0% to
$704m
21.6% of Total Sales

NPAT[4]
down 26.0% to
$52.6m

NET CASH
down $6m to
$114m

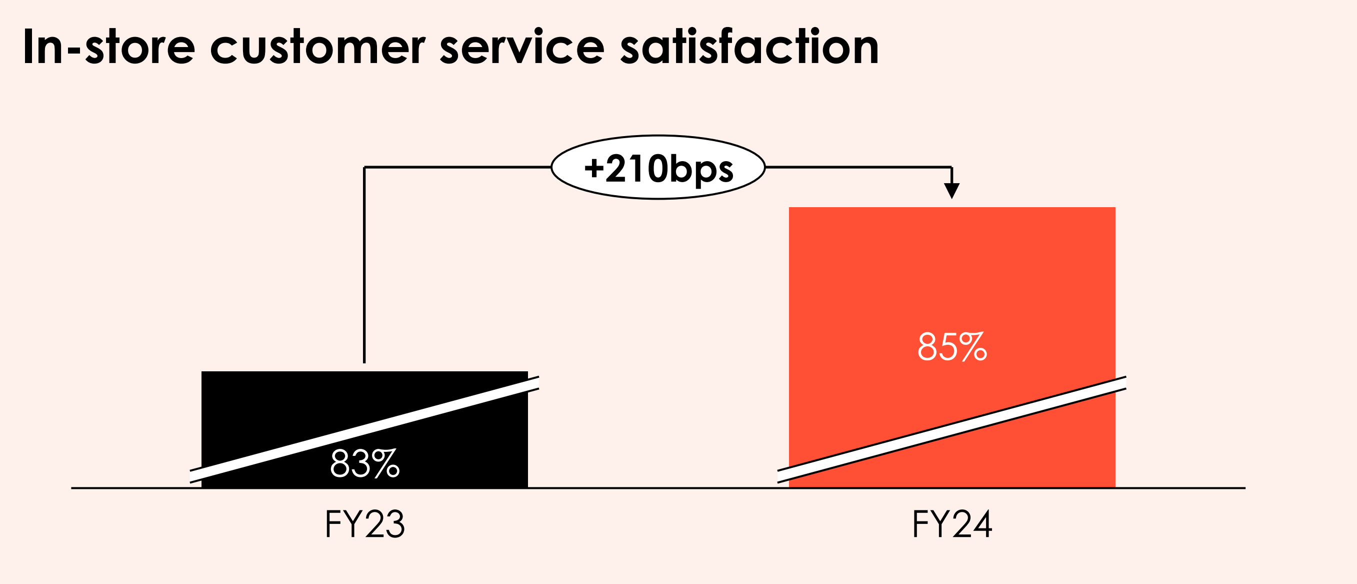
DIVIDENDS
3.5c
per share FY24 full year dividend
Final dividend 0.5cps declared, interim 3.0cps already paid

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)
[2] Group comparable sales excludes the impact of store openings and closures and stores subject to refurbishment. Significant closures include the Frankston and Brisbane City stores, and the temporary closure of Werribee for part of the period
[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

FY24 Business Overview

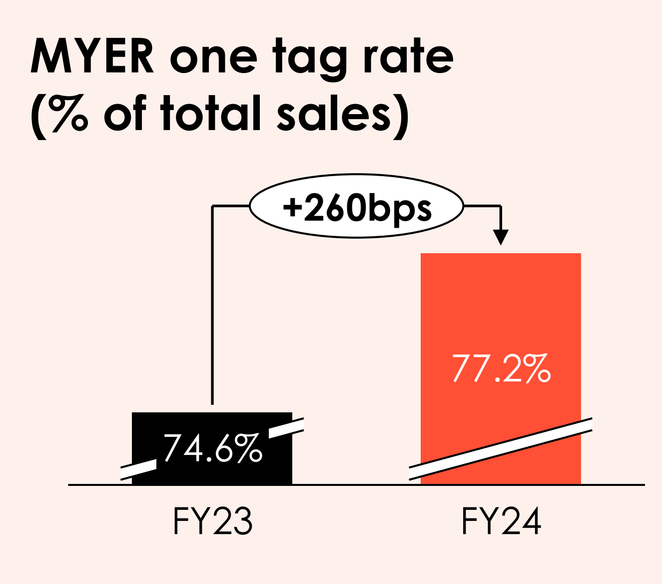
Customer Service

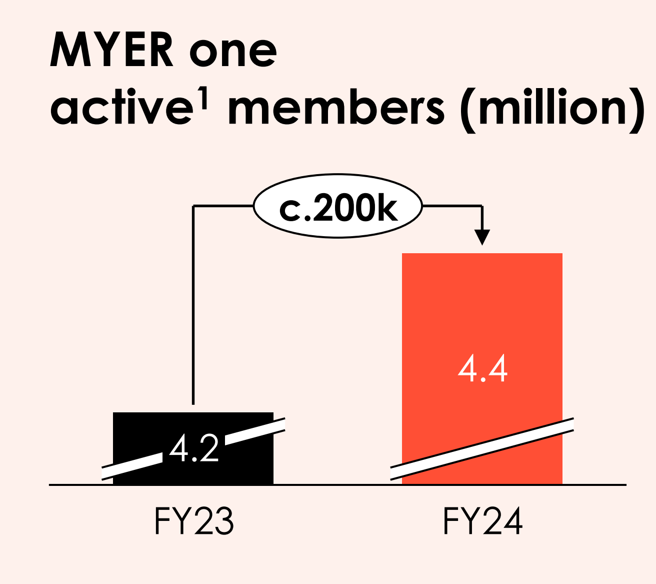
- New Point Of Sale (POS) software rollout completed delivering improved efficiency and providing real time transaction details for customers and improving transaction speed
- Expansion of M-Metrics app to brand partner team members allowing access to customer verbatims, analytics and greater product and promotion information
- Continue to improve team member safety with body camera trials underway and the implementation of new Myer owned guards



Customer Loyalty

- Strongest engagement with MYER one program since inception, with highest ever active customers and tag rate achieved
- Attracted 706k new MYER one members in FY24; Over 50% of new MYER one members under 35 years old – continuing to attract younger demographic
- Continued expansion of analytical capability with new AI and machine learning models to drive greater personalisation





[1] MYER one members who have shopped in the 12 month period

FY24 Business Overview

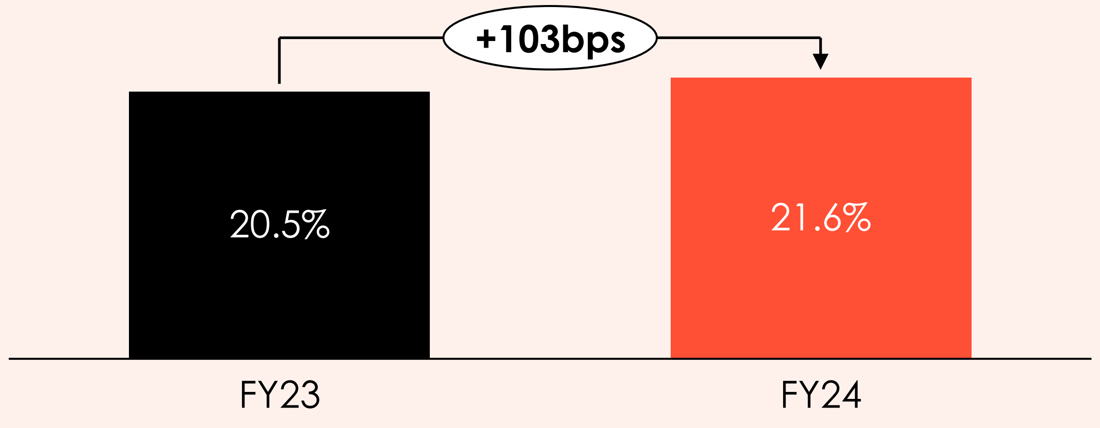
Omni Channel Capability

- Returned to growth, improved margins from changing mix and improving fulfilment efficiency resulting in online contribution growing faster than sales
- Online security bolstered through variety of measures including introducing multi-factor authentication
- Growth continues from growing partner and financial services ecosystem
- Implementation delays and complexity continue to affect the ramp up of the National Distribution Centre and the Regional Distribution Centre, with realisation of benefits expected to be delayed

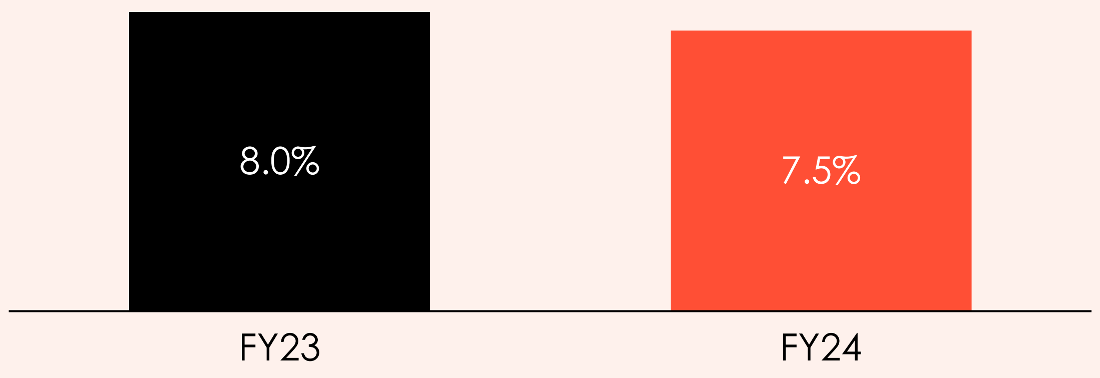
Merchandise

- Driving momentum in big brands, delivering a balanced offer
- Strong inventory management in challenging environment
- Options continued to reduce
- 5 upgraded beauty halls, 216 Shop in Shops rolled out
- Womenswear performance remains a significant opportunity

Group Online[1] Sales mix (% of Total Sales)



Clearance Inventory[2] as a % of Total



[1] Group online sales includes sass & bide and Marcs and David Lawrence. Excludes sales via in-store iPads

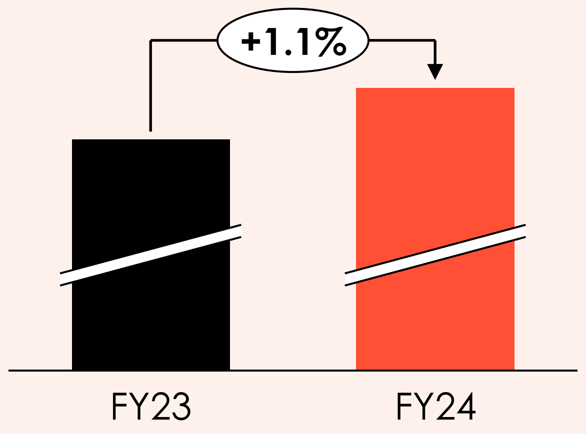
[2] Department stores stock on hand only

FY24 Business Overview

Store Sales Productivity / Space

- Delivering productivity improvements through optimisation of space (notable closures Brisbane (FY24) and Frankston (FY23))
- Store refurbishments completed at Chermside, Marion, Tea Tree Plaza and Ballarat.
- Works to improve category and brand flow have commenced at the Northland and Doncaster stores
- Werribee closed until November 2024 due to centre remediation works, will also be refurbished

In-store Sales Productivity



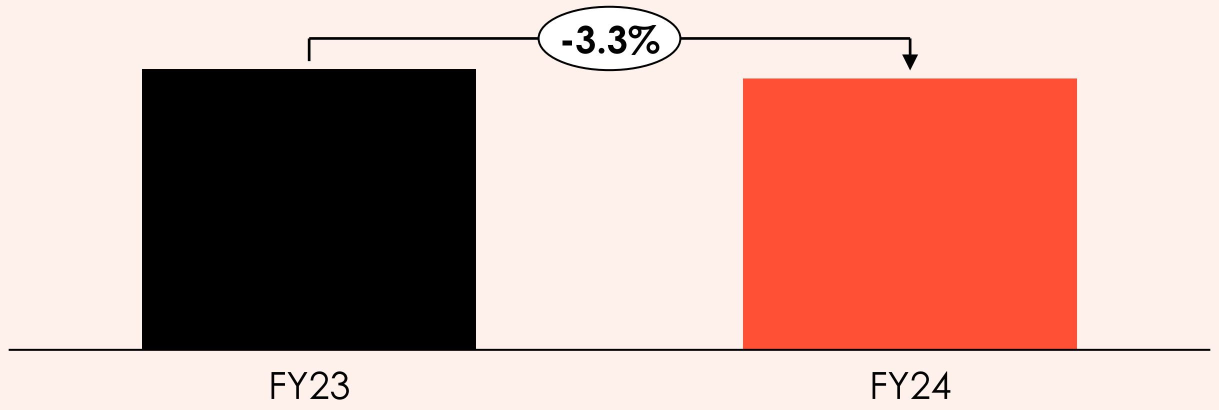
Weighted Average Lease Expiry (WALE)

8.5 years

Cost Efficiency

- Focused cost management to mitigate inflationary impacts across stores and head office
- Shrinkage remains a focus with programs expected to reduce shrinkage further
- Finance system replacement underway
- Store infrastructure upgrades

Shrinkage Expense



sass & bide, Marcs and David Lawrence – reset and refocus

- Strategic review reinforced the importance and potential of growing exclusive and private label brands to improve margin and differentiation
- On 24 June 2024 announced decision made to cease the sale process and create strategies that look to leverage the equity in known and loved brands sass & bide, Marcs, and David Lawrence
- Prior to FY24 the combined SBMDL businesses had a recent track record of positive earnings contribution. Performance was challenging in the current period due to macro headwinds, greater competitive tension, and disruption with the sale process.
- Immediate steps are being taken to improve performance trajectory:
  - Sass & bide reset announced 3 September 2024 focused on Concession/Online model:
    - 10 of 14 retail stores to close 1H25
    - Restructure of support office operations
    - Additional Myer concession pads opening 1Q25
  - Marcs and David Lawrence to expand footprint within Myer
  - Plans to leverage Myer scale, loyalty and omni-channel in place

Agenda

- FY24 Highlights
- **FY24 Financial Results**
- Strategic Observations
- Conclusion
- Appendices

Income statement

$ MILLIONS	FY24	FY23	CHANGE
Total Sales[1]	3,266.1	3,362.9	(2.9%)
Operating Gross Profit	1,194.4	1,224.6	(2.5%)
Cost of Doing Business[2]	(834.7)	(824.1)	1.3%
EBITDA[2]	**359.7**	**400.5**	**(10.2%)**
EBIT[2]	**162.7**	**196.2**	**(17.1%)**
Net Profit after Tax[2]	**52.6**	**71.1**	**(26.0%)**
Statutory Net Profit after Tax	**43.5**	**60.4**	**(28.0%)**
Operating Gross Profit Margin (%)	36.6%	36.4%	
Cost of Doing Business[1] Margin (%)	25.6%	24.5%	

- Growth in comparable sales[3] of 0.4% (with Department stores at 0.6%) despite challenging trading conditions vs pcp
- Total sales[1] decline reflects the closure of Brisbane, Frankston, and Werribee stores for all or part of the period
- Operating Gross Profit (OGP) Margin % remained resilient even though consumers focussed on value
- Increase in Cost of Doing Business (CODB) is largely attributable to a reclassification of delivery income to Sales
- sass & bide and MDL (Myer Specialty Brands) represented approximately half of the decline in NPAT[2]
- Implementation Costs / Individually Significant Items incudes impairment of store assets including Right of Use lease assets, taxation adjustments related to prior periods, and certain Software as a Service (SaaS) implementation costs that cannot be capitalised

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)

[2] Excluding Implementation Costs and Individually Significant Items

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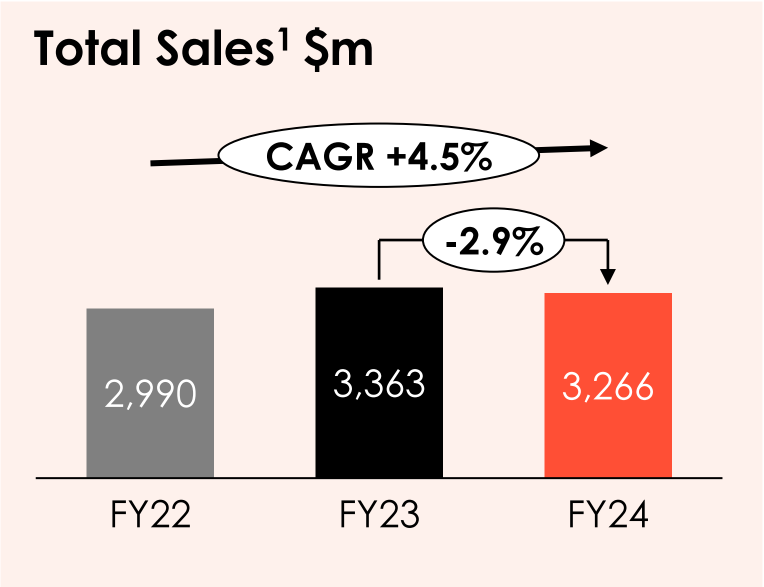
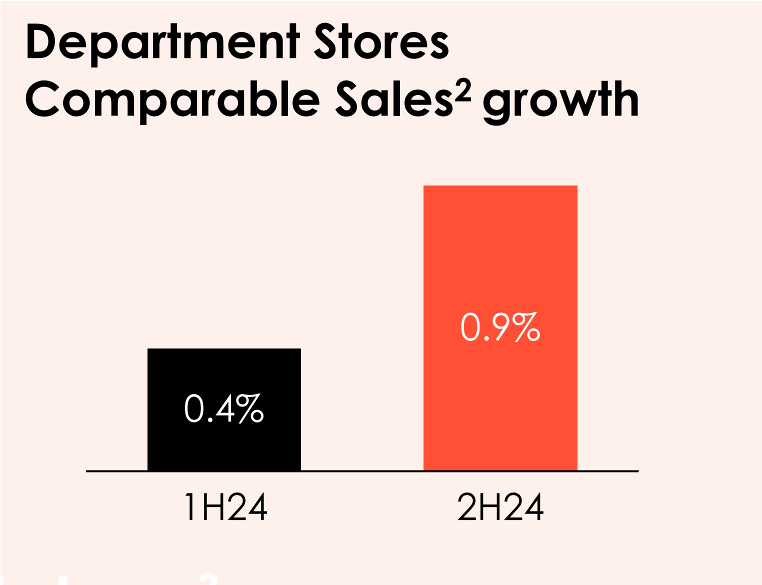
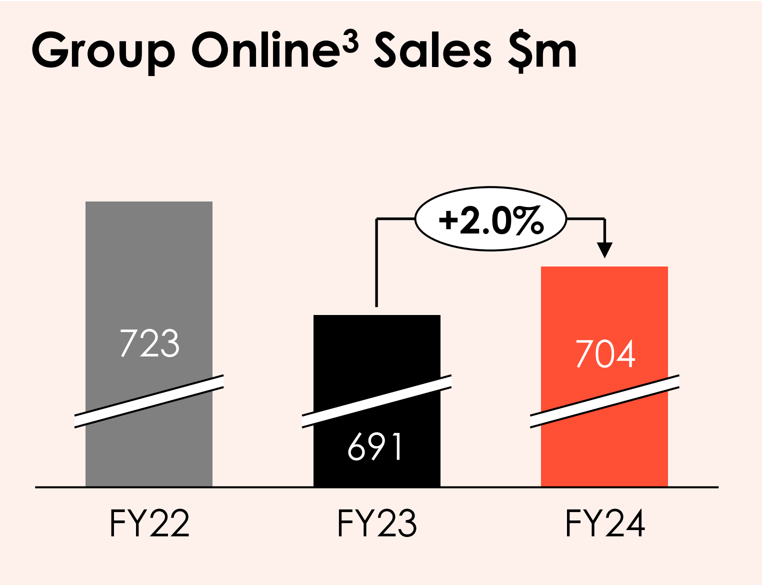
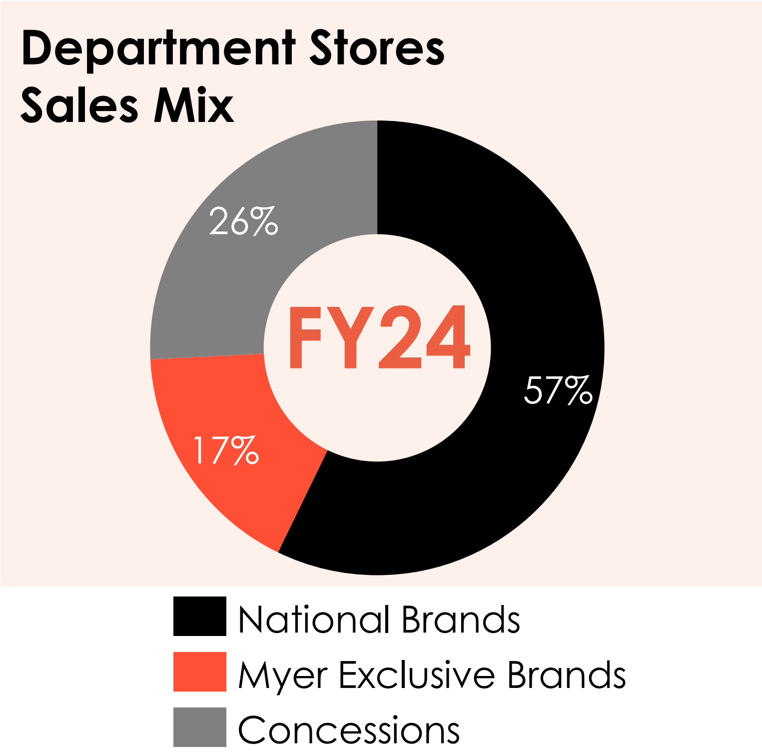
Resilient sales performance in a challenging environment









- Improving comparable sales trajectory in 2H24 (vs 1H24) – no discernible improvement in macro conditions evidenced
- Multi-channel offer, and MYER one & partnerships eco-system provides resilience
- Online growth relatively strong in current environment, aided by growing Marketplace offer
- Concession sales mix increased as Country Road Group rolled out

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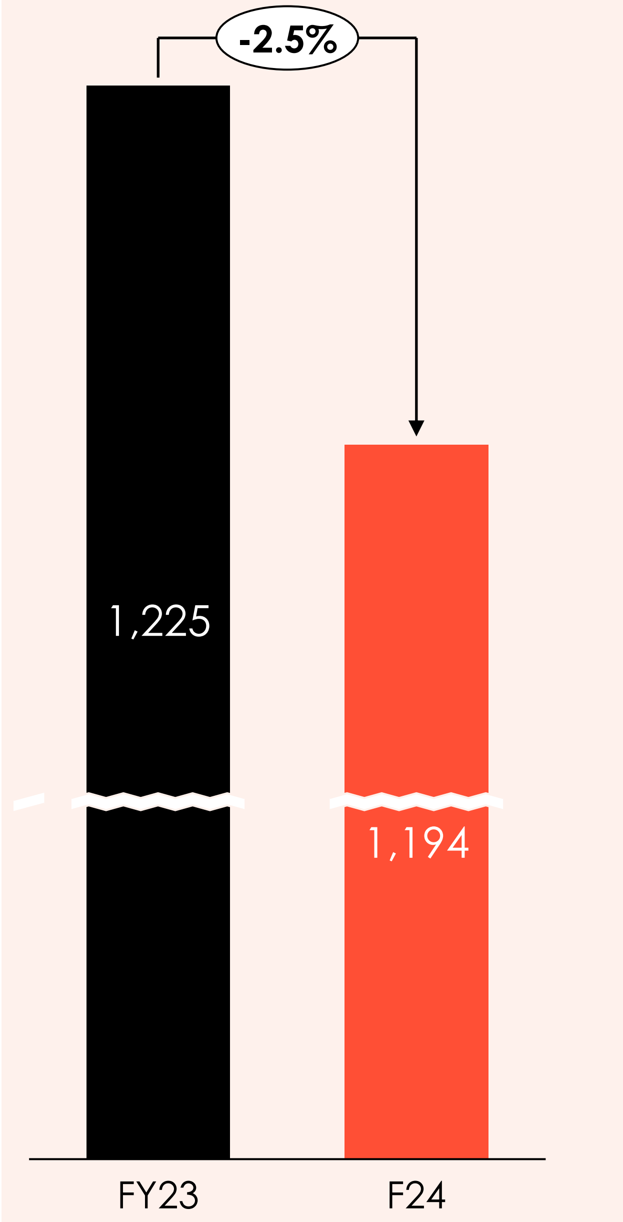
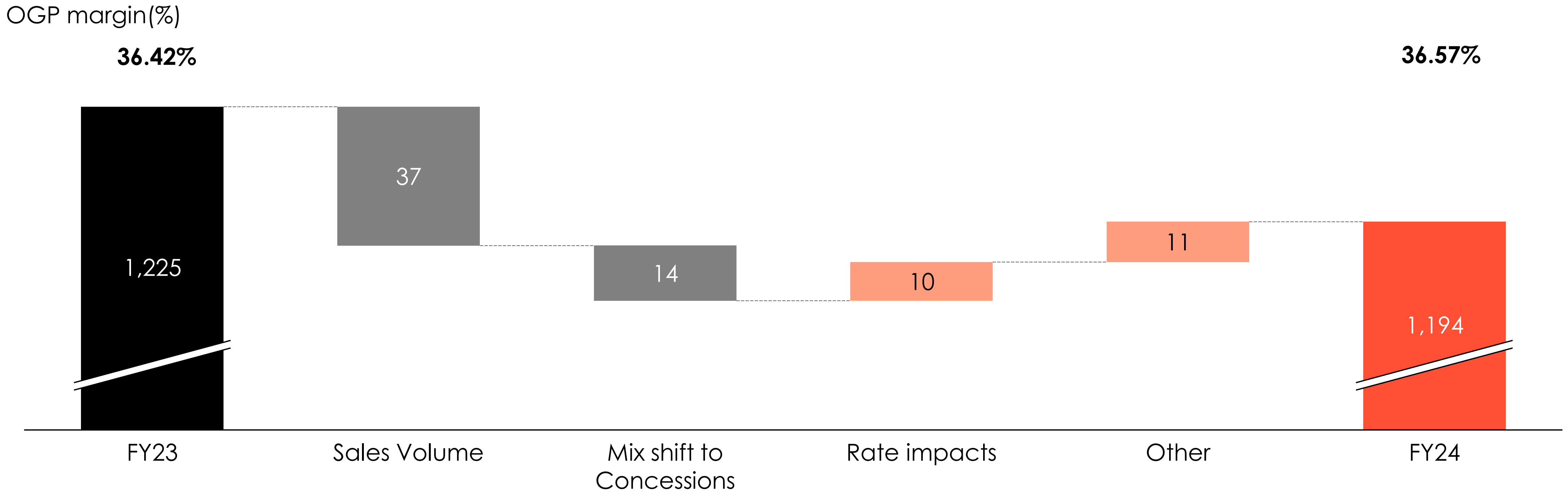
Operating Gross Profit

OPERATING GROSS PROFIT $M



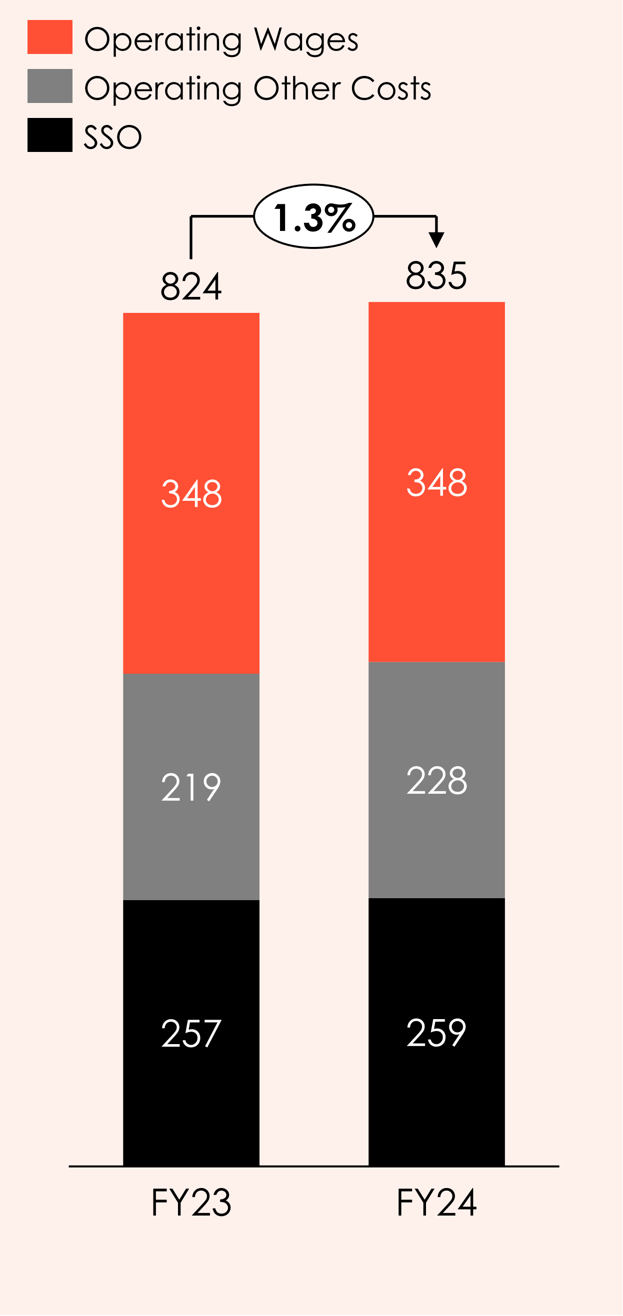
FY23 – FY24 GROSS PROFIT BRIDGE ($M)



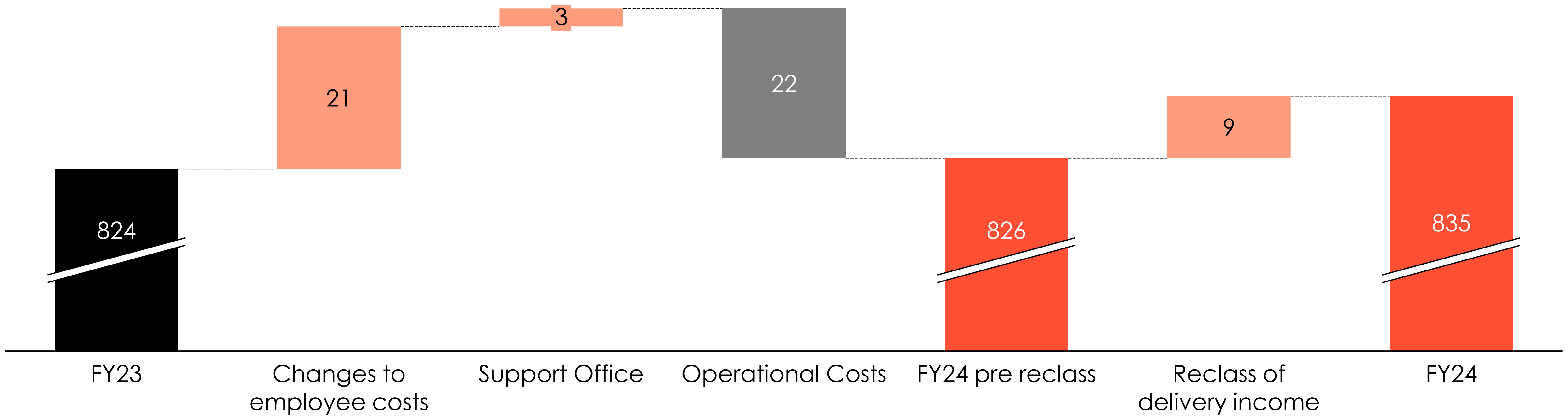
- OGP margin increased by 15bps, down 12bps if reclassification excluded
- Mix shift to Concessions; with the lower OGP offset by lower inventory, labour costs and other costs including shrinkage
- Rate impacts include improved international freight rates, focus on improving intake margin, and an increase in supplier deals which partially mitigated a marginal increase in markdowns
- Other includes reclass of delivery income and a reduction in shrinkage

Cost of Doing Business

GROUP COST[1] STRUCTURE $M



FY23 – FY24 COST OF DOING BUSINESS[1] BRIDGE ($M)



- Costs up 1.3%; +0.2% if reclassification of delivery income excluded
- Increase in employee costs includes EBA, superannuation and other remuneration and incentive changes
- Support Office reflects higher IT costs (including inflation impacts) and project opex
- Operational cost reductions relates to closed store and volume related variable expenses

[1] Excluding implementation costs and individually significant items

Operating Cash Flow

$ MILLIONS	FY24	FY23
EBITDA	359.7	400.5
Add implementation costs and ISIs	(12.2)	(15.4)
Add non-cash impairments	5.9	3.1
Working capital movement	20.9	(1.4)
Operating cash flow (before interest & tax)	**374.3**	**386.8**
Conversion	*105.9%*	*99.7%*
Income tax paid	(37.0)	(54.0)
Net interest paid	(5.2)	(5.7)
Interest – lease liabilities	(81.7)	(84.7)
Operating cash flow	**250.4**	**242.4**
Capex paid[1]	(69.4)	(74.5)
Free cash flow	**181.0**	**167.9**
Dividends	(33.2)	(86.2)
Principal portion of lease liabilities paid	(151.5)	(142.8)
Other	-	(3.1)
Net cash flow	**(3.7)**	**(64.2)**

- Operating cash flow increase of $8.0 million reflects earnings decline, offset by disciplined working capital management
- Income tax was higher in FY23 as tax instalments normalised post Covid-19
- Dividends in FY23 included special dividend
- Key capital expenditure projects include three refurbished stores, new Point of Sale system and National Distribution Centre

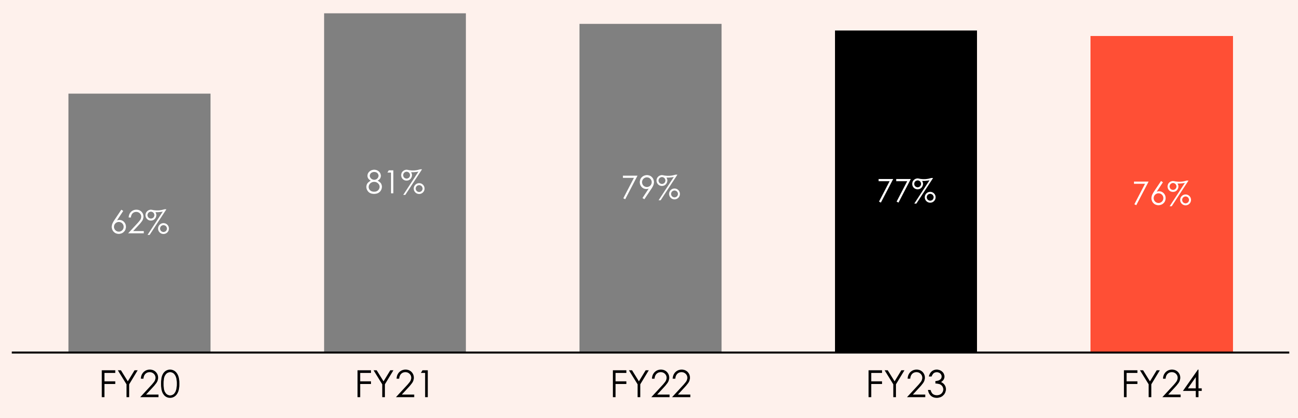
NET CAPEX[1] SPEND ($ MILLIONS)	FY24	FY23
Stores (Redevelopments, Brands & Operations)	36.6	47.2
Online and Systems	26.1	35.5
Other (including Supply Chain initiatives)	16.6	17.6
Landlord Contributions	(9.9)	(25.8)
	69.4	**74.5**

[1] Net of landlord contributions

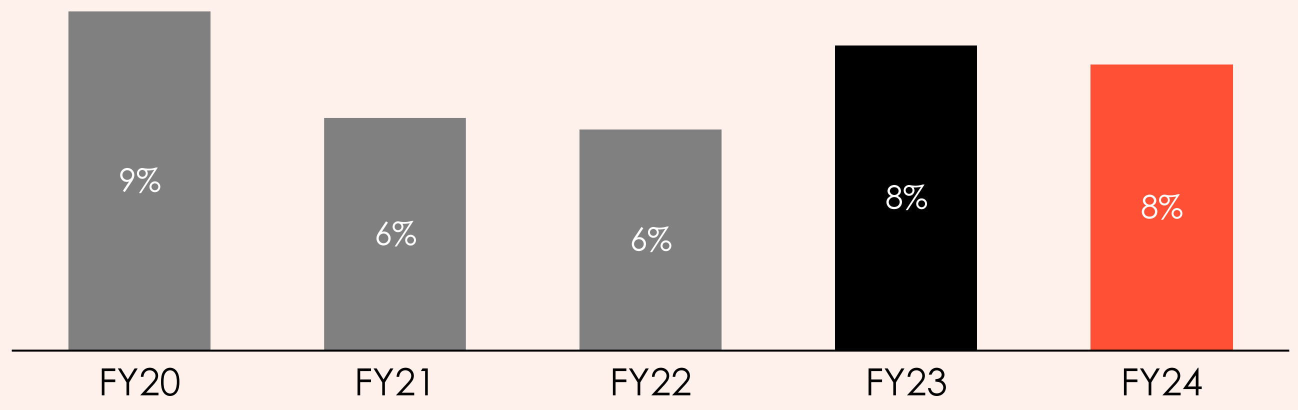
Balance Sheet

$ MILLIONS	FY24	FY23
Inventory	368.5	371.3
Creditors	(417.9)	(401.7)
Other Assets & Liabilities	96.0	67.9
Right-of-Use Assets	1,038.5	1,101.4
Lease Liabilities	(1,567.1)	(1,644.9)
Property & Fixed Assets	317.4	321.7
Intangibles (Brands and Software)	305.8	305.2
Total Funds Employed	**141.2**	**120.9**
Debt	(62.2)	(60.1)
Add Cash	176.0	179.7
Net Cash	**113.8**	**119.6**
Equity	**255.0**	**240.5**

% OF INVENTORY[1] AGED UNDER 6 MONTHS



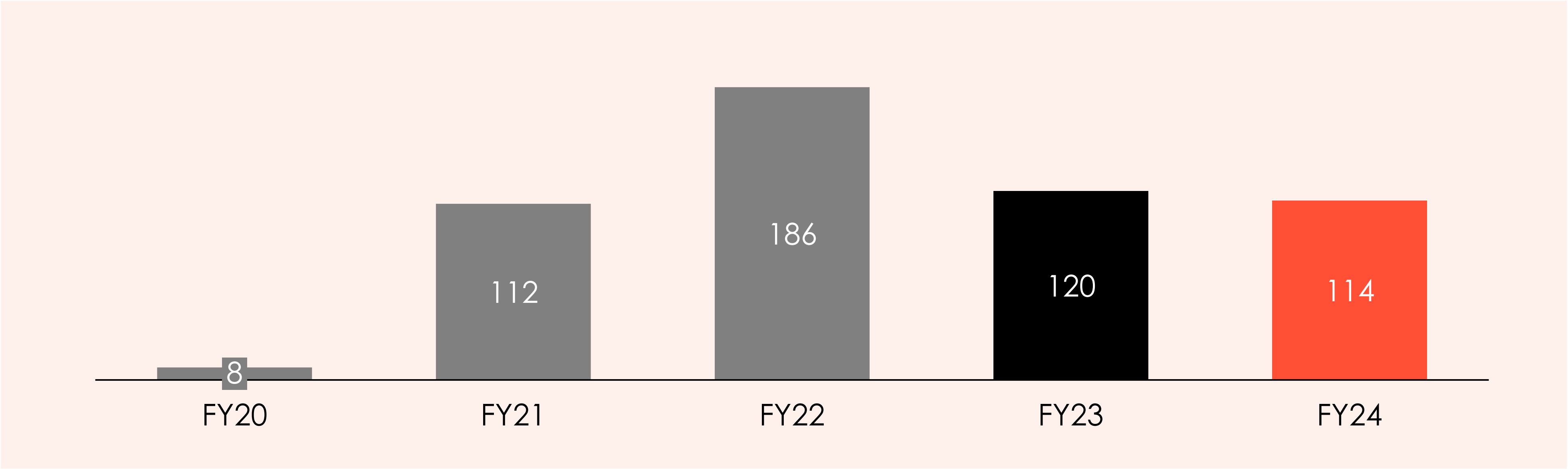
% OF CLEARANCE INVENTORY[1] OF TOTAL



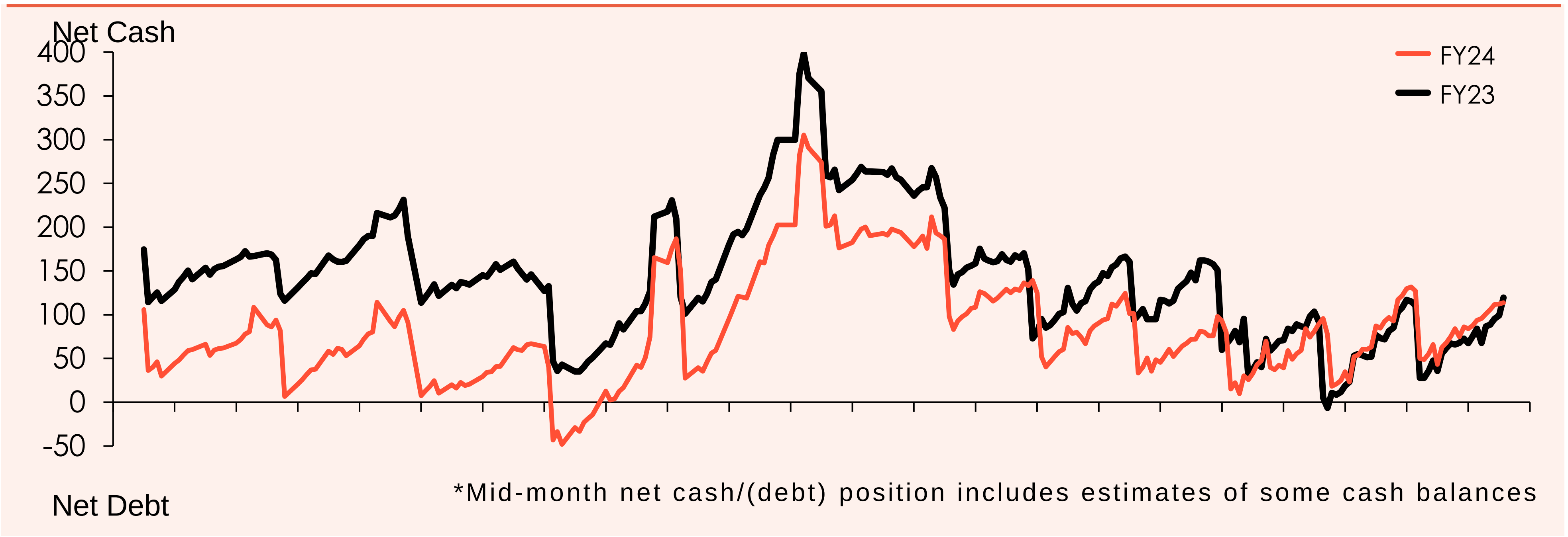
[1] Department Stores stock on hand only

Net Cash / (Debt) Profile

NET CASH / (DEBT) $M – FY20 TO FY24



NET CASH / (DEBT) PROFILE ($M) – FY24 BY DAY

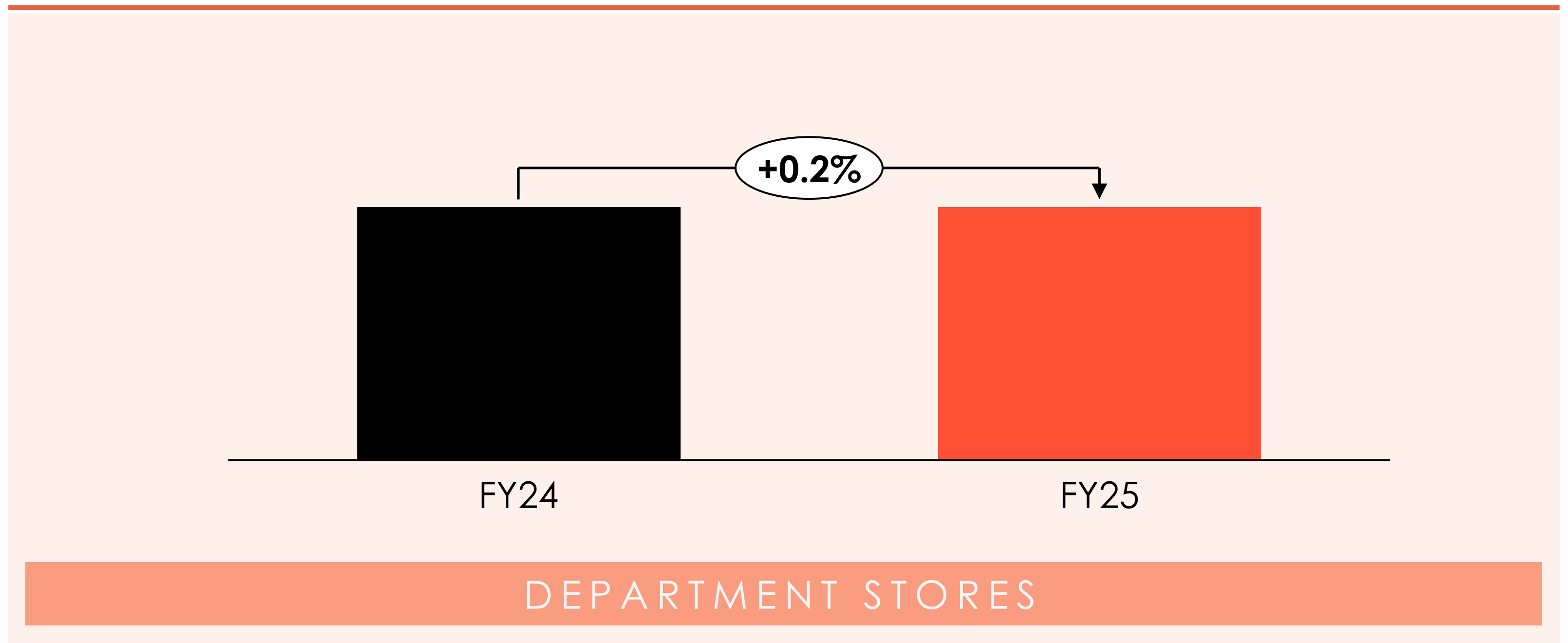


- Strong net cash position maintained at period end
- Current Asset Backed Loan (ABL) facility expires December 2025

Current trade update

First seven weeks of 1H25 has delivered comparable sales[1,2] of +0.2% on the prior year

1st SEVEN WEEKS COMPARABLE[1,2] SALES



[1] Department Stores only

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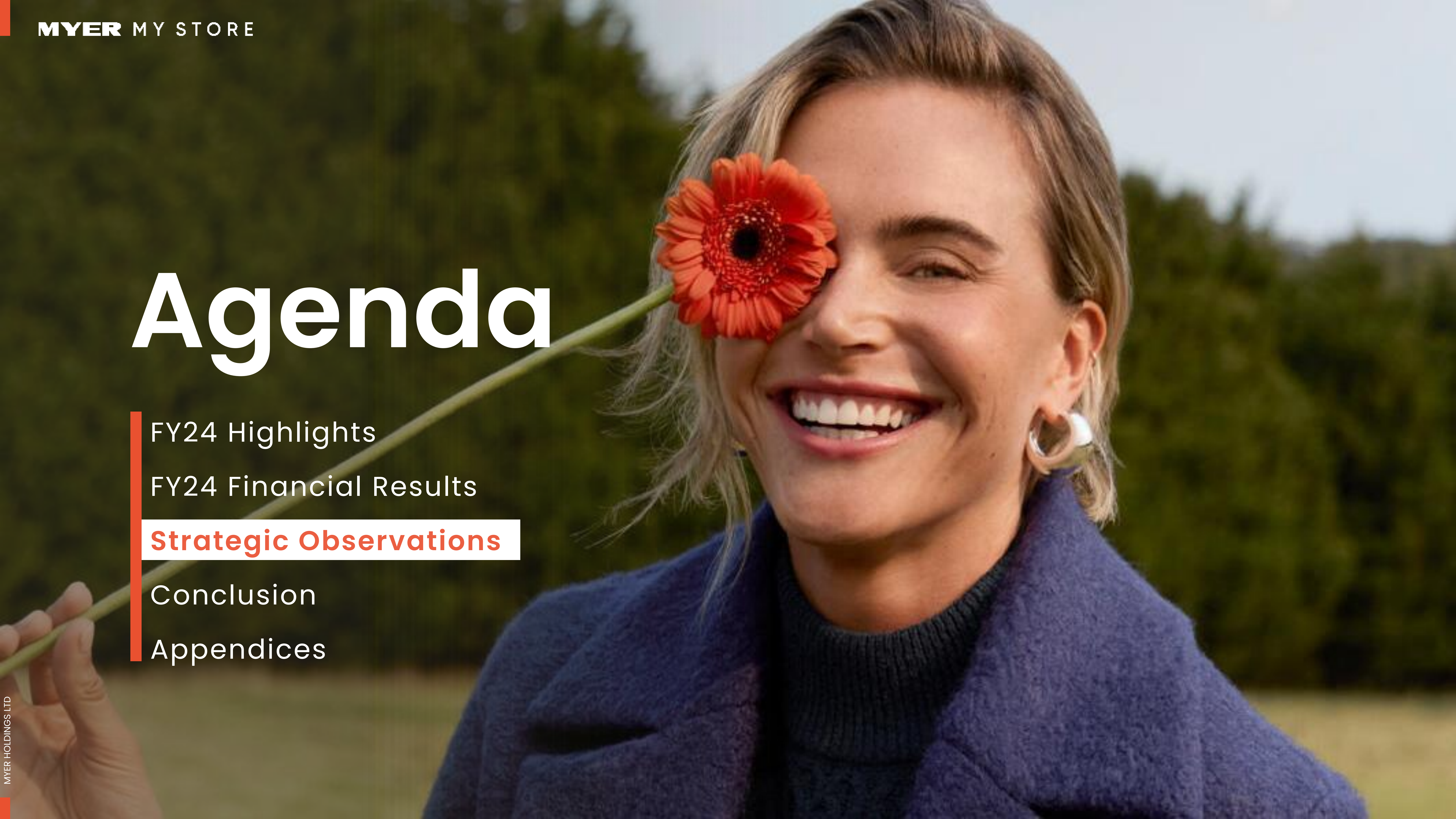

Agenda

- FY24 Highlights
- FY24 Financial Results
- **Strategic Observations**
- Conclusion
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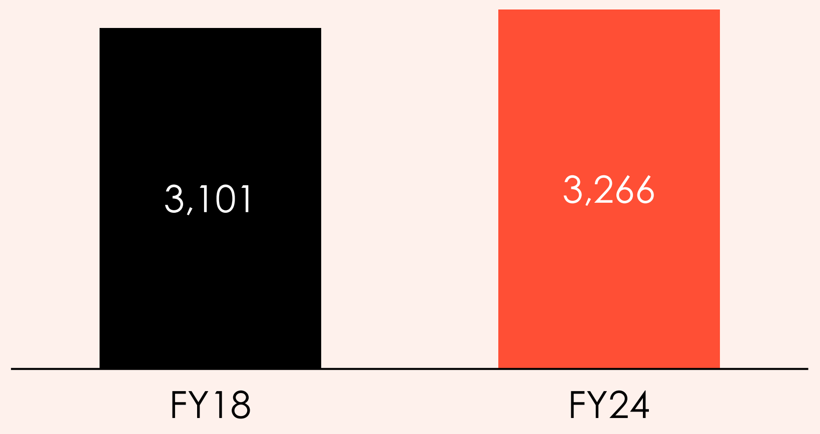
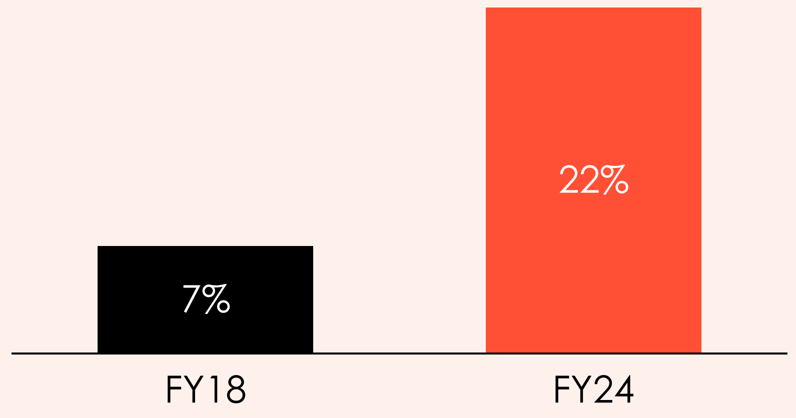
Myer today – stabilised trading and financial performance

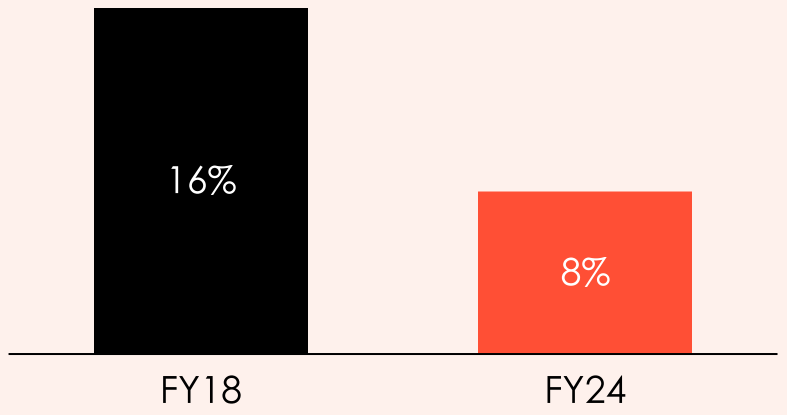
Total sales[1]
($m)



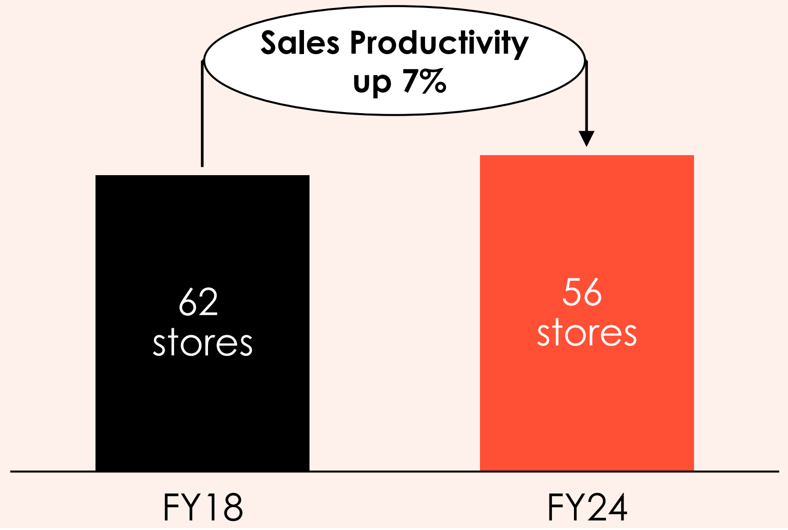
Group Online sales mix
(% of total sales)



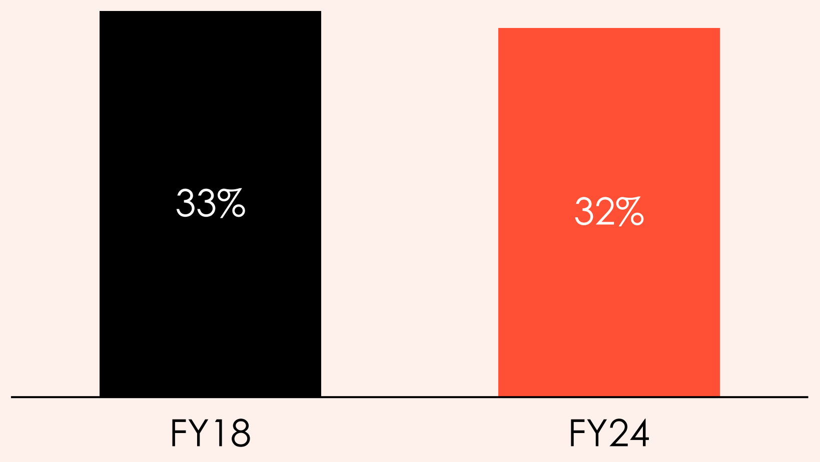
Clearance inventory[2]
(% of total)



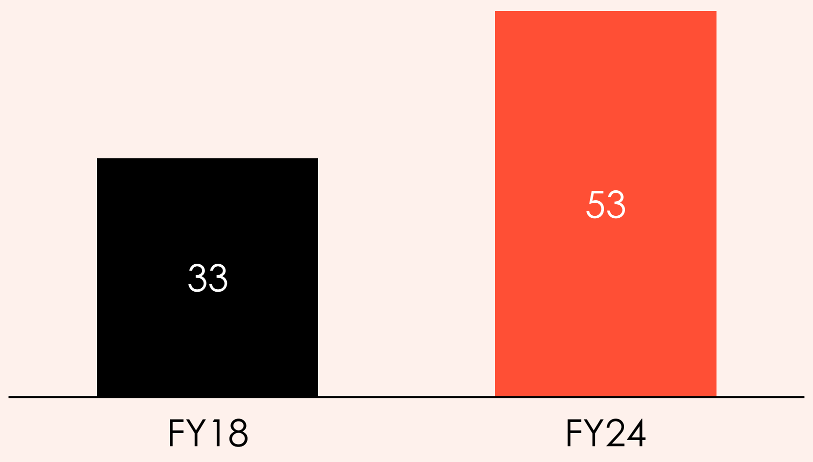
Store footprint + instore sales productivity[3]



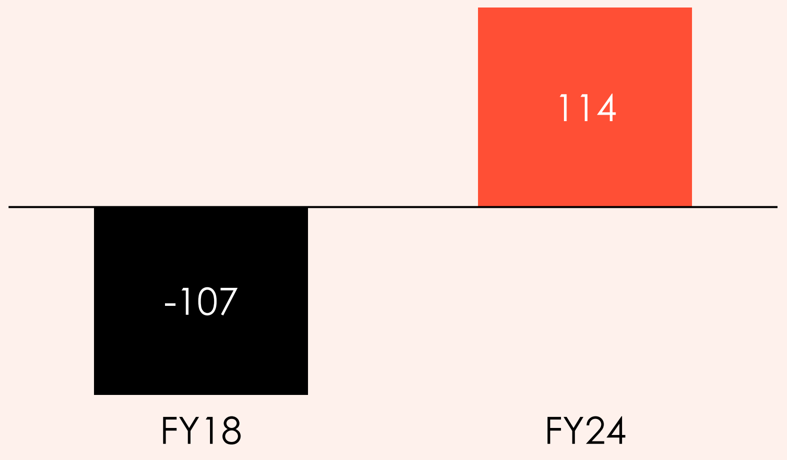
CODB[4,5]
(% of total sales)



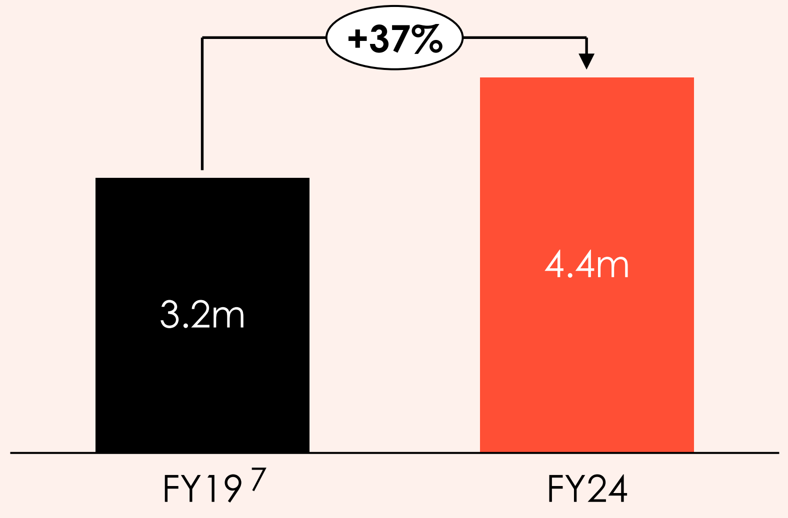
NPAT[4]
($m)



Net cash/Debt
($m)



MYER one active members[6]



[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)
[2] Department Stores stock on hand only
[3] Department Stores Only
[4] Excluding Implementation Costs and Individually Significant Items
[5] Pre AASB 16
[6] MYER one members who have shopped in the last 12 months
[7] FY18 not available

Myer today – Strong foundations to build upon

Brand strength & customer satisfaction	• Leading brand - 7th most trusted brand in Australia[1] – 124 years of retail heritage • 85% customer satisfaction rating, highest on record • Comprehensive offering – wide range of price points – broad customer appeal
Multi-channel offer	• 21.6% sales from online • Ability to serve "connected customer" across multi-channels • Customers who are omni-channel spend 2.4x more than in-store only • National network - 56 stores (prime locations) + 4 Distribution centres
Market leading loyalty Program MYER one & pay with points partnerships program	• One of the largest and most engaging loyalty programs in Aust – over 10 million members (76% digitally contactable) • 77.2% of sales from members (tag rate) • 4.4 million active[2] members in last 12 months • 706k new members in FY24 • MYER one customers spend 82% more[3] vs non members • Partnership with CBA; AMEX; Virgin – pay with points provide access to ~36 million combined members
Strong balance sheet	• $114 million net cash as at 27 July 2024 • Platform to fund future growth

[1] Roy Morgan Brand Trust Survey
[2] MYER one members who have shopped in the last 12 months
[3] Source: Mastercard Commissioned Analysis 2022

Myer tomorrow

Opportunities for sustainable growth

Market and customer

- **Operating in a $70b market with 5%-6% forward CAGR[1]**
  - Myer has potential to build on:
    - Strongholds in Beauty
    - Strongholds in Apparel (Mens & Womens)
    - Right to win categories such as Home
- **Appeal to younger more fashion & experience – focused customer segments**
  - Over time reduce reliance on promotionally driven value seekers
  - Broaden fashionability and appeal of range across brands to attract both new and younger customers
- **Ample headroom to grow eCommerce share and leverage Omni-channel capability**
  - eCommerce penetration varies greatly by category, presenting upside opportunity
  - Experience (underpinned by technology), personalisation and range are key areas of opportunity

Product and value

Grow Myer Exclusive Brands (MEBs)

- MEB's deliver highest GP and GP/sqm
- Global benchmarks suggest further potential to expand with demonstrated success already, particularly Kids (48% of mix) and Home (28% of mix)
- Private labels also offer greater potential differentiation

Build brands & step change growth

- Opportunity to overhaul Womenswear
- Greater opportunity in Beauty despite existing strengths

Pricing architecture

- Opportunity to optimise ROI on promotional spend given data and personalisation foundations by:
  - Deeper analytical support to remove/optimise non-performing promotions
  - Moving promotional investments to MYER one
  - Simplifying promo communication in-store
  - Building a stronger MEBs position

MYER one

MYER one program is an important asset driving momentum within the business already with greater opportunity to:

- Unlock full potential of MYER one across Myer ecosystem:
  - Increase engagement; lifetime value and share of wallet
  - Attract new members (especially male & younger customers)
- Refresh the core program to set foundation for further growth and commercialisation opportunities
- Elevate into a digital product with constant relevance for engagement
- Build partnerships ecosystem

[1] Based on internal estimates

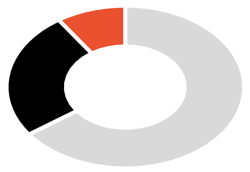
Myer tomorrow

Opportunities for sustainable growth

Digital

Opportunity to expand digital capabilities to:

- Omni-channel customers worth 2.4x more than in-store channel customers; scope to convert more shoppers to omni-channel
  - Store only 65%
  - Omni 25%
  - Online only 10%



- Leverage valuable data to personalise offers and differentiate product offer
- New National Distribution Centre supports network previously built only for store replenishment

Improve Digital Experience:

- Opportunity to re-imagine e-commerce experience, invest in technology
- Further leverage the online to offline opportunity, underpinned via loyalty data

Stores

Stores space & layout

- Enhance floor space productivity by adjusting format

Deliver a winning store experience

- Opportunity to reset proposition across all catchments (not just flagships)
- Significant latent potential in 'middle' of estate with suboptimal ranges

People and community

Our people are Myer's most important asset and we will continue to invest in infrastructure that allows them to reach their full potential

Invest in Capability for future

- Opportunity to invest further in capacity and capability for key growth areas
- Continue to invest in tools and technology to underpin better performance (e.g. M-Metrics)

Occupational Health & Safety

- Psychosocial factors continue to be areas of focus, particularly addressing customer aggression and mental wellbeing
- Full review of safety measures underway and remains paramount particularly against changing workplace dynamics

Profitability and costs

Strong Cost control must be maintained

- Immediate opportunities to further reduce cost, improve discipline and create value against:
  - Promotional spend management
  - Shrinkage management
  - Inventory management
- Work required to further optimise supply chain capability to unlock greater efficiency across the business particularly in store replenishment and online fulfilment

Delivering Return on Investment

- Implementing a Financial Framework that links capital allocation to Total Shareholder Return
- Target a capital structure that delivers the lowest cost of capital
- Prioritise projects that deliver the highest return on investment
- Ensure capital projects are delivered as expected

Strategic review update

On 24 June 2024 Myer announced that:

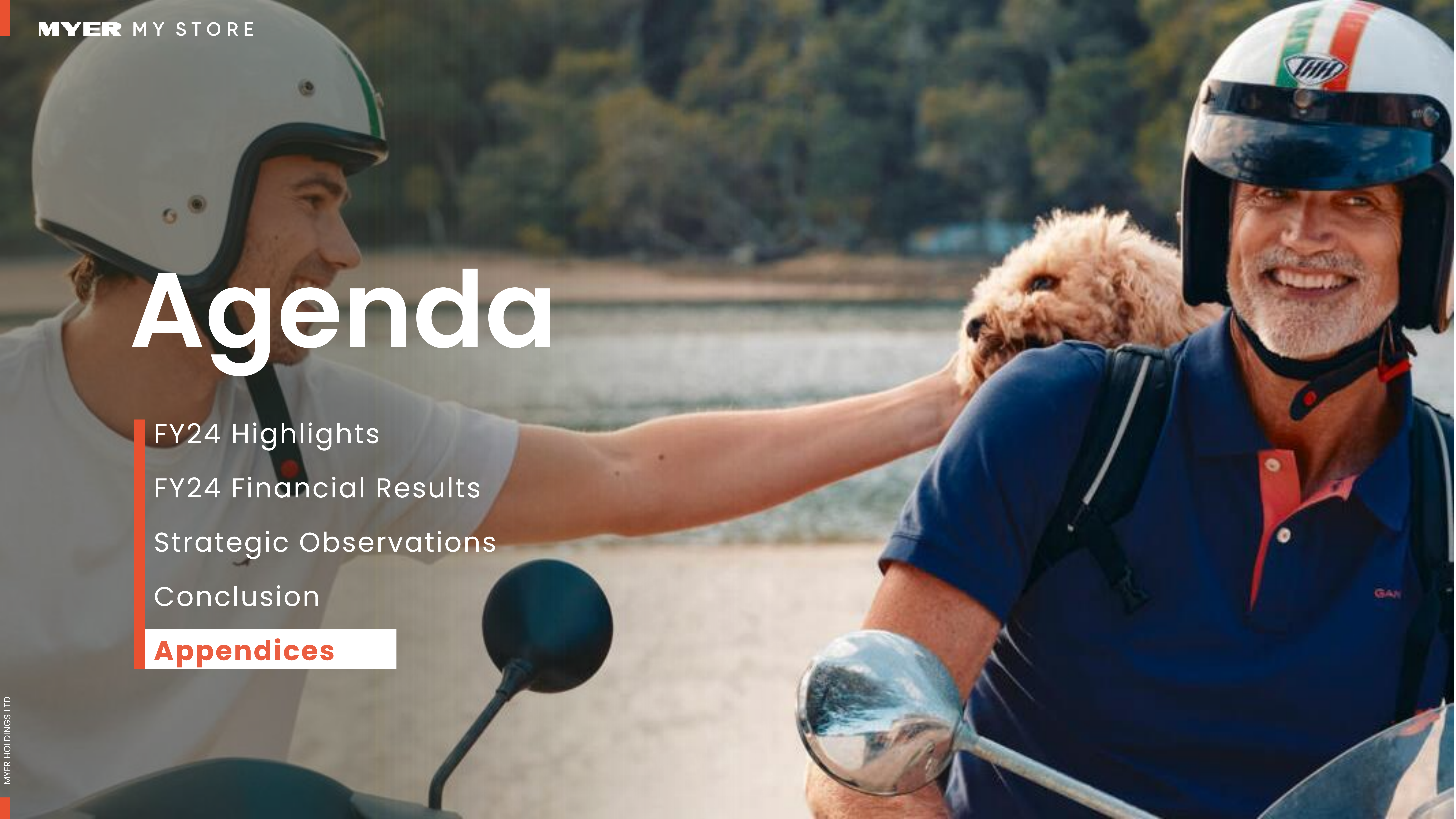
- It is undertaking a comprehensive and ongoing strategic review of the business
- As part of this review Myer is focussing on enhancing and expanding its private label and exclusive brands portfolio
- In line with the strategic priorities identified in the preliminary phase of the strategic review it has been decided to:
  - Retain ownership of the sass & bide, Marcs and David Lawrence brands
  - Explore a potential combination with Premier Investment's Apparel Brands to capitalise on the highly complementary nature of the businesses and accelerate delivery of Myer's key strategic priorities
- Myer sees a potential combination with Apparel Brands generating:
  - Significantly enhanced scale, revenue and growth opportunities
  - Material potential cost and revenue synergies across supply chain, sourcing, property and brand management
  - Opportunities to leverage the MYER one loyalty program and eCommerce platform across an enlarged customer base
  - Expansion of Myer's private label and exclusive brands portfolio
  - A larger and more diversified shareholder base with improved trading liquidity and access to capital

Next steps

Strategic Process Concludes – repositioning Myer for Future Growth

Complete due diligence on potential combination with Premier Investments' Apparel Brands

Investor Strategy session will be rescheduled to update the market on both future strategic approach and Apparel Brands acquisition



Agenda

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Appendix 1: Income Statement – post AASB 16

$ MILLIONS	FY24	FY23	CHANGE
Total Sales[1]	3,266.1	3,362.9	(2.9%)
Operating Gross Profit	1,194.4	1,224.6	(2.5%)
Cost of Doing Business[2]	(834.7)	(824.1)	1.3%
EBITDA[2]	**359.7**	**400.5**	**(10.2%)**
Depreciation[2]	(197.0)	(204.3)	(3.6%)
EBIT[2]	**162.7**	**196.2**	**(17.1%)**
Net Finance Costs	(87.3)	(91.5)	(4.6%)
Tax[2]	(22.8)	(33.6)	(32.1%)
Net Profit after tax[2]	**52.6**	**71.1**	**(26.0%)**
Implementation Costs and Individually Significant Items (post tax)	(9.1)	(10.7)	(15.0%)
Statutory Net Profit after tax	**43.5**	**60.4**	**(28.0%)**

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)

[2] Excluding implementation costs and individually significant items

Appendix 2: NPAT reconciliation to Statutory Accounts

$ MILLIONS	EBIT	INTEREST	TAX	NPAT
Statutory reported result	**150.5**	**(87.3)**	**(19.7)**	**43.5**
Add back: Implementation costs and individually significant items				
Restructuring, space exit costs, impairments and other significant items	12.2	-	(3.1)	9.1
Result: post-AASB 16[1]	**162.7**	**(87.3)**	**(22.8)**	**52.6**
Impact of AASB 16	(87.1)	79.2	2.4	(5.5)
Result: pre-AASB 16[1]	**75.6**	**(8.1)**	**(20.4)**	**47.1**

[1] Excluding implementation costs and individually significant items

Appendix 3: Income Statement – AASB 16 impact

$ MILLIONS	FY24 (STATUTORY)	AASB 16 IMPACT	FY24 (PRE-AASB 16)	FY23 (PRE-AASB 16)	CHANGE (PRE-AASB 16)
Total Sales[1]	3,266.1	-	3,266.1	3,362.9	(2.9%)
Operating Gross Profit	1,194.4	0.4	1,194.8	1,223.9	(2.4%)
Cost of Doing Business[2]	(834.7)	(207.6)	(1,042.3)	(1,036.8)	0.5%
EBITDA[2]	**359.7**	**(207.2)**	**152.5**	**187.1**	**(18.5%)**
Depreciation[2]	(197.0)	120.1	(76.9)	(77.0)	-
EBIT[2]	**162.7**	**(87.1)**	**75.6**	**110.1**	**(31.3%)**
Net Finance Costs	(87.3)	79.2	(8.1)	(7.9)	1.9%
Tax[2]	(22.8)	2.4	(20.4)	(32.8)	(37.6%)
Net Profit after tax[2]	**52.6**	**(5.5)**	**47.1**	**69.4**	**(32.1%)**
Implementation Costs and Individually Significant Items (post tax)	(9.1)	(0.1)	(9.2)	(10.7)	(14.0%)
Net Profit after tax	**43.5**	**(5.6)**	**37.9**	**58.7**	**(35.4%)**

[1] Revenue from sale of goods excluding concession sales and sales revenue deferred under customer loyalty program was $2,438.1 million (FY23: $2,565.8 million)

[2] Excluding implementation costs and individually significant items