Universal Store

ASX Announcement

Brisbane, 20 August 2026

APPENDIX 4E AND ANNUAL REPORT - UNIVERSAL STORE HOLDINGS LIMITED

In accordance with the Listing Rules of the Australian Securities Exchange (ASX), Universal Store Holdings Limited (ASX:UNI) encloses for release the following information:

- Appendix 4E, the Preliminary Final Report for the year ended 30 June 2026; and
- 2026 Annual Report.

Authorised for release by the Board of Universal Store Holdings Limited.

-ENDS-

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ABOUT UNIVERSAL STORE

Universal Store Holdings (ASX: UNI) owns a portfolio of premium youth fashion brands and omni-channel retail and wholesale businesses. The Company's principal businesses are Universal Store (trading under the Universal Stores and Perfect Stranger retail banners) and CTC (trading the THRILLS and Worship brands). The Company currently operates 123 physical stores across Australia in addition to online channels. The Company's strategy is to grow and develop its premium fashion apparel brands and retail formats targeting fashion focused customers.

APPENDIX 4E

30 June 2026

1. COMPANY DETAILS

Name of entity:	Universal Store Holdings Limited
ABN:	94 628 836 484
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2026 $'000	2025 $'000	Change %
Revenue	376,142	333,266	12.9
Gross profit	235,026	203,661	15.4
Gross margin	62.5%	61.1%	2.2
EBIT	40,142	43,011	(6.7)
Net profit after tax	18,230	23,261	(21.6)
Basic earnings per share (cents)	23.8	30.4	(21.7)
Reconciliation to underlying EBIT			
EBIT	**40,142**	**43,011**	**(6.7)**
Impairment of CTC goodwill & THRILLS brand name	23,819	13,600	75.1
Fair value gain on deferred variable consideration	–	(2,056)	(100.0)
Underlying EBIT	**63,961**	**54,555**	**17.2**
Underlying EBIT margin	17.0%	16.4%	3.7
Reconciliation to underlying NPAT			
Net profit after tax	**18,230**	**23,261**	**(21.6)**
Impairment of CTC goodwill & THRILLS brand name	22,255	13,600	63.6
Fair value gain on deferred variable consideration	–	(2,056)	(100.0)
Underlying NPAT	**40,485**	**34,805**	**16.3**

COMMENTARY ON RESULTS FOR THE PERIOD

The Group delivered a strong FY26 financial result with revenue of $376.1 million increasing $42.9 million or 12.9% on FY25. This increase was achieved through robust LFL sales growth and 13 new store openings partially offset by one planned store closure and a decline in the Cheap Thrills Cycles Pty Ltd (CTC) wholesale channel. The Group ended the year with 123 stores – 88 Universal Store (US) stores, 26 Perfect Stranger (PS) stores and nine THRILLS stores. Group online sales of $49.2 million contributed 13.1% of total sales and grew 10.8% on prior year.

US and PS delivered robust LFL growth of (+8.1%), and (+13.0%) respectively. This growth reflects the team's continued success in providing our customers with on-trend occasion for wear. The Group observes that customers remain discerning with their purchases. During the year, five new US and seven PS stores were opened.

As planned, one US store was closed as the shopping centre undergoes refurbishment with a projected reopening date in mid-FY27.

The THRILLS retail format delivered +4.2% LFL growth with one new store opened in the year. CTC Wholesale sales of $23.7 million (excluding inter-company eliminations) were down $5.5 million on prior year due to reduced USA exports, the closure of a small number of key retail accounts and lower intercompany sales. Considering the wholesale deterioration, Management recognised an impairment on goodwill ($18.6 million) and THRILLS brand name ($5.2 million). These non-cash impairment costs are excluded from underlying earnings.

Group FY26 gross margin of 62.5% represents a 140-basis point improvement on prior year. This increase was driven by category mix, strong private brand and third-party assortments and the continued growth of the PS retail format. The Group continues to exercise a premium pricing strategy based on disciplined promotional and markdown activity.

The Group continues to invest in team and system capability to support its growth aspirations. This investment is reflected in the FY26 cost of doing business of 34.1% being 100-basis points above prior year. The Group continues to manage its store labour planning and warehouse processes to optimise efficiency and customer service.

Group underlying EBIT of $64.0 million represents a 17.2% increase on FY25. Statutory EBIT of $40.1 million includes a $23.8 million CTC intangible expense.

The Group ended the year with a robust cash balance of $23.3 million with nil bank borrowings. This strong cash position was underpinned by robust operating profits and working capital management. The Group complies with and has significant headroom against each of its bank covenants.

Inventory decreased $0.7 million from June 2025 reflecting CTC inventory management and effectively managing slow moving stock.

Capital expenditure was $12.8 million for the year, driven by new stores, four store relocations and minor store refurbishments. The Group continues to invest in digital and system capability to support future growth and process efficiencies.

3. NET TANGIBLE ASSETS PER SECURITY

	2026	2025
Net tangible assets per ordinary security	**$0.56**	**$0.44**

Net tangible assets are calculated by deducting intangible assets of the Group adjusted for the associated deferred tax liability of $13.9 million (2025: $15.5 million).

If the right-of-use assets and the associated deferred tax liability were excluded from the calculation the net tangible assets per security would have been negative $0.09 per ordinary share (2025: negative $0.31).

APPENDIX 4E (CONTINUED)

4. DIVIDENDS

	Amount per security Cents	Franked amount per security Cents
Final dividend		
Current year	17.0	17.0
Previous year	16.5	16.5
Interim dividend		
Current year	26.0	26.0
Previous year	22.0	22.0

TOTAL DIVIDENDS ON ALL SECURITIES FOR THE YEAR

	2026 $'000	2025 $'000
Dividend paid on ordinary securities	**32,606**	**31,456**

A final dividend of 16.5 cents per share ($12.7 million) was declared on 20 August 2025 and paid on 25 September 2025. In respect of the half year ended 31 December 2025, an interim dividend of 26.0 cents per share ($19.9 million) was declared on 18 February 2026 and paid on 27 March 2026 (2025: 22.0 cents per share, $16.9 million).

On 19 August 2026, the Directors determined a final dividend of 17.0 cents per share ($13.1 million) to be paid on 24 September 2026 (2025: 16.5 cents per share, $12.7 million). The record date for 2026 final dividend is 3 September 2026. This dividend reflects the Group's strong trading performance and solid cash position, placing it at the higher end of the Company's dividend policy range.

5. RESULTS FOR THE PERIOD

5.1 EARNINGS PER SECURITY

	2026 Cents	2025 Cents
Basic earnings per share	23.8	30.4
Diluted earnings per share	23.6	30.2

	2026	2025
Weighted average number or ordinary shares outstanding during the period used in the calculation of basic EPS	76,719,480	76,607,751
Effect of dilution from:		
Share-based payments	445,002	325,780
Weighted average number or ordinary shares adjusted for the effect of dilution	**77,164,482**	**76,933,531**

Using the weighted average number of ordinary shares outstanding during the period and the underlying net profit after tax, the underlying EPS in FY26 is 52.8 cents (2025: 45.4 cents).

6. NOTICE OF THE 2026 ANNUAL GENERAL MEETING AND CLOSING DATE FOR DIRECTOR NOMINATIONS

Universal Store Holdings Limited (ASX: UNI) gives notice that the 2026 Annual General Meeting is to be held on Tuesday 27 October 2026. Further details on the 2026 Annual General Meeting will be provided to shareholders in mid-September 2026.

The closing date for the Group's receipt of any nominations for the position of director at the 2026 Annual General Meeting is 25 August 2026.

7. OTHER INFORMATION

This report is based on the consolidated financial statements which have been audited by PricewaterhouseCoopers.

For further explanation of the figures above please refer to the ASX Announcement dated 20 August 2026 on the results for the year ended 30 June 2026 and the notes to the consolidated financial statements.

Sign here:

Peter Birtles
Independent Non-Executive Director and Chair

19 August 2026

Universal Store

ANNUAL REPORT 2026

OUR MISSION IS TO MAKE THE WORLD A MORE WELCOMING PLACE ONE INTERACTION AT A TIME.

UNIVERSAL SPIRIT

* **The unique ability to create memorable and positive experiences for all.**
* **Creating an experience that is fun, open and based on kindness.**
* **The environment that enables a person to be their best.**

CONTENTS

YEAR IN REVIEW

The Group had a successful FY26 with strong sales and EBIT growth. The team continued to deliver products, services and interactions that resonate with our customers.

The Universal Store and Perfect Stranger retail formats continue to expand nationally with 88 and 26 stores respectively. The THRILLS retail format continues to improve, building confidence in the potential for national rollout. FY26 was another challenging year for the CTC wholesale channel which reinforces the importance of that business' retail strategy.

In April, the Group announced Alice Barbery is retiring as Group Managing Director and CEO on 31 October 2026. Alice will join the Board of Directors from 1 February 2027. George Do has been appointed as Alice's successor and will assume the Group Managing Director and CEO role from 1 November 2026. George joined the Group in 2005. His many considerable accomplishments include the establishment of the Group's private brand capability, including in-house product design and development. George is the Universal Store & Perfect Stranger Divisional CEO. The Group's Leadership team continues to include long-tenured and passionate business executives.

ABOUT US

THE GROUP APPLIES A CUSTOMER-LED, NIMBLE, TEST AND LEARN APPROACH TO PROVIDE OUR CUSTOMERS WITH ON-TREND FASHION APPAREL SOLUTIONS FOR ANY OCCASION.

Our range is based on a differentiated premium product offering, sourced from our owned brands and from leading third-party brands. Customer experience is at our core and we welcome a diverse range of customers, helping them express their individuality. As a fashion retailer, we are committed to helping our team and customers make sustainably conscious decisions.

Universal Store is a brand aggregator of national and international brands specialising in streetwear fashion and outfitting events. Universal Store's customer focus and speed-to-market approach provide customers with the latest trends for any occasion. Universal Store has 88 stores as at 30 June 2026.

Universal Store specialises in premium, on-trend fashion apparel. Its strong owned brands and third-party relationships provide differentiation from other retailers.

Perfect Stranger is a versatile women's fashion brand and standalone retail concept. As a brand, Perfect Stranger offers a cohesive collection of thoughtfully designed pieces for effortless styling. As a retail concept, Perfect Stranger makes an aspirational boutique accessible. Perfect Stranger had 26 stores as at 30 June 2026.

Perfect Stranger opened seven stores during the year, progressing its national rollout ambition.

THRILLS celebrates its Byron Bay heritage and a passion for music, art, and a vintage aesthetic. This is reflected in the THRILLS emerging standalone retail concept with nine THRILLS stores as at 30 June 2026. THRILLS also has a wholesale channel with premium retail partners like Universal Store.

THRILLS offers a collection of high-quality apparel celebrating a coastal lifestyle, music and adventure.

OUR LANGUAGE

UNI OR GROUP OR THE COMPANY Consolidated group parent

US Universal Store/Universal Store business (including PS)

CTC Cheap Thrills Cycles business and THRILLS and Worship fashion brands

PS Perfect Stranger retail store format

UNIVERSAL STORE UPDATE

STORE NETWORK

- Five new stores opened in FY26 with nine stores confirmed for FY27.
- One store closed as planned due to centre redevelopment. One store was relocated during the year with a further three relocations planned for FY27.
- Four major refurbishments planned for FY27.

PRODUCTIVITY

- New point of sale (POS) implementation completed in August 2026 with all stores successfully migrated.
- Group-wide warehouse management system (WMS) selected and design and build underway for a FY27 implementation.
- Improved sourcing process for new store fixtures.
- Knowledge sharing and process alignment with CTC across key functions.

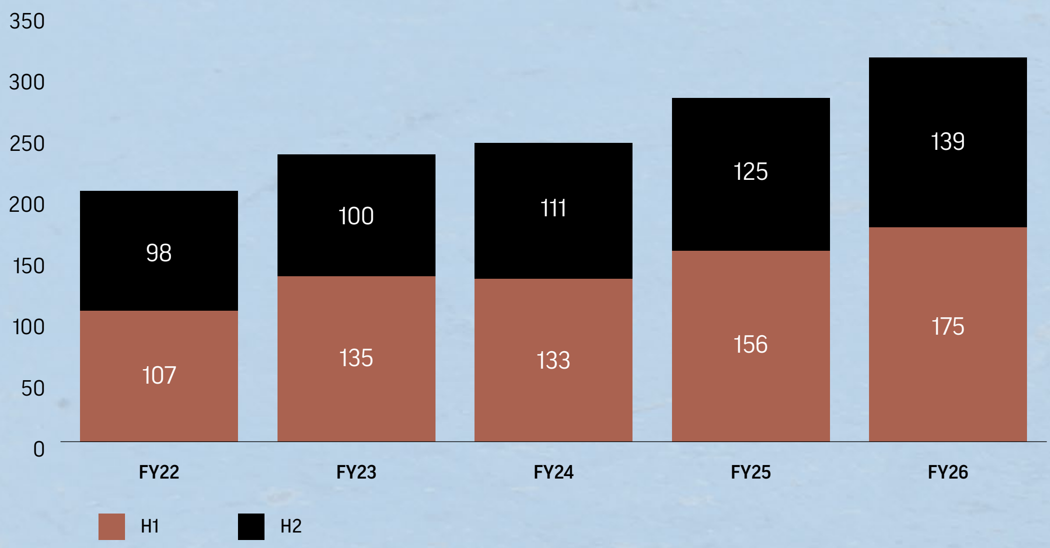
OMNI CHANNEL & DIGITAL

- Online sales of $39.6 million up 9.4% on prior year.
- Evolved customer reach through influencers and social media to drive customer engagement and visitation.

CUSTOMER & PRODUCT

- Continued success in delivering a product range that is on trend and resonates with our customer.
- Strong private brands provide product exclusivity and differentiation, contributing ~51% of US sales mix.
- Collaborated with key third-party brands, such as Rusty, Engage and Frontrunner, to deliver engaging and memorable customer interactions.
- Completed independent customer research to build deeper customer understanding.

UVS REVENUE ($ MILLION)



FINANCIAL RESULTS

- Sales growth driven by strong LFL growth of 8.1% and five new stores.
- Underlying EBIT[1] (including PS) was up $10.4 million or 16.5% on pcp.

11.5% ↑

SALES GROWTH ON FY25

$63.6M

UNDERLYING EBIT[1]

88 STORES

AS AT 30 JUNE 2026

$313.3M

TOTAL SALES

1. US and PS operate as a combined business unit, with shared resources and infrastructure. Therefore, allocation of EBIT contribution between US and PS is subjective and requires arbitrary allocations in a range of areas. We therefore do not report an allocated EBIT between US and PS.

PERFECT STRANGER UPDATE

$35.9M

TOTAL SALES

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26 STORES

AS AT 30 JUNE 2026

NEW STORE ROLLOUT

- Seven new stores opened in FY26 with six to eight new stores planned for FY27.
- One store relocated in FY26.

CUSTOMER & PRODUCT

- Customer-led, nimble, test and learn approach for range curation.
- Product range continues to evolve with a focus on elevated quality and refined collections.
- Investment in dedicated Retail, Marketing and Product team to support future growth and differentiation from US.
- Focus on building brand awareness through influencer/social media marketing and brand storytelling.
- Completed independent customer research to build deeper customer understanding.

PRODUCTIVITY

- PS leverages the productivity enhancements achieved through US and shares resources in support functions such as Information Technology, Finance and the Distribution Centre.
- Improved sourcing process for new store fixtures.

OMNI CHANNEL & DIGITAL

- Online sales of $4.9 million up 49.5% on prior year.

FINANCIAL RESULTS

- Sales growth driven by robust LFL of +13.1% and seven new stores.

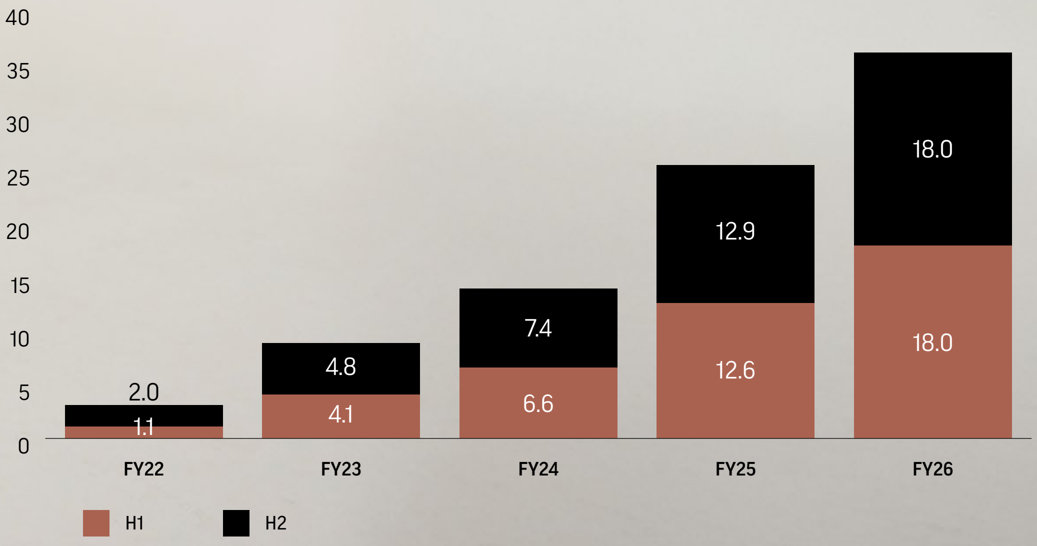
40.8% ↑

SALES GROWTH ON FY25

$1.4M

AVERAGE STORE SALES PER ANNUM

PS REVENUE ($ MILLION)



CTC UPDATE

$36.4M
TOTAL SALES

9 STORES
AT 30 JUNE 2026

NEW STORE ROLLOUT

- One new store opened in FY26 with one store confirmed for FY27 and further opportunities being explored.

STRATEGIC PRIORITIES

- Build a scalable retail format for national rollout.
- Grow brand awareness through brand imagery, storytelling and influencer/social media marketing.
- Continue to evolve product curation and design with a fast-to-market mindset.

FINANCIAL RESULTS

- Total sales were down 9.2%[1] driven by the wholesale channel. Retail format LFL sales grew 4.2% while sales in the wholesale channel were down 18.9% on pcp due to reduced USA exports, closure of a small number of key retail customers and lower intercompany sales.
- GP of 45.3% was up 240bps on pcp. This increase was driven by higher retail sales mix.
- Underlying EBIT of $0.3 million compares to $1.5 million in FY25. This decrease is a result of the decline in wholesale.

1. CTC operating segment sales include intercompany sales made to US.

OMNI CHANNEL & DIGITAL

- Online sales of $4.6 million down 5.2% on prior year.
- Website and digital product imagery updated to better represent brand identity.

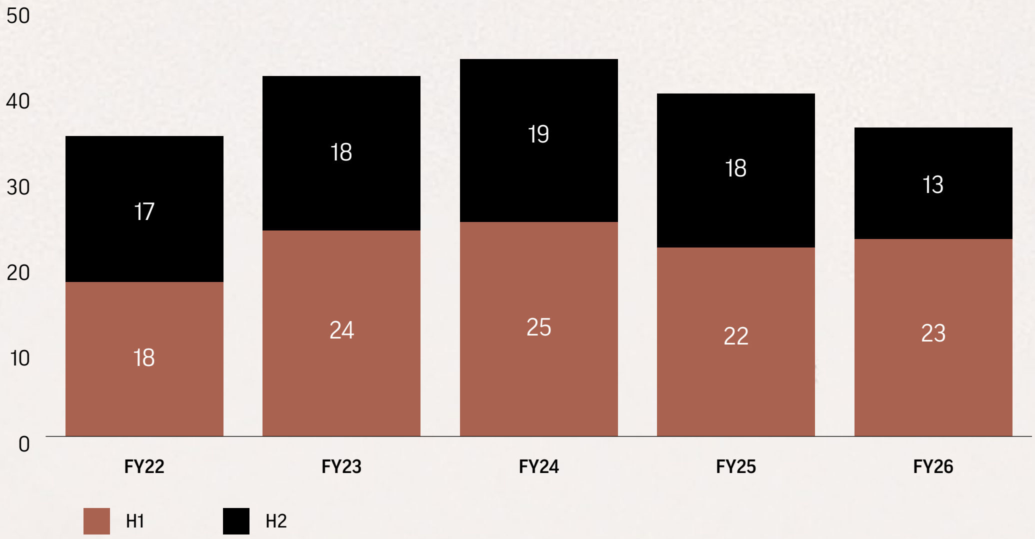
CUSTOMER & PRODUCT

- Decision made to cease USA wholesale exports due to tariff impact and to focus on Australian retail and wholesale opportunities.
- Completed independent customer research to build deeper customer understanding.

PRODUCTIVITY

- Leveraging operational know-how and customer insights of Universal Store and Perfect Stranger Product and Marketing teams.
- Increased operational alignment with US shared service functions such as Information Technology, Human Resources and Finance.
- New group-wide warehouse management system (WMS) being implemented in FY27.

CTC REVENUE ($ MILLION)



CHAIR'S REPORT

DEAR FELLOW SHAREHOLDERS,

WELCOME TO THE UNIVERSAL STORE HOLDINGS LIMITED ANNUAL REPORT FOR THE 2026 FINANCIAL YEAR.

We are pleased to report another year of strong revenue and gross margin growth, enabling both investment in future growth and increased dividends. I reflected in last year's report on the factors that had driven the Company's growth over its first five years as a public company. They are as critical today and will be over the next few years.

- Staying close to emerging customer trends;
- Maintaining agile and responsive product curation and supply chain;
- Developing inspirational retail formats; and
- Cultivating a culture that fosters empowered and engaged team members.

This continued commitment has generated strong like-for-like sales growth while enhancing gross margins, despite the sustained volatile retail conditions and consequential high levels of competitive promotional discounting.

The continued volatility in the retail market has further impacted the wholesale sales of the CTC business. The Directors have therefore determined to further impair the carrying value of the goodwill and brand associated with the CTC acquisition. However, we remain positive about the opportunity for the development of CTC's retail channel.

We are planning for continued growth with three distinct retail formats, a stable of private label apparel brands and a continued focus on building the required organisational capabilities.

FINANCIAL RESULTS

Group revenue at $376.1 million was 12.9% higher than FY25. Underlying Group profit after income tax, at $40.5 million, was 16.3% higher than the prior comparative period. Underlying earnings per share were 52.8 cents per share, up from 45.4 cents per share in FY25.

The strong earnings compounded by disciplined inventory management resulted in underlying operating cash flow after capital expenditure of $98.9 million, which resulted in year-end net cash of $23.3 million. Your Company is in a robust financial position.

Group Managing Director and Chief Executive Officer (CEO), Alice Barbery, will outline further detail on the operating performance of the Company in her report.

CAPITAL MANAGEMENT

Your Board is committed to generating strong returns to shareholders while investing in the capabilities required to successfully implement the Company's strategy and to operate at our targeted Risk Appetite. The current dividend policy of the Board is to target a payout of 60% to 80% of Underlying Net Profit After Tax.

The strong underlying financial performance of the Group has enabled the Directors to declare total fully franked dividends of 43.0 cents per share, up from 38.5 cents per share in FY25.

STRATEGY

Our core strategy continues to be growing and strengthening our existing portfolio of premium youth fashion retail formats and private label brands to deliver a carefully curated assortment of on-trend apparel products to 16 – to 35-year-old fashion-conscious customers.

$376.1M

GROUP REVENUE

WE CONTINUE TO INVEST IN STRENGTHENING THE RISK MANAGEMENT AND GOVERNANCE PROCESSES ACROSS THE GROUP WITH A CONTINUED FOCUS ON HEALTH AND SAFETY, CYBER SECURITY AND PAYROLL COMPLIANCE.

We plan to continue to grow our retail store network and our digital channel. We opened 13 stores across the Group during the financial year, including five Universal Store stores and seven Perfect Stranger stores. We anticipate a similar pace of store rollout in the year ahead for these formats. We opened one THRILLS store as we continue to test and refine the product offer and the look and feel of the stores. Once we complete testing, we expect to increase the pace of rollout of THRILLS stores.

We will also continue to invest in building the systems and capabilities required to implement our strategy. Current priorities include digital, supply chain, customer data analytics and artificial intelligence.

$23.3M

NET CASH

ENVIRONMENTAL SOCIAL GOVERNANCE

The Group is committed to responsible practices and to contributing to the transformation of our industry towards a sustainable future. We are active members of Seamless, the first Australian national clothing stewardship scheme.

Our approach to sustainability focuses on four strategic pillars: Climate Action, Product Stewardship, Responsible Sourcing and Customer Engagement. We provide a full report on our strategy and current initiatives in our Sustainability Report, which is set out on pages 19 to 35.

Diversity and inclusion is core to the ethos of the Group. The team consists of 69% female with 52% of senior leadership roles and 50% of the Board of Directors being female. We are in line with our 40:40:20 target.

We continue to invest in strengthening the risk management and governance processes across the Group with a continued focus on health and safety, cyber security and payroll compliance.

REMUNERATION AND PEOPLE

The Group has established remuneration practices that are pragmatic and achieve alignment between the implementation of strategy and delivery of sustainable performance and the reward to Executive Directors and Senior Leadership.

Details of our arrangements are set out in the Remuneration Report which is on pages 49 to 64.

In April, we announced that Group Managing Director and Chief Executive Officer, Alice Barbery will retire on 31 October 2026 and that George Do has been appointed as her successor with effect from 1 November 2026.

I would like to thank Alice for her outstanding leadership of the Company over the past 17 years. She has overseen the strong growth and performance of Universal Store, the creation and successful rollout of Perfect Stranger and the acquisition of the CTC business.

We are delighted that Alice will join the Board of Directors as a Non-Executive Director on 1 February 2027. She will also continue to be a member of the CTC Advisory Board.

At the start of this report, I set out the four key factors that have driven and will continue to drive the Company's growth. We are therefore very pleased to be able to appoint George as the Company's new CEO given how influential he has been in each of those factors.

George has successfully led the Universal Store and Perfect Stranger retail banners over the last 17 months and has clearly demonstrated his capability to lead the wider Group.

CONCLUSION

We continue to have confidence in the opportunities for long-term growth for your company. We have a strong business model, a robust balance sheet, high-quality leadership and, most importantly, an engaged and energetic team.

We will continue to open new stores across all three of our businesses while range curation and private label development will drive like-for-like sales growth.

Finally, I would like to thank my Board colleagues, the Senior Leadership Team and all of our team members for their continued commitment and contribution.

PETER BIRTLES
CHAIR

MD AND GROUP CEO'S LETTER

DEAR SHAREHOLDERS,

FY26 WAS ANOTHER YEAR OF MEANINGFUL PROGRESS FOR UNI GROUP. WE DELIVERED STRONG REVENUE AND EARNINGS GROWTH WHILE CONTINUING TO INVEST IN THE CAPABILITIES THAT WILL SUPPORT THE GROUP'S NEXT PHASE OF GROWTH.

Importantly, these results were achieved while maintaining the discipline that has always underpinned our business: careful capital allocation, strong gross margins and an unwavering focus on long-term shareholder value.

The Group achieved solid sales growth compared with FY25, underpinned by strong like-for-like (LFL) sales performance and the successful opening of 13 new stores across the portfolio. We ended the year with 123 stores, comprising 88 Universal Store locations, 26 Perfect Stranger stores and nine THRILLS stores.

Retail continues to operate in a dynamic and highly competitive environment. Customers have more choice than ever; promotional activity remains elevated across the sector and trends continue to evolve at pace. Against this backdrop, our business has again demonstrated the strength of its operating model. Our ability to stay close to our customer, respond quickly to emerging trends and execute with discipline has enabled us to grow market share while maintaining healthy gross margins and delivering another strong financial result.

The foundations that have underpinned our success since listing remain unchanged. We continue to focus on understanding our customer better than anyone else, curating relevant product, empowering our teams to make great decisions and investing in the systems and capabilities that will support sustainable long-term growth.

Universal Store once again delivered an outstanding performance. The brand continued to generate strong like-for-like sales growth through disciplined merchandising, compelling product curation and an unwavering focus on customer experience. Our combination of leading third-party brands and strong portfolio of private label products continues to resonate strongly with our customers while reinforcing our competitive position.

Perfect Stranger also delivered another excellent year. Continued store expansion, growing customer awareness and the increasing penetration of private label products supported another strong performance. The team remained disciplined in pricing and promotional activity, protecting gross margins while continuing to deliver affordable, trend-led fashion that makes our customers feel confident and beautiful.

ALICE BARBERY
MANAGING DIRECTOR &
GROUP CHIEF EXECUTIVE OFFICER

THROUGHOUT FY26 WE CONTINUED STRENGTHENING LEADERSHIP CAPABILITY.

CTC wholesale trading remained challenging as structural changes across the apparel wholesale market continued. Several key wholesale customers reduced their store footprint and branded assortments as they responded to softer trading conditions within their own businesses.

While these conditions impacted wholesale performance, they have reinforced our long-term strategy. We continue to believe the greatest opportunity for THRILLS lies in strengthening its direct relationship with customers through our retail stores and digital channels. During the year we continued refining the retail model, expanding our understanding of the customer and positioning the brand for sustainable long-term growth.

FY26

13 NEW STORES

Across the Group, we opened 13 new stores during the year while continuing to invest in our digital capability, customer data, supply chain and technology platforms. These investments are not simply supporting today's performance – they are creating a more scalable, efficient and resilient business capable of delivering sustainable growth well into the future.

Equally important has been our investment in our people. Great retail businesses are built by engaged teams who understand their customers, embrace change and care deeply about the experience they deliver every day. Throughout FY26 we continued strengthening leadership capability, expanding key functions across the Group and building the organisational capability required to support a larger and increasingly sophisticated business.

Our financial position remains one of the Group's greatest competitive strengths. Strong operating cash generation, disciplined working capital management and a debt-free balance sheet provide significant financial flexibility.

This strength enables us to continue investing in new stores, digital capability, product innovation and our people while remaining well positioned to respond to opportunities as they arise. Importantly, it also gives us the resilience to navigate changing market conditions without compromising our long-term strategy or our commitment to delivering sustainable returns for shareholders.

As I prepare to hand over leadership of the Group later this year, I do so with enormous pride in what we have built together and even greater confidence in what lies ahead.

Over the past 17 years, it has been a privilege to help build this business from a single retail concept into a leading multi-brand fashion retailer with a passionate team, loyal customers and significant opportunities for future growth. While much has changed over that journey, two things have remained constant: our commitment to putting the customer first and creating a culture where talented people can do their best work.

MD AND GROUP CEO'S LETTER CONTINUED

ALICE BARBERY
MANAGING DIRECTOR &
GROUP CHIEF EXECUTIVE OFFICER

GEORGE DO
US & PS DIVISIONAL CEO

IT HAS BEEN A GENUINE PRIVILEGE TO WORK ALONGSIDE GEORGE, AND I LOOK FORWARD TO WATCHING HIM LEAD THE GROUP THROUGH ITS NEXT PHASE OF GROWTH.

I have worked alongside George Do throughout that entire journey and have complete confidence in his ability to lead UNI Group through its next chapter. George has played a pivotal role in the growth and success of both Universal Store and Perfect Stranger and has consistently demonstrated the leadership, commercial acumen and customer focus required to continue building on the strong foundations that exist today. He has earned the respect of our Board, executive leadership team and our broader business, and I know UNI Group will be in very capable hands. It has been a genuine privilege to work alongside George, and I look forward to watching him lead the Group through its next phase of growth.

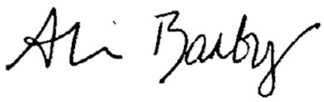
To every member of our team, thank you. Your passion, resilience and commitment to our customers are what make this business special. Every milestone we have achieved has been made possible by thousands of individual contributions across our stores, support office and distribution centre.

To our Board, thank you for your guidance, support and partnership throughout my time as Chief Executive Officer. I look forward to continuing to contribute to the Group in my future role as a Non-Executive Director.

Finally, to our shareholders, thank you for your continued trust and confidence. Your support has enabled us to invest for the future while delivering consistent long-term growth.

UNI Group enters FY27 with strong brands, a highly capable leadership team, a disciplined strategy and significant opportunities ahead.

I leave the business optimistic about its future, confident in its leadership and proud of what we have achieved together. I firmly believe the best chapters of UNI Group's story are still to come.



ALICE BARBERY
MANAGING DIRECTOR &
GROUP CHIEF EXECUTIVE OFFICER

INCOMING GROUP CEO'S LETTER

In my 21st year with UNI Group, I reflect on 21 as a formative age, the age when our customers and our team members are working out who they are, and how to express it. Through our people, our brands and our products, we help them build the confidence to do that.

In FY26, our Universal Store and Perfect Stranger banners each continued to refine how they build that self-esteem, through their own distinct customer experience. Universal Store delivered 8.1%LFL growth, continuing its track record of consistency and resilience as it evolved its brand, category and product mix with customer trends – from the 2000's surf revival of Rusty, to the strength of private brand Common Need and viral squishies. We opened five new stores, ending the year with 88. The banner continues to resonate with customers in a wide variety of locations.

Perfect Stranger gained momentum, with impressive 13.0% LFL growth, executing its clear brand strategy and innovating how we listen to and connect with our customer. We opened seven stores, ending the year with 26 locations. The brand is earning its place in metro, suburban, coastal and regional markets, as well as online, and signals the success of how the team are building the brand.

As I look forward to FY27, I'm pleased with how the Universal Store, Perfect Stranger and THRILLS retail banners are evolving with their customers' lives and leaning into our test-and-respond methodology. In a dynamic competitor and macro environment, our ability to address our customers' social needs and connect on an emotional level remains critical.

As Universal Store continues its rollout toward 100 plus stores, as the leading youth streetwear retailer, we are investing in store refurbishments and expansions to existing stores to optimise space, enhance the customer experience and provide for future growth. New brands and product ranges are being introduced to adapt to changing trends and occasions for wear.

Perfect Stranger continues to build brand awareness as a destination for designer fashion made accessible, with its signature warm, boutique customer experience. The retail, visual merchandising, marketing, digital and product teams constantly test new ranges and activations, with a sharp focus on building our community. Strong online growth alongside a healthy pipeline of new stores will create more opportunities for customers to fall in love with the brand. With the knowledge that the brand resonates across a variety of customer groups and regions, we remain confident in our target of 60 plus locations.

I am also eager to build on the gains we're making in the THRILLS retail banner. In addition to the enhancements in customer service orientation, the brand is fully transitioning to a short-cycle, close-to-market buying methodology that will accelerate testing and responding to capitalise on growth opportunities and adapt to customer trends.

The brand messaging is being enhanced and made more responsive, to capitalise on the strong DNA of the brand.

Success in retail is in its consistent execution. Leadership development is expanding across our retail, distribution centre, and support office teams, to build skill at deeper levels to enhance retention and attraction. Technology and artificial intelligence are also helping our teams to deliver for our customer. The strategy that has driven sustainable business growth – staying close to our customer, responsive product curation, a welcoming retail experience and creating an environment for our people to be their best – is something I'm energised to carry forward and build across all three of our banners.

On behalf of the whole team, I'd like to express our enormous gratitude to Alice and welcome her to the Board as Non-Executive Director. Alice has been an excellent steward of the Group and her focus on leadership development is deeply embedded in the organisation. I'd also like to thank our Board for their guidance and support, and our shareholders for their belief in the organisation.

Finally, thank you to all of our extraordinary team members across the organisation. The way you show up for our customer means we create a great place to work and make the world a more welcoming place, one interaction at a time. I'm excited to stretch and grow the business with you.

GEORGE DO
US & PS DIVISIONAL CEO

STRATEGIC ENABLERS

THE GROUP'S STRATEGIC POINT OF DIFFERENCE IS BASED ON FOUR CORE ENABLERS:

1 AN ENGAGED, COLLABORATIVE AND CUSTOMER-CENTRIC TEAM

2 ON-TREND AND DIFFERENTIATED PRODUCTS

3 DISCIPLINED STORE NETWORK MANAGEMENT

4 UNDERSTANDING OUR CUSTOMER

1 ENGAGED, COLLABORATIVE & CUSTOMER CENTRIC TEAM

Many of our team members naturally align with our target customer profile, which strengthens our customer-centric culture. This close connection, combined with collaborative feedback loops between the Group's Retail Operations, Marketing, and Product teams, drives engagement and ensures the voice of the customer is heard and shared across the Group.

Team connection and shared purpose are fostered through store roadshows, cultural development and leadership training sessions.

From September to early November, senior leaders travel to each state for our store roadshows. These roadshows involve store manager training and events for all store teams to reinforce cultural values and build engagement. Our Support Office team participate in "vibe" sessions for professional development, cultural alignment and teamwork.

The Group is building depth in its Product, Marketing, Human Resource and Retail teams through internal promotions, training programmes and external recruitment.

2 ON-TREND & DIFFERENTIATED PRODUCTS

We build customer trust by providing on-trend, occasion-for-wear fashion apparel, footwear and accessories. The Group continues to apply four key principles in its product ranging decisions (1) customer-led, (2) test & learn approach, (3) nimble, fast-to-market sourcing and (4) data-driven.

The Group's product offering is based on both strong owned and third-party brands, providing our customers with a wide range of options. The Group has a strong portfolio of owned brands including Neovision, Common Need, Perfect Stranger, Luck & Trouble, Worship and THRILLS. These owned brands provide product exclusivity, nimbleness and speed to market. Collaborative partnerships with third-party international and national brands continue to be critical for meeting our customers' needs. Through these partnerships, the Group looks to achieve exclusivity and differentiation from its core competitors.

Universal Store and the third-party brand Front Runner have built a strong relationship, resulting in impactful activations which created memorable brand moments for our customers.

Our trade partner A brand supported a national roadshow to showcase their denim range and build brand engagement with our store team.

Delivering an on-trend, differentiated and regularly refreshed product offering enables the Group to continue its disciplined pricing approach and supports increased customer visitation.

STRATEGIC ENABLERS CONTINUED

3 DISCIPLINED STORE NETWORK MANAGEMENT

The Group takes a disciplined and strategic approach to managing its store network. Senior Leadership is actively involved in the assessment of all potential new store opportunities, ensuring each decision aligns with the Group's long-term growth strategy. As part of assessing new store opportunities, we visit each potential new store location to observe and understand the local customer and shopping precinct to ensure alignment with our offer. These in person visits support data analysis we leverage regarding online sales and shopping centre traffic.

We only enter new lease commitments we are confident have long-term commercial viability. The same disciplined approach is applied to lease renewals across the existing store portfolio.

Across the Group, we continue to evolve our in-store experience and customer service mindset:

- Perfect Stranger has further enhanced its store design to deliver a more premium and engaging customer experience.
- Universal Store has refined its new store design concepts focused on enhancing visual merchandising, customer engagement, and the overall shopping experience.
- THRILLS continues to in-store execution and design.

MORGAN HENDRY
GENERAL MANAGER RETAIL

4 UNDERSTANDING OUR CUSTOMER

Across UNI Group, each banner has its own nuances in customer demographics and psychographics. However, the common thread across the Group is that our customer is trend-led, and prioritises experiences and socialising. This prioritisation of socialising, remaining on-trend, and being part of a group is resilient to macroeconomic and generational factors, and drives repeat demand for the Group. To stay close and meaningfully engaged with our customer, we:

- Invest heavily in understanding our customer through internal and external market research initiatives to identify rational and irrational purchasing drivers, changing wants and needs, and broader opinions.

These programmes are constantly reviewed and continue to develop to deliver more meaningful insights;

- Deliver on-trend, high-value, and differentiated products that our customers are proud to wear through an ever-evolving vertical and third-party product mix. We operate on tight feedback loops with our retail operations team to understand and react quickly to what is happening on the shop floor, ensuring we have the right product, in the right place, at the right time. Our product team take a test & learn approach to stay nimble in market and able to react to an ever tightening social media led trend cycle;

JAMES CAMERON
CHIEF CUSTOMER & GROWTH OFFICER

- Optimise marketing mix to suit our customers' evolving consumption and media habits, including over-indexing in social, influencer, event and community-based marketing initiatives;
- Prioritise data and analytics maturity across all touch points feeding into our Customer Data Platform (CDP) to maximise the value of data captured and help informed decision making across the Group.

SUSTAINABILITY REPORT 2026

FY26 HIGHLIGHTS

ABOUT THIS REPORT

This is Universal Store Holdings Limited's fifth Annual Sustainability Report, covering the period 1 July 2025 to 30 June 2026 (FY26). This report should be read in conjunction with our Modern Slavery Statement, which provides details of our supply chain modern slavery risk assessment, due diligence systems, and monitoring processes.

FY26 included several key milestones in our approach. The completion of a Double Materiality Assessment and the development of a refreshed Sustainability Framework have strengthened the foundations of our programme, ensuring that our efforts are focused on the issues that matter most to our stakeholders and our business.

* Completed a Double Materiality Assessment to identify the key sustainability issues important to the Group and its stakeholders.
* Evolved our chemicals management approach: communicating a Restricted Substances List to suppliers, pursuing OEKO-TEX certification for strategic suppliers, and initiating risk-based chemical testing.
* Centralised supply chain monitoring systems across all businesses and completed Tier 2 mapping for CTC THRILLS.
* Continued engagement with third party brands – Front Runner, Engage, and Rusty – on certification of preferred fibre products.
* As a Seamless member, our Design team participated in Circularity in Design training and a product design workshop.
* Renewed our Organic Content Standard (OCS) and Global Recycled Standard (GRS) brand certification for the Group's private brands and progressed on-product certification labelling.
* Established a Climate Risk Working Group to lead preparation for mandatory AASB S2 climate risk disclosures, due from FY27.

REPORTING STANDARDS AND FRAMEWORKS

The Group uses globally recognised standards – including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) – to guide corporate reporting. Aligning to these standards ensures that stakeholders receive comprehensive and comparable information on our sustainability initiatives and performance.

In accordance with Australia's new mandatory climate change reporting requirements (AASB S2 *Climate-related Financial Disclosures*), the Group will publish a Climate Statement from FY27, with certain aspects of reporting independently audited.

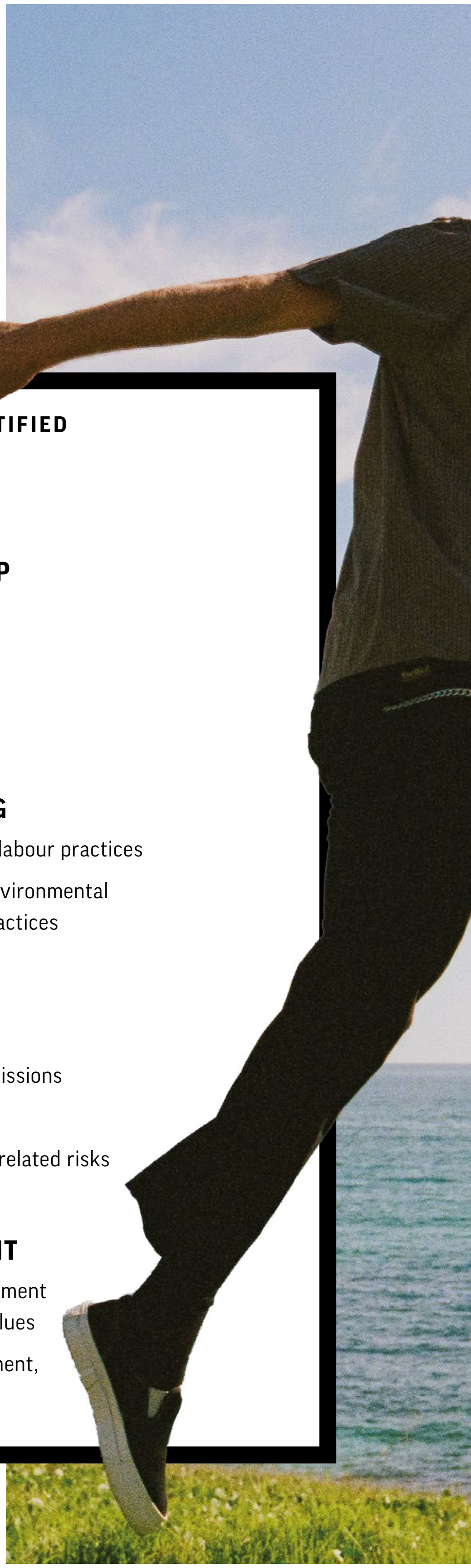
GOVERNANCE

The Board retains ultimate oversight of the Group's sustainability strategy and performance, and has delegated review of sustainability risks and opportunities to its Audit and Risk Committee (ARC). The ARC Committee meetings regularly review supplier relationship management and sustainability progress reporting. Our governance system ensures collaboration between the Group CEO, Leadership Team, and the Sustainability & Responsible Sourcing (SRS) team to deliver on this strategy.

Key elements include:

- Board and senior management commitment to human rights and sustainability.
- Regular reporting of sustainability KPIs and regulatory disclosures to the Leadership Team and the Board.
- The Sustainability & Responsible Sourcing team is responsible for policy development and collaborates with functional teams and suppliers to drive improvements.
- A Climate Risk Working Group – established in FY26 – provides focused governance and oversight of the Group's preparatory work for mandatory AASB S2 *Climate Risk Disclosures* (see Climate Action section).

OUR SUSTAINABILITY STRATEGY



OUR COMMITMENT TO SUSTAINABILITY IS BASED ON A HOLISTIC APPROACH TO MEETING THE EXPECTATIONS OF OUR CUSTOMERS, TEAM MEMBERS, AND STAKEHOLDERS WHILE DELIVERING SUSTAINABLE VALUE TO OUR SHAREHOLDERS.

DOUBLE MATERIALITY ASSESSMENT

In FY26, the Group completed a Double Materiality Assessment (DMA) – a structured process for identifying and prioritising the sustainability topics most relevant to our business across two dimensions:

- Financial materiality – how environmental, social, and governance factors may impact the Group's financial prospects.
- Impact materiality – how our operations and value chain affect people, the economy, and the planet.

The assessment drew on engagement with internal and external stakeholders – including management, team members, suppliers, investors, industry groups, NGOs, service providers and market research. From this engagement, and in alignment with global reporting frameworks including GRI and ASRS (Australian Sustainability Reporting Standards), four material themes were identified:

THE KEY MATERIAL THEMES IDENTIFIED FOR THE GROUP INCLUDE:

1

PRODUCT STEWARDSHIP

- Improving product stewardship and circularity
- Safeguarding animal welfare

2

RESPONSIBLE SOURCING

- Protecting human rights and labour practices
- Providing transparency on environmental and chemical supply chain practices

3

CLIMATE ACTION

- Managing greenhouse gas emissions
- Improving energy efficiency
- Building resilience to climate-related risks

4

CUSTOMER ENGAGEMENT

- Responding to customer sentiment shifts towards sustainable values
- Enhancing customer engagement, satisfaction and loyalty

NEW SUSTAINABILITY FOCUS AREAS AND TARGETS

Building on the DMA, the Group has refreshed its Sustainability focus areas and a new set of targets to guide our priorities through to 2030. The updated focus areas reflect the evolving regulatory landscape – including Australia's mandatory sustainability disclosure requirements – and the evolving expectations of our customers, investors, and brand partners.

Shaped directly by the DMA, the new targets provide greater specificity across our four focus areas. Our 2030 Sustainability Targets are:

- **Product Stewardship:** 50% of the Group's range includes a preferred fibre attribute (organic, recycled natural, better viscose).
- **Responsible Sourcing:** 95% of stock suppliers covered by our responsible sourcing programme focusing on social audits, environmental and chemical practices.
- **Climate Action:** 2030 emission reduction targets are being refined.
- **Customer engagement:** 95% of permanent Team Members trained on product sustainability features (quality, materials, preferred fibre attributes, responsible sourcing, product certification & labelling, recycling).

PRODUCT STEWARDSHIP

PRIVATE BRAND ON-PRODUCT LABELLING

A key focus in FY26 was the integration of textile standard certification logos – including OCS and GRS marks – into on-product labelling across our private brand ranges. This work was developed in close collaboration between the Sustainability & Responsible Sourcing team and the Design team, and involves updating swing tags, care labels, and other product touchpoints to incorporate certification marks where applicable.

Full rollout across private brand ranges will be pursued in FY27. This gives customers clear assurance about the certified materials in their products at the point of purchase, supporting more informed purchasing decisions.

ORGANIC 100 content standard ©TextileExchange | Global Recycled Standard ©TextileExchange

BRAND CERTIFICATION

During FY26, the Group renewed its brand certification under the Organic Content Standard (OCS) and the Global Recycled Standard (GRS), both managed by Textile Exchange, for Universal Store and THRILLS. Building on the initial certification achieved in FY25, renewal maintains supply chain traceability and gives customers credible, independently verified information about the materials in their products.

Brand certification underpins the Group's ability to label products in line with internationally recognised textile sustainability standards and supports our position against greenwashing risk under the Australian Consumer Law.

THIRD-PARTY BRAND ENGAGEMENT

The Group continued to engage with key third-party brand partners on responsible sourcing expectations. Active collaboration continued with our leading third-party brands on the integration of preferred fibres in ranges, and certification standards. By making preferred fibre certification an expectation, we have helped shift it from a point of differentiation towards a baseline standard across the wider industry – Front Runner, for example, introduced certified preferred fibre into its range for the first time in FY26.

The Group also maintained endorsement of our Supplier Code of Conduct. As of 30 June 2026, 100% of third-party brands had endorsed the Group's Supplier Code of Conduct or demonstrated equivalent policies.

PREFERRED FIBRE

In FY26, the Group procured a total of approximately 1,699 tonnes (excl. shoes, accessories and gifting) of fibres across Universal Store and CTC THRILLS. Of these, 52% were preferred fibres – fibres that are certified to a recognised textile standard or otherwise carry a lower environmental impact than their conventional equivalent.

Organic cotton remains the Group's most procured fibre, making up approximately 37% of total fibre by volume. THRILLS and Worship continue to lead on preferred fibre adoption, with 67% of their fibre being organic cotton.

52%

US PREFERRED FIBRE (% OF TOTAL FIBRE USED)

60.7%

COTTON FIBRE CERTIFIED TO ORGANIC STANDARD

25.6%

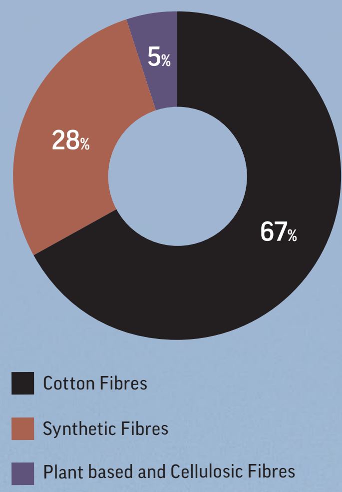
POLYESTER FIBRE CERTIFIED TO RECYCLED STANDARD

TRANSITION TO CIRCULAR FASHION

As part of our Seamless membership, we track and report the number of units imported into Australia across the Group, along with the ratio of standard to eco-modulated* units.

We also provide Seamless with data on the number of units qualifying as mono-material, those containing recycled materials, and our aged inventory. This reporting provides transparent information on our impact as a brand and our progress in transitioning to circular fashion.

* Units with recycled, mono-material or at least 95% single fibre.



62%

ECO-MODULATED UNITS (% TOTAL UNITS)

RESPONSIBLE SOURCING

SOCIAL AUDIT PROGRAMME

OSC, our ethical sourcing software, helps map the Group's supply chain, record audit findings, and analyse worker demographic data.

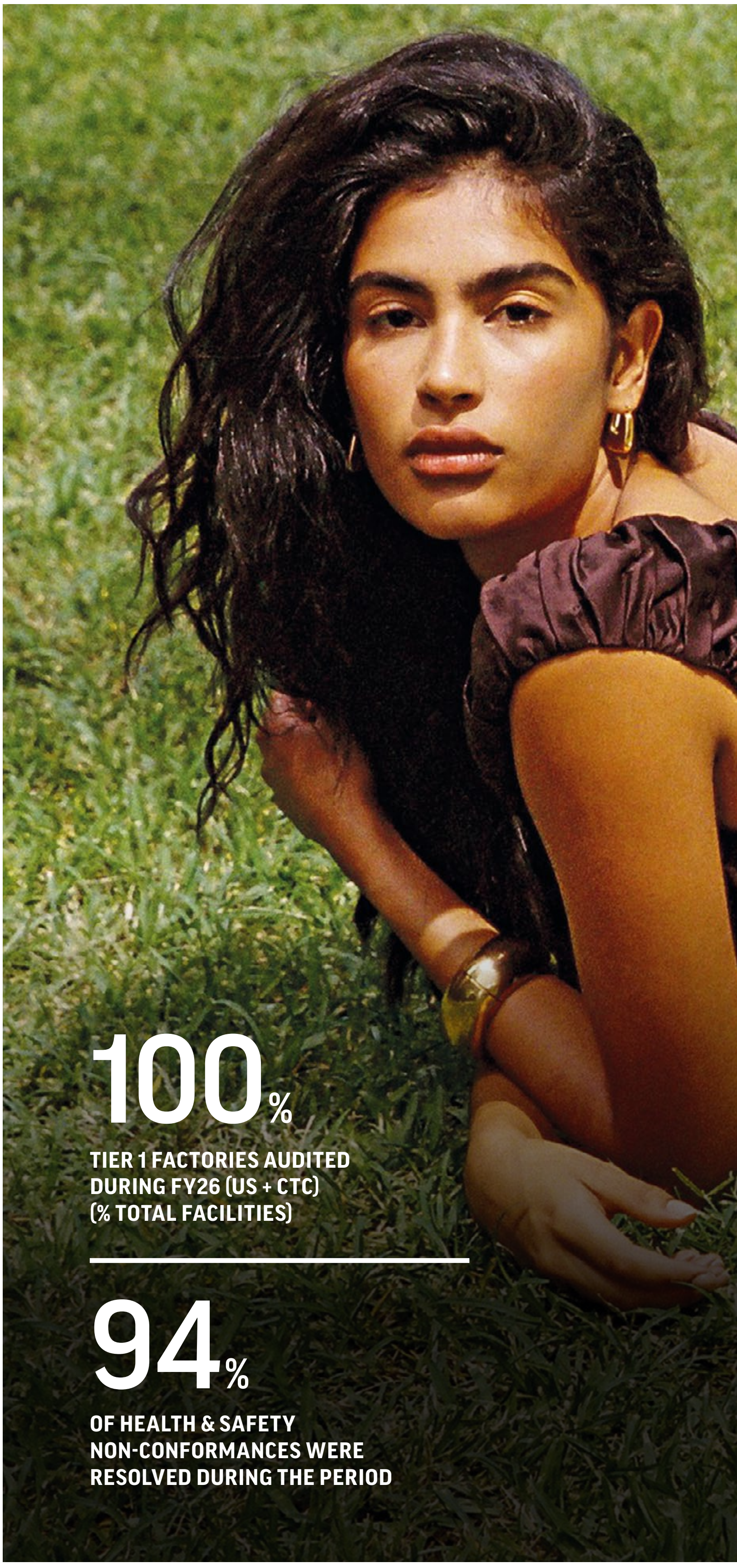
During FY26, CTC supply chain monitoring was fully integrated into OSC, so that all suppliers and factories of the Group are now monitored through a single system. This expanded coverage accounts for the increase in the absolute number of non-conformances identified during the period.

During FY26, 100% of Tier 1 private brand factories were audited. 173 audit non-conformances were raised across Tier 1 suppliers during the period.

The most common non-conformance categories were health & safety, social insurance benefits and excessive working hours, consistent with prior years and broader industry trends in textile manufacturing.

We place particular emphasis on the timely closure of health and safety non-conformances, which are directly linked to the welfare of workers at our partner facilities. During FY26, we conducted weekly follow-ups with suppliers to encourage resolution of open issues within 30 days, keeping remediation on track.

At year end, a small number of open health and safety issues remain in progress at a newly established facility. The supplier has confirmed that corrective actions are being addressed progressively, with completion expected shortly. As there is no current production spend with this facility, engagement is limited for now, with an opportunity to re-engage should order placement resume.



CATEGORY	RAISED	RESOLVED	SUPPLIER ENGAGED
Health and Safety	100	94	100%
Working Hours	24	3	100%
Social Insurance Benefits	21	1	100%
Governance	8	8	100%
Environment	8	6	100%

We take every audit finding seriously. Our approach is to focus on understanding root causes and working collaboratively with our suppliers to drive practical, lasting improvement.

In FY26, we completed a targeted review of excessive working hours across our key Tier One garment factories. **Refer to our Modern Slavery statement for further details.**

100%

THIRD-PARTY BRAND CODE OF CONDUCT ENDORSEMENT (% TOTAL NUMBER OF SUPPLIERS)

100%

PRIVATE BRAND SUPPLIER CODE OF CONDUCT ENDORSEMENT (% TOTAL NUMBER OF SUPPLIERS)

RESPONSIBLE SOURCING CONTINUED

AI-POWERED AUDIT MANAGEMENT

Integrated AI tools automate the upload and processing of audit findings reports, significantly reducing manual data entry, minimising the risk of transcription errors, and accelerating the time between audit completion and corrective action planning.

This capability enhancement supports the Sustainability & Responsible Sourcing team to focus on higher-value activities – including supplier engagement, non-conformance resolution, and deeper supply chain risk analysis – rather than administrative processing.

TIER 2 FACILITIES MAPPING – CTC THRILLS

Building on the Tier 2 mapping work completed for Universal Store's private brand supply chain in prior years, the Group completed Tier 2 mapping for CTC THRILLS in FY26.

The mapping exercise identified 38 Tier 2 facilities associated with CTC THRILLS' direct supplier network, across China and India. The results will inform our FY27 Tier 2 audit and engagement programme for CTC THRILLS, consistent with the approach successfully applied to Universal Store's private brand suppliers in prior years.

CHEMICALS MANAGEMENT

The Group materially advanced its approach to chemicals management during FY26, building on the foundational research and survey work completed in FY25 where we assessed Tier 1 factories' chemical management practices and certifications. Three workstreams were identified and selected for further implementation during the year:

RESTRICTED SUBSTANCES LIST (RSL)

The Group has formalised a Restricted Substances List (RSL) based on the AFIRM standard. This list sets clear expectations on prohibited and restricted chemical substances that must not be present in the manufacture of our garments above defined threshold levels. Next, we will socialise the RSL to suppliers and establish a compliance framework for chemical safety.

OEKO-TEX CERTIFICATION

During FY26, we engaged on OEKO-TEX certification pathways with key suppliers. OEKO-TEX certification provides independent, internationally recognised assurance that fabrics and garments have been tested for harmful substances and meet rigorous human-ecological safety requirements. This certification will complement the Group's RSL and provide a credible, third-party verified signal of chemical safety that can be communicated to customers.

RISK-BASED CHEMICAL TESTING

A risk-based chemical testing programme has been initiated, which prioritises laboratory testing for product categories and supply chain facilities with the highest chemical exposure risk. The risk-based approach ensures that testing resources are targeted where they will have the greatest impact, while progressively building the Group's understanding of chemical performance across the supply chain. Testing will take place in FY27, and findings will inform the future testing programme.

CLIMATE ACTION

CLIMATE REPORTING

The Group is a Group 2 reporting entity for the incoming mandatory climate risk-related financial disclosures (AASB S2). The Group's first mandatory climate risk disclosure is due as part of our FY27 Annual Report. In FY26, we have reached important milestones in the preparation of our approach to mandatory climate disclosures.

CLIMATE RISK WORKING GROUP

The Group established a dedicated, cross-functional Climate Risk Working Group to lead the Group's preparatory work for AASB S2 compliance. Its remit included:

- Assessing interactions between the Group and its stakeholders, society, the economy and the natural environment throughout the entity's value chain;
- Identifying material climate-related risks and opportunities (CRROs) that may affect the business prospects using the Group's enterprise risk management framework;
- Conducting the Group's first climate risk assessment to meet the scenario analysis and disclosure requirements of AASB S2;
- Identifying CRROs that can reasonably be expected to affect the entity's prospects in the short, medium and long term;
- Identifying CRROs' effects on UNI business model and value chain, effects on our transition plan and climate resilience.

The Working Group builds on the detailed climate risk assessment and Board and executive education sessions completed in FY25 and represents an important step in transitioning the Group from voluntary to mandatory climate disclosure. Progress on preparedness has been reported to the Board's Audit and Risk Committee on a regular basis during the year.

31.4kt

TOTAL EMISSIONS FOOTPRINT US+CTC (KT CO_2E)

2kt

SCOPE 1 & 2 EMISSIONS

29.4kt

SCOPE 3 EMISSIONS

36%

US DISTRIBUTION CENTRE'S ELECTRICITY COVERED BY ON-SITE RENEWABLE ENERGY.

EMISSIONS FOOTPRINT

The Group's total emissions footprint for FY26 was approximately 31.4 kt CO_2e (Universal Store and CTC THRILLS combined), comprised of 2 kt Scope 1 and 2 emissions and 29.4 kt Scope 3 emissions.

As in prior years, Scope 3 emissions – predominantly from purchased goods and services, inbound freight, and the use and end-of-life disposal of sold products – represent approximately 94% of the Group's total footprint.

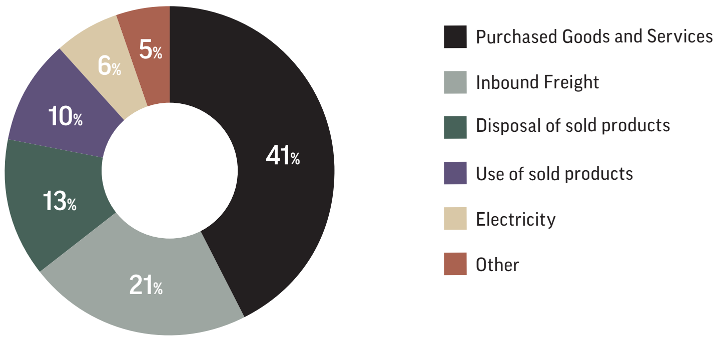
6%

SCOPE 2 EMISSIONS – FROM ELECTRICITY USE ACROSS OUR OPERATIONS

94%

SCOPE 3 EMISSIONS RELATING TO VALUE CHAIN AND DOWNSTREAM ACTIVITIES

EMISSIONS SOURCES (%TOTAL EMISSIONS)



RENEWABLE ENERGY

During FY26, we worked closely with our landlord to expand onsite solar generation at the Universal Store Distribution Centre, with an additional 30 kW of solar PV installed to complement the existing 90 kW system – taking total installed capacity on the DC roof to 120 kW which directly reduces the volume of grid electricity required by the facility.

To further reduce our controllable Scope 2 emissions, we continue to procure GreenPower® certificates for our Universal Store Support Office and DC to balance a portion of the electricity consumed from the grid.

GreenPower® is a government-accredited product certifying renewable electricity generation, with our energy retailer purchasing and retiring renewable energy certificates on our behalf. It is additional to Australia's Renewable Energy Target and is independently audited, helping to drive further investment in renewable energy infrastructure across the country.

CUSTOMER & TEAM ENGAGEMENT

SEAMLESS NATIONAL STEWARDSHIP SCHEME

Universal Store is a proud member of Seamless, Australia's national clothing stewardship scheme, which works towards a fully circular clothing economy by 2030. This industry-led initiative addresses the significant volume of unwanted clothing sent to landfill each year and calls on brands to take responsibility for the full lifecycle of the garments they produce.

In FY26, our Design team deepened their engagement with the Seamless programme by participating in a specialist Circularity in Design training session and a product design workshop presentation. These sessions equipped our team with practical tools and frameworks for embedding circularity principles into product development – including design for longevity, design for recyclability, and materials selection that supports end-of-life processing.

We are considering how to integrate the knowledge from this training into Private Brand product development. Universal Store also continues to participate in Seamless working groups and industry-wide solutions to textile waste.

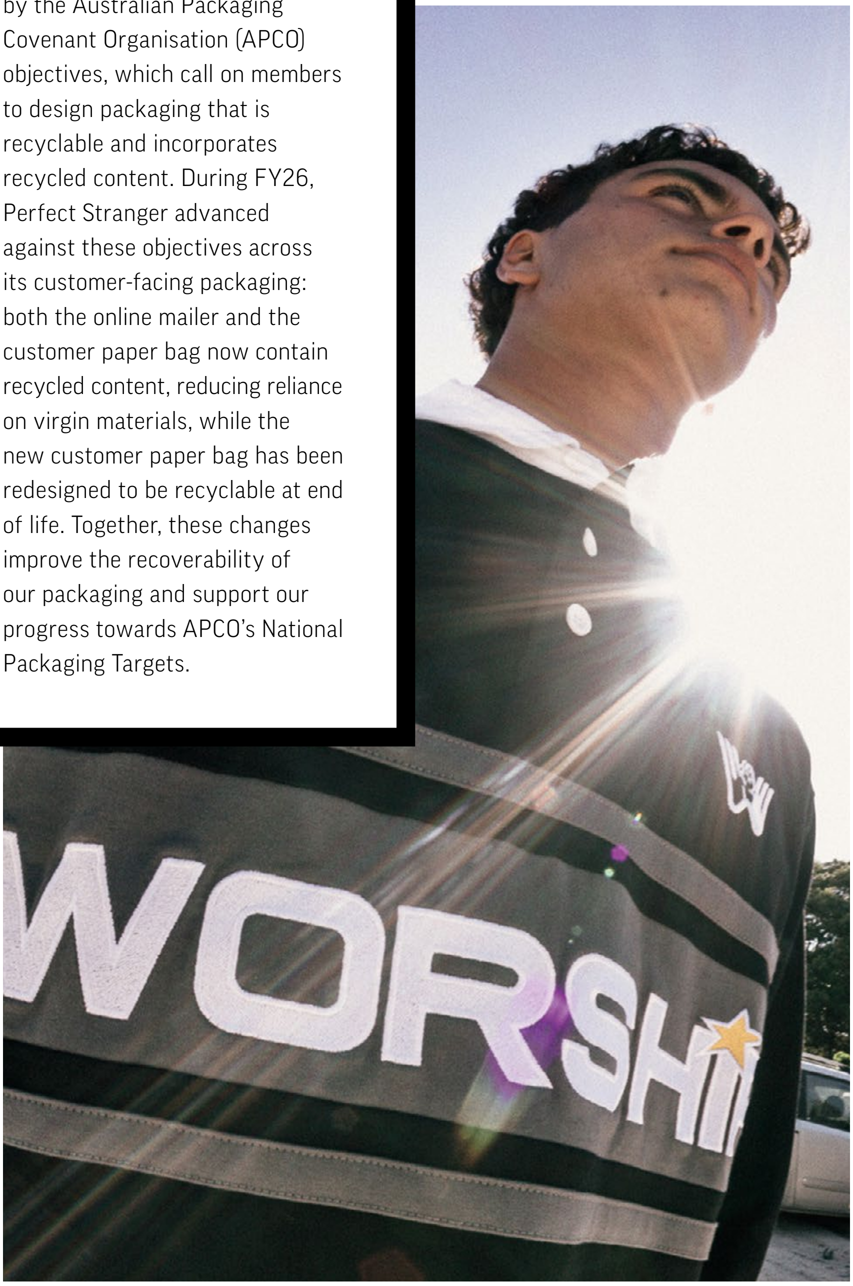
COMMUNITY PARTNERSHIPS

Universal Store sponsored the Bush Music Fund which is an initiative run by GUTS Touring. Each year, they gather a group of musicians/artists to tour remote areas of the Northern Territory, giving Indigenous children the opportunity to listen and learn music. It is also one of the only music tours that is completely solar powered.

We take a holistic approach to assessing the community partnerships we support, considering factors such as alignment with our values, the tangible benefit delivered to the communities involved, and the extent to which a partnership advances diversity, inclusion, and representation. We prioritise organisations that create genuine opportunities for under represented groups, such as First Nations communities for example, to participate in and benefit from the initiatives we support.

PACKAGING

Our packaging choices are guided by the Australian Packaging Covenant Organisation (APCO) objectives, which call on members to design packaging that is recyclable and incorporates recycled content. During FY26, Perfect Stranger advanced against these objectives across its customer-facing packaging: both the online mailer and the customer paper bag now contain recycled content, reducing reliance on virgin materials, while the new customer paper bag has been redesigned to be recyclable at end of life. Together, these changes improve the recoverability of our packaging and support our progress towards APCO's National Packaging Targets.



RECYCLED CONTENT

66%

US DISTRIBUTION CENTRE PACKAGING (% TOTAL WEIGHT)

71%

US ONLINE & CUSTOMER PACKAGING (% TOTAL WEIGHT)

RECYCLABLE PACKAGING

97%

DISTRIBUTION CENTRE (% TOTAL WEIGHT)

CONTAINER RECYCLING

The Support Office and DC teams once again exceeded the previous year's performance in collecting recyclable containers as part of the Return & Earn programme. In FY26, collections totalled 9,128 containers, continuing a trend of year-on-year growth since FY23. This success reflects a combination of factors: consistent messaging; sustainability Champions sharing environmental awareness messages; training of permanent and casual team members on recycling equipment and initiatives; appropriate collection infrastructure; and ongoing tracking and monitoring of volumes in partnership with service providers.

CUSTOMER & TEAM ENGAGEMENT CONTINUED

DISTRIBUTION CENTRE WASTE & TEAM ENGAGEMENT

In FY26, our US distribution centre (DC) achieved a landfill diversion rate of 83%, a 3% improvement on the prior year despite handling a growing volume of waste and recycling materials as the business continued to grow.

This progress reflects a number of operational enablers: fewer store fixtures and fittings requiring disposal, an efficient bin setup and recycling infrastructure, improved stock unpacking processes, the introduction of reusable pallet systems, and new textile recycling and donation partnerships such as Thread Together.

Together, these initiatives have allowed us to reduce landfill volumes and increase the recycling of valuable materials even as the amount of goods processed through the Universal Store DC continues to grow.

83%

DIVERSION FROM LANDFILL IN FY26 (% TOTAL US WASTE TONNAGE)

OPPORTUNITIES AND FORWARD PRIORITIES

Looking ahead, our team will continue to engage suppliers on sustainable packaging practices and the optimisation of product and transit packaging. Ongoing training for team members, including casual staff, will reinforce awareness of DC waste facilities and practices ahead of peak periods.

The business remains committed to its goal of zero waste to landfill by 2030 and will continue to divert as much eligible material as possible into recycling streams.

LOOKING AHEAD

FY26 HAS BEEN A YEAR OF STRATEGIC FOUNDATIONS – COMPLETING OUR DOUBLE MATERIALITY ASSESSMENT, REFRESHING OUR FRAMEWORK AND TARGETS, STRENGTHENING SUPPLY CHAIN CONTROLS, PROGRESSING OUR CHEMICALS MANAGEMENT PROGRAMME, AND PREPARING FOR MANDATORY CLIMATE DISCLOSURES.

We invite you to engage with us on our progress and challenges towards sustainability. For questions and feedback, contact us at sustainability@universalstore.com.au. Visit www.universalstore.com/sustainability for information on our sustainability approach, emissions footprint calculations, and data disclosure procedures.

We enter FY27 with a clearer picture of what matters most and a more structured approach to delivering and measuring our progress on Sustainability.

KEY PRIORITIES FOR FY27 INCLUDE:

- Finalise our Climate targets, with careful consideration of our business growth trajectory, and measure progress against our updated Sustainability focus areas and new targets.
- Delivering our first mandatory climate risk disclosure under AASB S2, with independent verification.
- Completing the rollout of Private Brand on-product certification labelling.
- Expanding the chemicals management programme – including further RSL compliance monitoring, progression of OEKO-TEX certification for strategic suppliers, and expansion of the risk-based testing programme.
- Progressing Tier 2 social audit engagement for CTC THRILLS.
- Continuing to build customer education touchpoints in store and online to engage customers on responsible garment use and care.

Universal Store

FINANCIAL REPORT

DIRECTORS' REPORT

For the year ended 30 June 2026

The Directors submit their report on the Consolidated Entity consisting of Universal Store Holdings Limited (the "Company") and its controlled entities (the "Group") for the year ended 30 June 2026.

DIRECTORS

The names and details of the Group's Directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

NAMES, QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

PETER BIRTLES (INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHAIR)

Appointed to the Board of Universal Store Holdings Limited in October 2020 as a Non-Executive Director and Chair and as a member of the Audit and Risk Management Committee and the People and Remuneration Committee.

Peter is Chair of Metcash Limited (since August 2022) and has been a Non-Executive Director since August 2019. Peter is also a Non-Executive Director of APG & Co Pty Ltd (since July 2019). Peter was previously a Non-Executive Director of GWA Group Limited (November 2010 – June 2022). He also provides mentoring advice to a number of small businesses that operate in or service the retail industry.

Prior to his Non-Executive career, Peter was the Group Managing Director and CEO of Super Retail Group Limited. Peter joined Super Retail Group Limited in April 2001 as Chief Financial Officer and was Group Managing Director and Chief Executive Officer from January 2006 until February 2019.

Prior to joining Super Retail Group Limited, Peter spent 12 years working with The Boots Company in the UK and Australia in a variety of senior finance, operations and information technology roles. Peter is a Chartered Accountant who started his career working with Coopers & Lybrand.

ALICE BARBERY (GROUP CHIEF EXECUTIVE OFFICER (CEO) AND MANAGING DIRECTOR)

Appointed to the Board of Universal Store Holdings Limited in October 2020 as an Executive Director.

Alice has over 30 years' experience in retail and service-centric roles across the USA, UK and Australia.

Alice first met the Universal Store Holdings Limited (Universal Store) founders in 2002 when she helped them establish a framework for the business as a retail specialist until 2004. Alice joined Universal Store full-time as Chief Operating Officer in 2009 and was appointed Chief Executive Officer in 2017. Alice has been a shareholder of Universal Store since 2016.

Prior to joining Universal Store, Alice served as the Leadership Development Manager at former ASX listed Virgin Australia Holdings Ltd where she designed and delivered leadership training for all service leaders in ground and cabin crew departments nationally. This role helped Alice develop her differentiated leadership style and focus on bespoke training methods which are utilised at Universal Store.

Alice moved to Australia in 1997 to be the National Sales Manager for former ASX listed Colorado Group Limited, leading the early expansion from 15 to 80 stores. Prior to her move to Australia, Alice worked at GAP International, transferring from the USA to the UK. In this role, Alice supported the expansion of GAP in the UK, before taking a national leadership role with women's fashion brand EAST which she successfully expanded throughout England.

Alice is also a Non-Executive board member of the National Retail Association since May 2021.

KAYLENE GAFFNEY (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Appointed to the Board of Universal Store Holdings Limited in October 2020 as a Non-Executive Director and as Chair of the Audit and Risk Management Committee.

Kaylene has had a career in senior financial roles for over 25 years in the retail, health, aviation, telecommunications and information technology sectors.

Kaylene is currently a Director of Vermont Aus Holdco Pty Ltd (effective 28 February 2024). Previously she has served as a Non-Executive Director and Chair of the Audit and Risk Committee of formerly ASX listed National Veterinary Care Ltd, MSL Solutions Ltd and Wotif.com (all delisted). In 2016, she served as Queensland State Chair of Chartered Accountants Australia and New Zealand.

DAVID MACLEAN (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Appointed to the Board of Universal Store Holdings Limited in October 2019 as a Non-Executive Director and as a member of the People and Remuneration Committee.

David was formerly the CEO and Managing Director of ASX listed Adairs Limited for 14 years from 2002 to 2016.

David is currently a Non-Executive Director at ASX listed Adairs Limited (since January 2002), and runs his family investment office as well as holding minority interests in several private retail businesses (since January 2002). David was previously a Non-Executive Director at and Dusk Group Limited (from November 2015 to October 2025).

TRENT PETERSON (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Appointed to the Board of Universal Store Holdings Limited in September 2018 as a Non-Executive Director and as Chair of the People and Remuneration Committee.

Trent has over 25 years of investment and private equity experience, focused primarily on businesses operating in consumer, retail and media sectors. Trent is a Managing Director of Catalyst Investment Managers Pty Ltd and the Managing Director of Catalyst Direct Capital Management Pty Ltd (a personal investment management company).

Trent was Chair of the Board of Directors of Universal Store Holdings Limited from October 2018 until the completion of the listing exercise and has since been appointed as the Chair of the People and Remuneration Committee.

Trent is Chair and Non-Executive Director of ASX listed Adairs Limited (since November 2010) and SkinKandy Limited (since April 2026). Trent is also a Non-Executive Director at ASX listed Shaver Shop Group Limited (since May 2016) and Dusk Group Limited (since February 2015). Trent was previously a Director of Just Group Limited (now delisted) and Global Television Limited (now delisted).

RENEE GAMBLE (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Appointed to the Board of Universal Store Holdings Limited in December 2021 as a Non-Executive Director and as a member of the Audit and Risk Management Committee.

Renee Gamble is Managing Director at Google Australia, leading the Sydney headquartered Large Customer Solutions sales team. Renee is also the Executive Sponsor of Google's APAC Retail Leadership Steering Committee and a member of the Google APAC Hiring Committee.

She is a Graduate of the Australian Institute of Company Directors and brings an extensive track record of technology and business innovation leadership with over 10 years at Microsoft in Singapore and Australia in various sales and business leadership roles. Renee previously worked as an industry analyst and business leader with International Data Corporation across Hong Kong, Beijing, and Singapore.

DIRECTORS' REPORT (CONTINUED)

INTERESTS IN THE SHARES AND OPTIONS OF THE GROUP AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the Directors in the shares and options of Universal Store Holdings Limited were:

	Number of ordinary shares	Number of options over ordinary shares
Peter Birtles	220,000	–
Alice Barbery	1,849,382	–
Kaylene Gaffney	25,000	–
David MacLean	883,053	–
Trent Peterson	1,000,000	–
Renee Gamble	10,857	–

COMPANY SECRETARIES

ETHAN ORSINI

Appointed on 17 September 2024.

Ethan has an Honours in Business Administration from the Richard Ivey School of Business (University of Western Ontario), is a Chartered Professional Accountant (Canada) and Graduate of the Australian Institute of Company Directors. Ethan has over 20 years of retail experience having previously spent 19 years at Super Retail Group in senior roles across Finance, BCF and Logistics.

CLARE CRAVEN

Appointed on 13 May 2022.

BLegS, FGIA, FCG, GAICD

Clare has over 25 years' legal, company secretarial and corporate governance experience gained in listed, non-listed public and private companies across various industries including banking, financial services and wealth management, retail, construction and not-for-profit. She currently acts as Company Secretary for several of MUFG Corporate Governance's clients. Previously, Clare held various senior leadership roles within Group Secretariat at Westpac Banking Corporation.

Clare is admitted as a Solicitor of the Supreme Court of NSW and holds a Bachelor of Legal Studies and a Graduate Diploma in Applied Corporate Governance.

DIVIDENDS

A final dividend of 16.5 cents per share ($12.7 million) was declared on 20 August 2025 and paid on 25 September 2025. In respect of the half-year ended 31 December 2025, an interim dividend of 26.0 cents per share ($19.9 million) was declared on 18 February 2026 and paid on 27 March 2026 (2025: 22.0 cents per share, $16.9 million). On 19 August 2026, the Directors determined a final dividend of 17.0 cents per share ($13.1 million) to be paid on 24 September 2026 (2025: 16.5 cents per share, $12.7 million). This dividend reflects the Group's strong trading performance and solid cash position, placing it at the higher end of the Company's dividend policy range.

PRINCIPAL ACTIVITY

During the year, the principal activity of the Group consisted of fashion retailing, which includes designing and wholesaling. There were no other significant changes in the nature of activity during the period.

REVIEW OF OPERATIONS

The net profit after tax of the Group for year ended 30 June 2026 was $18.2 million (2025: $23.3 million).

	2026 $M	2025 $M	Change %
Revenue from contracts with customers	376.1	333.3	12.9
Expenses	(269.3)	(240.0)	12.2
Underlying EBITDA[1]	**106.8**	**93.3**	**14.5**
Depreciation and amortisation expense	(42.8)	(38.7)	10.6
Underlying EBIT[2]	**64.0**	**54.6**	**17.2**
Finance income	0.7	0.9	(22.2)
Finance costs	(6.0)	(5.4)	11.1
Underlying Profit before tax	**58.7**	**50.1**	**17.2**
Income tax expense	(18.2)	(15.3)	19.0
Underlying Profit after tax	**40.5**	**34.8**	**16.4**

	2026 $M	2025 $M	Change %
Reconciliation to Profit after tax			
Underlying EBIT	**64.0**	**54.6**	**17.2**
Finance income	0.7	0.9	(22.2)
Finance costs	(6.0)	(5.4)	11.1
Impairment of CTC goodwill and THRILLS brand name	(23.8)	(13.6)	75.0
Fair value gain on deferred variable consideration	–	2.1	(100.0)
Profit before tax	**34.9**	**38.6**	**(9.6)**
Income tax expense	(16.7)	(15.3)	9.2
Profit after tax	**18.2**	**23.3**	**(21.9)**

	2026 Cents	2025 Cents
Basic earnings per share	23.8	30.4
Diluted earnings per share	23.6	30.2
Underlying EPS[3]	52.8	45.4

1. Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA).
2. Earnings before interest and tax (EBIT).
3. Underlying EPS is calculated using underlying NPAT and the weighted average number of ordinary shares outstanding during the period 76.7 million (2025: 76.6 million).

DIRECTORS' REPORT (CONTINUED)

OPERATIONS

The Group delivered a strong FY26 financial result with revenue of $376.1 million increasing $42.9 million or 12.9% on FY25. This increase was achieved through robust LFL sales growth and 13 new store openings partially offset by one planned store closure and a decline in the Cheap Thrills Cycles Pty Ltd (CTC) wholesale channel. The Group ended the year with 123 stores – 88 Universal Store (US) stores, 26 Perfect Stranger (PS) stores and nine THRILLS stores. Group online sales of $49.2 million contributed 13.1% of total sales and grew 10.8% on prior year.

US and PS delivered robust LFL growth of (+8.1%), and (+13.0%) respectively. This growth reflects the team's continued success in providing our customers with on-trend occasion for wear. The Group observes that customers remain discerning with their purchases. During the year, five US, and seven new PS stores were opened.

As planned, one US store was closed as the shopping centre undergoes refurbishment with a projected reopening date in mid-FY27.

The THRILLS retail format delivered +4.2% LFL growth with one new store opened in the year. CTC Wholesale sales of $23.7 million (excluding inter-company eliminations) were down $5.5 million on prior year due to reduced USA exports, the closure of a small number of key retail accounts and lower intercompany sales. Considering the wholesale deterioration, Management recognised an impairment on goodwill ($18.6 million) and THRILLS brand name ($5.2 million). These non-cash impairment costs are excluded from underlying earnings.

Group FY26 gross margin of 62.5% represents a 140-basis point improvement on prior year. This increase was driven by category mix, strong private brand and third-party assortments and the continued growth of the PS retail format. The Group continues to exercise a premium pricing strategy based on disciplined promotional and markdown activity.

The Group continues to invest in team and system capability to support its growth aspirations. This investment is reflected in the FY26 cost of doing business of 34.1% being 100-basis points above prior year. The Group continues to manage its store labour planning and warehouse processes to optimise efficiency and customer service.

Group underlying EBIT of $64.0 million represents a 17.2% increase on FY25. Statutory EBIT of $40.1 million includes a $23.8 million CTC intangible expense.

The Group ended the year with a robust cash balance of $23.3 million with nil bank borrowings. This strong cash position was underpinned by robust operating profits and working capital management.

Inventory decreased $0.7 million from June 2025 reflecting CTC inventory management and effectively managing slow moving stock.

Capital expenditure was $12.8 million for the year, driven by new stores, four store relocations and minor store refurbishments. The Group continues to invest in digital and system capability to support future growth and process efficiencies.

The Group currently has the following debt facilities available with ANZ:

- Facility A for $15.0 million redrawable term loan facility, which is undrawn.
- Facility D a $8.5 million revolving working capital facility, which is undrawn.
- Facility E a $5.0 million standby letter of credit/guarantee facility.
- Facility F a $0.3 million corporate card facility, of which $0.1 million is undrawn.

As at 30 June 2026, Facilities A and D expire in June 2029. Facility E and Facility F are reviewed annually.

Facilities are secured by a General Security Agreement (GSA) and Corporate Guarantee provided by Universal Store Holdings Ltd, US 1A Pty Ltd, US 1B Pty Ltd, US Australia Pty Ltd and Universal Store Pty Ltd. A negative pledge has been provided by all parties via the ANZ Facility Agreement.

The Group has complied with all the financial covenants of its borrowing facilities during the 2026 and 2025 reporting periods and continues to have significant headroom.

KEY BUSINESS RISKS

The Group is committed to maintaining effective risk management systems to address both financial and non-financial risks. The Group continues to evolve its risk management approach to meet the demands of its trading environment. The table below lists the business risks that may have a material effect on the Group's financial results and the mitigating actions for each risk:

Key Risk and Description	Risk Management
Retail Environment and economic conditions	
The Group's products are generally discretionary in nature. Customer spending on these products is potentially sensitive to changes in general customer sentiment and macroeconomic conditions. Customer sentiment may be impacted by house prices, political uncertainty, economic outlook, employment certainty, conflict and terror events. Disposable incomes of the Group's customers may vary as a result of changes in the cost of petrol, rent, food and energy prices or changes in unemployment levels or taxation. Any material reduction in customer spending on discretionary items may result in lower levels of Group revenue and profitability.	• Proactively monitor trading results, economic conditions, and customer sentiment. • Promptly identify and react to changes in customer demand to mitigate risks or act on opportunities. • Manage variable costs in line with sales and invest in initiatives to drive process and cost efficiency.
Fashion trends and customer preferences	
Demand for the Group's products is sensitive to it being on-trend. While a level of error in fashion design is normal, sustained or material misjudgement of fashion trends may adversely affect sales, market share and customer brand perception. Incorrectly quantifying customer demand may result in the Group offering too much or too little product that is relevant to a particular fashion trend. With third-party brands contributing a material amount of Group sales, the business is also reliant on the fashion judgements and range development of these suppliers.	• The Group uses a data driven test and learn approach to identify and trial trends and designs in controlled quantities. Sales data and store feedback is used to identify which trends most resonate with customers and are to be replenished and distributed more widely. Low initial order quantities ensure that the products that do not resonate with customers are immaterial and easily cleared. • Proactively identify and manage aged and out of trend products through a disciplined markdown process. • Monitor and stay close to customers and the events, social outings, occasions they are attending. • Continue to work with suppliers on special make-up and diversification. • Maintain shorter lead times to react to trends with speed.

DIRECTORS' REPORT (CONTINUED)

Key Risk and Description	Risk Management
Competition The Australian apparel, footwear and accessories market, in which the Group operates, is highly competitive and subject to constantly changing customer preferences in relation to trends, brands and shopping channels. The competitor set is fluid and evolving. There is a risk that the Group may lose market share to new or existing competitors. Examples of these risks include: • Increased competition through new market entrants or existing competition gaining market share through store openings, product offerings, marketing strategies or price discounting. • Online disruption resulting in a significant shift in customer preference from physical stores to the online channel. The Group's customers may choose to purchase products from its competitors, which may reduce the Group's revenue and profitability.	• Remain relevant and nimble, ensuring our channels continuously exceed customer expectations both in stores and online channels. • Active awareness of competitive environment and emerging trends and ensuring appropriate mitigation strategies are in place. • Maintain product exclusivity through owned brands and special make up product with third-party brands.
Product Sourcing The Group's products are predominantly sourced from China and within Australia. While the Group has a diversified supplier base, it has material reliance on key suppliers. Any material change or disruption to product sourcing or the Group's supply chain could have an adverse impact on inventory availability in the Group. This may adversely impact sales and customer experience resulting in loss of market share. Events that may impact product sourcing include: natural disasters, acts of war or terrorism, epidemic outbreaks, disruption to critical points of infrastructure such as ports. Geographical concentration of overseas suppliers exposes the Group to the impact of geopolitical disruption such as a material change in tariffs on imports or exports. These may result in material delays in the supply chain, which may adversely affect cost of sales and overall financial performance.	• Understand and assess options to diversify and reduce reliance on China and how these balance risk mitigation with product quality and commercial outcomes. • Proactively manage key supplier relationships to identify and mitigate any potential disruptions. • Continue to refine and enhance the Group's responsible procurement policy which addresses the risk of modern slavery throughout the supply chain and business operations.

Key Risk and Description	Risk Management
Supplier relationships The Group success is supported by strong relationships with its key suppliers and the ability to attract new suppliers on acceptable terms. The deterioration of key relationships may adversely impact the Group's financial and operational performance. In addition, the Group relies on its key product suppliers for product innovation, product quality and customer appeal. The Group may also be impacted by issues within their key product suppliers supply chains or customer facing strategies and perceptions. Such issues may adversely impact the Group's financial and/or operational performance.	• Maintain respectful and transparent relationships based on trust and develop win/win strategies for the Group and supplier. • Proactively explore opportunities to partner with new suppliers.
Cyber security and data privacy The Group's business may be materially adversely affected by malicious third parties or applications that interfere with, or exploit security flaws in websites. The security of information stored in the Group's systems could be put at risk by attacks from malicious software programs, persons, or inadvertent breaches. There is a risk that, if a cyber-attack were successful any data security breaches, failure to protect confidential information or disruption to the Group's websites could result in a loss of information integrity, breaches of obligations under applicable laws and website and system outages. Similarly, given some third-party suppliers hold confidential customer data in relation to the Group, the Group may be involved in such a breach. The occurrence of any of these events may potentially have a material adverse impact on the Group's reputation, business, financial performance and operations.	• Continue adherence to the CIS security framework, ensuring compliance and proactive improvement to enhance overall security posture. • Conduct regular penetration testing and risk assessments to identify and address potential security gaps. • Conduct regular training and education of the Group's team to build awareness of cyber security risk and the team's role in mitigating this risk. • Enhance network security by continuously improving firewall configurations, intrusion detection systems, and antivirus software. • Continue to invest into our advanced threat detection and response, supported by our external cyber partner. • Leverage our centralised and streamlined security monitoring platform to automate risk detection and mitigation. • Build upon the disaster recovery strategy and introduce comprehensive business continuity planning to ensure readiness in the event of a cyber incident. • Ensure ongoing compliance with Payment Card Industry Data Security Standard (PCI DSS) to protect credit card transactions. • Collaborate with third-party suppliers to ensure they adhere to the Group's security policies and standards to minimise the risk of breaches through external partners.

DIRECTORS' REPORT (CONTINUED)

Key Risk and Description	Risk Management
Health and safety The Group operates nationally across Australia and must comply with safety standards to ensure the safety of its employees, customers, suppliers and contractors. The Group assesses safety against both physical and psychosocial risks. Should an employee, supplier, contractor or customer be injured in the course of their employment or engagement with the business on premises, the Group may be liable for penalties or damages as a result. If the Group was required to pay monetary penalties, this may adversely affect its financial position and reputation.	• The Group's has an established reporting process for the team to communicate safety incidents and hazards. The Group's Health & Safety committee is responsible ensure appropriate follow-up on these incidents including team training, and formal mitigation plans. • Continue to facilitate and mitigate risks by team training and education programs, in particular the Distribution centres and Stores. • Continue to encourage employee assistance program usage and optimise as necessary.
Business disruption The Group may experience material or extended disruptions to trade due to unexpected events such as pandemics, severe weather events or other natural hazards. Such events may result in financial loss due to disruption to the Group's supply chain or its stores being unable to operate.	• Maintain updated business continuity plans supported with event simulations to test the Group's readiness. • Proactively monitor extreme weather events to assess potential risks and mitigation plans on a timely basis. • Ensure the Group's insurance coverage aligns with its risk exposure and risk appetite.
Legal and compliance The Group is subject to and must comply with various laws and regulatory requirements These range from fair trading, consumer protection, work health & safety, modern slavery, employment and tax. Changes to laws and regulations in these areas may adversely affect the Group through increased costs either directly (such as an increase in the amount of tax the Group is required to pay), or indirectly (increasing the cost to the business of complying with legal requirements). The Group may be involved in disputes or litigation, be the subject of disputes, complaints, inquiries or audits. These disputes may be related to warranties, product descriptions, personal injury, health, environmental, safety or operational concerns, nuisance, negligence or failure to comply with applicable laws and regulations. If the Group were to be found liable under a claim, the Group's financial position and future financial and operational performance may be adversely affected.	• External assurance and support engaged to ensure compliance with all laws and regulations. • Experienced leadership team ensuring appropriate governance is embedded to support the business in its operations.

Key Risk and Description	Risk Management
Climate Change Increased risk of weather variability, frequency of extreme weather events and natural disasters may impact the Group's supply chain operations and/or its stores ability to trade. Such trade disruptions may adversely impact the Group's revenue and operating costs such as increased insurance premiums. The transition increased mandatory climate reporting and the low carbon economy present both risks and opportunities in relation to reputational, financial, regulatory and technological outcomes. These outcomes may impact Group revenue, operating costs and team/customer perceptions.	• The Group monitors performance against a series of published sustainability targets. These targets include both short- and long-term measures of success. • A working group has assessed the impact of the incoming Mandatory Climate Reporting requirements which the Group will need to adopt commencing in FY27. This working group is working to a detailed transition plan and has completed an initial draft of the FY27 Climate Statement. • For further information on how environmental risks are managed, refer to the Sustainability Report, available in the annual report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group during the year.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 19 August 2026, the Directors of Universal Store Holdings Limited determined a final dividend on ordinary shares in respect of the 2026 financial year. The amount of the dividend is 17.0 cents per share ($13.1 million) to be paid on 24 September 2026. This dividend reflects the Group's strong trading performance and solid cash position, placing it at the higher end of the Company's dividend policy range.

There were no other significant events which occurred after the balance date which may affect either the Group's operations or results of those operations or the Group's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is not subject to any particular or significant environmental regulation under laws of the Commonwealth or of a State or Territory.

SHARE OPTIONS

No option to acquire shares in the Group has been granted to any person. No shares have been issued during the financial year or since the end thereof by virtue of the exercise of any options. There are no unissued shares under option at the date of this report.

DIRECTORS' REPORT (CONTINUED)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Group paid a premium to insure the Directors and Secretaries of the Group and the general managers of each of the divisions of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities. The policy prohibits the disclosure of the premium paid.

INDEMNIFICATION OF AUDITORS

Universal Store Holdings Limited has agreed to reimburse PricewaterhouseCoopers ("PricewaterhouseCoopers") for any liability (including reasonable legal costs) that PricewaterhouseCoopers incur in connection with any claim by a third party arising from a breach by Universal Store Holdings Limited of its agreement with PricewaterhouseCoopers.

NON-AUDIT SERVICES

From time to time, non-audit services are provided by the entity's auditor, PricewaterhouseCoopers. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

PricewaterhouseCoopers received, or are due to receive, the following amounts for the provision of non-audit services:

	2026 $	2025 $
Amounts paid or payable to PricewaterhouseCoopers for:		
Assurance services – Group audit and half-year review	358,000	389,000
Advisory services – Sustainability AASB S2 readiness assessment	44,000	–
Other services	15,000	53,000
Total remuneration of PricewaterhouseCoopers Australia	**417,000**	**442,000**

DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

			Meetings of Committees			
	Board Meetings		Audit and Risk		People and Remuneration	
Total number of meetings held	13		4		3	
	Attended	Eligible*	Attended	Eligible*	Attended	Eligible*
Peter Birtles	13	13	4	4	3	3
Alice Barbery	13	13	4	–	3	–
Kaylene Gaffney	13	13	4	4	–	–
David MacLean	12	13	–	–	3	3
Renee Gamble	13	13	4	4	–	–
Trent Peterson	13	13	–	–	3	3

* Directors are eligible to attend a meeting from appointment to the Board, or as a member of a Committee. At times, non-member Directors attend meetings of sub-committees by invitation.

COMMITTEE MEMBERSHIP

Members acting on the committees of the Board during the year were:

Audit and Risk Management	People and Remuneration
Kaylene Gaffney (Chair)	Trent Peterson (Chair)
Peter Birtles	Peter Birtles
Renee Gamble	David MacLean

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001*.

ROUNDING

The amounts contained in the financial report were rounded to the nearest $1,000 (where rounding is applicable) where noted ($000) under the option available to the Group under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*. The Group is an entity to which this legislative instrument applies.

CORPORATE GOVERNANCE STATEMENT

Universal Store Holdings Limited Corporate Governance Statement discloses how the Group complies with the Principles and Recommendations of the ASX Corporate Governance Council (4th Edition) and sets out the Group's main corporate governance practices. This statement has been approved by the Board and is current as at 19 August 2026. The Corporate Governance Statement of Universal Store can be found on the Group's website: https://investors.universalstore.com/investor-centre/#governance

AUDITOR'S INDEPENDENCE DECLARATION

The Directors have received a declaration from the auditor of Universal Store Holdings Limited. This has been included on page 65.

The Directors of Universal Store Holdings Limited present the Remuneration Report (the "Report") for the Group for the year ended 30 June 2026. This Report forms part of the Directors' report and has been audited in accordance with section 300A of the *Corporations Act 2001*.

REMUNERATION REPORT (AUDITED)

The Report details the remuneration arrangements for the Group's key management personnel ("KMP") comprised of Non-Executive Directors, Executive Directors and Senior Executives.

The KMP of the Group are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Group.

The table below outlines the KMP of the Group and their movement during the financial year.

Name	Position	Terms at KMP
Non-Executive Directors		
Peter Birtles	Non-Executive Director and Chair	Full financial year
Kaylene Gaffney	Non-Executive Director	Full financial year
David MacLean	Non-Executive Director	Full financial year
Trent Peterson	Non-Executive Director	Full financial year
Renee Gamble	Non-Executive Director	Full financial year
Executive Directors and Senior Executives		
Alice Barbery	Group Chief Executive Officer (CEO) and Managing Director	Full financial year
Ethan Orsini	Group Chief Financial Officer	Full financial year
George Do	Universal Store & Perfect Stranger Divisional CEO	Full financial year

The focus of this Report is on the remuneration arrangements and outcomes for the KMP listed in the table above.

CONTENTS:

SECTION 1: REMUNERATION STRATEGY AND POLICY

The People and Remuneration Committee (PRC) is responsible for determining and reviewing the remuneration arrangements for its Directors and Executives.

From a remuneration perspective, the objective of Universal Store Holdings Limited is to attract and retain talented and motivated, culturally aligned Executives and Team who can enhance the Group's performance through their teamwork, choices and leadership. The Board believe that our people are a key source of competitive advantage that is fundamental to the long-term success of the Group. Fostering a workplace culture that supports the imperative to maintain and develop current and future generations of leaders is a key priority of the Group.

The Executive remuneration and reward arrangements at Universal Store Holdings Limited have two components:

- Fixed remuneration comprising of salary and superannuation.
- Variable remuneration including short-term incentives ("STI") in the form of a cash-based reward and long-term incentives ("LTI") in the form of an equity reward.

The elements of the total remuneration package may vary according to the job role, team members experience and performance. Generically, the two key variables driving the mix of fixed versus 'at risk' or variable remuneration are (1) seniority and responsibility level and (2) ability to impact performance and shareholder value.

REMUNERATION REPORT (AUDITED) (CONTINUED)

In considering the remuneration arrangements of KMP and applying the market remuneration governance standards, the PRC makes recommendations based on the following objectives:

Strengthen our capabilities by attracting and retaining high calibre talent

Align the interest of the Company's KMPs to those of the shareholders

Drive sustainable long-term performance of the business

Promote individual and cross functional teamwork

Reward for outcomes and performance

Conscious of risks and managing reliance on KMP individuals

Be simple and transparent

The Committee considers individual remuneration arrangements, and assesses how the individual's contracted terms measure against these principles. Market movements and benchmarks are considered, however the Committee does not set specific remuneration objectives to market benchmarks (e.g. meet 'second quartile' remuneration benchmarks). Rather remuneration arrangements are determined using the Board's granular knowledge of roles, market dynamics, individual capabilities and circumstances and, the risk and return trade-offs faced by the Group. Remuneration is considered as just one part of an employee's reward for employment with the Group.

The remuneration policies are designed to align employee priorities and behaviours with the Group's business strategy and values as well to recognise and reward individual responsibility levels.

In relation to its most senior Team Members, the Board believes that an important part of building employee engagement is to align management with each other and with shareholder interests through the ownership of shares or related securities. The Group CEO and the US & PS Divisional CEO have material shareholdings in the Group, as do other members of the leadership team and various Board members. In FY23, the Board implemented a new layer to our existing LTI plans to deepen this alignment and bring the Group's remuneration approach more in line with mechanics commonly offered by our ASX listed peers.

EXECUTIVE DIRECTORS AND SENIOR EXECUTIVES' REMUNERATION

The Group CEO and Senior Executives are rewarded with a level and mix of remuneration appropriate to their position, responsibilities and performance, in a way that aligns with our business strategy.

Remuneration for KMP during the financial year consists of both fixed remuneration and variable remuneration.

FIXED REMUNERATION

Fixed remuneration is in the form of salary, superannuation contributions and other benefits and allowances and is designed to reward for:

- The scope of the Executive's role;
- The Executive's skills, experience and qualifications;
- Strategic value of the role;
- Size and complexity of the role; and
- Individual performance.

As discussed above, fixed remuneration is set with reference to comparable roles in similar companies, coupled with detailed knowledge of an individual's performance, nuance of their role, and the risk and return trade-offs associated with the role and its contribution to the Group. Additionally, there is consideration for the context of an individual's participation in STI and LTI plans of the Group and their remuneration history.

VARIABLE REMUNERATION

Variable remuneration includes STI in the form of a cash-based reward and an LTI in the form of an equity reward.

SHORT-TERM INCENTIVE PLAN

The Group CEO and Senior Executives are eligible to participate in the Group's STI plan. Participants in the STI plan have a target cash payment amount which is set each year ("Maximum Bonus Amount").

Provisional STI amounts in any given year may be between 0% and 100% of the Maximum Bonus Amount and are assessed having regard to the Group's actual underlying EBIT result delivered in the relevant year against a pre-set annual underlying EBIT target (benchmarks may ignore one offs and other abnormal or non-trading items).

For the FY26 STI arrangements, the Board set a performance based STI range linked to the Group's FY26 underlying EBIT result, with the minimum and maximum underlying EBIT thresholds per the below:

- At the low end: KMP will receive an STI of 20% of the Maximum Bonus Amount if Group underlying EBIT reaches $56.1 million in FY26.
- At the high end: an STI of 100% of the Maximum Bonus Amount will be paid if Group underlying EBIT reaches $61.7 million or more in FY26.

For results falling within this STI range, a pro-rated payment will be made, and the final payment will be subject to the Board's discretion, including having regard to the Board's assessment of any material Environmental, Social or Governance ("ESG") breach, should this occur – which it did not in FY26.

The Board continues to believe that underlying EBIT is an appropriate primary measure for determining STI outcomes. Underlying EBIT is widely understood by both our team and shareholders and in most circumstances, underlying EBIT based targets achieve a balance between a measure that can be materially influenced by management and a measure of sound proxy for the leadership team's ability to deliver results that contribute to driving shareholder value.

FY26 underlying EBIT includes CTC's trading underperformance and excludes the $23.8 million impairment of CTC intangible assets. The Directors determined that it was appropriate to exclude the impairment as it is non-cash in nature and derives from the under performance in the business's wholesale channel which has already been reflected in the underlying EBIT.

REMUNERATION REPORT (AUDITED) (CONTINUED)

The participants in the Executive STI plan have varying levels of direct influence over the Group's underlying EBIT result. Notwithstanding, the participants all play an important role in delivering our results and managing the risks associated with our short and long-term financial results. Teamwork is required from all leadership to deliver our financial results, coupled with the collaborative culture the Group strives to build and maintain, is a sound reason for having one primary financial measure to assess and drive the STI outcome.

Payments under the STI plan will be made following the release of the full-year financial results. Participants in the STI plan may have to repay the Group some or all the payments made under the STI plan in an event of any serious misconduct or material misstatement in the financial statements of the Group during any of the three preceding financial years, subject to Board approval. Generally, no incentive payment is payable if the threshold performance target is not met.

The measures are reviewed and reset each year and are tested annually after the end of the relevant financial year. An individual's eligibility to receive an STI in any year is also subject to Board discretion in relation to any major ESG breach or incident which the Board consider to be sufficiently material and attributable to an individual or group of individuals that the payment of all or part of an STI entitlement would be inappropriate.

LONG-TERM INCENTIVE PLAN

In FY23, the Group established a LTI scheme for KMP and designated Senior Executives as described on pages 58 to 59.

The existing equity ownership arrangements for the Group CEO and US & PS Divisional CEO were established during the Group's transition from private to public ownership (in some instances, many years prior to the IPO). As a result, the Group CEO and US & PS Divisional CEO each hold a material number of shares with significantly greater value than their individual fixed and short-term incentive arrangements.

The Group CEO and US & PS Divisional CEO currently hold in aggregate 4,021,239 shares, representing 5.2% of the shares on issue as at 30 June 2026.

SENIOR EXECUTIVE EMPLOYMENT ARRANGEMENTS

Remuneration arrangements for Executives are formalised in employment agreements. The following outlines the details of specific contracts with Executives:

GROUP CHIEF EXECUTIVE OFFICER

Alice Barbery is employed in the position of Group CEO. Alice is entitled to a base salary of $625,000 per annum (inclusive of statutory superannuation) for the 2026 financial year.

In addition to her base salary, Alice is eligible to participate in the Group's STI and LTI plans. Alice is eligible for an annualised bonus of $500,000 (inclusive of superannuation) under the FY26 STI plan. Alice is a participant in the LTI plans (FY23 – FY26) as described on page 58.

The term of Alice's employment as Group CEO ceases on 31 October 2026 upon her retirement. George Do has been appointed as her successor, effective from 1 November 2026.

Alice will join the Board of Directors as a Non-Executive Director on 1 February 2027 on consistent terms with other Non-Executive Directors. Following her retirement as an Executive, Alice has committed to providing consulting support to George in the ongoing development of the CTC business and to become a member of the CTC advisory board.

In lieu of participating in the FY27 STI plan, Alice is eligible for a payment of $85,000 (inclusive of superannuation) subject to the Board's satisfaction of the Group's performance up to 31 October 2026. Given the three-year period of the LTI plan, Alice will not participate in the FY27 plan. In lieu of this Alice is eligible for a $35,000 payment.

Upon resignation, Alice is bound by a restraint period of up to six months, during which time she cannot compete with the Group, provide services in any capacity to a competitor of the Group or solicit current or proposed suppliers or employees of the Group in Australia.

GROUP CHIEF FINANCIAL OFFICER

Ethan is entitled to a base salary of $455,000 per annum (inclusive of superannuation) for the 2026 financial year.

In addition to his base salary, Ethan is eligible to participate in the Group's STI and LTI plans. Ethan is eligible for an annualised bonus of $227,500 (inclusive of superannuation) under the FY26 STI plan. Ethan is a participant in the LTI plans (FY25 – FY26) as described on page 58.

The term of Ethan 's employment as Group CFO is ongoing. Ethan's employment may be terminated by either party giving six months' notice. The Group may pay Ethan in lieu of giving his notice. The Group may terminate Ethan's employment immediately where there is cause to do so (e.g., serious misconduct or a material breach of his terms and conditions of employment), without notice or payment in lieu of notice.

Upon termination, Ethan is bound by a restraint period of up to six months, during which time he cannot compete with the Group, provide services in any capacity to a competitor of the Group or solicit current or proposed suppliers or employees of the Group in Australia.

UNIVERSAL STORE & PERFECT STRANGER DIVISIONAL CEO

Effective 1 November 2026, George will move into the role of Group CEO. Upon commencing the role of Group CEO George is entitled to a gross annual base salary of $575,000 per annum (inclusive of superannuation) for the 2027 financial year. In addition to his base salary, George is eligible to participate in the Group's STI and LTI plans. The Board have approved George's participation in these plans based on his role as Group CEO for the FY27 full financial year. As a result, George will be eligible to receive a cash bonus of up to $460,000 (inclusive of superannuation) under the FY27 STI plan.

For the 2026 financial year, George's base salary was $460,000 per annum (inclusive of superannuation).

In addition to his base salary, George is eligible to participate in the Group's STI plan. George is eligible for an annualised bonus of $322,000 (inclusive of superannuation) under the FY26 STI plan. George is a participant in the LTI plans (FY23 – FY26) as described on page 58.

George's employment may be terminated by either party giving six months' notice. The Group may pay George in lieu of giving his notice. The Group may terminate George's employment immediately where there is cause to do so (e.g., serious misconduct or a material breach of his terms and conditions of employment), without notice or payment in lieu of notice.

Upon termination, George is bound by a restraint period of up to six months, during which time he cannot compete with the Group, provide services in any capacity to a competitor of the Group or solicit current or proposed suppliers or employees of the Group in Australia.

NON-EXECUTIVE DIRECTORS' REMUNERATION

Under the Company's Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for their services as a Director, subject to ASX Listing Rules from time to time. However, the total aggregate amount provided to all Non-Executive Directors in any financial year for their services as Directors must not exceed the aggregate amount of Non-Executive Directors' fees approved by Shareholders at the Company's annual general meeting. This amount is currently fixed at $750,000 per annum. Any change to this aggregate annual sum needs to be approved by Shareholders. The aggregate sum does not include any special and additional remuneration for special exertions and additional services performed by a Director as determined appropriate by the Board or any amounts payable to any Executive Director under any executive services agreements. As required by ASX Listing Rule, the remuneration of Directors does not include a commission on, or a percentage of profits or operating revenue.

Directors may also be reimbursed for all reasonable travel and other expenses incurred by the Directors in attending to the Company's affairs including attending and returning from Board meetings or any meetings of committees of Directors and in attending and returning from any general meetings of the Group.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Directors may be paid such additional or special remuneration if they, at the request of the Board, and for the purposes of the Group, perform any extra services outside the scope or ordinary duties of a Director.

The remuneration levels for Board members for FY26 remain unchanged as follows:

	Base Non-Executive Fees	Audit & Risk Committee	People & Remuneration Committee
Chair Fee	163,000	15,000	10,000
Member Fee	87,000	6,000	4,000

Subsequent to the October 2022 acquisition of CTC, the Board established the CTC Advisory Board to provide oversight of CTC's strategic direction and operational performance. The Board nominated Trent Peterson as chair of this Advisory Board for which he receives an additional amount of $40,000 per annum.

The fees paid to Directors remains significantly under the cap approved by shareholders of $750,000.

OTHER POLICIES

CLAW BACK POLICY

If the Group becomes aware of serious misconduct or a material misstatement in its financial statements, the Board may claw back that overpayment. The PRC will review this claw back policy at least annually and make recommendations to the Board as to any changes it considers should be made.

SECURITIES TRADING POLICY

In all instances, buying or selling shares is not permitted at any time by any KMP who possess inside information in a manner contrary to the *Corporations Act 2001*. Black-out periods are strictly applied.

SECTION 2: ROLE OF THE PEOPLE AND REMUNERATION COMMITTEE

The role of the PRC is to assist the Board in fulfilling its statutory and regulatory responsibilities for corporate governance and overseeing the Group's remuneration policies and practices.

This includes evaluating and recommending the remuneration packages and policies related to the KMP, Directors and other members of Management to the Board for approval. The PRC is also responsible for administering short-term and long-term incentive plans (including any equity plans).

The Committee seeks independent advice where appropriate. No advice or guidance was sought or obtained during FY26.

The Group complies with the recommendations set by ASX Listing Rules and ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee comprises Trent Peterson (as Chair), David MacLean and Peter Birtles.

SECTION 3: GROUP PERFORMANCE – RELATIONSHIP BETWEEN FINANCIAL PERFORMANCE AND REMUNERATION

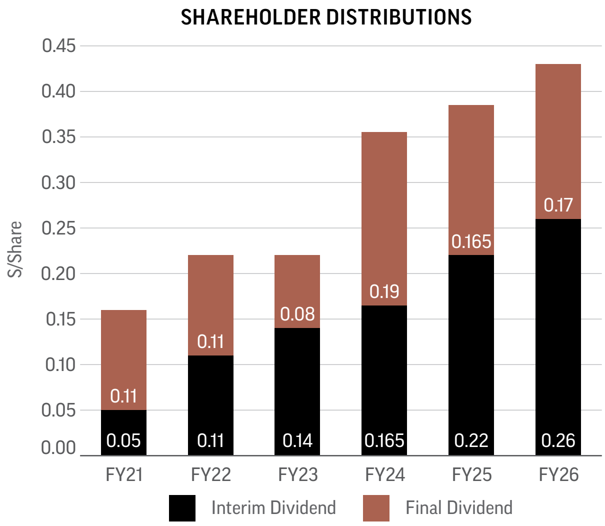
OVERVIEW OF OUR RESULTS AND THE STI OUTCOMES FOR KMP

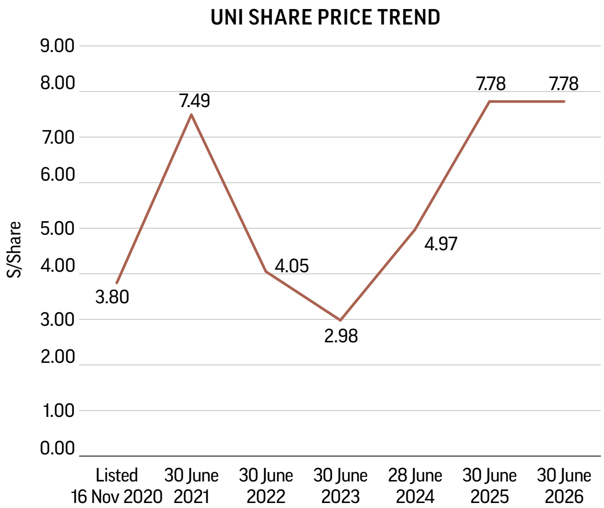
FY26 is the Group's sixth annual result since its IPO in November 2020.

The table below summarises the headline results and the outcomes under the STI plan for our KMP across the last five years.

	FY22	FY23	FY24	FY25	FY26
Sales ($000's)[1]	207,969	243,634	288,523	333,266	376,142
Underlying EBIT (excluding AASB 16 until FY24) ($000's)[1,2]	30,943	35,972	47,076	54,555	63,961
Group CEO Fixed Rem ($000's)	545	545	545	590	625
Group CEO Max STI available ($000's)	327	360	375	475	500
Group CEO Actual STI awarded ($000's)	–	234	375	475	500
Group CFO Fixed Rem ($000's)[3]	400	415	415	387	455
Group CFO Max STI available ($000's)[3]	200	215	230	197	228
Group CFO Actual STI awarded ($000's)[3]	–	140	230	197	228
US & PS Divisional CEO Fixed Rem ($000's)[4]	–	–	–	154	460
US & PS Divisional CEO Max STI available ($000's)[4]	–	–	–	96	322
US & PS Divisional CEO Actual STI awarded ($000's)[4]	–	–	–	96	322

1. This number is unaudited as it excludes CTC results for FY22 – FY23 as STI targets were agreed prior to acquisition. FY24 – FY26 is inclusive of CTC results.
2. This is a non-IFRS measure that is unaudited but derived from audited Financial Statements. Underlying EBIT for FY22 – FY23 is exclusive of AASB 16 *Leases*. FY24 – FY26 underlying EBIT is inclusive of AASB 16 *Leases*.
3. Amount reflects pro-rata allocation from commencement of KMP role on 5 August 2024.
4. Amount reflects pro-rata allocation from commencement of newly established KMP role on 1 March 2025.





REMUNERATION REPORT (AUDITED) (CONTINUED)

EXECUTIVE DIRECTOR AND SENIOR EXECUTIVES REMUNERATION STRUCTURE

The Executive Director and Senior Executives are currently remunerated under a total reward structure that consists of both fixed remuneration comprising base salary package (inclusive of superannuation contributions and other allowances), and at risk remuneration in the form of STI and LTI opportunities.

The annualised mix of fixed remuneration and at-risk elements as a percentage of total target remuneration for 30 June 2026 was as follows:

	% of total target annual remuneration for 30 June 2026		
		At risk remuneration	
	Fixed Remuneration	STI maximum opportunity	LTI maximum opportunity
Alice Barbery	35.7%	28.6%	35.7%
Ethan Orsini	45.5%	22.7%	31.8%
George Do*	41.6%	29.2%	29.2%

* In the capacity of Group Chief Executive Officer, George's annualised remuneration mix of 35.7% fixed, 28.6% STI maximum opportunity and 35.7% LTI maximum opportunity.

FIXED REMUNERATION

The remuneration for Senior Executives includes a fixed component comprised of base salary and employer superannuation contributions that are in line with statutory obligations.

The base salary reflects comparable roles in similar sized companies operating in the retail industry, having regard to the experience and expertise of the Senior Executive, their performance, and history with the Group, and other relevant factors. This requires both quantitative and subjective assessment.

Fixed remuneration is reviewed annually by the PRC, with recommendations made to and approved by the Board. Approved changes are usually effective from the commencement of the new financial year.

The Board agreed to increase the fixed remuneration of the Group CEO for FY26. This decision was made having regard to changes in market, expanded responsibility given the scale and complexity of the Group, and having regard to Alice's continued strong performance and leadership. From 1 July 2025, the fixed remuneration of the Group CEO increased to $625,000 per annum (inclusive of employer superannuation contributions).

From 1 July 2026, Alice's fixed remuneration as the Group CEO will remain unchanged at $625,000 per annum. Alice's employment as Group CEO ceases on 31 October 2026 following her retirement and transition to the Board of Directors, as Non-Executive Director, from 1 February 2027.

George Do's fixed remuneration, as the Universal Store & Perfect Stranger Divisional CEO, will increase to $460,000 from 1 July 2026. George will move into the Group CEO role from 1 November 2026 with an annualised fixed remuneration of $575,000 effective from 1 October 2026.

From 1 July 2026, the fixed remuneration of the Group CFO will increase to $478,000 per annum.

SHORT-TERM INCENTIVE PLAN

The 30 June 2026 STI plan was assessed following the completion of the performance period from 1 July 2025 to 30 June 2026. The STI plan awarded to each Senior Executive is detailed in the table below:

Senior Executive	Max/ target STI ($)	Actual STI awarded ($)	Actual STI awarded as a % of maximum STI	% of maximum STI award forfeited
Alice Barbery	500,000	500,000	100%	0%
Ethan Orsini	227,500	227,500	100%	0%
George Do	322,000	322,000	100%	0%

The maximum (100%) STI measure for KMP was set at an underlying EBIT (post AASB 16) of $61.7 million in FY26, with this threshold being met (Note STI targets may adjust for one off, abnormal or non-trading items). The FY26 STI outcome was based on Group underlying EBIT of $64.0 million which excludes the $23.8 million CTC goodwill and THRILLS brand name impairment expense.

The Board increased the FY26 Target STI for the Group CEO to $500,000 (5.23% increase from FY25 Target STI). In lieu of participating in the FY27 STI plan, Alice is eligible for a payment of $85,000 (inclusive of superannuation) subject to the Board's satisfaction of the Group's performance up to 31 October 2026

George's FY26 Target STI as the Universal Store & Perfect Stranger Divisional CEO was $322,000. The Board has approved George's FY27 STI at an annualised target of $460,000, reflecting his move into the Group CEO role effective 1 November 2026. No pro-rating will apply between the Universal Store & Perfect Stranger Divisional CEO and Group CEO roles for the year.

The Board increased the FY27 Target STI of the Group CFO to $239,000 per annum.

CURRENT EXECUTIVE LONG-TERM INCENTIVE PLAN

As a listed Company, the Board believe there is both scope and merit in maintaining a LTI scheme to align the interests of the KMP and senior management with the Company's shareholders. As a result, the existing LTI scheme was created with the FY23 LTI plan being approved at 24 November 2022 AGM.

REMUNERATION REPORT (AUDITED) (CONTINUED)

An overview is set out below:

Instrument	Performance Rights
Quantum	Group CEO: Target ~100% of TFR*
	Group CFO: Target ~70% of TFR
	US & PS Divisional CEO: Target ~70% of TFR
	Vesting period: shares vest after the end of the Performance period for each grant of Performance Rights.
	Allocation Price: Five trading day volume weighted average price (VWAP) immediately following the date of release of annual results.
	Performance measure: Return on Capital Employed (ROCE) gateway target in the final year of the performance period of not less than 20%. ROCE is calculated by dividing EBIT by total shareholder equity.
	Performance measure: Specified Earnings Per Share targets.
	Service condition: the Participants must remain employed or engaged in a full-time capacity by the Group, and must not have given notice of resignation or been given notice of termination, as at the end of the Performance period. The Board has established criteria to recognise good leaver status to Participants exiting the Group. Where good leaver status has been achieved, the Board may deem the Participant to continue to be eligible for a portion of the performance rights relating to the Participants employment with the Group.
	Shares vest after the end of the Performance period. Achievement of the minimum threshold results in 30% of performance rights vesting. Where actual EPS is greater than the minimum threshold and lower than the maximum threshold, the amount of shares vested is calculated on a straight line pro-rata basis. Thresholds are listed in the table below.

Grant	Performance Period	Minimum Threshold EPS Target	Maximum Threshold EPS Target
FY23	1 July 2022 to 30 June 2025	$0.45	$0.60
FY24	1 July 2023 to 30 June 2026	$0.45	$0.60
FY25	1 July 2024 to 30 June 2027	$0.50	$0.65
FY26	1 July 2025 to 30 June 2028	$0.54	$0.68

The specified earnings per share target will be calculated based on underlying EPS. Underlying adjustments may be made for matters including for material one off items that do not reflect the underlying earnings and therefore EPS of the Company, or where there was a major capital event (e.g. acquisition) changing the Company's capital structure such that statutory EPS did not fairly represent the performance of the Company.

* TFR is made up of salary and superannuation.

The Board believes that EPS is a sound measure as an indicator of long-term performance of the Company and management's ability to drive results which are strongly correlated with shareholder value. This plan coupled with the existing shareholdings of management ensures that the participants have a significant focus on and alignment with the share price performance of the Company over the long term.

In considering the FY24 grant outcome, the Board has determined to use FY26 underlying EPS which includes CTC trading underperformance but excludes the $23.8 million impairment of CTC intangible assets. The Directors determined that it was appropriate to exclude the impairment as it is non-cash in nature and derives from the underperformance in the business's wholesale channel which has already been reflected in the underlying EBIT. The Board has assessed the 20% FY26 ROCE gateway target noting this has been achieved on both an underlying and statutory basis.

Details of the performance rights for the Senior Executives are included in Section 4 of the Remuneration Report.

The Board has issued an additional grant of securities to KMP under the LTI Plan for FY26. This grant follows the same plan rules and proportions relative to TFR as the FY23 – FY25 LTI grants. FY26 performance measures were considered by the Board and again based on ROCE and EPS targets.

These measures are reviewed annually, taking into account business performance and the macro-environment, with FY26 LTI targets increased from FY25 levels.

The Board anticipates a further FY27 LTI grant under the same plan for eligible Executives, subject to required approvals.

CLAW BACK POLICY

The Board may claw back overpayment if the Group becomes aware of participant actions or circumstances that may lead to unfair benefits. This includes instances of fraud, serious misconduct, material financial losses, material reputational damage, breach of duties, convictions, or material misstatement in the financial statement. Additionally, the Board may act if it becomes aware of relevant circumstances after a participant's employment ceases, or if the initial Award is no longer justified based on new information. The PRC will review this claw back policy at least annually and make recommendations to the Board as to any changes it considers should be made.

SECTION 4: DETAILS OF REMUNERATION

NON-EXECUTIVE AND EXECUTIVE DIRECTORS' REMUNERATION

The following annual base fees are payable to Directors in FY26:

Director fees (Base Fees)	$	Directors in office
Chair	$163,000	Peter Birtles
Non-Executive Directors	$127,000	Trent Peterson*
	$87,000	Kaylene Gaffney
	$87,000	David MacLean
	$87,000	Renee Gamble

* Annual fees paid to Trent Peterson include $40,000 relating to his additional responsibilities in chairing the CTC Advisory Board.

The following annual committee fees are payable to the Chair and members of each of the Audit and Risk Management Committee and People and Remuneration Committee:

Committee fees for FY26	$	Directors in office
Audit and Risk Management Committee		
Chair	$15,000	Kaylene Gaffney
Non-Executive Directors	$6,000	Peter Birtles
		Renee Gamble
People and Remuneration Committee		
Chair	$10,000	Trent Peterson
Non-Executive Directors	$4,000	Peter Birtles
		David MacLean

There are no retirement benefit schemes for Non-Executive Directors, other than statutory superannuation contributions.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Details of the remuneration of the Directors and KMP of the Group for the current financial year are set out below.

		Short-term benefits		
Name	Financial year	Board and committee fees $	Superannuation $	Total $
Non-Executive Directors				
Peter Birtles*	2026	173,000	–	173,000
Kaylene Gaffney	2026	91,982	10,018	102,000
David MacLean	2026	81,250	9,750	91,000
Trent Peterson*	2026	137,000	–	137,000
Renee Gamble	2026	93,000	–	93,000
Total Non-Executive Directors	**2026**	**576,232**	**19,768**	**596,000**

		Short-term benefits		
Name	Financial year	Board and committee fees $	Superannuation $	Total $
Non-Executive Directors				
Peter Birtles*	2025	173,000	–	173,000
Kaylene Gaffney	2025	91,480	10,520	102,000
David MacLean	2025	81,614	9,386	91,000
Trent Peterson*	2025	137,000	–	137,000
Renee Gamble	2025	93,000	–	93,000
Total Non-Executive Directors	**2025**	**576,094**	**19,906**	**596,000**

* Fees paid for Peter Birtles are paid to Trent Bridge Consulting, fees paid for Trent Peterson are paid to Catalyst Direct Capital Management.

		Short-term benefits			Long-term benefits	Post-employ-ment	Share-based payments		
Name	Financial year	Salary & fees $	Cash bonus $	Annual leave $	Long-service leave $	Super-annuation $	Share-based payment $	Total $	% Perfor-mance related
Executive Directors and Senior Executives									
Alice Barbery	2026	595,000	500,000	12,597	19,004	30,000	506,180	1,662,781	60.5%
Ethan Orsini	2026	425,000	227,500	4,133	700	30,000	197,444	884,777	48.0%
George Do	2026	430,000	322,000	5,616	7,166	30,000	235,401	1,030,183	54.1%
Total Executive Directors and Senior Executives	**2026**	**1,450,000**	**1,049,500**	**22,346**	**26,870**	**90,000**	**939,025**	**3,577,741**	

REMUNERATION REPORT (AUDITED) (CONTINUED)

Name	Financial year	Short-term benefits			Long-term benefits	Post-employ-ment	Share-based payments		
		Salary & fees $	Cash bonus $	Annual leave $	Long-service leave $	Super-annuation $	Share-based payment $	Total $	% Perfor-mance related
Executive Directors and Senior Executives									
Alice Barbery	2025	560,068	475,000	20,518	19,672	29,932	270,118	1,375,308	54.2%
Ethan Orsini*	2025	360,061	197,083	13,848	–	27,054	83,375	681,421	41.2%
George Do**	2025	144,121	95,530	41,401	31,640	10,032	39,121	361,845	37.2%
Renee Jones	2025	64,418	–	3,404	–	7,408	(48,678)	26,552	0.0%
Total Executive Directors and Senior Executives	**2025**	**1,128,668**	**767,613**	**79,171**	**51,312**	**74,426**	**343,936**	**2,445,126**	

* Amount reflects pro-rata allocation from commencement of KMP role on 5 August 2024.

** Amount reflects pro-rata allocation from commencement of KMP role on 1 March 2025.

PERFORMANCE RIGHTS

Performance rights under the LTI scheme have been granted during FY26. The performance rights vest after the end of the relevant three-year performance period, subject to satisfaction of performance and service conditions. On vesting, each right automatically converts into one ordinary share. The Executives do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If an Executive ceases employment before the rights vest, the rights will be forfeited, except in limited circumstances that are approved by the Board on a case-by-case basis.

The fair value of the rights is determined based on the market price of the Group's shares at the grant date, with an adjustment made to take into account the three year vesting period and expected dividends during that period that will not be received by the KMP.

Grant date	Vesting date	Grant date value	Exercise price
24 November 2022	30 June 2025	$4.59	nil
21 December 2022	30 June 2025	$4.59	nil
20 November 2023	30 June 2026	$2.86	nil
30 October 2024	30 June 2027	$6.99	nil
30 October 2025	30 June 2028	$7.92	nil

REMUNERATION REPORT (AUDITED) (CONTINUED)

PERFORMANCE RIGHTS

This table shows how many performance rights were granted, vested and forfeited during the year.

Name	Performance Rights Grant Date	Balance at start of the Year (Number)	Granted during the Year (Number)	Vested during the Year (Number)	Forfeited during the Year (Number)	Balance at end of the Year (Number)	Maximum value yet to vest
Alice Barbery*	24 November 2022	114,017	–	(36,485)	(77,532)	–	–
Alice Barbery*	20 November 2023	145,101	–	–	–	145,101	414,989
Alice Barbery*	30 October 2024	85,537	–	–	–	85,537	597,901
Alice Barbery*	30 October 2025	–	72,696	–	–	72,696	575,749
Ethan Orsini	30 October 2024	43,638	–	–	–	43,638	305,031
Ethan Orsini	30 October 2025	–	37,046	–	–	37,046	293,402
George Do	21 December 2022	49,791	–	(15,933)	(33,858)	–	–
George Do	20 November 2023	63,365	–	–	–	63,365	181,225
George Do	30 October 2024	37,042	–	–	–	37,042	258,922
George Do	30 October 2025	–	37,453	–	–	37,453	296,626
Total		**538,491**	**147,195**	**(52,418)**	**(111,390)**	**521,878**	**2,923,845**

* Approval by shareholders under LR 10.14 for grant has been obtained.

LTI OUTCOME – FY23 LTI GRANT

The performance hurdles for the FY23 LTI grant were assessed at the end of the performance period (30 June 2025) following the release of the FY25 audited financial results, with 32% of the original grant determined to have met the required criteria and therefore qualifying for vesting over the relevant vesting period. Following this assessment, the Board approved vesting at 32% of the FY23 LTI grant.

In determining the vesting outcome, the Board considered the extent to which performance conditions were achieved in accordance with the established principles of the LTI framework. These principles, including the circumstances under which discretion may be exercised, are outlined in Section 3, together with a detailed description of the LTI plan.

LTI OUTCOME – FY24 LTI GRANT

As of 30 June 2026, the performance period for the FY24 LTI grant has now come to an end. As communicated to shareholders during the 2022 AGM and in accordance with the award rules, the vesting assessment for the grant will take place following the release of the FY26 audited financial results.

The FY24 grant outcome will be determined on FY26 underlying EPS which includes CTC trading underperformance but excludes the $23.8 million impairment of CTC intangible assets. The Directors determined that it was appropriate to exclude the impairment as it is non-cash in nature and derives from the under performance in the business's wholesale channel which has already been reflected in the underlying EBIT. The Board has assessed the 20% FY26 ROCE gateway target noting it has been achieved on both an underlying and statutory basis. FY26 underlying EPS of 52.8 cents results in a 66% of the FY24 LTI grant.

REMUNERATION REPORT (AUDITED) (CONTINUED)

SHAREHOLDINGS OF KMP*

Shares held in Universal Store Holdings Limited (number)

	Balance 1 July 2025 Ord	Shares acquired during the year through the vesting of LTI Ord	Other shares acquired (disposed of) during the year Ord	Balance 30 June 2026 Ord	Held nominally 30 June 2026 Ord
Non-Executive Directors					
Peter Birtles	220,000	–	–	220,000	–
Kaylene Gaffney	25,000	–	–	25,000	–
David MacLean	883,053	–	–	883,053	–
Trent Peterson	1,150,000	–	(150,000)	1,000,000	–
Renee Gamble	–	–	10,857	10,857	–
Executive Directors and Senior Executives					
Alice Barbery	1,812,897	36,485	–	1,849,382	–
Ethan Orsini	–	–	–	–	–
George Do	2,155,924	15,933	–	2,171,857	–

* Includes shares and performance rights held directly, indirectly and beneficially by KMP.

All equity transactions with KMP other than those arising from the exercise of remuneration performance rights have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

OTHER TRANSACTIONS AND LOANS WITH KMP

There are no other transactions or outstanding loans to KMP in the current or prior period.

Signed in accordance with a resolution of the Directors.

Peter Birtles
Independent Non-Executive Director and Chair

19 August 2026

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration

As lead auditor of Universal Store Holdings Limited's financial report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

Michael Crowe
Partner
PricewaterhouseCoopers

Brisbane
19 August 2026

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Revenue from contracts with customers	5.1	376,142	333,266
Raw materials and consumables used	5.2	(141,116)	(129,605)
		235,026	203,661
Other income	6	–	2,056
Other gain/(loss)		105	(15)
Employee benefits expenses	5.3	(96,286)	(80,581)
Occupancy expenses		(8,829)	(7,426)
Depreciation and amortisation expense	5.4	(42,840)	(38,756)
Impairment of CTC goodwill and THRILLS brand name	15	(23,819)	(13,600)
Marketing expenses		(10,025)	(9,862)
Banking and transaction fees		(80)	(38)
Other expenses		(13,110)	(12,428)
Finance costs	5.5	(6,015)	(5,396)
Finance income		790	982
Profit before income tax		**34,917**	**38,597**
Income tax expense	7	(16,687)	(15,336)
Profit for the period		**18,230**	**23,261**
Profit for the year is attributable to:			
Owners of Universal Store Holdings Limited		18,230	23,261
Other comprehensive income			
Items that may be reclassified to profit or loss			
Gain/(loss) on cash flow hedge	23	373	(302)
Other comprehensive income for the period, net of tax		**373**	**(302)**
Total comprehensive income for the period is attributable to:			
Owners of Universal Store Holdings Limited		18,603	22,959
		18,603	**22,959**
Earnings per share			
Basic earnings per share (cents)	9	23.8	30.4
Diluted earnings per share (cents)	9	23.6	30.2

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 $'000	30 June 2025 $'000
Assets			
Current assets			
Cash and cash equivalents	10	23,322	17,160
Trade receivables	11	984	1,285
Other receivables	12	3,870	3,588
Inventories	13	32,604	33,300
Derivative financial instruments	27.5	101	–
Total current assets		**60,881**	**55,333**
Non-current assets			
Plant and equipment	14	24,887	22,127
Right-of-use assets	16	71,389	82,541
Goodwill and intangible assets	15	103,700	126,979
Total non-current assets		**199,976**	**231,647**
Total assets		**260,857**	**286,980**
Liabilities			
Current liabilities			
Trade and other payables	17	27,752	28,609
Lease liabilities	16	27,351	28,311
Contract liabilities	19	3,304	2,432
Provisions	20	3,544	2,855
Derivative financial instruments	27.5	–	431
Current tax liabilities		3,358	5,900
Total current liabilities		**65,309**	**68,538**
Non-current liabilities			
Lease liabilities	16	52,890	60,134
Provisions	20	1,754	1,467
Deferred tax liabilities	7	8,393	11,446
Total non-current liabilities		**63,037**	**73,047**
Total liabilities		**128,346**	**141,585**
Net assets		**132,511**	**145,395**
Equity			
Contributed equity	21	110,844	110,844
Reserves	23	12,183	10,691
Retained earnings		9,484	23,860
Total equity		**132,511**	**145,395**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Notes	Contributed equity $'000	Other equity $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
At 1 July 2025		**110,844**	**–**	**10,691**	**23,860**	**145,395**
Profit for the period		–	–	–	18,230	18,230
Other comprehensive income		–	–	373	–	373
Total comprehensive income for the period		**–**	**–**	**373**	**18,230**	**18,603**
Transactions with owners in their capacity as owners:						
Dividends paid	24	–	–	–	(32,606)	(32,606)
Share-based payment	23	–	–	1,119	–	1,119
Acquisition of treasury shares	22.1	–	(831)	–	–	(831)
Issue of treasury shares to employees	22.1	–	831	–	–	831
At 30 June 2026		**110,844**	**–**	**12,183**	**9,484**	**132,511**
At 1 July 2024		110,844	–	9,501	32,055	152,400
Profit for the period		–	–	–	23,261	23,261
Other comprehensive income		–	–	(302)	–	(302)
Total comprehensive income for the period		**–**	**–**	**(302)**	**23,261**	**22,959**
Transactions with owners in their capacity as owners:						
Dividends paid	24	–	–	–	(31,456)	(31,456)
Share-based payment	23	–	–	780	–	780
MEP loan repayment	23	–	–	712	–	712
At 30 June 2025		**110,844**	**–**	**10,691**	**23,860**	**145,395**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Operating activities			
Receipts from customers (inclusive of GST)		414,560	369,103
Payments to suppliers and employees (inclusive of GST)		(303,524)	(271,049)
Interest received		790	982
Interest paid		(6,015)	(5,338)
Income taxes paid		(22,442)	(14,933)
Net cash flows from operating activities	10	**83,369**	**78,765**
Investing activities			
Payment of deferred variable consideration associated with acquisition of CTC		(659)	(2,629)
Proceeds from sale of plant and equipment		732	857
Purchase of plant and equipment	14	(11,815)	(11,118)
Purchase of intangible assets	15	(1,001)	(949)
Net cash flows used in investing activities		**(12,743)**	**(13,839)**
Financing activities			
Payment of principal portion of lease liabilities	10.3	(33,989)	(32,234)
Lease incentives received in cash	10.3	2,962	950
Proceeds from borrowings		10,000	–
Repayment of borrowings		(10,000)	(15,000)
Upfront finance charge of borrowings	10.3	–	(5)
Dividends paid to the owners of Universal Store Holdings Limited	24	(32,606)	(31,456)
Proceeds from MEP loan repayments		–	712
Payments for acquisition of treasury shares		(831)	–
Net cash used in financing activities		**(64,464)**	**(77,033)**
Net increase/(decrease) in cash and cash equivalents		6,162	(12,107)
Cash and cash equivalents at the beginning of the financial year		17,160	29,267
Cash and cash equivalents at end of the period	10	**23,322**	**17,160**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. CORPORATE INFORMATION

The consolidated financial statements of Universal Store Holdings Limited (the “Company” or “Parent”) and its controlled entities (the “Group”) for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the Directors on 19 August 2026.

Universal Store Holdings Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia whose shares from 16 November 2020 are publicly traded on the Australian Stock Exchange (‘ASX’).

The Group is principally engaged in retail operations in the fashion market segment in Australia, and further information on the nature of the operations and principal activity of the Group are described in the Directors’ report. Information on the Group’s structure is provided in Note 25. Information on other related party relationships of the Group is provided in Note 26.

2. MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial liabilities measured at fair value or remeasured amount.

The consolidated financial statements are presented in Australian dollars and all values are rounded to the nearest thousand ($000), except when otherwise indicated under the option available to the Group under *ASIC Corporations (Rounding in Financial/ Directors’ Reports) Instrument 2026/183*. The Group is an entity to which this legislative instrument applies.

COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The Directors have the power to amend and reissue the financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The accounting policies adopted are consistent with those of the previous financial year.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 30 June 2026 reporting periods and have not been early adopted by the Group. The Group’s assessment of the impact of these new standards and amendments is set out below.

AASB 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027). AASB 18 will replace AASB 101 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users.

Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and new disclosure requirements for management-defined performance measures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Management is assessing the detailed implications of applying AASB 18. Based on a preliminary assessment, the standard is not expected to affect the Group's net profit but is expected to change the presentation of the statement of profit or loss, including the calculation and reporting of operating profit. Potential impacts include the classification of certain foreign exchange differences and derivative gains and losses within the statement of profit or loss. The assessment of these impacts is ongoing

The Group will apply AASB 18 from 1 July 2027, with comparative information restated on application.

2.3 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.4 MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES

(a) CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within 12 months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) FOREIGN CURRENCIES

The Group's consolidated financial statements are presented in Australian dollars.

(i) TRANSACTIONS AND BALANCES

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(c) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the CGU's higher of its fair value less costs of disposal and its value in use.

For the purpose of assessing the recoverability of property, plant and equipment, all stores are individual CGUs. For the purpose of assessing the recoverability of goodwill, brand names and other net CGU assets, the testing is performed at the operating segment level. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing fair value, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on most recent budgets and forecast calculations, which are prepared separately for each of the Group's operating segments. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive statement in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested annually for impairment at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(d) FINANCE INCOME

Interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

(e) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable; and
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

(f) DERIVATIVES AND HEDGING ACTIVITIES

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 8.1. Movements in the hedging reserve in shareholders' equity are shown in Note 23.

(i) CASH FLOW HEDGES THAT QUALIFY FOR HEDGE ACCOUNTING

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within OCI in the costs of hedging reserve within equity. In some cases, the entity might designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are accounted for as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), the deferred hedging gains and losses, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss because the hedged item affects profit or loss (for example, through cost of goods sold).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

(ii) DERIVATIVES THAT DO NOT QUALIFY FOR HEDGE ACCOUNTING

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(iii) HEDGE EFFECTIVENESS

Hedge effectiveness is determined at the inception of the hedge relationship, and through prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

The Group buys inventories that are purchased in US Dollars (USD). In order to protect against exchange rate movements and to manage the inventory purchases process, the Group has entered into forward exchange contracts to purchase USD. Outstanding contracts are hedging highly probable forecasted inventory purchases and the contract notional value is forecast to total less than the expected level of total purchases of inventory in USD within 12 months.

Forward currency contracts are timed to mature when payments are scheduled to be made. These derivatives have met the requirements to qualify for hedge accounting with movements recorded in other comprehensive income accordingly.

(g) COMPARATIVES

Where necessary, comparative figures have been reclassified to conform with changes in presentation of assets and liabilities but resulting in no impact to the overall profit for the period.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

LEASES – ESTIMATING THE INCREMENTAL BORROWING RATE ('IBR')

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities.

The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR build-up approach is that the Group provides Australia and New Zealand Banking Group (ANZ) the lease details and ANZ provides the Group with an estimated interest rate.

KEY ASSUMPTIONS USED FOR GOODWILL AND BRAND NAMES IMPAIRMENT TESTING

The Group tests whether goodwill and brand names have suffered any impairment on an annual basis. The recoverable amount of the CGUs was determined based on fair value less costs of disposal calculations which require the use of assumptions. Management uses cash flow projections based on approved financial budgets and projections covering a five-year period. Cash flows beyond the five-year period are extrapolated using a terminal growth rate of 2.5%. For further information refer to Note 15.

The Group has developed various accounting estimates in the consolidated financial statements based on forecasts of economic conditions which reflect expectations and assumptions as at 30 June 2026 about future events that the Directors believe are reasonable in the circumstances. There is a considerable degree of judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the Group. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in the consolidated financial statements.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to impairment of assets such as goodwill, brands, right-of-use assets and inventory.

MEASUREMENT OF FAIR VALUE

The Group applies specific accounting policies and disclosures that require measuring fair values for both financial and non-financial assets and liabilities.

To ensure accurate fair value measurements, the Group finance team regularly reviews important inputs and adjustments used for fair value measurements. When third-party information is used, the team carefully examines the evidence to ensure compliance with AASB 13 *Fair Value Measurement* and proper classification in the fair value hierarchy.

The Group primarily uses observable market data when determining fair values. Fair values are categorised into three levels in the fair value hierarchy based on the inputs used:

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.
- Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

If inputs used for fair value measurement fall into different levels, the entire fair value is categorised under the level of the lowest significant input to ensure consistency. Transfers between levels are recognised at the end of the reporting period.

The Group's foreign exchange contracts were valued using the Level 2 technique, with all other financial instruments valued using the Level 3 technique with no transfers between levels during the period.

For more details about the assumptions in measuring fair values, please refer to the relevant note.

- Note 8 – Financial assets and financial liabilities (Level 2).

MAKE GOOD PROVISIONS

Make good provisions represent for the estimated cost of the legal obligations of restoring leased premises to their original condition at the end of the lease term. Significant management judgement is required to estimate make good obligations to dismantle, remove and restore items of right-of-use assets and property, plant and equipment.

4. REPORTABLE SEGMENTS

The Group is required to determine and present its operating segments based on the way in which financial information is organised and reported to the chief operating decision-maker (CODMs). The CODMs have been identified as the Board of Directors and the Executive Management Team on the basis that they make the key operating decisions of the Group and are responsible for allocating resources and assessing performance.

Key internal reports received by the CODMs, primarily the management accounts, focus on the performance of the Group as two reportable segments, being Universal Store and CTC. The CODMs use underlying EBIT to assess performance and make decisions about allocating resources to these segments. The accounting policies adopted for internal reporting to the CODMs are consistent with those adopted in the consolidated financial statements.

The Group has considered its internal reporting framework, management and operating structure and the Directors' conclusion is that the Group operates as two reportable segments. The Group operates wholly within Australia. All revenue from external customers is attributable to Australia based on the location of the customer, and all non-current assets are located in Australia.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4.1 SEGMENT INFORMATION PROVIDED TO THE CODMS

The table below shows the segment information provided to the CODMs for the reportable segments for the year ended 30 June 2026 and also the basis on which revenue is recognised:

For the year ended 30 June 2026	US & PS $'000	CTC $'000	Inter-segment Elimination/ Unallocated items $'000	Total $'000
External segment revenue	349,148	26,994	–	376,142
Inter-segment revenue	–	9,363	(9,363)	–
Total revenue from customers	**349,148**	**36,357**	**(9,363)**	**376,142**
Gross Profit	218,497	16,476	53	235,026
Cost of doing business	(114,344)	(13,881)	–	(128,225)
Underlying EBITDA	**104,153**	**2,595**	**53**	**106,801**
Depreciation and amortisation (PP&E and IA)	(7,971)	(470)	–	(8,441)
Depreciation (ROU Assets)	(32,544)	(1,855)	–	(34,399)
Underlying EBIT	**63,638**	**270**	**53**	**63,961**
CTC goodwill and THRILLS brand name impairment	–	(23,819)	–	(23,819)
EBIT	**63,638**	**(23,549)**	**53**	**40,142**
Finance income	664	126	–	790
Finance costs	(5,716)	(299)	–	(6,015)
Income tax	(18,183)	1,512	(16)	(16,687)
Net profit after tax	**40,403**	**(22,210)**	**37**	**18,230**
Total Assets	**232,004**	**28,853**	**–**	**260,857**
Total Liabilities	**116,053**	**12,293**	**–**	**128,346**

For the year ended 30 June 2025	US & PS $'000	CTC $'000	Inter-segment Elimination/ Unallocated items $'000	Total $'000
External segment revenue	306,410	26,856	–	333,266
Inter-segment revenue	–	13,206	(13,206)	–
Total revenue from customers	**306,410**	**40,062**	**(13,206)**	**333,266**
Gross Profit	186,547	17,179	(65)	203,661
Cost of doing business	(96,445)	(13,905)	–	(110,350)
Underlying EBITDA	**90,102**	**3,274**	**(65)**	**93,311**
Depreciation and amortisation (PP&E and IA)	(6,223)	(327)	–	(6,550)
Depreciation (ROU Assets)	(30,716)	(1,490)	–	(32,206)
Underlying EBIT	**53,163**	**1,457**	**(65)**	**54,555**
CTC goodwill and THRILLS brand name impairment	–	(13,600)	–	(13,600)
Fair value gain on deferred variable consideration	–	–	2,056	2,056
EBIT	**53,163**	**(12,143)**	**1,991**	**43,011**
Finance income	906	76	–	982
Finance costs	(5,203)	(193)	–	(5,396)
Income tax	(14,935)	(421)	20	(15,336)
Net profit after tax	**33,931**	**(12,681)**	**2,011**	**23,261**
Total Assets	**234,296**	**52,684**	**–**	**286,980**
Total Liabilities	**128,672**	**12,079**	**834**	**141,585**

5. REVENUE AND EXPENSES

5.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the transfer of goods at a point in time as follows:

	2026 $'000	2025 $'000
Total revenue from contracts with customers	376,142	333,266

The Group has three sales channels being store sales, online sales and wholesale, at 83%, 13% and 4% of the total sales of goods respectively during the period. (2025: 82% store sales, 13% online sales and 5% wholesale).

MATERIAL ACCOUNTING POLICIES

Revenue from contracts with customers is recognised when performance obligations are satisfied and the amount of transaction price allocated to satisfied performance obligations. A performance obligation is satisfied by transferring a promised good to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

SALES OF GOODS

STORE SALES

Revenue from store sales is recognised at the point in time when the performance obligation is satisfied, which is generally on the handover of goods.

ONLINE SALES

Revenue from sale of goods in online sales is recognised when the Group's performance obligations is satisfied, which is when the inventory has been delivered to customers.

WHOLESALE

Revenue from sale of wholesale goods is recognised when the Group's performance obligations is satisfied, which is when the inventory has been delivered to customers.

RIGHTS OF RETURN ASSETS AND REFUND LIABILITIES

For sales transactions that permit the customer to return the goods within a specified period, revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in contract liabilities) is recognised for expected sales returns. The refund liability is estimated using historical return rates, adjusted for current trends, and reassessed at each reporting date.

CONTRACT LIABILITIES

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., a performance obligation is satisfied by transferring a promised good to the customer).

The Group's contract liabilities predominantly relate to gift cards. A contract liability is recognised when payment is made in exchange for a gift card. Revenue is recognised when the gift card is redeemed in exchange for goods.

5.2 INCLUDED IN RAW MATERIALS AND CONSUMABLES USED

Raw materials and consumables used includes net foreign exchange gains and losses and merchant fees.

5.3 EMPLOYEE BENEFITS EXPENSE

	2026 $'000	2025 $'000
Employee benefits expenses*	96,286	80,581

* Includes $8,699,000 relating to defined contribution superannuation plans (2025: $7,274,000).

5.4 DEPRECIATION AND AMORTISATION EXPENSE

	Notes	2026 $'000	2025 $'000
Plant and equipment	14	7,980	6,039
Right-of-use assets	16	34,399	32,206
Intangible assets	15	461	511
Depreciation and amortisation expense		**42,840**	**38,756**

5.5 FINANCE COSTS

	Notes	2026 $'000	2025 $'000
Interest on debt and borrowings		480	807
Interest on lease liabilities	16	5,535	4,589
		6,015	**5,396**

MATERIAL ACCOUNTING POLICIES

Finance costs comprise interest expense on leases, borrowings and other finance charges. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate (EIR) method.

6. OTHER INCOME AND EXPENSE ITEMS

6.1 OTHER INCOME

	Notes	2026 $'000	2025 $'000
Fair value gain on deferred variable consideration		–	2,056

7. INCOME TAX

The major components of income tax expense for the years ended 30 June 2026 and 2025 are:

	2026 $'000	2025 $'000
Current income tax:		
Current income tax expense	19,903	17,326
Under/over provision for income tax	(3)	19
Deferred tax:		
Deferred income tax expense	(3,213)	(2,009)
Income tax expense reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**16,687**	**15,336**

Reconciliation of tax expense and the accounting profit multiplied by Australia's domestic tax rate for the years ended 30 June 2026 and 2025:

	2026 $'000	2025 $'000
Accounting profit before income tax	**34,917**	**38,597**
At Australia's statutory income tax rate of 30% (2025 – 30%)	10,475	11,579
Adjustments in respect of current income tax of previous years	(3)	19
Items not assessable or deductible for tax purposes*	6,215	3,738
Income tax expense reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**16,687**	**15,336**

* Includes the non-deductible impairment of CTC goodwill and temporary differences relating to share-based payments expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DEFERRED TAX BALANCES

(i) DEFERRED TAX ASSETS

	2026 $'000	2025 $'000
The balance comprises temporary differences attributable to:		
Employee benefits	1,219	995
Provisions	2,448	2,263
Lease liabilities	24,256	27,192
Blackhole expenditure	66	133
Derivative financial instruments	–	129
Total deferred tax assets	27,989	30,712
Set-off of deferred tax assets pursuant to set-off provisions	(27,989)	(30,712)
Net deferred tax assets	**–**	**–**

	Employee benefits $'000	Provisions $'000	Lease liabilities $'000	Blackhole expenditure $'000	Derivative financial instruments $'000	Other $'000	Total $'000
At 1 July 2024	**814**	**1,473**	**18,620**	**695**	**–**	**16**	**21,618**
(Charged)/credited to profit and loss	181	790	8,572	(562)	–	(16)	8,965
Amounts credited directly to other comprehensive income	–	–	–	–	129	–	129
At 30 June 2025	**995**	**2,263**	**27,192**	**133**	**129**	**–**	**30,712**
(Charged)/credited to profit and loss	224	185	(2,936)	(67)	–	–	(2,594)
Amounts credited directly to other comprehensive income	–	–	–	–	(129)	–	(129)
At 30 June 2026	**1,219**	**2,448**	**24,256**	**66**	**–**	**–**	**27,989**

(ii) DEFERRED TAX LIABILITIES

	2026 $'000	2025 $'000
The balance comprises temporary differences attributable to:		
Right-of-use assets	21,492	24,763
Property, plant and equipment	937	1,908
Intangible assets	13,922	15,487
Derivative financial instruments	31	–
Total deferred tax liabilities	36,382	42,158
Set-off of deferred tax assets pursuant to set-off provisions	(27,989)	(30,712)
Net deferred tax liabilities	**8,393**	**11,446**

	Right-of-use assets $'000	Property, plant and equipment $'000	Intangible assets $'000	Derivative financial instruments $'000	Total $'000
At 1 July 2024	16,830	2,885	15,487	–	35,202
Charged/(credited) to profit and loss	7,933	(977)	–	–	6,956
At 30 June 2025	**24,763**	**1,908**	**15,487**	**–**	**42,158**
Charged/(credited) to profit and loss	(3,271)	(971)	(1,565)	–	(5,807)
Amounts debited directly to other comprehensive income	–	–	–	31	31
At 30 June 2026	**21,492**	**937**	**13,922**	**31**	**36,382**

OFFSETTING WITHIN TAX CONSOLIDATED GROUP

Universal Store Holdings Limited and its wholly-owned Australian subsidiaries have applied the tax consolidation legislation which means that these entities are taxed as a single entity. As a consequence, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

MATERIAL ACCOUNTING POLICIES

CURRENT INCOME TAX

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss and Other Comprehensive Income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

DEFERRED TAX

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

TAX CONSOLIDATION LEGISLATION

Universal Store Holdings Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, Universal Store Holdings Limited and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Universal Store Holdings Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate the head entity for any current tax payable assumed and are compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation.

The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

8. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group holds the following financial instruments:

	Notes	2026 $'000	2025 $'000
Financial assets			
Financial assets at amortised cost			
Trade receivables		984	1,285
Other receivables		2,170	3,588
Cash and cash equivalents	10	23,322	17,160
Derivative financial instruments	27.5	101	–
		26,577	**22,033**
Financial liabilities			
Liabilities at amortised cost			
Trade and other payables	17	25,960	28,609
Lease liabilities	16	80,241	88,445
Derivative financial instruments			
Derivative financial instruments	27.5	–	431
		106,201	**117,485**

The Group's exposure to various risks associated with the financial instruments is discussed in Note 27. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

8.1 RECOGNISED FAIR VALUE MEASUREMENTS

(a) FAIR VALUE HIERARCHY

At 30 June 2026	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets					
Hedging derivatives – forward foreign exchange contracts	27.5	–	101	–	101
Total financial assets		**–**	**101**	**–**	**101**
Financial Liabilities					
Deferred variable consideration payable		–	–	–	–
Total financial liabilities		**–**	**–**	**–**	**–**

At 30 June 2025	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets					
Hedging derivatives – forward foreign exchange contracts	27.5	–	–	–	–
Total financial assets		**–**	**–**	**–**	**–**
Financial Liabilities					
Deferred variable consideration payable		–	–	834	834
Hedging derivatives – foreign currency forwards	27.5	–	431	–	431
Total financial liabilities		**–**	**431**	**834**	**1,265**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(b) VALUATION TECHNIQUES USED TO DETERMINE FAIR VALUES

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- for foreign currency forwards – the present value of future cash flows based on the forward exchange rates at the reporting date; and
- for other financial instruments – discounted cash flow analysis.

The Group's foreign exchange contracts were included in Level 2, with the FY25 deferred variable consideration included in Level 3.

9. EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing profit for the period attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

	2026 $'000	2025 $'000
Profit attributable to ordinary share holders	**18,230**	**23,261**

	2026	2025
Weighted average number of ordinary shares for basic earnings per share	76,719,480	76,607,751
Effect of dilution from:		
Share-based payments	445,002	325,780
Weighted average number of ordinary shares adjusted for the effect of dilution	**77,164,482**	**76,933,531**

	2026 Cents	2025 Cents
Basic earnings per share	23.8	30.4
Diluted earnings per share	23.6	30.2

10. CASH AND CASH EQUIVALENTS

	2026 $'000	2025 $'000
Cash on hand	60	71
Cash at bank	23,262	17,089
	23,322	**17,160**

	2026 $'000	2025 $'000
Cash flow reconciliation		
Profit after tax	18,230	23,261
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of plant and equipment	7,980	6,039
Depreciation of right-of-use assets	34,399	32,206
Amortisation of intangible assets	461	511
Impairment of CTC goodwill and THRILLS brand name	23,819	13,600
Non-cash share-based payment	1,950	780
Other	(74)	85
Change in operating assets and liabilities, net of assets and liabilities acquired as part of a business combination:		
Decrease in trade and other receivables	358	883
Decrease/(increase) in inventories	696	(3,405)
(Decrease) in deferred tax liabilities	(3,212)	(2,009)
Increase in trade and other payables	678	3,743
(Decrease)/increase in current tax liabilities	(2,543)	2,413
Increase in other provisions	627	658
Net cash flows from operating activities	**83,369**	**78,765**

10.1 NON-CASH INVESTING AND FINANCING ACTIVITIES

Non-cash investing and financing activities disclosed in other notes are:

- Acquisition of right-of-use assets – Note 16.

10.2 NET DEBT RECONCILIATION

	Notes	2026 $'000	2025 $'000
Net debt			
Cash and cash equivalents	10	23,322	17,160
Lease liabilities	16	(80,241)	(88,445)
		(56,919)	(71,285)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10.3 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 July 2025 $'000	Cash inflows $'000	Cash outflows $'000	Amortisation of debt issue costs $'000	Non-cash additions and modifications of lease liabilities $'000	30 June 2026 $'000
Borrowings	–	10,000	(10,000)	–	–	–
Lease liabilities	88,445	–	(31,027)	–	22,823	80,241
Total liabilities from financing activities	**88,445**	**10,000**	**(41,027)**	**–**	**22,823**	**80,241**

	1 July 2024 $'000	Cash inflows $'000	Cash outflows $'000	Amortisation of debt issue costs $'000	Non-cash additions and modifications of lease liabilities $'000	30 June 2025 $'000
Borrowings	15,000	808	(15,808)	–	–	–
Debt issue costs	(65)	–	(5)	70	–	–
Lease liabilities	61,270	–	(31,285)	–	58,460	88,445
Total liabilities from financing activities	**76,205**	**808**	**(47,098)**	**70**	**58,460**	**88,445**

MATERIAL ACCOUNTING POLICY – CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise of cash at banks and on hand.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

11. TRADE RECEIVABLES

	2026 $'000	2025 $'000
Trade receivables	984	1,285
	984	**1,285**

MATERIAL ACCOUNTING POLICY

(i) CLASSIFICATION AS TRADE RECEIVABLES

Trade receivables are amounts due from wholesale customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days from end of month and are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 27.4.

(ii) FAIR VALUES OF TRADE RECEIVABLES

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(iii) IMPAIRMENT AND RISK EXPOSURE

The Group has assessed the impairment based on historical loss experience, which has been adjusted to reflect information about current conditions and has concluded that the balance of trade receivables is not impaired.

12. OTHER RECEIVABLES

	2026 $'000	2025 $'000
Other receivables	816	780
Prepayments and deposits	3,054	2,808
	3,870	**3,588**

MATERIAL ACCOUNTING POLICY

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the other receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate (EIR) method.

13. INVENTORIES

	2026 $'000	2025 $'000
Stock on hand at cost	32,493	31,949
Goods in transit at cost	2,448	3,097
Provision for inventory write-downs	(2,337)	(1,746)
	32,604	**33,300**

Inventories recognised as an expense during the year ended 30 June 2026 amount to $123.8 million (2025: $114.0 million). Write-downs of inventories to net realisable value recognised as an expense during the year ended 30 June 2026 amounted to $2.5 million (2025: $2.9 million). These were included in raw materials and consumables used.

MATERIAL ACCOUNTING POLICIES

Inventory is stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts and are assigned to quantities of inventory on hand on a weighted average costing basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. PLANT AND EQUIPMENT

	Fixtures and fittings $'000	Leasehold improvements $'000	Other equipment $'000	Total $'000
Cost				
At 1 July 2024	7,470	21,287	9,661	38,418
Additions	882	8,973	1,263	11,118
Disposals	(9)	(876)	(12)	(897)
At 30 June 2025	**8,343**	**29,384**	**10,912**	**48,639**
Additions	1,506	8,073	2,236	11,815
Disposals	(1,314)	(4,693)	(1,618)	(7,625)
At 30 June 2026	**8,535**	**32,764**	**11,530**	**52,829**
Depreciation				
At 1 July 2024	3,163	12,619	4,699	20,481
Depreciation charge	949	3,571	1,519	6,039
Disposals	–	(3)	(5)	(8)
At 30 June 2025	**4,112**	**16,187**	**6,213**	**26,512**
Depreciation charge	1,178	5,071	1,731	7,980
Disposals	(1,318)	(3,621)	(1,611)	(6,550)
At 30 June 2026	**3,972**	**17,637**	**6,333**	**27,942**
Net book value				
At 30 June 2025	4,231	13,197	4,699	22,127
At 30 June 2026	**4,563**	**15,127**	**5,197**	**24,887**

MATERIAL ACCOUNTING POLICIES

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Fixtures and fittings	2 to 10 years
Leasehold improvements	1 to 10 years
Other equipment	1 to 12 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.4(c)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

15. GOODWILL AND INTANGIBLE ASSETS

	Goodwill $'000	Brand names $'000	Software $'000	Total $'000
Cost				
At 1 July 2024	87,721	51,834	2,274	141,829
Additions	–	–	949	949
Disposals	–	–	(550)	(550)
At 30 June 2025	**87,721**	**51,834**	**2,673**	**142,228**
Additions	–	–	1,001	1,001
Disposals	–	–	(234)	(234)
At 30 June 2026	**87,721**	**51,834**	**3,440**	**142,995**
Amortisation				
At 1 July 2024	–	212	1,476	1,688
Amortisation	–	–	511	511
Impairment	13,600	–	–	13,600
Disposals	–	–	(550)	(550)
At 30 June 2025	**13,600**	**212**	**1,437**	**15,249**
Amortisation	–	–	461	461
Impairment	18,605	5,214	–	23,819
Disposals	–	–	(234)	(234)
At 30 June 2026	**32,205**	**5,426**	**1,664**	**39,295**
Net book value				
At 30 June 2025	74,121	51,622	1,236	126,979
At 30 June 2026	**55,516**	**46,408**	**1,776**	**103,700**

IMPAIRMENT TESTING OF GOODWILL AND BRAND NAMES

Goodwill and brand names are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired.

The 30 June 2026 carrying amount of goodwill and brand names is as follows:

	Universal Store $'000	CTC $'000	Total $'000
Goodwill	55,516	–	55,516
Brand	36,408	10,000	46,408

Impairment testing was carried out at the operating segment cash-generating unit (CGU) level, based on a fair value less cost of disposal (FVLCD) analysis with management performing sensitivity analysis on key assumptions used in the impairment model. Management has considered reasonable, possible changes in key assumptions that would cause the carrying amount of CGU assets to exceed the CGU's FVLCD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Cash flow forecasts are based on the Group's most recent budget and growth outlook. Revenue for the purposes of impairment testing was based on expectations of future outcomes having regard to available market information and historical experience. Cash flow forecasts are modelled over a five-year forecast period with a terminal growth rate at the end of year five discounted to present value.

The key assumptions at CGU level are as follows:

UNIVERSAL STORE

A post-tax WACC of 11.5% and terminal growth rate of 2.5% were used, consistent with 2025. Year 1 sales growth is based on the most recent sales profile by store and 15 new store openings. Year 2 to 5 sales projections are based on annual LFL growth of 4% and new store openings.

CTC

A post-tax WACC of 13.5% and terminal growth rate of 2.5% were used, consistent with 2025. A higher CTC WACC was used, relative to the Universal Store CGU, to reflect recent CTC earnings volatility. Total Retail sales are assumed to grow 21% in Year 1 through LFL growth and two store openings. Year 2 to 5 sales projections are for an average growth of 25% due to a combination of LFL growth, online sales growth and new store openings. Wholesale sales are expected to decrease 17% in Year 1 with annual growth of 3% in Year 2 to 5.

Based on the assessment of the CTC CGU, Management has determined an $18.6 million impairment of CTC goodwill and a $5.2 million impairment of the THRILLS brand name.

This impairment reflects the further deterioration in the wholesale channel attributable to the closure of key retail accounts and reduced intercompany sales. Management's assessment includes the expected growth in the CTC retail network through LFL sales growth and new store openings.

The table below summarises the sensitivity of the THRILLS brand name valuation to changes in key assumptions made by Management.

Key Assumption	Sensitivity Scenario	Impact on THRILLS Brand Name Net of tax $'000
WACC	14.0%	(412)
Terminal Value	2.0%	(269)
Wholesale	Sales 5% lower annually over the five-year period	(1,864)
Retail	Store and online sales 5% lower annually over the five-year period	(6,005)

The expansion of CTC's Retail channel, particularly through new store rollouts, is critical for the long-term growth of the CTC business. Retail growth continues to be Management's strategic priority and the Group remains committed to the CTC business. CTC's physical store network delivered robust FY26 LFL sales growth of 17.8% and one new store is confirmed to open in H1 FY27 with further opportunities being explored.

Based on the sensitivity to retail and wholesale sales, Management has determined that a 20-year finite useful life is more appropriate for the THRILLS brand name going forward. As a result, the brand name will be amortised over a 20-year period from FY27 onwards.

MATERIAL ACCOUNTING POLICIES

(i) GOODWILL

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purposes of managing goodwill, the Group treats all stores and the central distribution centre as a single cash-generating unit (CGU) or aggregation of CGUs.

(ii) BRAND NAMES

Separately acquired brand names are shown at historical cost. Brand names acquired in a business combination are recognised at fair value at the acquisition date. The Universal Store brand names have been assigned an indefinite useful life. From FY27 onwards, the CTC brand name (THRILLS) will be amortised over a 20-year useful life. All brand assets are assessed annually for impairment.

(iii) SOFTWARE

SOFTWARE-AS-A-SERVICE (SAAS) ARRANGEMENTS

Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the Group has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the Group with a distinct service (in addition to the SaaS access) are now recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are now recognised as expenses over the duration of the SaaS contract.

Software costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Software is amortised over a period of five years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. LEASES

GROUP AS A LESSEE

The Group has lease contracts for various properties used in its operations and equipment. Leases of properties generally have lease terms between one to seven years and leases of equipment generally have lease terms between one to five years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Properties |$'000	Equipment $'000	Total $'000
At 1 July 2024	**55,807**	**291**	**56,098**
Additions*	17,856	47	17,903
Modifications	40,746	–	40,746
Depreciation expense	(32,089)	(117)	(32,206)
At 30 June 2025	**82,320**	**221**	**82,541**
Additions*	13,145	47	13,192
Modifications	10,181	5	10,186
Depreciation expense	(34,282)	(117)	(34,399)
Termination of lease	(131)	–	(131)
At 30 June 2026	**71,233**	**156**	**71,389**

* The amount includes rent incentives of $2,962,000 in 2026 (2025: $950,000).

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2026 $'000	2025 $'000
At 1 July	**88,445**	**61,270**
Additions	12,844	17,714
Modifications	10,186	40,746
Accretion of interest	5,535	4,589
Payments	(36,563)	(35,874)
Termination of lease	(206)	–
At 30 June	**80,241**	**88,445**
Current	27,351	28,311
Non-current	52,890	60,134

The following are the amounts recognised in profit or loss:

	2026 $'000	2025 $'000
Depreciation expense of right-of-use assets	34,399	32,206
Interest expense on lease liabilities	5,535	4,589
Expense relating to variable lease payments not included in lease liabilities	8,829	7,426
Total amount recognised in profit or loss	**48,763**	**44,221**

The Group had total cash outflows for leases of $45.4 million in 2026 (2025: $43.3 million). The Group also had non-cash additions to right-of-use assets of $23.4 million (2025: $58.7 million) and to lease liabilities of $23.0 million in 2026 (2025: $58.5 million).

LEASE PAYMENTS THAT DEPEND ON SALES OR USAGE

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100% of lease payments are on basis of variable payment terms with percentages ranging from 10% to 15% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments.

MATERIAL ACCOUNTING POLICIES

The Group has lease contracts for various properties used in its operations. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

GROUP AS A LESSEE

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) RIGHT-OF-USE ASSETS

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, make good provision, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Properties (offices, warehouses, retail stores and equipment) one to 10 years.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the leases if it is reasonably certain to be exercised, or any periods covered by an option to terminate the leases, if it is reasonably certain not to be exercised.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.4(c) Impairment of non-financial assets.

MAKE GOOD PROVISION

A provision has been made for the present value of anticipated costs of future restoration of leased premises. The provision includes future cost estimates associated with returning the premises to its original condition. The calculation of this provision requires assumptions such as expected lease expiry dates, and cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each leased premises is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the Consolidated Statement of Financial Position by adjusting both the expense or asset (if applicable) and provision.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(ii) LEASE LIABILITIES

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include lease components, fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate ("IBR") at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) VARIABLE LEASE PAYMENTS

Some property leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Future cash outflows to which the lessee is potentially exposed are not reflected in the measurement of lease liabilities. This includes exposure arising from variable lease payments.

(v) LEASE MODIFICATION

Modification accounting as applicable for lessees is defined by AASB 16. A lease modification (as considered in these financial statements, which does not address changes in the leased asset, such as decreases in leased space) arises when the lease contract is altered such that future cash flows and/or the scope of the lease change. Where an increase in scope occurs, the lease payments are adjusted to the commensurate market rates.

Otherwise, the original lease is remeasured by:

- Identifying a revised IBR appropriate to the revised lease term, underlying asset and the lessee;
- Determining the net present value of future cash outflows using that revised IBR; and
- Adjusting the remaining right-of-use asset for the increase or decrease in the lease liability. If the adjustment exceeds the carrying value of the right-of-use asset, this excess is recognised as a gain in profit or loss.

17. TRADE AND OTHER PAYABLES

	2026 $'000	2025 $'000
Current		
Trade payables	11,457	13,750
GST payable	1,792	1,215
Accrued expenses	14,503	12,810
Deferred variable consideration	–	834
	27,752	**28,609**

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

MATERIAL ACCOUNTING POLICIES

These amounts, excluding deferred variable consideration, represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

18. BORROWINGS

	2026 $'000	2025 $'000
Non-current	–	–

During the period, the Group amended the facility agreement with ANZ to extend the terms of Facility A and Facility D until June 2029. Facility E and Facility F continue to be received annually.

The Group currently has the following debt facilities available with ANZ:

- Facility A for $15.0 million redrawable term loan facility, which is undrawn.
- Facility D a $8.5 million revolving working capital facility, which is undrawn.
- Facility E a $5.0 million standby letter of credit/guarantee facility.
- Facility F a $0.3 million corporate card facility, of which $0.1 million is undrawn.

Facilities are secured by a General Security Agreement (GSA) and Corporate Guarantee provided by Universal Store Holdings Limited, US 1A Pty Ltd, US 1B Pty Ltd, US Australia Pty Ltd and Universal Store Pty Ltd. A negative pledge has been provided by all parties via the ANZ Facility Agreement.

The Group has complied with all of the financial covenants of its borrowing facilities during the 2026 and 2025 reporting period and continues to have significant headroom.

MATERIAL ACCOUNTING POLICIES

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the year of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Borrowings are removed from the Consolidated Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

19. CONTRACT LIABILITIES

	2026 $'000	2025 $'000
Gift cards	2,271	1,759
Other contract liabilities	1,033	673
	3,304	**2,432**

	Gift cards $'000	Other contract liabilities $'000	Total $'000
At 1 July 2024	**1,609**	**237**	**1,846**
Deferred during the period	3,477	652	4,129
Recognised as revenue during the period	(3,327)	(216)	(3,543)
At 30 June 2025	**1,759**	**673**	**2,432**
Deferred during the period	4,325	1,019	5,344
Recognised as revenue during the period	(3,813)	(659)	(4,472)
At 30 June 2026	**2,271**	**1,033**	**3,304**

20. PROVISIONS

	2026 $'000	2025 $'000
Current		
Employee benefits	3,544	2,855
Non-current		
Employee benefits	382	295
Make good provision	1,353	1,076
Other provisions	19	96
	1,754	**1,467**

(a) INFORMATION ABOUT INDIVIDUAL PROVISIONS AND SIGNIFICANT ESTIMATES

MAKE GOOD PROVISION

The Group is required to restore the leased premises of its retail stores to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of the right-of-use asset and are amortised over the lease term.

(b) MOVEMENTS IN PROVISIONS

Movements in each class of provision during the financial year are set out below:

	Make good provision $'000	Employee benefits $'000	Other $'000	Total $'000
At 1 July 2024	**915**	**2,562**	**–**	**3,477**
Additional provision charged to right-of-use asset	188	–	–	188
Charged to profit or loss	(27)	588	96	657
At 30 June 2025	**1,076**	**3,150**	**96**	**4,322**
Additional provision charged to right-of-use asset	348	–	–	348
Charged to profit or loss	(71)	776	(77)	628
At 30 June 2026	**1,353**	**3,926**	**19**	**5,298**

MATERIAL ACCOUNTING POLICIES

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

WAGES, SALARIES AND SICK LEAVE

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

LONG SERVICE LEAVE AND ANNUAL LEAVE

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. CONTRIBUTED EQUITY

	2026 $'000	2025 $'000
Ordinary shares	110,844	110,844

Ordinary shares issued and fully paid	**Number of shares '000**	**$'000**
At 1 July 2024	**76,720**	**110,844**
At 30 June 2025	**76,720**	**110,844**
At 1 July 2025	**76,720**	**110,844**
At 30 June 2026	**76,720**	**110,844**

21.1 ORDINARY SHARES

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value. The Group does not have a limited amount of authorised capital.

21.2 RELATED PARTY DISCLOSURES

MATERIAL ACCOUNTING POLICIES – CONTRIBUTED EQUITY

Limited recourse loans had been provided to employees under a MEP (refer Note 23.1) with equity issued in Universal Store Holdings Limited. The limited recourse loans have been fully repaid. The limited recourse loans are accounted for as a share-based payment which is recognised as an expense over time (until vesting).

22. OTHER EQUITY

22.1 TREASURY SHARES

Treasury shares are shares in Universal Store Holdings Limited that are purchased on-market by the Group for the purpose of issuing shares under the UNI long-term incentive (LTI) scheme (see Note 23.1 for further information). Shares issued to employees are recognised on a first-in-first-out basis.

	Average price per share $	Number of Shares '000	$'000
Balance 1 July 2025	–	–	–
Acquisition of treasury shares	8.56	(97)	(831)
Issue of treasury shares to employees	8.56	97	831
Balance 30 June 2026		–	–

23. RESERVES

The following table shows a breakdown of the balance sheet line item 'Reserves' and the movements in these reserves during the period. A description of the nature and purpose of each reserve is provided below the table.

	2026 $'000	2025 $'000
Reserves		
Cash flow hedging reserve	71	(302)
Share-based payments reserve	12,112	10,993
Total	**12,183**	**10,691**

23.1 MOVEMENTS IN RESERVES

	Notes	2026 $'000	2025 $'000
Cash flow hedges			
At 1 July		(302)	–
Revaluation – gross	27.5	533	(431)
Deferred tax	7	(160)	129
Balance 30 June		**71**	**(302)**
Share-based payments			
At 1 July		10,993	9,501
Share-based payments		1,950	780
Value of equity purchased for performance rights		(831)	–
MEP loan repayment		–	712
Balance 30 June		**12,112**	**10,993**

23.2 NATURE AND PURPOSE OF RESERVES

CASH FLOW HEDGING RESERVE

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in Note 2.4 (f). Amounts are subsequently either transferred to the initial cost of inventory or reclassified to profit or loss as appropriate.

The Group defers the changes in the forward element of forward contracts and the time value of option contracts in the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of the related inventory when it is recognised.

SHARE-BASED PAYMENTS RESERVE

The share-based payment reserve is used to record the fair value of performance rights issued to Management. Historically, the share-based payment reserve also included the fair value of shares relating to non-recourse loans advanced to management. These loans were granted to employees under the Management Equity Plan (MEP) and, in substance, constituted share-based payment arrangements. All such loans have been fully repaid.

The Universal Store Holdings Equity Incentive Plan was created to reward, motivate, and incentivise participants. This plan is designed to align participants' interests with those of the Shareholders by offering the opportunity to acquire equity in the Company through performance rights. The Board may, at its sole discretion, determine from time to time which employees are eligible to participate in the Plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Members of the Leadership Team were granted performance rights during the period. These performance rights have vesting conditions based on the Group achieving;

- Return on Capital Employed (ROCE) target in the final year of the performance period (FY28);
- Earnings Per Share (EPS) targets over the performance period (1 July 2025 – 30 June 2028); and
- The Participant remaining employed or engaged in a full-time capacity by the Group.

These performance rights vest on 30 June 2028.

Performance Rights Grant Date	Balance at 1 July 2025 (number)	Granted during the year (number)	Exercised during the year (number)	Forfeited during the year (number)	Balance at 30 June 2026 (number)
24 November 2022	114,017	–	(36,485)	(77,532)	–
21 December 2022	189,470	–	(60,631)	(128,839)	–
20 November 2023	463,133	–	–	–	463,133
30 October 2024	302,668	–	–	–	302,668
30 October 2025	–	321,699	–	–	321,699
Total	**1,069,288**	**321,699**	**(97,116)**	**(206,371)**	**1,087,500**

During the period, a total of 97,116 performance rights granted under the Group's long-term incentive plan vested in accordance with the achievement of the relevant performance conditions.

24. DIVIDENDS

24.1 ORDINARY SHARES

The final dividend for the year ended 30 June 2025 of 16.5 cents per share was paid on 25 September 2025 ($12.7 million).

In respect of the half-year ended 31 December 2025, an interim dividend of 26.0 cents per share was declared on 18 February 2026 and paid on 27 March 2026 ($19.9 million) (2025: 22.0 cents per share, $16.9 million).

On 19 August 2026, the Directors determined a final dividend of 17.0 cents per share to be paid on 24 September 2026 ($13.1 million) (2025: 16.5 cents per share, $12.7 million). This dividend reflects the Group's strong trading performance and solid cash position, placing it at the higher end of the Company's dividend policy range.

24.2 FRANKED DIVIDENDS

The final dividends determined after 30 June 2026 will be fully franked out of existing franking credits, or out of franking credits that arose from the payment of income tax during the year ended 30 June 2026.

	2026 $'000	2025 $'000
Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
Franking account balance as at the end of the financial year at 30.0%	27,166	18,698

The above amounts are calculated from the balance of the franking account as at the end of the reporting year, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the period.

The payment of the dividend proposed subsequent to year end is expected to give rise to franking debits of $5.6 million.

MATERIAL ACCOUNTING POLICIES

The Group recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws of Australia, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

25. INTERESTS IN OTHER ENTITIES

MATERIAL SUBSIDIARIES

The Group's principal subsidiaries at 30 June 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

		Ownership interest held by the Group	
Name of entity	**Place of business/country of incorporation**	**2026 %**	**2025 %**
Cheap Thrills Cycles Pty Ltd	Australia	100	100
Universal Store Pty Ltd	Australia	100	100
US Australia Pty Ltd	Australia	100	100
US 1B Pty Ltd	Australia	100	100
US 1A Pty Ltd	Australia	100	100

Pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*, the Group and its controlled entities have entered into a deed of cross guarantee on 12 May 2021 (amended 8 May 2023 to include Cheap Thrills Cycles Pty Ltd). The effect of the deed is that the Group has guaranteed to pay any deficiency in the event of winding up of any controlled entity or if they do not meet their obligations under the terms of overdrafts, loans, leases or other liabilities subject to the guarantee.

The controlled entities have also given a similar guarantee in the event that the Group is wound up or if it does not meet its obligations under the terms of overdrafts, loans, leases or other liabilities subject to the guarantee. The above companies represent a 'closed group' for the purposes of the deed of cross guarantee that are controlled by Universal Store Holdings Limited, they also represent the extended closed group. There is no difference in closed group and the extended closed groups and there is no change to the consolidated group numbers.

26. RELATED PARTY TRANSACTIONS

26.1 KEY MANAGEMENT PERSONNEL COMPENSATION

	2026 $	**2025 $**
Short-term employee benefits	3,098,078	2,551,546
Long-term employee benefits	26,870	51,312
Post-employment benefits	109,768	94,332
Share-based payments	939,025	343,936
	4,173,741	**3,041,126**

Detailed remuneration disclosures are provided in the remuneration report.

26.2 TRANSACTIONS WITH OTHER RELATED PARTIES

	2026 $	**2025 $**
Amounts paid to KMP as shareholders:		
Dividends	**2,641,022**	**2,439,923**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. FINANCIAL RISK MANAGEMENT

As outlined in this note, the Group is exposed to a number of financial risks that could affect its future financial performance.

27.1 INTEREST RATE

At 30 June 2026, the Group had no outstanding borrowings and therefore not exposed to interest rate risk at the reporting date.

In prior periods, the Group's principal interest rate risk arose from long-term borrowings with variable interest rates, which exposed the Group to cash flow interest rate risk. These borrowings were denominated in Australian dollars (AUD). The Group repaid all such borrowings during the financial year ended 30 June 2026.

Interest rate risk continues to be monitored by the Board as part of the Group's overall risk management framework.

27.2 FOREIGN EXCHANGE RISK

Foreign currency risk refers to the potential fluctuation in the fair value or future cash flows of an exposure due to changes in foreign exchange rates. The Group is exposed to foreign currency risk through its procurement of retail inventory and other services from international suppliers. These purchases are predominantly made in United States dollars (USD). The Group currently realises an immaterial value of sales to international customers through a number of different currencies.

The Group manages risks associated with foreign currency by utilising a combination of internal and external information, such as market forecasts, historical trends, sensitivity analyses, and scenario modelling. Foreign currency risk is managed under a formal hedging policy, which mandates the use of forward exchange contracts to hedge the Group's anticipated foreign currency cash flows over a twelve-month period, as outlined below:

- Hedge 40% to 90% of foreign currency cash flows payable within the next three months.
- Hedge 20% to 75% of anticipated foreign currency cash flows payable in the next three to six months.
- Hedge 0% to 50% of anticipated foreign currency cash flows payable in the next six to twelve months.

EXPOSURE

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	30 June 2026		30 June 2025	
	US dollar transactional exposure $000	Australian dollar equivalent $000	US dollar transactional exposure $000	Australian dollar equivalent $000
Trade receivables	297	430	216	334
Trade payables	(2,245)	(3,260)	(3,002)	(4,605)
Foreign currency forwards	(17,851)	(25,914)	(15,170)	(23,540)
Transactional foreign exchange risk	**(19,799)**	**(28,744)**	**(17,956)**	**(27,811)**

The Group's exposure to foreign currency risk other than that of US dollar is immaterial.

SENSITIVITY

The Group is primarily exposed to changes in AUD/USD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US dollar-denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

The sensitivity of the Group's transactional foreign currency risk exposure is estimated by assessing the impact that a 10% increase and 10% decrease in the Australian Dollar/US Dollar exchange rate would have on profit and equity of the Group at the reporting date.

	30 June 2026			30 June 2025		
	Movement in Australian dollar/US dollar exchange rate %	**Increase/ (decrease) in post-tax profit or loss $'000**	**Increase/ (decrease) in other comprehensive income $'000**	**Movement in Australian dollar/US dollar exchange rate %**	**Increase/ (decrease) in dollar post-tax profit or loss $'000**	**Increase/ (decrease) in other comprehensive income $'000**
AUD/USD exchange rate	10%	180	(1,655)	10%	272	(1,471)
AUD/USD exchange rate	(10%)	(220)	2,023	(10%)	(332)	1,797

A sensitivity of 10% was selected following review of historic trends.

27.3 LIQUIDITY RISK

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	2026 $'000	**2025 $'000**
Floating rate		
Expiring within one year (commercial card facility)	124	160
Expiring beyond one year (bank loans)	23,500	23,500
	23,624	**23,660**

MATURITIES OF FINANCIAL LIABILITIES

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year ended 30 June 2026	**Less than 6 months $'000**	**6 to 12 months $'000**	**1 to 2 years $'000**	**2 and 5 years $'000**	**Over 5 years $'000**	**Total contractual cash flows $'000**
Non-derivatives						
Trade payables	10,821	–	–	–	–	10,821
Deferred variable consideration	–	–	–	–	–	–
Borrowings	–	–	–	–	–	–
Lease liabilities	17,493	15,066	22,736	38,849	2,515	96,659
Total non-derivatives	**28,314**	**15,066**	**22,736**	**38,849**	**2,515**	**107,480**
Derivatives						
Gross settled						
(foreign currency forwards – cash flow hedges)						
(inflow)	(19,696)	(6,319)	–	–	–	(26,015)
outflow	19,742	6,172	–	–	–	25,914
Total derivatives	**46**	**(147)**	**–**	**–**	**–**	**(101)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 June 2025	Less than 6 months $'000	6 to 12 months $'000	1 to 2 years $'000	2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000
Non-derivatives						
Trade payables	13,750	–	–	–	–	13,750
Deferred variable consideration	834	–	–	–	–	834
Lease liabilities	16,290	17,075	26,785	36,449	4,591	101,190
Total non-derivatives	**30,874**	**17,075**	**26,785**	**36,449**	**4,591**	**115,774**
Derivatives						
Gross settled						
(foreign currency forwards – cash flow hedges)						
(inflow)	(16,290)	(6,819)	–	–	–	(23,109)
outflow	16,604	6,936	–	–	–	23,540
Total derivatives	**314**	**117**	**–**	**–**	**–**	**431**

CONCENTRATION RISK

Concentration risk refers to potential financial loss due to a high reliance on a limited number of customers, suppliers or geographic areas. The Group's key risk concentration is in relation to its suppliers, with the majority of its suppliers being based in China. The Group is working to mitigate this risk by creating a diversified portfolio of supplier based both locally and internationally.

27.4 CREDIT RISK

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

(a) RISK MANAGEMENT

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Sales to retail customers are required to be settled in cash, major credit cards and Afterpay, mitigating credit risk. Trade receivables primarily pertain to the wholesale channel, and the Group maintain a proactive approach in monitoring and managing debtors. A receivable is considered to be in default when the customer is unlikely to pay the outstanding balance. Receivables are written off when there is no reasonable expectation of recovery. As a result, and based on historical trends no material loss allowance has been recognised. There are no significant concentrations of credit risk, whether through exposure to individual and wholesale customers, specific industry sectors and/or regions.

27.5 DERIVATIVES

The Group has the following derivative financial instruments in the following line items of the balance sheet:

	2026 $'000	2025 $'000
Current assets		
Forward foreign exchange contracts – cash flow hedges	101	–
Total current derivative financial instrument assets	**101**	**–**
Current liabilities		
Forward foreign exchange contracts – cash flow hedges	–	431
Total current derivative financial instrument liabilities	**–**	**431**

(a) CLASSIFICATION OF DERIVATIVES

Derivatives are only used for economic hedging purposes and not as speculative investments. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The full fair value of hedging derivatives is classified as a non-current asset or liability where the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability where the remaining maturity of the hedged item is less than 12 months.

The Group's accounting policy for its cash flow hedges is set out in Note 2.4 (f). Further information about the derivatives used by the Group is provided in Note 8.

(b) FAIR VALUE MEASUREMENT

For information about the methods and assumptions used in determining the fair value of derivatives see Note 8.1.

As outlined in this note, the Group is exposed to a number of financial risks that could affect its future financial performance.

28. CAPITAL RISK MANAGEMENT

RISK MANAGEMENT

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of cash and cash equivalents, trade and other receivables, inventories, intangibles and net working capital. The equity issued to equity holders of the Parent entity comprises issued capital and reserves and retained earnings.

Management manages the capital position by assessing the Group's financial risk and ensuring due diligence on all capital investments, adjusting the capital structure in response to any risks or changes in market conditions. These responses include the ability to adjust debt levels, distributions to shareholders and share issues.

The Group monitors capital on the basis of a gearing ratio which is net debt divided by total equity. Interest bearing loans and borrowings, less cash and short-term deposits are included in net debt.

	Notes	2026 $'000	2025 $'000
Add: lease liabilities		80,241	88,445
Less: cash and cash equivalents	10	(23,322)	(17,160)
Net debt		**56,919**	**71,285**
Total equity		**132,511**	**145,395**
Net debt to equity ratio		**43%**	**49%**

The Group had access to the following undrawn debt facilities at the end of the reporting period:

	2026 $'000	2025 $'000
Redrawable term loan	15,000	15,000
Working capital facilities	8,500	8,500
Bank guarantee facility	2,356	1,828
Commercial card facility	124	160
	25,980	**25,488**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. COMMITMENTS AND CONTINGENCIES

The Group had contingent liabilities at 30 June 2026 in respect of:

GUARANTEES

The Group has given guarantees in respect of various retail tenancies amounting to $2,862,000 (2025: $3,172,000).

Upon signing certain leases, the Group has received a fixed contribution towards costs of fit-outs. Some of these leases contain repayment clauses should certain default events occur.

LEASE COMMITMENTS

The Group has also signed new lease commitments amounting to $18,779,000 for new stores opening in FY27.

CAPITAL COMMITMENTS

The Group has committed capital expenditure of $5,495,000 for the new stores opening in FY27.

30. AUDITOR'S REMUNERATION

The auditor of Universal Store Holdings Limited is PricewaterhouseCoopers.

	2026 $	2025 $
Amounts paid or payable to PricewaterhouseCoopers for:		
Audit and other assurance services:		
Assurance services – Group audit and half-year review	358,000	389,000
Other non-audit services:		
Advisory services – Sustainability AASB S2 readiness assessment	44,000	–
Other services	15,000	53,000
Total remuneration of PricewaterhouseCoopers Australia	**417,000**	**442,000**

31. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date the following events have occurred:

On 19 August 2026, the Directors of Universal Store Holdings Limited determined a final dividend on ordinary shares in respect of the 2026 financial year. The amount of the dividend is 17.0 cents per share ($13.1 million) to be paid on 24 September 2026. This dividend reflects the Group's strong trading performance and solid cash position, placing it at the higher end of the Company's dividend policy range.

There were no other significant events occurring after the balance date which may affect either the Group's operations or results of those operations or the Group's state of affairs.

32. INFORMATION RELATING TO UNIVERSAL STORE HOLDINGS LIMITED (THE PARENT)

	2026 $'000	2025 $'000
Current assets	4	4
Non-current assets	126,285	127,977
Total assets	**126,289**	**127,981**
Current liabilities	3,678	5,356
Total liabilities	**3,678**	**5,356**
Contributed equity	110,844	110,844
Retained earnings	(345)	788
Share-based payment reserve	12,112	10,993
Total equity	**122,611**	**122,625**
Profit of the Parent entity	31,473	29,939
Total comprehensive income of the Parent entity	31,473	29,939

The Parent entity did not have any contingent liabilities or commitments as at 30 June 2026 or 30 June 2025.

The financial information for the Parent entity has been prepared on the same basis as the consolidated financial statements.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2026

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Cheap Thrills Cycles Pty Ltd	Body corporate	–	100	Australia	Australian	n/a
Universal Store Pty Ltd	Body corporate	–	100	Australia	Australian	n/a
US Australia Pty Ltd	Body corporate	–	100	Australia	Australian	n/a
US 1B Pty Ltd	Body corporate	–	100	Australia	Australian	n/a
US 1A Pty Ltd	Body corporate	–	100	Australia	Australian	n/a
Universal Store Holdings Limited	Body corporate	–	n/a	Australia	Australian	n/a

DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the consolidated financial statements and notes set out on pages 66 to 108 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(c) the consolidated entity disclosure statement on page 109 is true and correct; and

(d) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed Group will be able to meet any liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Note 2.1 confirms that the consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board

Peter Birtles
Independent Non-Executive Director and Chair

19 August 2026

INDEPENDENT AUDITOR'S REPORT

To the Members 30 June 2026

Independent auditor's report

To the members of Universal Store Holdings Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Universal Store Holdings Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of Cheap Thrills Cycles (CTC) intangible assets ***(Refer to Note 15)*** At 30 June 2026, the Group holds an intangible asset relating to the Cheap Thrills Cycles (CTC) cash generating unit (CGU). The Group performed an impairment assessment for the CGU by preparing a 'fair value less costs of disposal' (FVLCD) using a discounted cash flow model to determine if the carrying amount of the CGU is supported. As part of the impairment assessment, significant judgements were applied to the key assumptions used in the model, including: • estimating future cash flows, particularly assumptions regarding retail and wholesale sales growth; and • the discount rate. As a result of this impairment assessment, the Group recognised an impairment loss of $23.8 million, comprising $18.6 million against CTC goodwill and $5.2 million against the THRILLS brand name. The carrying value of the CTC CGU intangible assets was a key audit matter due to the: • significance of the impairment loss recognised during the year; and • degree of judgement and estimates involved in determining the key assumptions included in the impairment assessment.	We performed the following procedures, amongst others: • Developed an understanding and assessed the design and implementation of key controls associated with the impairment assessment. • With the assistance of our PwC valuation experts, we: – evaluated the appropriateness of the impairment model used in light of the requirements of Australian Accounting Standards; and – assessed the appropriateness of the discount rate and terminal growth rate used in the impairment assessment by comparing them with market-observable inputs. • Evaluated the appropriateness of the estimated future cash flows used in the model by comparing the forecast cash flows with the relevant budget approved by the Board, including forecasts relating to retail and wholesale growth rates and profitability. • Evaluated the Group's historical ability to forecast future cash flows by comparing prior-period forecasts with reported actual results. • Tested the mathematical accuracy of the impairment model's calculations. • Compared the recoverable amount determined using the impairment model with the carrying amount of the CTC CGU and tested the calculation and allocation of the impairment loss recognised against CTC goodwill and the THRILLS brand name. • Assessed the Group's consideration of the sensitivity to changes in key assumptions that, either individually or collectively, would impact the

Key audit matter	How our audit addressed the key audit matter
	recoverable amount of the CTC CGU, and considered the likelihood of such movements arising. • Evaluated the reasonableness of the disclosures made in the notes to the consolidated financial statements, including those regarding the key assumptions and sensitivities to changes in such assumptions, in light of the requirements of Australian Accounting Standards.
Accounting for leases ***(Refer to Note 16)*** At 30 June 2026, the Group recognised right-of-use assets and lease liabilities in relation to the Group's portfolio of retail stores. Accounting for leases was a key audit matter due to the: • financial significance of right-of-use assets and lease liability balances included in the financial report, and • judgement involved in determining the balances, including the incremental borrowing rate used for discounting	We performed the following procedures, amongst others: • For selected lease arrangements, we: – compared key inputs used in the lease calculations, including relevant dates and terms, lease payments, lease incentives and extension options, to the underlying lease agreements. – assessed the incremental borrowing rates applied, including the basis and supporting information used by the Group in determining those rates. – recalculated the resulting lease liabilities and right-of-use assets. • Evaluated the reasonableness of the disclosures made in the notes to the consolidated financial statements in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

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Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Universal Store Holdings Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Michael Crowe

Michael Crowe	Brisbane
Partner	19 August 2026

ASX ADDITIONAL INFORMATION

In accordance with ASX Listing Rule 4.10, the Group provides the following information not otherwise disclosed in this Annual Report. The information is current as at 17 July 2026.

(a) DISTRIBUTION OF EQUITY SECURITIES

ORDINARY SHARE CAPITAL

- 76,720,810 fully paid ordinary shares are held by 3,648 individual shareholders.

All issued ordinary shares carry one vote per share and carry the rights to dividends. There is one class of share, being fully paid ordinary shares. The number of shareholders, by size of holding is:

	Number of shareholders	%
1-1000	2,104	57.68
1,001-5,000	1,114	30.54
5,001-10,000	246	6.74
10,001-100,000	163	4.47
100,001 and over	21	0.58
Total	**3,648**	**100.00**
Unmarketable Parcels	198	5.43

(b) SUBSTANTIAL SHAREHOLDERS

	Fully paid	
	Number	%
Bennelong Funds Management Group Pty Ltd	6,699,990	8.73
Australian Retirement Trust Pty Ltd	5,616,888	7.32
Perpetual Limited	5,133,281	6.69
Tribeca Investment Partners Pty Ltd	4,886,684	6.37
Pinnacle Investment Management Group Ltd	4,802,309	6.26
Lennox Capital Partners Pty Ltd	4,580,126	5.97
Spheria Asset Management Pty Ltd	4,066,828	5.30
TAL Dai-ichi Life Australia Pty Ltd	3,893,032	5.07
	39,679,138	**51.71**

ASX ADDITIONAL INFORMATION (CONTINUED)

(c) TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES

TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

	Fully paid	
	Number	**%**
Citicorp Nominees Pty Limited*	19,161,230	24.98
HSBC Custody Nominees (Australia) Limited*	16,916,082	22.05
J P Morgan Nominees Australia Pty Limited	16,430,426	21.42
BNP Paribas Noms Pty Ltd*	2,423,764	3.16
BNP Paribas Nominees Pty Ltd*	2,192,525	2.86
Hoang George Minh Do	2,171,857	2.83
Dorothy Alice Barbery	1,849,382	2.41
UBS Nominees Pty Ltd	1,188,585	1.55
Palm Beach Nominees Pty Limited	1,057,372	1.38
Catalyst Direct Capital Management Pty Ltd	1,000,000	1.30
James Cameron	995,920	1.30
David Maclean	883,053	1.15
Steven Harris & Monique Harris	540,532	0.70
HSBC Custody Nominees (Australia) Limited A/c 2*	283,050	0.37
Peter Birtles	220,000	0.29
Certane Ct Pty Ltd	217,031	0.28
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd*	180,693	0.24
Morgan Hendry	116,667	0.15
Bond Street Custodians Limited	101,020	0.13
Moorgate Investments Pty Ltd	98,332	0.13
	68,027,521	**88.68**

* Grouped Investor Holdings.

(d) SHARES UNDER VOLUNTARY ESCROW ARRANGEMENTS

No ordinary shares of the Group are held under voluntary escrow as at 30 June 2026.

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ASX ADDITIONAL INFORMATION (CONTINUED)

(e) UNQUOTED SECURITIES

There are 1,087,500 unlisted performance rights on issue under the Group's employee incentive plan, held by 16 holders.

DISTRIBUTION OF HOLDERS OF PERFORMANCE RIGHTS

The following table shows the distribution of the Group's holders of performance rights and number of holders of performance rights.

	Performance rights		
	Number of holders	**Number**	**%**
1 – 1,000	–	–	–
1,001-5,000	–	–	–
5,001-10,000	–	–	–
10,001 – 100,000	13	529,742	48.7
100,001 and over	3	557,758	51.3
Total	**16**	**1,087,500**	**100.0**

CORPORATE INFORMATION

ABN 94 628 836 484

DIRECTORS

Peter Birtles, Independent Non-Executive Director and Chair

Alice Barbery, Managing Director and
Group Chief Executive Officer

Kaylene Gaffney, Independent Non-Executive Director

Renee Gamble, Independent Non-Executive Director

David MacLean, Independent Non-Executive Director

Trent Peterson, Independent Non-Executive Director

COMPANY SECRETARIES

Ethan Orsini (Appointed: 17 September 2024)

Clare Craven (Appointed: 13 May 2022)

REGISTERED OFFICE

42A, William Farrior Place
Eagle Farm QLD 4009
Australia

Phone: 1300 553 520

PRINCIPAL PLACE OF BUSINESS

42A, William Farrior Place
Eagle Farm QLD 4009
Australia

Phone: 1300 553 520

SHARE REGISTRY

MUFG Corporate Markets (AU) Limited
Liberty Place
Level 41, 161 Castlereagh Street
Sydney NSW 2000
Australia

Phone: 1300 554 474

Universal Store Holdings Limited shares are
listed on the Australian Stock Exchange (ASX).

SOLICITORS

Gilbert + Tobin
Level 35, Tower Two International Towers Sydney
200 Barangaroo Avenue
Barangaroo NSW 2000
Australia

BANKERS

Australia and New Zealand Banking Group Ltd
324 Queen Street
Brisbane QLD 4000
Australia

AUDITORS

PricewaterhouseCoopers
480 Queen Street
Brisbane QLD 4000
Australia