



10 December 2024

## **2024 ANNUAL GENERAL MEETING EXECUTIVE CHAIR'S ADDRESS, PRESENTATION, AND VOTING UPDATE**

Myer Holdings Limited (ASX:MYR) today addresses shareholders in its Annual General Meeting which will be held as a hybrid meeting in person at Clarendon Auditorium, Melbourne Convention and Exhibition Centre – 2 Clarendon Street, South Wharf VIC 3006, and online at [meetings.linkgroup.com/myr24](https://meetings.linkgroup.com/myr24), commencing at 2:00pm (Melbourne time).

Following below is:

- the Executive Chair's Address; and
- a summary of direct and proxy votes received on each resolution before the AGM.

The Executive Chair's Presentation will be lodged separately.

Results of the AGM will be lodged with ASX shortly after the conclusion of the AGM.

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

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## Myer Holdings Limited

2024 Annual General Meeting  
Tuesday 10 December 2024 at 2:00pm (Melbourne time)  
Held as a hybrid meeting:

- in person at Clarendon Auditorium, Melbourne Convention and Exhibition Centre – 2 Clarendon Street, South Wharf VIC 3006; and
- online at [meetings.linkgroup.com/myr24](https://meetings.linkgroup.com/myr24)

## EXECUTIVE CHAIR'S ADDRESS

### Financial Overview

As we noted at our full year results, during the 2024 financial year Myer has not been immune from the challenging macroeconomic conditions and inflationary pressures confronting the retail sector.

Our Total Sales were down, reflecting the tough cost-of-living environment, as well as the impact of the closure of our Brisbane, Frankston and Werribee stores for all or part of the year.

Pleasingly, despite the challenging conditions, our Group comparable store sales increased, with the trajectory improving half on half.

Our online sales also continued to grow and represented more than 20% of Total Sales.

While Net Profit After Tax<sup>1</sup> for the year was down, approximately half of this decline was attributable to the underperformance of three Myer Specialty Brands – sass & bide, Marcs and David Lawrence – and the remainder reflecting the combination of lower Total Sales from store closures, and inflationary pressures.

For FY24, the Board declared fully franked dividends totalling 3.5 cents per share.

Consistent with trends experienced in FY24, trading in the first half to date continues to be challenging.

Inflationary cost pressures, as well as a number of other factors, continue to make market conditions tougher - however trading through the Black Friday period was encouraging.

Whilst the importance of Black Friday in the retail calendar grows each year - starting earlier and featuring greater sales activity - Christmas remains a very important trading period, and a material determinant of our first half result.

As we approach this period, the team remains very focused on preparations for Christmas, and we will provide the market with further detail in due course.

### FY24 Business Overview

From an operational perspective, I was really pleased with our in-store customer service satisfaction levels, which were up significantly to 85%. This is our highest rating on record.

This improvement was underpinned by the completion of the roll-out of our new point-of-sale software, which provides real-time transaction details for customers and faster transaction speed, as well as the expansion of our M-Metrics app to our brand partner team members.

The app gives the team greater access to product and promotion information and analytics, and customer feedback. It means everyone on the shop floor now has this data in the palm of their hand.

Team member safety is a fundamental priority for us, and we continue work on implementing initiatives to enhance the working environment and protect our team members. During the year, we undertook body camera and radio trials for our people and invested in new Myer security guards.

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<sup>1</sup> Excluding Implementation Costs and Individually Significant Items.

We also achieved the strongest MYER one customer engagement scores since the inception of the program. We have 4.4 million active<sup>2</sup> MYER one members and more than three quarters of our sales in FY24 came from MYER one members.

We attracted 706,000 new MYER one members during the year, with more than half under the age of 35 – demonstrating our capability to continue to attract a younger demographic.

## Strategic Priorities

When I took on the role as Chair, we commenced a comprehensive strategic review to increase Myer's profitability and drive sustainable earnings growth.

Our strategic vision is to create a leading Australian retail platform, by identifying opportunities to deliver a step-change in Myer's market position and generate substantial strategic and financial benefits to create value for you, our valued shareholders.

To achieve this, we are focused on six key strategic priorities.

We want to appeal to new and underpenetrated customer segments seeking more fashionable choices and an easy, enjoyable shopping experience. That means having the right product at the right time, and curating the best mix of private label, national brands and concessions across our categories.

We want to expand Myer's omnichannel and online capabilities, sales and offerings. If you look at the Australian Apparel and Beauty sectors, growth is predominantly coming from online channels. Given our store footprint and eCommerce platforms, Myer is well placed to capitalise.

We see huge potential in unlocking further value through MYER one and creating a loyalty ecosystem that facilitates cross-sell, greater share of customer wallet and lifetime value.

We are also focused on improving our Myer Exclusive Brands offer to drive differentiation, customer appeal and enhanced margins.

We see significant opportunity to enhance Myer's sourcing, design and distribution capabilities by shortening lead times, reducing costs and ensuring the use of high-quality fabrics and materials.

And last, but not least, we are laser-focused on strengthening our balance sheet to enable us to reinvest in the business in areas including our data-driven capabilities, as well as our network and eCommerce assets. This will help reinvigorate our customer experience.

## sass & bide, Marcs, David Lawrence

We will outline our growth strategy in more detail at an investor day next year however the preliminary phase of our strategic review reinforced the importance of growing our exclusive and private label brands, and the potential to generate significant shareholder value by doing so.

As a result, we announced our decision to retain ownership of the sass & bide, Marcs and David Lawrence brands, with a view to leveraging the equity in these well-known and loved brands by resetting and refocusing them.

It is important to remember that prior to the most recent financial year, the combined sass & bide, Marcs and David Lawrence brands had a track record of positive earnings contribution.

We are taking immediate steps to improve the performance trajectory of these brands, including resetting sass & bide as a concession and online model, closing unprofitable, stand-alone retail stores, and restructuring sass & bide's support operations to remove duplication with Myer Group functions.

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<sup>2</sup> MYER one members who have shopped in the last 12 months.

## Myer Group's Advantage

The preliminary phase of our strategic review also identified a potential combination with Premier Investments' Apparel Brands business to accelerate our strategic priorities.

Apparel Brands is a leading specialty retailer in Australia and New Zealand. It operates five much-loved brands: Just Jeans, Jay Jays, Jacqui E, Portmans and Dotti.

The proposed combination (or "Combined Myer Group") is transformational for Myer. We can fast track our strategic priorities by leveraging our complementary strengths to create one of the leading retail platforms across Australia and New Zealand.

The strategic and financial rationale of this transaction is compelling.

It significantly enhances our scale to extract growth and operating leverage benefits, and unlocks significant latent potential by bringing Apparel Brands into Myer's omni-channel ecosystem.

With a combined store network of 783 stores and more than 17,300 team members, the Combined Myer Group also creates the opportunity to leverage Myer's market leading MYER one loyalty program and eCommerce platform across an enlarged and engaged customer base.

Apparel Brands' customer base addresses key target customer demographics for Myer and its brands, expands Myer's exclusive and private label portfolio and strengthens our brand management capabilities.

The proposed combination is also expected to deliver combination benefits of at least \$30 million pre-tax earnings a year on a run-rate basis and significant EPS accretion on a pro forma FY24 basis.

The transaction also delivers a larger and more diversified shareholder base with improved trading liquidity and access to capital.

## Proposed Combination

Under the agreement, Myer will acquire Apparel Brands from Premier. The key terms are:

- Myer will issue 890.5 million new shares to Premier in consideration for 100% of the Apparel Brands business which will retain \$82 million of cash;
- On completion, Premier will undertake an in-specie distribution of all of its existing and new Myer shares to eligible Premier shareholders, such that Premier will no longer be a shareholder in Myer;
- The Myer Board intends to declare before completion a fully franked dividend of 2.5 cents per share to existing Myer shareholders, provided all conditions to the Transaction have been satisfied.

Following completion of the in-specie distribution, current Myer shareholders will hold 48.5% of issued capital in Myer and Premier shareholders will receive 51.5% of issued capital in Myer.

On completion, Solomon Lew is expected to join Myer Directors on the Board of the Combined Myer Group as a non-executive director consistent with Century Plaza Group becoming the largest shareholder post-completion with a pro forma shareholding of 26.8%. I will remain as your Executive Chair.

The independent Directors of Myer have unanimously recommended that Myer shareholders vote in favour of the proposed combination, subject to a favourable determination by the Independent Expert.

Key areas where we expect to see combination benefits include expansion of MYER one across Apparel Brands, which will provide valuable customer insights to drive incremental sales. Over the longer term, the Combined Myer Group will be able to leverage its rich first-party data to drive insight-led cross shop benefits across an expanded customer base.

We also see significant benefits from accelerating the full potential of our Myer Exclusive Brands through enhanced product development and sourcing capabilities and scale opportunities through combined sourcing functions.

We plan on leveraging the scale and brand expertise of Apparel Brands to improve the performance of sass & bide and Marcs and David Lawrence.

There is also opportunity to enhance and optimise the Combined Myer Group's store footprint to drive further operating leverage and efficiencies.

Myer's exceptional eCommerce capabilities will help expand Apparel Brands' online penetration and deliver incremental sales, and we will be adopting a disciplined cost management approach to drive efficiencies.

We also intend to explore a refinancing of Myer's existing debt facilities in the near term that has the potential to generate material annual savings in interest and financing costs.

In short, the proposed combination enables us to fast-track delivery of our strategic priorities. It delivers significant scale and an enhanced ability to invest and innovate in a highly competitive and rapidly evolving retail market to support future growth.

## Next Steps

As Myer shareholders, the transaction is subject to your approval and you all get a say.

Later this month, we expect to release a Notice of Extraordinary General Meeting, together with an Explanatory Memorandum setting out important information to help you decide how to vote at the EGM.

The EGM to vote on the proposed transaction is expected to take place in late January 2025.

Subject to respective shareholder and regulatory approvals, completion is expected to occur shortly thereafter.

## Board

Now to Board matters.

The Company announced my appointment as Executive Chair in March 2024. The Board also appointed independent Non-Executive Director, Gary Weiss, as Deputy Chair and Lead Independent Director – a new role created to enhance governance.

After nine years on the Myer Board, Dave Whittle will be retiring as a Director of the Company, with effect from the end of the AGM. I thank Dave for his outstanding contribution to the Board over the period of his directorship.

We also seek your support today for the re-election of Terry McCartney as a Director, and the election of Rob Perry as a Director.

Terry and Rob will briefly address shareholders when those resolutions are before the meeting.

## Community and Sustainability

Now to briefly touch our ongoing focus on sustainability.

Myer continues to progress and improve our sustainability program, focusing on our key sustainability pillars across energy, packaging, waste, sustainable style, and ethical sourcing.

As part of this, we continue to implement initiatives to reduce packaging, divert waste from landfill, promote recycling and support circular economy schemes.

Myer remains committed to conducting the business in an ethical and environmentally responsible manner and will continue to drive sustainable initiatives to improve our environmental performance and reduce our impacts where we operate.

## Close

In closing, on behalf of the Board and the Management team, I want to thank our shareholders, our more than 10,000 valued team members who serve our customers with distinction every day, our loyal brand partners and suppliers, and of course, our customers for their ongoing support and loyalty.

As highlighted today, there is considerable work underway on an important evolution in our strategy as well as an exciting step-change via the proposed combination with Apparel Brands. I look forward to communicating with you as this work progresses.

It has been another year of delivery against our plans and we look forward to maintaining the momentum and delivering for customers through the upcoming peak trade period.

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## 2024 ANNUAL GENERAL MEETING

Direct and proxy votes received on each resolution before the AGM.

Resolution	For	Against	Open	Total Votes	Abstain
Item 3 Re-election of Mr Terry McCartney	461,475,192 <b>96.57%</b> 664 holders	11,299,684 <b>2.37%</b> 107 holders	5,076,830 <b>1.06%</b> 241 holders	477,851,706 (57.05% of issued capital)	641,957 37 holders
Item 4 Election of Mr Rob Perry	471,928,391 <b>98.77%</b> 655 holders	783,656 <b>0.16%</b> 97 holders	5,077,797 <b>1.06%</b> 248 holders	477,789,844 (57.05% of issued capital)	701,746 45 holders
Item 5 Adoption of Remuneration Report	465,041,248 <b>97.44%</b> 457 holders	7,224,508 <b>1.51%</b> 287 holders	5,032,158 <b>1.05%</b> 246 holders	477,297,914 (56.99% of issued capital)	1,031,182 55 holders
Item 6 Grant of Performance Rights to Olivia Wirth	465,863,823 <b>97.51%</b> 349 holders	6,842,253 <b>1.43%</b> 378 holders	5,028,627 <b>1.05%</b> 248 holders	477,734,703 (57.04% of issued capital)	803,587 62 holders