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ANNUAL
GENERAL
MEETING

VIRTUAL MEETING AT:
<https://agmlive.link/MYR20>

MYER
MY STORE



JOHN KING

CEO UPDATE

- FY20 RESULTS • CUSTOMER FIRST PLAN / OVERLAY
- CHRISTMAS • IN SUMMARY

Trading
(Stores Closed Apr/May)

- Record Group online sales¹ up 61.1% to \$422.5 million; up 98.8% in 2H20
- Total sales down 15.8% to \$2,519.4 million, severely impacted in 2H20, comparable sales down 3.3%²
- Operating Gross Profit (OGP)³ down 17.6% to \$957.3 million, down 85bps to 38.0%
- Cost of Doing Business (CODB)³ down \$138.6 million (-13.8%) to \$863.8 million

Result

- EBITDA³ \$93.5 million; EBIT³ loss of \$6.1 million
- Net loss after tax³ of \$11.3 million
- Implementation costs and individually significant items (ISIs) of \$159.0 million (\$221.4 million pre-tax)
- Statutory loss after tax of \$172.4 million post-AASB 16

**Strengthened
Balance sheet**

- Net cash of \$7.9 million, \$46.6 million improvement on prior year
- Inventory down 26% to \$256.0 million
- Dividend continues to be suspended

**Refinancing
Agreed**

- Extension with existing lenders to August 2022 provides stable platform
- Reflects the progress across the previous two years to deleverage the balance sheet

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

² In addition to the historical definition of comparable sales, stores closed during COVID-19 have been removed from both the current and previous year to obtain comparable sales. Where a store was closed mid-week, the week in which the store closed has been removed. On reopening, the store has been included from the first full week of trade.

³ Pre-AASB 16, excluding implementation costs and individually significant items totalling \$120.1 million (\$165.8 million pre-tax).

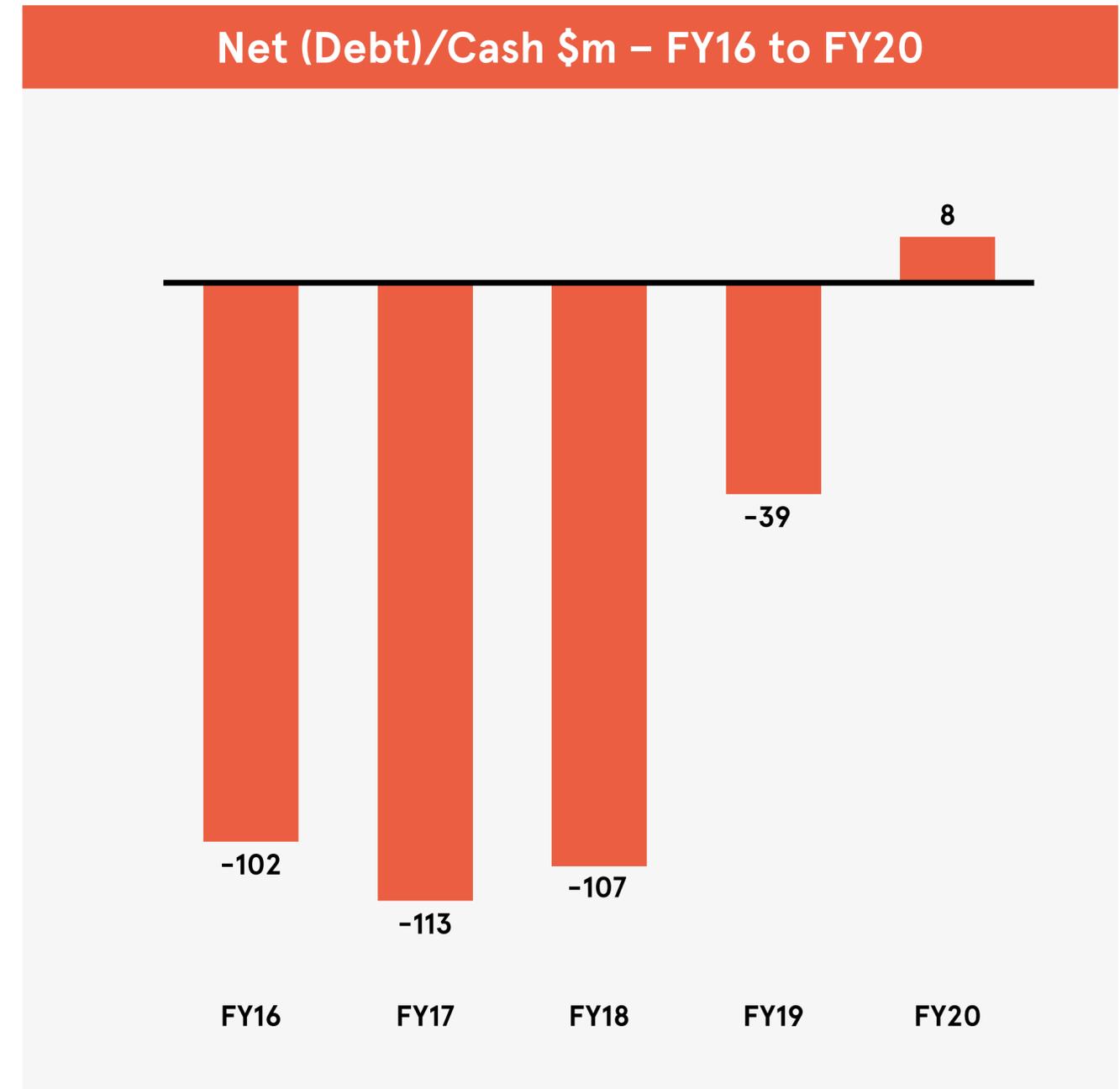
PRUDENT FISCAL MANAGEMENT

Reduced Debt

- Reduced net debt and Myer was in a net cash position at end of FY20
- The FY20 improvement despite COVID-19 impacts reflects the prudent approach to preserving cash, disciplined cost control, support from the Australian Government and other payment deferrals
- Myer continues to pay merchandise suppliers per agreed terms or better
- Inventory down 26% in FY20 reflecting lower purchases, as well as supplier/option rationalisation

Refinance completed

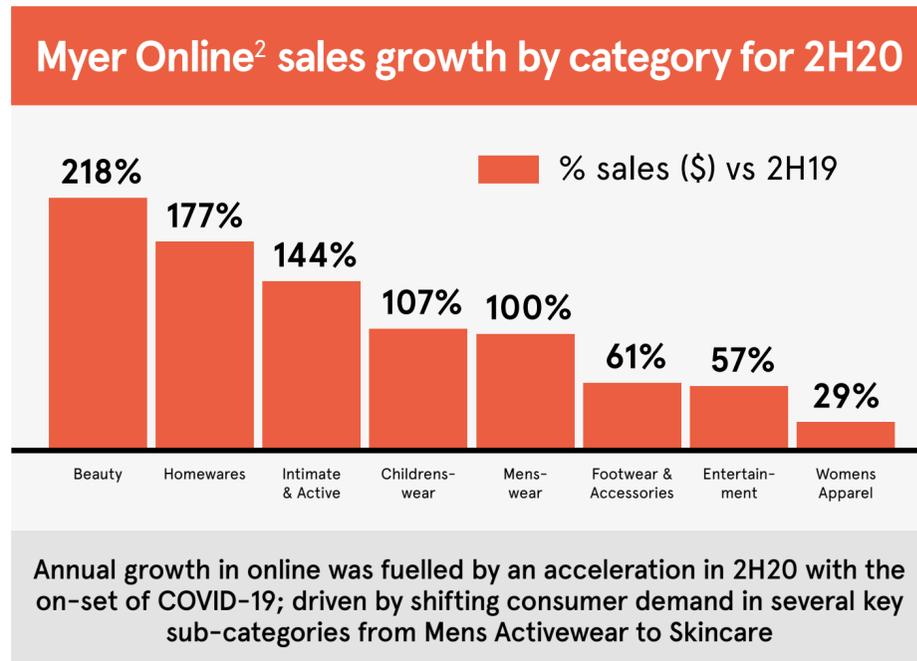
- Fully supportive lender Group
- Extended \$340m facility with existing lenders until 31 August 2022
- Provides ample liquidity through seasonal cycle
- Available facility reduces by \$30m in FY21 in line with requirements



AN ONLINE BOOM, THAT KEEPS GOING

- Group Online¹ sales now \$422.5 million – making us one of Australia’s largest online retailers
- Online channel grew faster than market in 2H20 – Beauty up 218%, Homewares up 177%
- Black Friday and Cyber Monday to be bigger than last year – the key pre-Christmas sale event
- Online continues to grow profitably, despite some cost headwinds i.e. click and collect locations not available during shutdown periods
- Site and infrastructure improvements continue to meet peak volumes; resulting in increased conversion

Key Metrics	2H20 change on 2H19
Group online ¹ Sales growth %	up 98.8%
Myer Online² Sales growth %	up 105.7%
Customer Conversion	up 54%
Net Promoter Score	up 11%

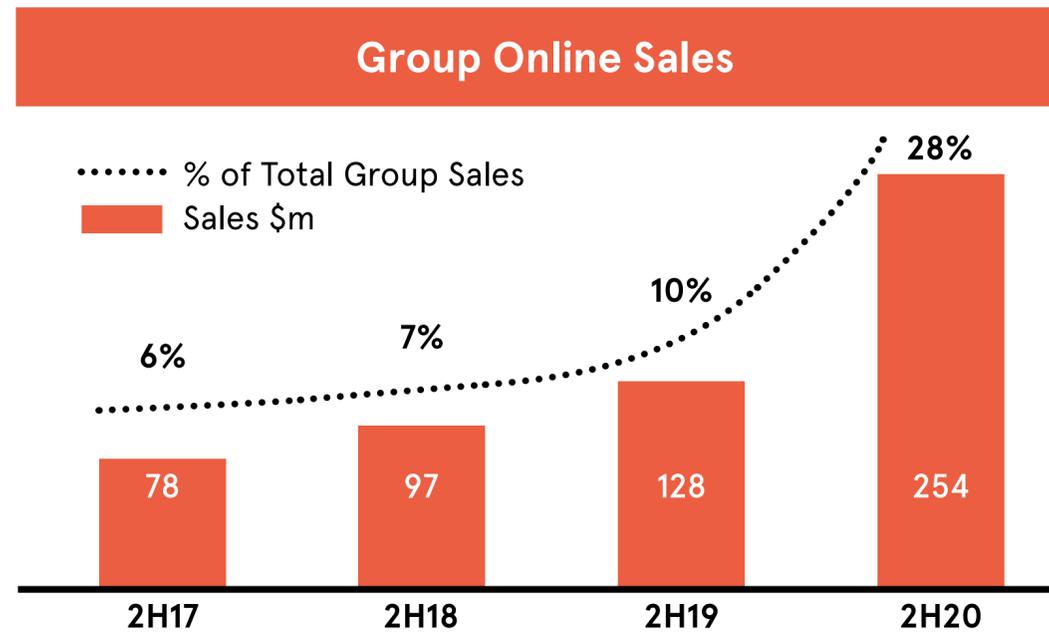
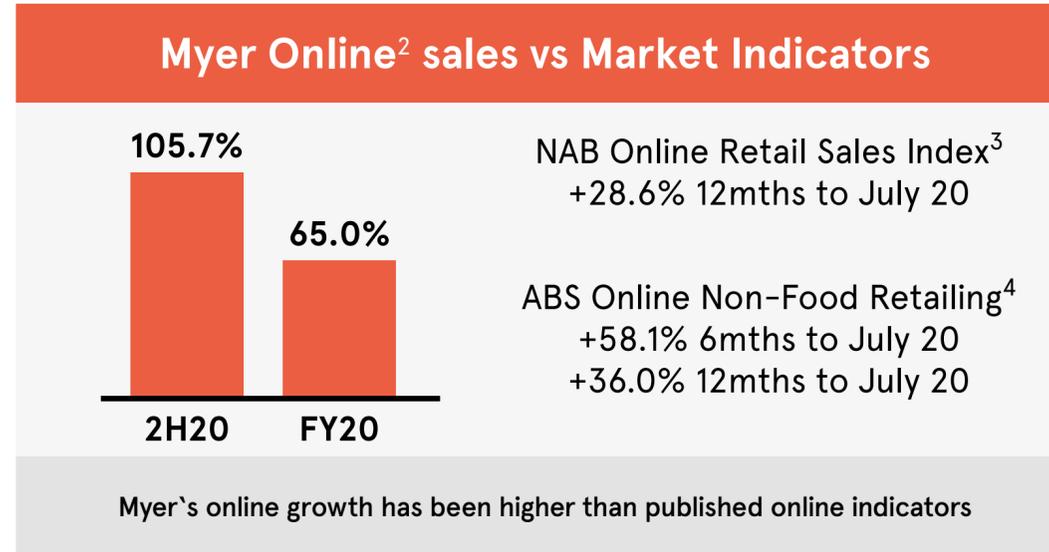


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² Myer Department stores only; excludes sass & bide and Marcs and David Lawrence. Excludes sales via in-store iPads

ONLINE IS CORE TO OUR BUSINESS GROWTH

- Group Online¹ sales represented over 28% of our business in 2H20 and will remain a growing and significant mix of our business moving forward
- We have focused on growth, which is outperforming, especially at a category level
- We have underpinned profitability with an online experience uplift, enhancing online fulfilment, enhancing Click and Collect – a one stop, safe shop, improving the online experience for MYER one members, and migrating the Myer Marketplace to myer.com.au

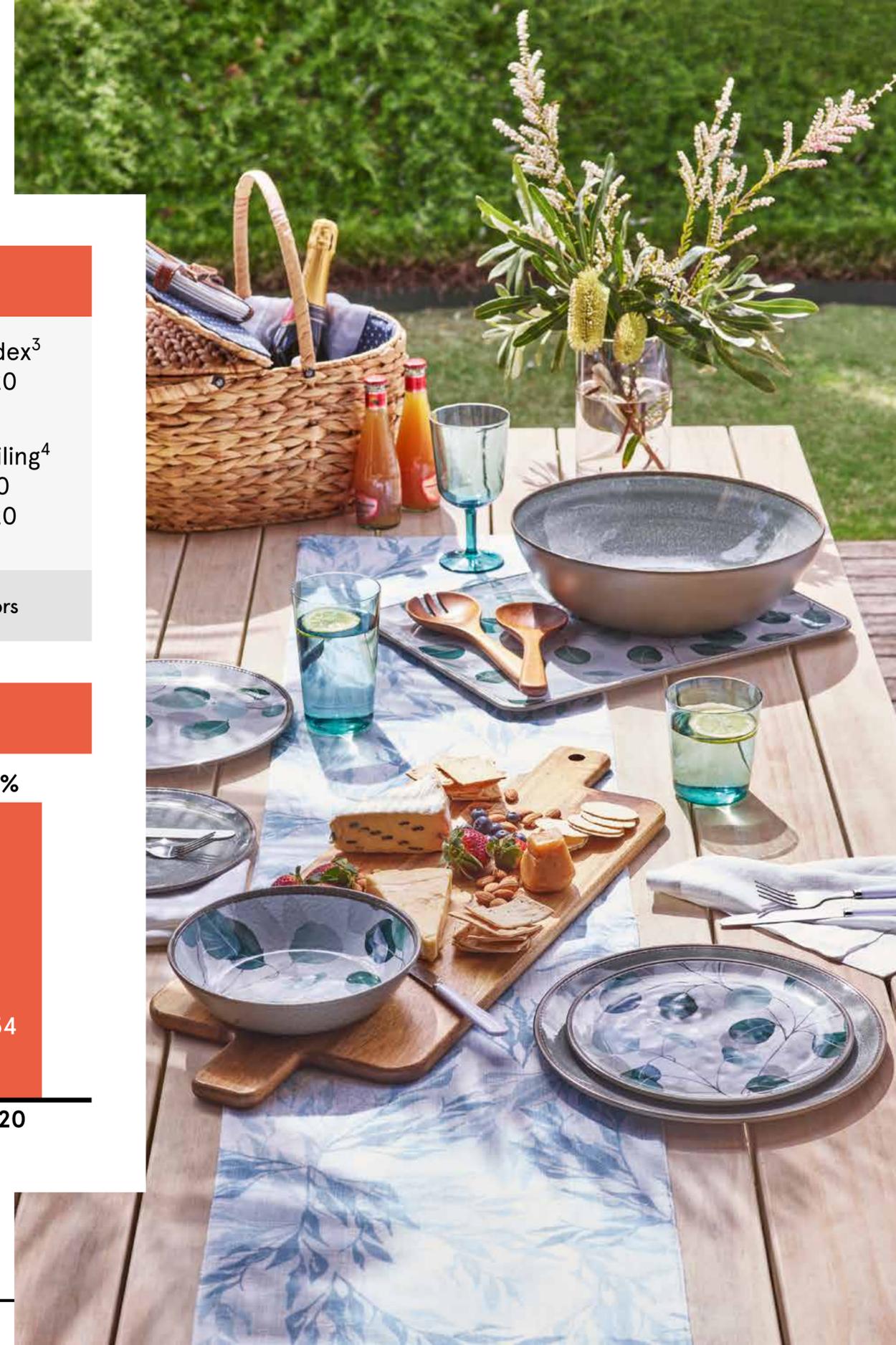


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³ NAB Online Retail Series Index July 2020

⁴ Australian Bureau of Statistics 8510.0 Retail Trade Australia July 2020, seasonally adjusted



ENSURING MYER IS AUSTRALIA'S FAVOURITE DEPARTMENT STORE

Providing friendly helpful service, high quality and exclusive brands, and offering compelling value



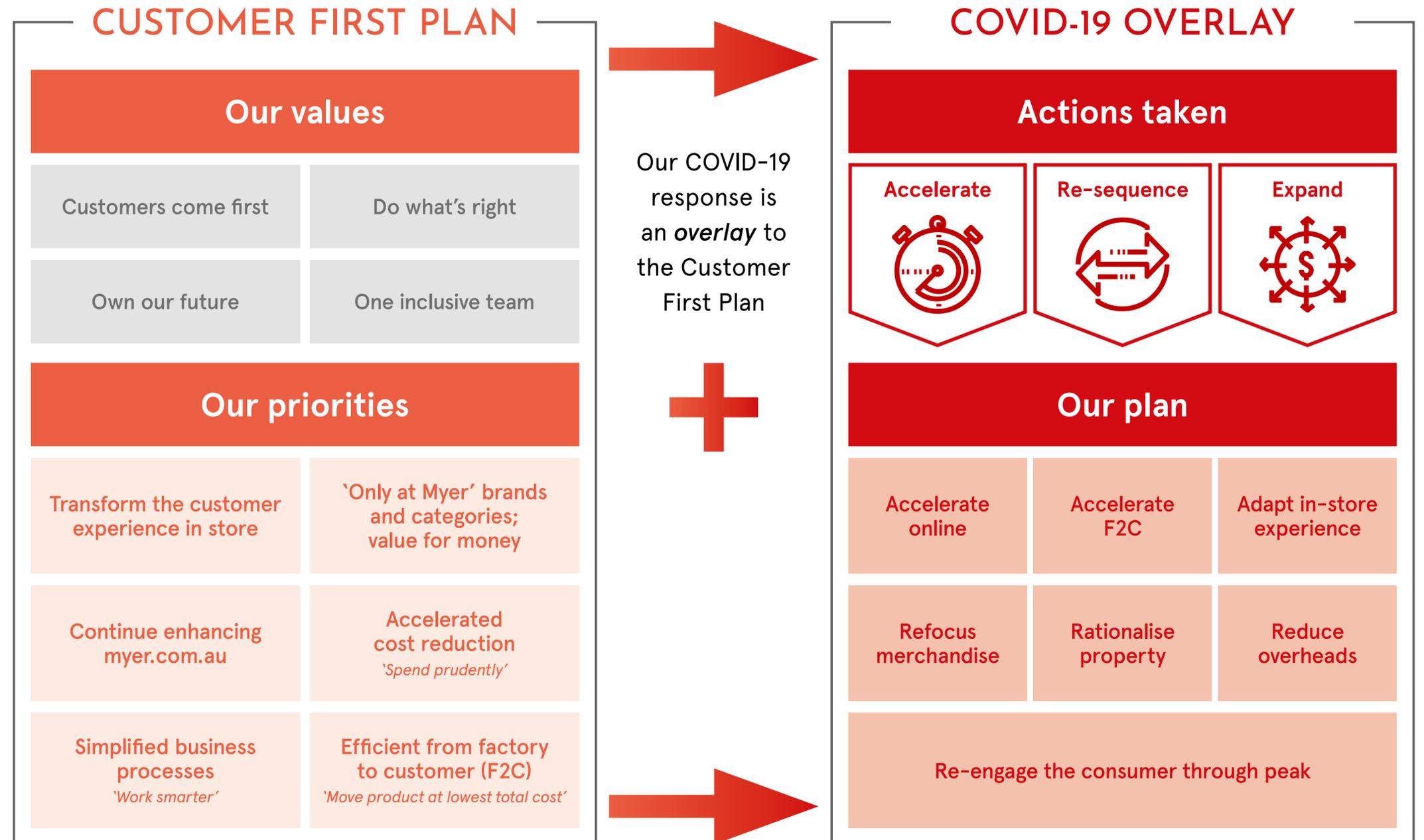
OUR CUSTOMER FIRST PLAN HAS DELIVERED SO FAR

- Improved in-store experience and customer satisfaction metrics
- Reduced cost of doing business
- Reduced space
- Deleveraged balance sheet and increased cash
- Edit our merchandise Offer
- Drive Online



THE CUSTOMER FIRST PLAN REMAINS THE RIGHT PLAN

- but with COVID-19 we have **accelerated**, **re-sequenced** and **expanded** key focus areas



CUSTOMER FIRST PLAN

Accelerate online

- Group Online¹ sales now represent 17% of sales and growing
- Aspirations for online to be even bigger, faster
- Outpacing the market – bigger than many of our competitors
- Focus on experience and our MYER One loyalty program to drive traffic and conversion

Accelerate F2C

- 3PL – more efficient online fulfillment for our customers
- Enhancing click & collect opportunities and partnerships
- Enhance last mile delivery options to provide broader same day and next day delivery options

Adapt in-store experience

- Adapting our in-store experience to ensure the safest possible shopping environment – a one stop safe shop
- Customer service satisfaction the highest in 3.5 years
- Cairns, Karrinyup and Belconnen refurbishments underway

Refocus merchandise

- Our focus – making our bigger suppliers bigger, offering high quality brands and products at great value
- Continue to buy better and smarter – inventory down

Rationalise property

- On track to reduce space by more than 110,000sqm
- Exited our Hornsby store (January 2020) and Emporium level at Melbourne store (May 2020), further space handbacks in Cairns, Belconnen
- Ability to exit 21 stores over the next eight years providing flexibility

Reduce overheads

- Continue to deleverage and de-risk the business, with a focus of costs and cash
- Rationalise Support Office costs, operations and management costs
- Set clear re-growth principles to stay lean

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DELIVERING A STRONG CHRISTMAS

Focus on delivering a safe and engaging Christmas

- Adapting our in-store experience to ensure the safest possible shopping environment
- Disney, Santaland and Giftorium
- Myer will deliver the 65th Myer Christmas Windows in Melbourne, working with City of Melbourne to deliver a safe experience

Australia's Christmas Marketplace

- Australia's home for Christmas Gifting
- Providing ease of choice with enhanced online, click and collect and safe in-store environments for customers

Ready to Launch

- Well stocked, strong promotional plans and engaged customer base (MYER One)
- A strong and distinctive Christmas Brand Campaign
- Re-opened Melbourne metro stores



IN SUMMARY

- Customer First Plan is still the right plan – but we need to accelerate, re-sequence and expand it to ensure we capitalise on the opportunities that exist in a COVID-normal retail world.
- Focused on the delivery of Christmas, we are well stocked, well placed to provide a strong offer to customers
- Our online business continues to be our focus as we continue to drive growth in this channel with greater profitability with the introduction of 3PL fulfillment and other enhancements
- Whilst we expect the constrained environment surrounding our CBD footprint to remain, we have planned accordingly to maximise profitability and refocused activity across suburban/regional footprint and online marketplace
- Health and wellbeing of customer and team members remain our priority – particularly over the busy Christmas and summer trading period



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