

ASX Announcement

Expected FY25 Results & Transformation Update

18 July 2025

McPherson's Limited (**ASX:MCP**) provides the following update on its financial performance for the full year period ended 30 June 2025 (**FY25**) and its progress on the transformation of the business.

FY25 highlights (unaudited)¹

- FY25 revenue from continuing operations expected to be in the order of \$139.0 million.
- Four out of five core brands achieved year-on-year revenue growth in challenging trading conditions.
 - Manicare +3.1%, Lady Jayne +4.5%, Swisspers +1.4%, Fusion Health +10.4%.
 - Dr LeWinn's overall revenue down 8.4%, materially impacted by trading in China. Revenue growth of +1.5% achieved in ANZ with improved 2H25 momentum.
- Estimated FY25 underlying EBITDA² in the order of \$7.0 to \$7.5 million, majority weighted to 2H25 as foreshadowed.³
 - 2H25 underlying EBITDA in the order of \$5.0 to \$5.5 million, up from \$2.0 million in 1H25.
- Substantially completed transition to pharmacy and health channel wholesalers.
- Operating model re-set, with headcount reductions made and reshaped cost base in place for FY26.
- Material items related to operating model changes in line with previous guidance expected: in the order of \$11.0 million, comprising a mix of cash and non-cash items.⁴
- Additional non-cash intangible asset impairments in the order of \$9.0 to \$11.0 million, reflecting:
 - changed outlook for Dr LeWinn's in the international business, reflecting sustained competitor intensity in the facial skincare category in China; and
 - current trading performance in the ANZ segment and plans for upweighted brand investment in line with strategy.
- Positive operating cash flow generation and net cash⁵ position of \$8.8 million as at 30 June 2025.

Transformation update

The FY25 financial year results reflect a year of transitioning from the McPherson's direct-to-store operating model to a new third-party warehousing and pharmacy wholesaler model which is now in operation.

¹ FY25 results represent management estimates and are subject to audit adjustments.

² Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-GAAP measure and does not have a standardised meaning prescribed by GAAP. However, the Company believes that, in combination with GAAP measures, it assists in providing investors with a comprehensive understanding of the operational performance of the business. Underlying EBITDA excludes material items.

³ Refer "1H25 Financial results" ASX Announcement, 26 February 2025.

⁴ Refer "Transformation Update" ASX Announcement, 24 February 2025; includes redundancy and implementation costs, and non-cash write downs of right-of-use assets associated with the head lease and warehousing equipment. Excludes goodwill and brand impairments.

⁵ Excluding lease liabilities.

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At the Annual General Meeting in November 2024, McPherson's said that it would implement a new and simplified operating model by 1 July 2025 in readiness for the FY26 financial year.

Further to that announcement, in February 2025⁶, McPherson's announced that it would change from a direct-to-store operating model to fulfilling orders through a wholesaler and 3PL operating model comprising contracts with third-party wholesalers (servicing pharmacies and health food shops) and a contract with Excel Logistics Pty Ltd (**Excel**), an experienced third-party warehousing provider, respectively. McPherson's also announced that it expected to unlock underlying EBIT benefits of c.\$4.0 to \$5.0 million.⁷

In line with previous guidance, the Company confirms that FY26 will be the first full year of financial results under the new operating model. Trading with Sigma Company Limited, Symbion Pty Ltd and Clifford Hallam Healthcare Pty Ltd (CH2) is now live, and Excel is servicing these wholesalers as the 3PL warehousing and logistics provider for McPherson's. McPherson's now expects to unlock incremental annual underlying EBIT benefits at the upper end of the guidance of c.\$4.0 to \$5.0 million previously provided. This will allow for further investment in the Company's customers and brands in line with McPherson's strategy.

The new operating model, combined with earlier progress on strategic initiatives and the Company's investment in its cost base, has been deliberately established to support the further growth of the business, and positions the Company well to realise the benefits of future scale.

FY25 Results Announcement

McPherson's expects to release its audited FY25 results on Wednesday 27 August 2025. Details of a call on the morning of the release of the FY25 results will be announced in due course.

Authorisation

This ASX announcement has been authorised by the McPherson's Limited Board of Directors.

For further information please contact

Mark Sherwin (Chief Financial Officer) at msherwin@mcpher.com.au

Craig Durham (General Counsel & Company Secretary) at cdurham@mcpher.com.au

About McPherson's Limited

McPherson's Limited is a supplier of some of Australia's well-known essential health, beauty, and wellness products. McPherson's has five core household brands: 'Manicare', 'Lady Jayne', 'Dr LeWinns', 'Swisspers' and 'Fusion Health'. McPherson's strategy is to invest in and grow these brands through the pharmacy, grocery and e-commerce channels. In addition, the Company supplies a supporting portfolio of other popular brands in attractive segments of the market including haircare, vitamins and supplements, fragrance, and nutrition. McPherson's is headquartered in Sydney and is listed on the Australian Securities Exchange.

For further information, please visit www.mcphersons.com.au

⁶ Refer "Transformation Update" ASX Announcement, 24 February 2025.

⁷ Refer "Transformation Update" ASX Announcement, 24 February 2025: "Expected to unlock incremental annual underlying EBIT in the order of \$4.0 to \$5.0 million from FY26 onwards."