

ASX ANNOUNCEMENT

30 September 2024

BUSINESS UPDATE

Mosaic Brands Limited (ASX:MOZ) (Mosaic or the Group) today provides an update following its ASX announcement of 30 August 2024.

Mosaic is continuing to finalise its FY24 Annual Results. Whilst this has taken longer than anticipated, Mosaic will lodge its appendix 4E and audited annual financial report once they are finalised. The delay is due to events after the reporting period, which will impact the disclosures accompanying the audited results.

Mosaic expects its shares to be lifted from suspension following lodgement of its audited financial results.

Mosaic has made considerable progress over the past few weeks to accelerate its plan to re-align and simplify its operations, as foreshadowed in its announcement of August 30th. This includes rationalising the Group's brand and store portfolio, with a view to reducing costs and improving its working capital position, as outlined below.

It is undertaking this process in consultation with, and working closely with, its relevant partners and stakeholders, and continues to have the support of its senior lender. Whilst still not finalised and with discussions continuing, Mosaic is working towards a positive resolution to the process.

Focus on Core brand rationalisation

Mosaic CEO Erica Berchtold said the Group would rationalise its brand portfolio as part of driving simplification across the business and focusing resources.

"Mosaic will wind down five brands which have become marginal and non-core, allowing us to focus on five core growth brands," said Ms Berchtold.

"Each of those core brands will have a clearly differentiated market proposition, target customer, price point and product range.

As part of the *Focus on Core* plan, Mosaic will exit the Rockmans, Autograph, Crossroads, W.Lane and BeMe brands, including all stores and websites.

The Group will now capitalise on and invest in its Millers, Noni B, Rivers and Katies brands, along with a standalone online Mosaic marketplace.

“Whilst the operational details of the rationalisation plan, including store closures, continue to be worked through, we will seek to minimise the impact on our team, including where possible reassigning impacted team members into roles within the five core brands.

“Our *Focus on Core* is a growth-driven strategy to retain existing customers and attract new ones. Central to this strategy, Mosaic will continue to focus on servicing regional Australia,” said Ms Berchtold.

Mosaic will provide further detail on its operational restructure and Focus on Core strategy in the coming weeks.

Authorised for release by the Board of Directors.

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For further information
Chris Fogarty - FMC
+61 420 928 824
Chris@fmcchange.com