



Wednesday 31 October

PREMIER INVESTMENTS CALLS ON MYER BOARD TO URGENTLY RELEASE FIRST QUARTER 2019 RESULTS AS IT BELIEVES THAT MYER'S SHARES ARE TRADING ON AN UNINFORMED BASIS

Premier Investments Ltd ("Premier") is the largest shareholder in Myer Holdings Ltd ("Myer") and has consistently raised concerns about the shameful and dismal performance of the Myer Board and called for its removal. Premier is considering its legal and other regulatory options in order to ensure that Myer shares are being traded in a fully informed share market.

Myer had a devastating past year and wrote off almost half a billion dollars of shareholders' funds. Myer shares are currently languishing at around 46 cents (this time last year, just under 80 cents).

On Friday 26 October 2018, Myer released its Annual Report, Notice of Annual General Meeting and Proxy form for the upcoming Annual General Meeting. Myer is facing the prospect of a "second strike" and the proxy forms include the proxy indication in the ultimate event a spill motion is required.

In the 2017 Notice of Meeting the, then-incoming (23 October 2017), Chairman, Mr Garry Hounsell wrote to shareholders advising them that: "*I am convinced that the New Myer strategy is the right one...Analysis of Myer's results relative to others in the apparel sector demonstrates the strategy is working...*". Premier at the time called for the release of quarter one results which were eventually forced out by Premier's compelling demands on 1 November 2017.

The 1 November 2017 release which Premier demanded on behalf of all shareholders showed first quarter sales had **fallen** by **2.8%** which obviously translated into a huge loss of profit.

This year's Notice of Meeting (25 October 2018) includes a message to Myer shareholders from Chairman Mr Garry Hounsell in which he states: "...I shared your disappointment with the Company's performance during FY2018...I am seeking your support for the Board's Customer First Plan...to turnaround the business and improve shareholder value...". Hounsell states that Myer "...is focused on execution and delivery, not promises...The 2018 AGM is an extremely important event for Myer..."

Premier agrees that the upcoming AGM is extremely important and, in fact, believes it may be a pivotal moment in the history of Myer. Yet, the Myer Board has indicated that it will not be providing quarterly sales numbers to the market. Myer Chairman, Gary Hounsell appears to have dropped the previous Board-supported strategy (and related targets) and is asking shareholders for support but refusing to provide the key trading numbers to assess progress of the "new, new, new" Customer First Strategy. Premier believes it is now critical that Myer shareholders are fully informed in relation to how the business is currently performing by immediately providing its first quarter sales results and profit forecast to the market.

Premier understands that the first quarter ended on 27 October 2018 and that the company is or should already be in a position to provide the first quarter sales as well as **true trading profits or losses** for the quarter. In the prior year, first quarter results were released on 1 November 2017.

To add insult to injury, this sales information and other key metrics are no doubt being provided monthly to Myer's bankers who have recently, for the first time, taken security over all Myer assets as part of a significantly increased cost for their new banking facility.

Myer's new banking facilities demand a reduction of debt and a financial covenant which currently does not allow for any Myer dividends to be paid for the foreseeable future.

If the information is key to the banks' assessment of their position, it is equally relevant to the shareholders, suppliers, employees and landlords who have a similar need to assess their positions and futures within Myer. Given the ongoing revelations of the Royal Commission into the major banks, it would be disappointing to see the big banks being given such preferential treatment over the interests of hundreds of thousands of ordinary Australians.

How can Myer stop providing information to the market at the same time as handing it over to its banks? How can Myer shareholders be kept in the dark ahead of a crucial vote, when Myer's bankers have all the information in front of them?

Myer has a poor track record of market disclosure including a current class action suit in the Federal Court being brought by thousands of Myer shareholders claiming misleading and non-disclosure of crucial financial information and significant previous claims that the company had many 'levers' at its disposal to achieve its full year profit targets.

Premier Investments believes it was misled into outlaying more than a \$100 million to buy 10.8% of Myer. As a result, Premier continues to hold the strong view that the Myer board must be replaced with **a new independent board** with additional needed retail knowledge. This is the only way that shareholders could eventually see the formerly once great retail icon become potentially successful with its current management structure.

If the quarterly trading numbers are not released by approximately 1 November 2018, then Myer shareholders will not be sufficiently informed to make key proxy decisions ahead of the upcoming Myer AGM where shareholders are being requested to vote for a failed Myer board.

PREMIER THEREFORE CALLS FOR MYER TO RELEASE IT FIRST QUARTER 2018 RESULTS BY 1 NOVEMBER 2018 SO THAT SHAREHOLDERS CAN MAKE THEIR OWN DECISIONS BASED ON "DELIVERY, NOT PROMISES".

MR HOUNSELL A FORMER PRACTISING ACCOUNTANT AND A SELF-CONFESSED NON-RETAILER HAS PROVED TO BE AN EXTREMELY POOR JUDGE OF HOW MYER SHOULD OPERATE. MR HOUNSELL SHOULD RESIGN IMMEDIATELY TOGETHER WITH HIS FULL BOARD WHO HAVE COST SHAREHOLDERS A MASSIVE FINANCIAL LOSS TO THE TUNE OF SOME BILLIONS OF DOLLARS.

MR HOUNSELL, THE NUMBERS DON'T LIE!