Debenhams GROUP

FY25 RESULTS

FOR THE 12 MONTHS ENDED 28 FEBRUARY 2025

Dan Finley CEO | Phil Ellis CFO

AUGUST 27 2025

DAN FINLEY

GROUP CEO

FY25 YEAR OF SUBSTANTIAL CHANGE

BOARD RECOGNISED NEED FOR CHANGE

APPOINTED AS CEO 1ST NOVEMBER

FOCUS ON STABILISING THE BUSINESS

FY25 £41.6M ADJUSTED EBITDA

ONLY POSSIBLE DUE TO AGGRESSIVE ACTIONS

£50M ANNUALISED COST SAVINGS

50% REDUCTION IN BOTH STOCKHOLDING AND CAPEX

STANDOUT PERFORMANCE BY THE DEBENHAMS BRAND

£654M GMV +34% YOY

£25M ADJUSTED EBITDA

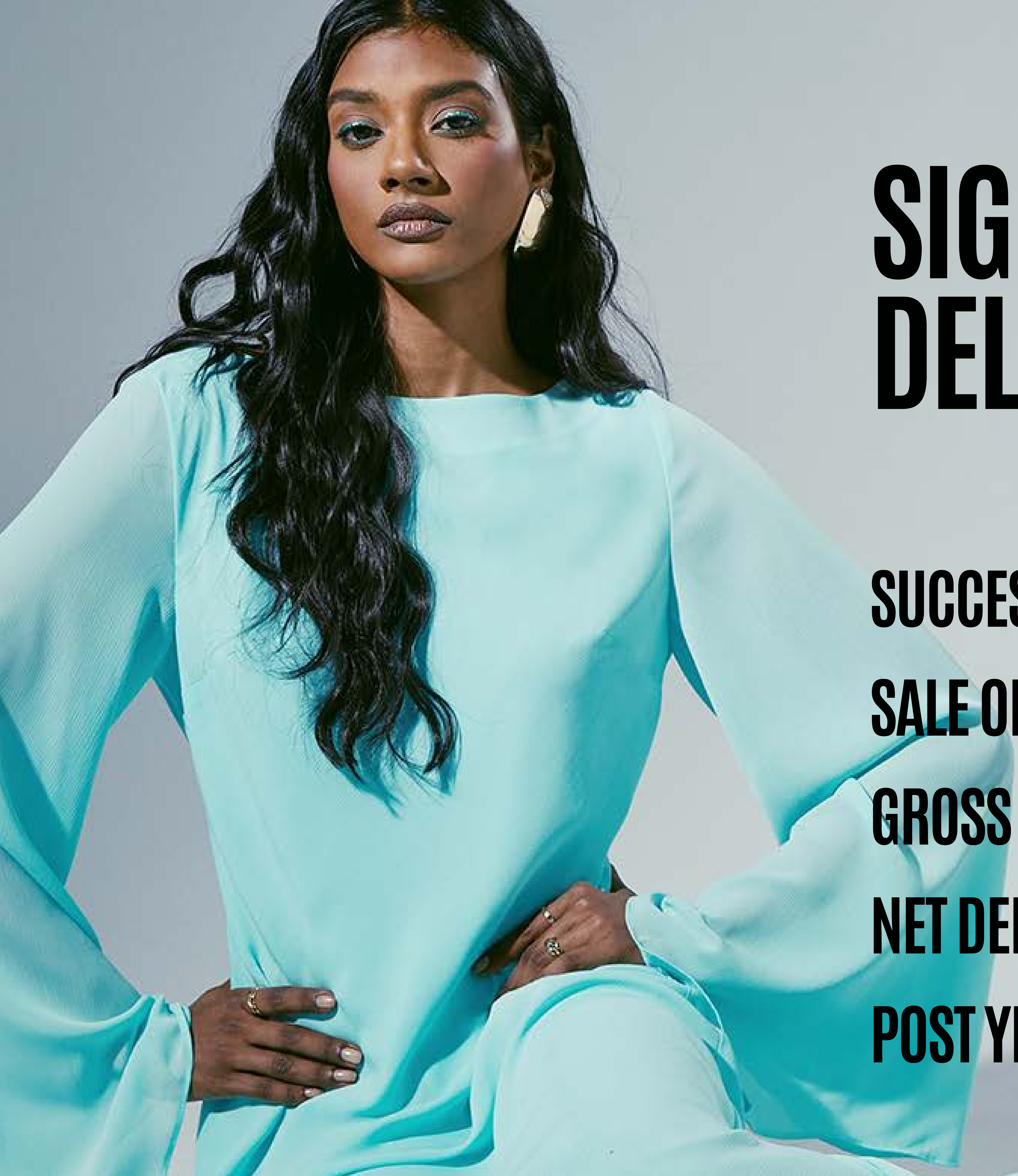
SUCCESSFUL MUTIYEAR TURNAROUND

DEBENHAMS TURNAROUND IS THE BLUEPRINT FOR THE WIDER GROUP

CAPITAL LITE

STOCK LITE

COST LITE



SIGNIFICANTLY DELEVERAGED

SUCCESSFULLY OVERSUBSCRIBED EQUITY RAISE

SALE OF NON CORE PROPERTY ASSETS

GROSS BORROWING REDUCED BY £200M

NET DEBT DOWN TO £78.2M

POST YEAR END - NEW 3 YEAR FINANCE FACILITY SIGNED

MULTI YEAR TURNAROUND

DRIVING PROFITABILITY

MAXIMISING SHAREHOLDER VALUE

SUPERCHARGING THE DEBENHAMS BRAND

TURNAROUND OF THE YOUTH FASHION BRANDS

PHIL ELLIS

GROUP CFO

APPOINTED GROUP CFO IN MARCH 2025

MANAGING DIRECTOR DEBENHAMS PAY+

PREVIOUSLY

DEBENHAMS FINANCE DIRECTOR

COMMERCIAL FINANCE DIRECTOR JD SPORTS

HEAD OF COMMERCIAL FINANCE VERY GROUP

KEY FINANCIAL DATA

12 MONTHS TO END OF FEB (£M)	FY25	FY24	CHG
GMV (pre returns)	1,606.8	1,632.5	(2)%
GMV (post returns)	1,137.4	1,121.7	1%
Revenue	790.3	902.3	(12)%
Gross margin	52.6%	53.1%	(50)bps
Statutory gross margin	49.3%	53.1%	(380)bps
Operating costs	(375.5)	(440.2)	(15)%
Adjusted EBITDA	41.6	40.4	3.0%
Adjusted EBITDA margin	5.3%	4.5%	80bps
Statutory loss before tax	(263.9)	(164.5)	(60)%
Inventory	72.2	208.0	(65)%
Capex	27.5	64.8	(58)%
FCF	(40.2)	(62.9)	36%
Net cash / (debt)	(78.2)	(95.0)	(18)%

GMV performance driven by strong growth in Debenhams offset by weaker performance in youth brands

Revenue decline of 12% largely reflects the growing importance of our marketplace model

Adjusted EBITDA growth of 3% demonstrates successful cost saving initiatives

Significant inventory reduction of 65%, with 90% of stock now <6 months old

Improving free cash flow

Net Debt reduced to £78.2M

FY25 GMV

£M	FY25	FY24	CHG
GMV (pre returns)	1,606.8	1,632.5	(2)%
Debenhams Brand	654.0	488.7	34%
Karen Millen	157.1	161.9	(3)%
Youth Brands	795.6	981.9	(19)%
Group GMV post returns	1,137.4	1,121.7	1%

Strong performance in the Debenhams brand, further demonstrating the success of the marketplace model

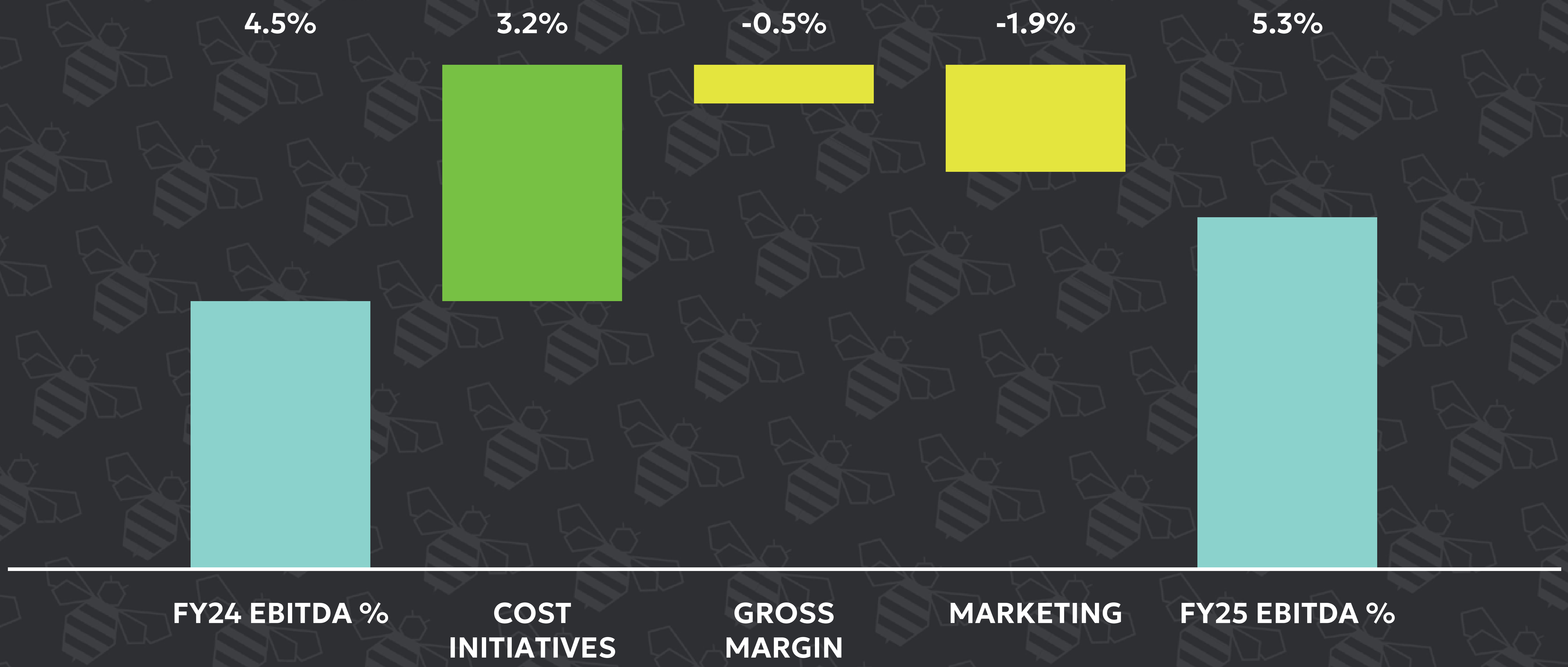
Strong growth in categories such as Beauty, strengthening the breadth of our offering

Stable performance in Karen Millen which maintained a strong market position but was impacted by the macro environment

Youth brands impacted by cost-of-living challenges

Going forward Youth brands to focus on cash generation and profitability

EBITDA MARGIN



EBITDA margin improvement was a direct result of successful cost savings initiatives focused on reducing our operating cost base.

A significant reduction in distribution and admin expenses was slightly offset by higher marketing spend, as we continued to invest in our brands, and a lower gross margin.

CASHFLOW SUMMARY

AS AT END OF FEBURARY 2025 (£M)	FY25	FY24
Cash flows from operating activities	(85.0)	1.1
Decrease in inventories	66.9	12.7
Movement in receivables & payables	(39.1)	0.8
Decrease/(increase) in discontinued operations	39.1	(13.2)
Tax repaid	5.4	0.6
Cash used / generated from operations	**(12.7)**	**1.9**
Capital expenditure & equity investments	(27.5)	(63.4)
Proceeds from sale of PPE	56.6	0.6
Finance income	3.1	7.7
Cash generated / used in investing activities	**32.2**	**(55.0)**
Net proceeds from share issues	38.1	0.1
Purchase of own shares	0.0	(15.3)
Finance expense	(25.2)	(15.6)
Lease payments	(10.0)	(13.3)
Financing activitities from Discontinued Operations	(3.8)	(3.6)
Repayment of borrowings	(202.1)	0.0
Cash used / generated from financing activities	**(202.9)**	**(47.8)**
Decrease in cash and cash equivalents	**(183.4)**	**(100.9)**

Strategic initiatives including the sale of non-core assets and the November equity placing enabled a £200M reduction in borrowings. At year end, net debt was £78.2M.

Capex significantly reduced, down 58% YoY, as we become increasingly cash focused.

Focus on stock-lite, marketplace model.

GROUP KPIs

TWELVE MONTHS TO END OF FEB	FY25	FY24	CHG
Active Customers (1)	**11.4m**	**12.0m**	**(5)%**
Number of Orders (2)	**30.3m**	**31.7m**	**(4)%**
GMV per active customer (3)	**£141**	**£136**	**4%**
Marketplace % of GMV(4)	**29.6%**	**15.4%**	**14%pts**

(1) Defined as having shopped in the last 12 months on the website and app, including marketplace.

(2) Defined as number of website and app orders in last 12 months divided by number of active customers.

(3) Defined as GMV pre returns divided by the number of active customers

(4) GMV pre returns generated from External Marketplace sales divided by total Group GMV pre returns

The decline in active customer numbers and the number of orders is primarily driven by our Youth Brands, partially offset by Debenhams customer growth.

Marketplace % of GMV c.30% with focus on growing this


STRATEGIC
UPDATE
DAN FINLEY - GROUP CEO

WE ARE

Debenhams

GROUP

DEBENHAMS GROUP TRANSFORMATION UNDERWAY

CREATING THE RIGHT OPERATING MODEL

SUPERCHARGING THE DEBENHAMS BRAND

PIVOT TO FASHION LED MARKETPLACE MODEL

EXPLORING THE SALE OF PLT TO A STRATEGIC BUYER


CREATING THE RIGHT OPERATING MODEL
LEAN
RIGHT SIZED
TECH ENABLED

SUPERCHARGE
Debenhams

15K+ BRANDS

DEBENHAMS PAY+

GROW TAKE RATE

PIVOT TO A FASHION LED MARKETPLACE MODEL

PROPRIETARY TECHNOLOGY

EXPAND CUSTOMER CHOICE

LEVERAGE CUSTOMER AUDIENCE

OUTLOOK

STRONG PROFITABLE GROWTH IN DEBENHAMS BRAND

ALL BRANDS NOW TRADING PROFITABLY

RIGHT SIZING YOUTH BRANDS
- FOCUSING ON CASH GENERATION AND PROFITABILTY

EXPECT H1 FY26 ADJUSTED EBITDA TO BE AHEAD OF LAST YEAR

SIGNIFICANT MEDIUM-TERM OPPORTUNITY

QUESTIONS?

DAN FINLEY
GROUP CEO

PHIL ELLIS
GROUP CFO

APPENDICES

GMV PRE RETURNS	All merchandise sold to customers after cancellations and before returns, including VAT, carriage receipts and premier subscription income
GMV POST RETURNS	All merchandise sold to customers after cancellations and returns, including VAT, carriage receipts and premier subscription income
ADJUSTED EBITDA	Calculated as PBT, interest, depreciation, amortisation, share-based payment charges and exceptional items
ADJUSTED EBIT	Calculated as EBIT excluding share-based payment charges, amortisation of acquired intangible assets and exceptional items
ADJUSTED PBT	Calculated as PBT, excluding share-based payment charges, amortisation of acquired intangible assets and exceptional items
ADJUSTED DILUTED EPS	Calculated as Diluted EPS, excluding share-based payment charges, amortisation of acquired intangible assets and exceptional items
NET CASH/DEBT	Net cash is cash less borrowings
ACTIVE CUSTOMERS	Defined as having shopped in the last 12 months

THANK YOU

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