McPHERSON'S
ESTD. 1860

ASX Announcement

2026 AGM Chairman's & CEO Addresses and FY27 Trading Update

30 October 2026

In accordance with ASX Listing Rule 3.13.3, McPherson's Limited (**ASX: MCP**) releases to the market the addresses to be delivered by the Board Chairman, Mr Ari Mervis and the Chief Executive Officer & Managing Director, Mr Brett Charlton, at the McPherson's Limited 2026 Annual General Meeting to be held at 11.00am (AEDT) today at Level 8, 383 Kent Street, Sydney, NSW, 2000.

Authorisation

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

For further information please contact

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About McPherson's Limited

McPherson's Limited is a supplier of some of Australia's well-known essential health and beauty products. The Company's portfolio is anchored in iconic household brands: 'Manicare', 'Swisspers', 'Lady Jayne', 'Maseur', 'Glam', 'Dr. LeWinn's' and 'Fusion Health'. McPherson's strategy is to invest in and grow these brands through the pharmacy, grocery, health food and e-commerce channels. McPherson's is headquartered in Sydney and is listed on the Australian Securities Exchange.

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

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McPherson's Limited (ABN 98 004 068 419)

2026 AGM — Chairman's Address

Mr Ari Mervis, Chairman

Today I would like to reflect on the Company's performance during FY26, discuss the progress that has been made since transforming the Company's operations, acknowledge where your company has not delivered, and outline the Board's priorities for the year ahead.

FY26 was a disappointing result. While the business has delivered on many of the important structural changes, those changes have not yet translated into the anticipated sales growth, earnings performance and shareholder returns that shareholders rightly expect.

The Board understands and shares that frustration and accepts that the Company must demonstrate that the significant changes made over recent years will generate improved financial outcomes.

Transformation Progress

Over the past three years, the Board and management have overseen a substantial strategic reset of McPherson's.

FY26 represented the first full year operating under the new model and the structural and cost benefits of the transformation were delivered broadly in line with expectations. The Company achieved meaningful cost savings, broadened pharmacy outlet distribution and established a more scalable and variable-cost operating platform for the future.

However, the transition proved more disruptive than anticipated. Ranging changes, product availability issues and execution challenges, including within parts of the pharmacy channel, adversely affected sales performance.

As a result, FY26 was not the step forward in financial performance that we had anticipated delivering.

FY26 Performance

Revenue from continuing operations was $118.3 million.

Underlying EBITDA was $4.3 million, and the Company recorded a statutory net loss after tax of $20.3 million.

The result was clearly unsatisfactory.

Capital Management

The Company ended FY26 with net cash of $4.5 million, compared with $8.8 million a year earlier, and with our debt facilities undrawn.

This $4.3 million reduction was a result of a deliberate decision to invest $5.5 million in working capital, predominantly inventory, to restore the availability of our core products after periods where we could not fully meet customer demand. Excluding that investment, the business added approximately $1.2 million to its net cash over the year, after funding capital expenditure, lease payments, and the share buy-back.

We expect this inventory investment to unwind progressively through FY27 as stock levels normalise, releasing cash back to the balance sheet. Together with its undrawn facilities, the Board is confident the Company is appropriately funded to execute on its strategy.

The Board also commenced an on-market share buy-back, reflecting our confidence in the long-term value of the Company. While we believe our shares are materially undervalued, the Board has deliberately taken a measured approach. Our objective is not to maximise buy-back activity at the expense of balance sheet strength. We remain focused on preserving financial flexibility while the business works to improve operating performance.

Given the Company's retained loss position and FY26 financial performance, the Board did not determine to pay a dividend.

Governance and Board Renewal

During FY26 we welcomed John Batistich as an independent non-executive director and have already benefited from his extensive experience across consumer brands, marketing and digital strategy. As I have said earlier, John is standing for election today, and I trust that shareholders will support his election at today's meeting.

During the year we also farewelled Jane McKellar from the Board and, as I mentioned earlier, we will also shortly farewell Alison Cook as a non-executive director of McPherson's. On behalf of the Board, I would like to thank Alison for her significant contribution as a director of the McPherson's Board and for her unwavering commitment and professionalism.

CEO Succession

I mentioned earlier Brett Charlton will step down as Chief Executive Officer and Managing Director of McPherson's. Brett joined McPherson's at a time when substantial change was required and was specifically charged with addressing the required change.

Over the past three years, he has led a significant transformation of the business.

The Board appreciates Brett's commitment, professionalism and willingness to lead through a period of substantial change. We also appreciate his support in ensuring an orderly transition.

While Brett remains in the role, this will be his last AGM so on behalf of the Board, I thank Brett for his contribution to McPherson's and wish him well for the future.

Looking Ahead

The major structural changes associated with the business model transformation have now been implemented.

The next challenge is execution.

Our focus is straightforward: restoring growth, improving earnings, maintaining a disciplined approach to costs and rebuilding shareholder confidence.

The Board's priorities for FY27 are clear.

First, overseeing the appointment of a new Chief Executive Officer to lead McPherson's through its next phase and drive improved operating and financial performance.

Second, continuing the Board's renewal program, including the appointment of a new non-executive director following Alison Cook's retirement.

Third, supporting management as it executes the next phase of the Company's strategy and works to restore growth and earnings momentum.

Above all, your Board remains focused on execution, accountability and improving outcomes for shareholders.

Closing

On behalf of the Board, I would like to thank our employees, customers, suppliers, shareholders and business partners for their ongoing support throughout a challenging year.

We recognise that shareholders have been patient through a period of significant change. The Board will execute on its priorities and continue to support management to deliver improved financial outcomes for shareholders.

I will now hand over to Brett.

McPherson's Limited (ABN 98 004 068 419)

2026 AGM — Chief Executive Officer's Address

Mr Brett Charlton, Chief Executive Officer and Managing Director

Thank you, Ari, and good morning, everyone.

As shareholders are aware, the Company recently announced that I have decided to step down as Chief Executive Officer following more than three years in the role.

This will therefore be my final AGM as CEO of McPherson's.

I would like to use today's address not only to discuss FY26, but also to reflect on what has been achieved over the past three years and the work that still lies ahead.

Three Years of Transformation

When I joined McPherson's just over three years ago, the business faced significant structural challenges.

We embarked on a program to simplify the Company, reshape the route-to-market model, focus the portfolio and invest in the capabilities required to support future growth.

Over that period, the business has been fundamentally reshaped.

McPherson's today is a simpler, more focused and more capable organisation than the one I joined.

Over the last three years, we have divested Multix to address the Company's fixed cost base, simplified the operating model and focused the brand portfolio to be a leader in premium health and beauty products. We also identified the key and much-loved brands where we needed to place our focus.

We have implemented an entirely new route-to-market model, and under that model we have expanded pharmacy distribution by almost 1,000 outlets to more than 4,500 pharmacies nationally.

We have streamlined our portfolio from more than 1,200 SKUs to approximately 600. We simplified our manufacturing footprint, reducing suppliers for Dr. LeWinn's and Fusion Health from 28 suppliers to 4. And we dramatically improved customer service levels, with DIFOT - Delivered in Full and On Time - increasing from less than 60% when I joined to 98% today.

We have also materially reduced the Company's cost base. One practical example: three years ago, McPherson's operated from more than 16,000 square metres of warehouse and office space at Kingsgrove at annual rental costs of approximately $2.5 million. From FY28, with our move to 383 Kent Street, where we are today, our annual rental costs will be approximately $0.9 million.

Exiting the warehouse also allowed us to reshape the organisation to better align with the needs of the business and our new operating model. Today we operate with a significantly leaner structure than when I joined, while continuing to invest in key commercial, marketing and digital capabilities.

Since FY23, employee costs have reduced from $38.2 million to $24.9 million and Selling, General & Administration costs have reduced from $15.8 million to $12.4 million.

We have refinanced our debt facilities, so we now have a fit-for-purpose, right-sized facility at lower cost to support the business going forward.

We also finished FY26 with net cash.

Those changes required significant effort across every part of the organisation.

While the financial benefits of those changes have not yet been reflected in shareholder returns, I believe they have established a substantially stronger platform from which the Company can grow.

FY26 and the Operating Model Transition

FY26 was the first full year operating under our new pharmacy wholesaler and third-party logistics model.

The cost benefits of that model were delivered broadly in line with expectations.

The business delivered approximately $2.8 million of incremental EBITDA benefits and approximately $5.6 million of incremental EBIT benefits from the new model that were included in the FY26 result.

However, execution challenges during the transition, including ranging outcomes across parts of the pharmacy channel, promotional effectiveness and product availability issues in several key brands, impacted revenue and earnings performance.

As a result, we did not convert the operational improvements that had been achieved into the financial outcomes we expected. We take responsibility for that outcome.

Having said that, many of those issues have now been addressed and the business enters FY27 from a more stable operating platform than was the case twelve months ago.

Our Brands

Our brands remain the foundation of our business.

Swisspers delivered a solid performance during the year and maintained its leading position in its category.

Manicare continued to hold leadership positions across several categories despite challenging market conditions.

Lady Jayne, Dr. LeWinn's and Fusion Health experienced greater disruption during the transition period, particularly in pharmacy.

While those outcomes were disappointing, substantial work was undertaken during the year to strengthen the long-term position of those brands.

This included investment in innovation, increased digital capabilities, direct-to-consumer platforms and a refreshed influencer marketing model. These investments will only be considered successful if they ultimately translate into stronger sales and earnings performance. That remains the task ahead.

Year to date trading

I would like to briefly update shareholders on trading in FY27.

First quarter sales were approximately 11% below the prior corresponding period, which included increased stock orders by various wholesalers throughout the first quarter of 2026 in connection with the route-to-market transition. These increased stock orders repeated in December 2025 and so will be reflected in the comparison period for the first half 2027 result.

Notwithstanding current trading, we believe underlying EBITDA growth in FY27 remains achievable, through deploying our new commercial model and with a continued focus on brands, customers and cost discipline. As in prior years, management expects the full year result to be weighted to 2H27.

Looking Forward

As Ari outlined earlier, the major structural changes associated with the transformation have now been implemented.

Our priority moving forward is converting those changes into sustained revenue growth and earnings improvement.

That means improving ranging outcomes, strengthening customer relationships, accelerating innovation, building consumer demand and translating the capabilities we have brought into the business into commercial results.

Closing

In closing, one of the things I have learned throughout my career is that businesses require different leadership at different stages of their development.

Looking back, I am proud of the work we have done to reshape McPherson's over the past three years. While the trading results remain disappointing, I continue to believe the strategic decisions made over the past three years were the right decisions for the business.

Shareholders will ultimately judge those decisions by the Company's performance and rightly so.

I believe now is the right time for a new leader to lead the next chapter of McPherson's development and convert those foundations into improved commercial outcomes.

Leadership transitions are a normal part of how organisations evolve and I remain fully committed to supporting the Board and management team through that process.

Before I conclude, I would like to thank the people who have made the last three years possible and also enjoyable.

Firstly, our employees. Throughout a period of significant change, our people continued to support one another, serve our customers and keep moving the business forward. I am enormously grateful for their commitment.

Secondly, I would also like to thank the Board for its support, guidance and challenge throughout my tenure.

And finally, I would like to thank our shareholders. While the financial outcomes have not yet reflected the full benefits of the transformation, I firmly believe McPherson's is a stronger business today than it was three years ago and is better positioned to capture the opportunities ahead.

It has been a privilege to lead McPherson's.

Thank you for your support, and I wish the Company every success in the years ahead.