FY25 RESULTS

MICHAEL HILL

INTERNATIONAL LIMITED

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Except as required by applicable laws or regulations (including the ASX Listing Rules), the Group does not intend, and does not assume any obligation, to update any forward- looking statements contained herein. All subsequent written and oral forward-looking statements attributable to us or to persons acting on the Group’s behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

Michael Hill International Limited

Interim CEO FY25 Update

- FY25 Performance Overview
- FY25 Financial Results
  - Group Results
  - Segment Results
- Current Trading Update
- Core Priorities
- Appendices

FY25 Performance Overview

- Global economic uncertainty and challenging retail trading conditions persisted across all markets, particularly in New Zealand
- Our two largest segments Australia and Canada delivered revenue growth
- FY25H2 saw improvement in same store sales across all segments
- Strong digital traffic, with customers embracing omni-channel, supported the increase in digital sales
- Significant progress on *Michael Hill* initiatives:
  - Opened second global flagship store in Bourke St, AU
  - Refurbished Queenstown, NZ store with the new brand identity
  - Successfully launched the Pendant Bar concept, with a focus on both build-your-own and ready-to-wear gifting
  - Elevated the quality of sustainable “LAB.” diamond offering
  - Established a New Zealand Distribution Centre

FY25 Group Results

- Group revenue, gross margin and comparable EBIT were broadly flat to LY
- Even with gold at multiple record highs throughout the year, continued active management of inventory saw year-end holdings close at $199m
- Year-end net debt closed broadly in line with prior year at $42m
- No final dividend declared

	FY25	FY24	Change
Revenue	$644m	$645m	-0.2%
Gross Profit	$389m	$391m	-0.4%
Gross Margin	60.5%	60.6%	-10 bps
Comparable EBIT	$15.3m	$15.9m	-3.5%
Inventory	$199m	$196m	+$3m
Net Cash/(Debt)	($42m)	($39m)	-$3m
Total Dividend	-	AU1.75c	-AU1.75c
Store Network	287 (incl. 37 Bevilles)	300 (incl. 36 Bevilles)	-13

FY25 Segment Results

	Australia[1] (AUD)			Canada (CAD)			New Zealand (NZD)		
	FY25	**FY24**	**Change**	**FY25**	**FY24**	**Change**	**FY25**	**FY24**	**Change**
Revenue	**364m**	359m	+1.4%	**162m**	157m	+3.4%	**109m**	115m	-5.0%
Gross profit	**217m**	217m	+0.2%	**98m**	95m	+2.5%	**64m**	68m	-7.1%
Gross margin	**59.7%**	60.4%	-70 bps	**60.1%**	60.6%	-50 bps	**58.3%**	59.6%	-130 bps
Segment Comparable EBIT	**24.7m**	29.6m	-16.4%	**18.9m**	18.8m	+0.4%	**13.7m**	14.6m	-5.9%
Comparable EBIT as a % of statutory revenue	**6.8%**	8.2%	-140 bps	**11.6%**	12.0%	-40 bps	**12.6%**	12.7%	-10 bps
Store network	**160** (incl. 37 Bevilles)	171 (incl. 36 Bevilles)	-11	**82**	85	-3	**45**	44	+1

- Australian segment achieved revenue growth with eleven fewer stores
- Canada delivered yet another record performance
- External economic factors continue to present challenging retail conditions in New Zealand

[1] Includes Bevilles

Current Trading Update

- For the first seven weeks of FY26, Group same store sales were **up 3.2%** on prior year, with same store sales for the:
  - Australian segment up 3.4%
  - Canadian segment up 6.8%
  - New Zealand segment down 3.2%
- Total sales for the Group were **up 3.0%** for the first seven weeks of FY26.

Core priorities

1. Embedding the repositioning of the Michael Hill brand across all markets

2. Internal strategic review of New Zealand to improve performance

3. Reinforce retail fundamentals, brand identity and awareness of the Bevilles brand

Q & A

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Appendix A: Bridge from Comparable EBIT to Reported EBIT

Calculated as follows:

(AUD million)	FY25	FY24
Comparable EBIT	**15.3**	**15.9**
Impact of AASB16 *Leases*	11.4	10.1
Impact of IFRIC SaaS-related guidance	-0.9	-4.4
Litigation judgement	3.0	-4.0
Bevilles Brand Impairment	-7.4	-
Bevilles integration costs	-1.0	-2.4
CEO transition costs	-0.4	
Employee restructure costs	-1.2	-1.0
Reported EBIT	**18.9**	**14.2**

Appendix B: AASB16 *Leases* & SaaS Impact

(AUD million)	FY25 Stat	Impact of AASB16 & SaaS	FY25 pre-adjustments	FY24 pre-adjustments	Change pre-adjustments
Revenue	643.7	-	643.7	644.9	-0.2%
Cost of sales	-254.2	-	-254.2	-254.0	0.1%
Gross profit	**389.4**	**-**	**389.4**	**390.9**	**-0.4%**
Employee benefits expense	-179.7	-4.4	-175.3	-176.7	-0.8%
Occupancy costs	-15.1	57.4	-72.4	-71.6	1.2%
Marketing expenses	-37.5	-	-37.5	-42.1	-10.9%
Selling expenses	-24.8	-	-24.8	-22.3	11.0%
Other income/(expenses)	-48.0	-4.0	-44.0	-43.1	-2.2%
EBITDA	**84.4**	**49.0**	**35.4**	**35.2**	**0.7%**
Depreciation and amortisation expenses	-65.5	-38.5	-27.0	-26.6	1.7%
EBIT	**18.9**	**10.5**	**8.4**	**8.6**	**-2.5%**
Finance expenses	-16.7	11.2	-5.5	-4.0	38.9%
Profit before tax	**2.2**	**-0.7**	**2.9**	**4.6**	**-38.0%**


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