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ASX Market Announcements Office
ASX Limited

LOVISA HOLDINGS LIMITED (LOV) ANNUAL GENERAL MEETING TRADING UPDATE

In advance of our Annual General Meeting today, we would like to provide an update on the status of the company's store network and current trading conditions.

There are currently 449 stores in the global Lovisa store network, with 14 net new stores opened since the end of the 2020 financial year. Pleasingly we have been able to re-open most stores in our store network that had been temporarily closed as a result of COVID-19 government restrictions, with currently only our 30 stores in metropolitan Melbourne remaining closed as they have been since 6th August. Based on the most recent government guidance these stores are due to re-open on 1st November.

Global comparable store sales for the 16 weeks since the end of FY20 were -10.2%, with a continuation of the improving trend seen in the first 8 weeks of the financial year of -19.0%, which was itself an improvement on Q4 FY20 comparable store sales of -32.5%. We have continued to see stronger performance from those markets that have been re-opened longest and with the least restrictions in place, with Australia and New Zealand continuing to be our best performing regions. We have seen a large increase in COVID cases across a number of our markets over the past few weeks, in particular in Europe, and continue to monitor these situations, however at the current time all of our European stores remain open.

Our online business has continued to grow, with total online sales up over 400% on last year for the 16 weeks of the financial year to date, continuing the momentum seen through Q4 of FY20 and the first 8 weeks of FY21. Our execution online remains a key focus to ensure it can become a meaningful part of our business, with digital store fronts now in place servicing all 8 of our major markets around the world.

With the improving performance of our Australian stores as well as the growth in our Australian online business, we are no longer eligible for the JobKeeper wage subsidy past the end of September despite the ongoing temporary closure of our metropolitan Melbourne stores. Our Global Support Centre and our Australian Distribution Centre are both located in Melbourne and both have continued to function well during the government-imposed lockdown in supporting our global business operations.



Our strategic plans remain in place, we are ready to continue our store roll out and we continue discussions with our landlords globally as we believe current circumstances will create further opportunities for expansion of our store network, which will be supported by our strong balance sheet with a continued net cash position and undrawn cash debt facilities available to support our ongoing investment in growth.

For further enquiries please contact:

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