



Lovisa Holdings Limited
FY25 HALF YEAR RESULTS

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Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect the current intentions, plans, expectations, assumptions and beliefs about future events of Lovisa Holdings Limited (LOV) and are subject to risks, uncertainties and other factors, many of which are outside the control of LOV.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks.

Because actual results could differ materially from LOV’s current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained herein with caution.

The financial information contained in this document is extracted from the unaudited financial statements of the company.

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FY25 HALF YEAR OVERVIEW

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Total sales up 8.8% on prior half year reflecting continued growth in the store network

Global comparable store sales for the period up 0.1%

Gross Margin again a highlight, up 170bps

Continued investment into growing the business

Focus on delivering strong Gross Margin to offset ongoing CODB pressures

EBIT up 10.7% to \$90.2m, NPAT of \$56.9m, up 6.5%

943 stores at the end of the period

- 57 new stores opened for the period with 14 closures/relocations
- Improved rollout trajectory in Q2 after slower 2H FY24 and Q1 FY25
- 3 new markets for the period and presence in 49 markets at the end of the half
- Cash flow from operations \$141.1m, net cash at period end of \$6.7m
- Interim dividend of 50 cents, unfranked, reflecting continued strong cash generation and balance sheet position

FINANCIAL OVERVIEW



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(000)	HY25	HY24	Variance
Revenue	405,926	373,024	8.8%
Gross profit	334,669	301,148	11.1%
EBITDA	140,940	128,364	9.8%
EBIT	90,244	81,550	10.7%
NPAT	56,932	53,473	6.5%
EPS (cents)	51.6	49.1	2.5
Dividend (cents)	50.0	50.0	-

Profit growth continues

- Revenue up 8.8% on HY24 with comparable store sales up 0.1% for the period
- Gross Margin % again strong at 82.4%, up 170bps
- Higher effective tax rate impacted by new markets
- EBIT up 10.7% on the prior period
- NPAT up 6.5% on prior period
- Strong balance sheet and cashflow generation resulting in an interim dividend of 50 cents per share



TRADING PERFORMANCE – SALES

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Sales growth continues

Global Sales Revenue up 8.8% to \$406m, with continued store network growth driving this outcome

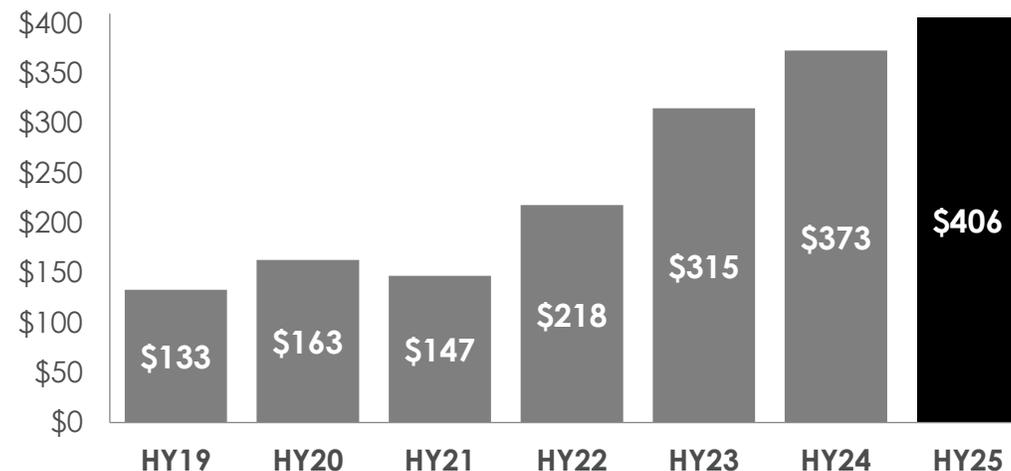
Europe sales reflect continued new store growth with 25 new stores opened for the period with store growth accelerating in the UK and Ireland

Americas region saw continued store rollout with 11 new stores, with growth primarily in Canada

Asian market remains subdued, with both comp sales and store rollout below expectations

Strong store network platform in place to drive growth into the future with stores in 49 markets

TOTAL SALES (AUD\$M)



Region (\$AUD '000)*	HY25	HY24	Variance
Australia / NZ	115,152	111,748	3.0%
Asia	19,266	19,763	-2.5%
Africa/Middle East	31,181	28,859	8.0%
Europe	137,020	120,297	13.9%
Americas	102,155	91,425	11.7%
Total	404,774	372,091	8.8%

* Sales revenue excluding franchise revenue





TRADING PERFORMANCE – GROSS MARGIN

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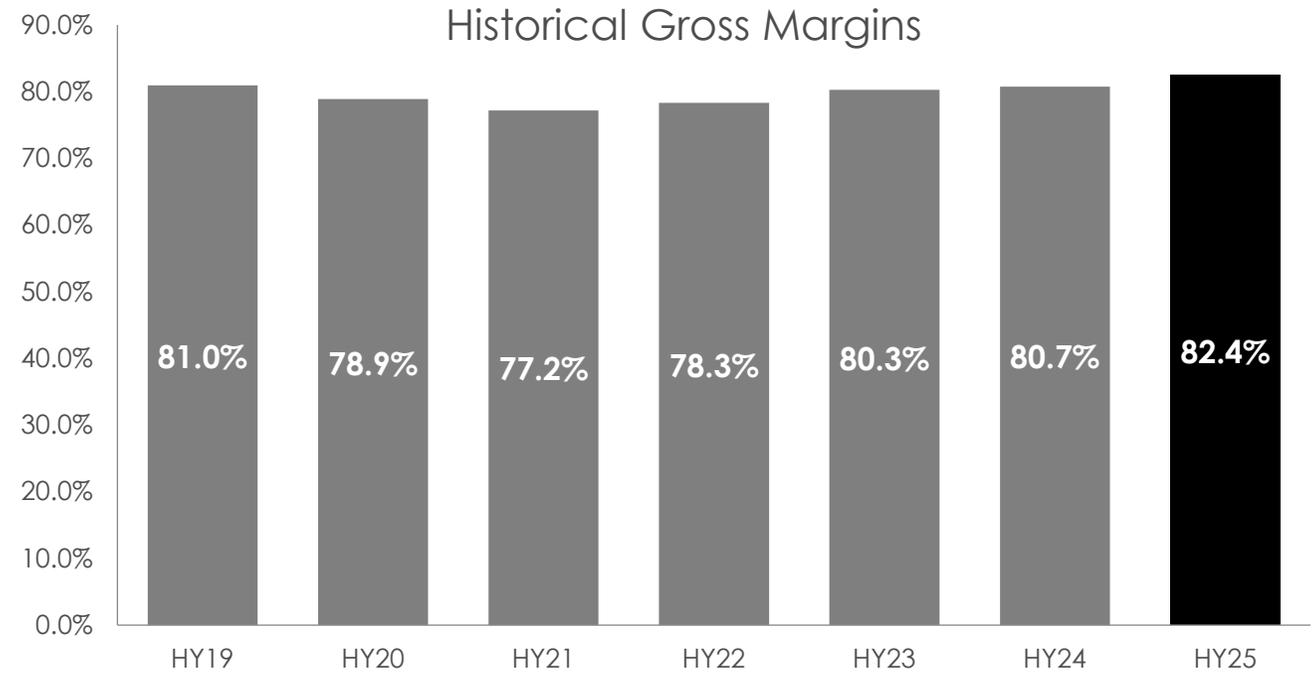
Outstanding gross margin result

Gross profit increased 11.1% to \$334.7m

Gross Margin was again strong up 170 basis points to 82.4%

Gross Margin growth delivered on top of the 40 basis points increase in 1H FY24, and 410bps higher than 1H FY22

Ongoing management of pricing structures has allowed continued gross margin expansion, with supplier cost prices well managed



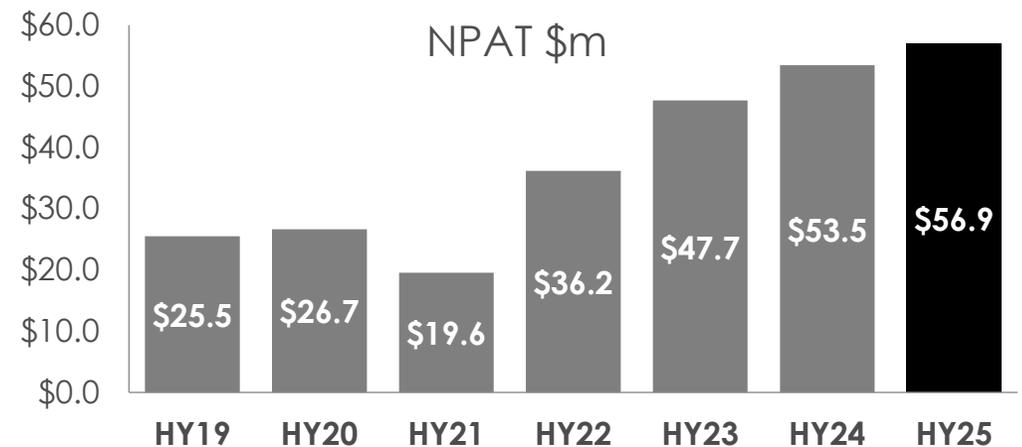
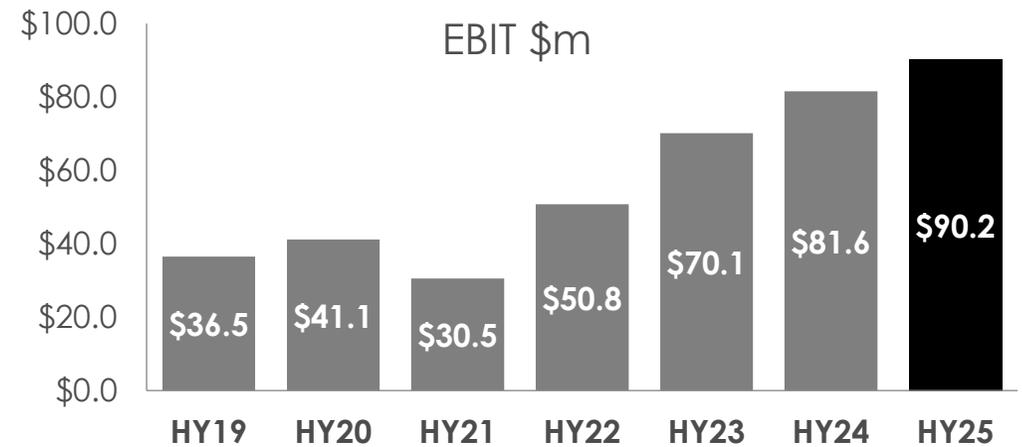
EARNINGS



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Earnings growth maintained

- EBIT up 10.7% to \$90.2m, NPAT up 6.5% to \$56.9m
- CODB higher due to growth in the store network and inflationary pressures, however offset by CEO LTI expense lower at \$1.3m compared to \$6m in the prior half year
- CODB also impacted by store network growth in higher cost markets as well as investment in marketing and events execution
- Investment has continued to be made into team structures, technology and supply chain to support the growing global business and our focus on operational execution
- NPAT impacted by higher effective tax rate due to timing of recognition of startup tax losses in relation to emerging markets and increasing mix of profits from higher tax rate markets



CASH FLOW

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(\$000s)	HY25	HY24
Cash from operating activities	141,084	149,543
Net interest paid	(9,680)	(8,859)
Tax paid	(14,403)	(13,384)
Net cash from operations	117,001	127,300
Property Plant & Equipment	(16,827)	(14,153)
Key Money	(256)	(148)
Net cash used in investing activities	(17,083)	(14,301)
Capital contributions	862	715
Repayment of borrowings	(6,000)	(22,000)
Payment of lease liabilities	(31,589)	(30,221)
Dividends paid	(40,965)	(34,005)
Net cash used in financing activities	(77,692)	(85,511)
Opening cash	30,520	31,650
Effect in movement in exchange rates	1,963	(622)
Closing cash	54,709	58,516
Net movement in cash	22,226	27,488

Continued strong cash generation

- Cash flow from operating activities \$141m, with working capital continuing to be well managed
- Capital expenditure of \$17m includes 50 new company owned stores built for the period as the store rollout continued in 1H25
- Increase in lease payments and interest paid reflect growth in the store network

BALANCE SHEET

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Balance Sheet remains strong

- Inventory holdings increased in line with store network growth, with clean stock position at the end of the period
- Increase in lease liabilities reflects continued store network growth and holdover leases renewed during the period
- Net cash at period end of \$6.7 million, reflects strong cash flow management while funding investment in the business with available cash facilities of \$120 million to support ongoing growth
- Final dividend of 50c determined to be paid in April 2025, reflecting cash flow generation for the period and continued strong balance sheet position
- We will continue to review dividend levels based on cash and facilities available and capital requirements of store network expansion

(\$000s)	HY25	FY24	HY24
Cash	54,709	30,520	58,516
Trade and Other Receivables	20,060	19,445	20,464
Current Tax Receivables	14,451	11,521	206
Inventories	72,670	68,622	63,713
Derivatives	795	-	-
Total current assets	162,685	130,108	142,899
Property Plant & Equipment	130,666	123,588	124,167
Lease Right of Use Assets	283,876	251,399	252,065
Intangibles	4,840	4,419	4,397
Deferred Tax Asset	17,419	23,285	15,889
Total assets	599,486	532,799	539,417
Payables	67,535	61,140	57,692
Lease Liabilities	70,292	58,406	60,529
Derivatives	-	318	1,132
Provisions	22,992	19,973	15,781
Total current liabilities	160,819	139,837	135,134
Lease Liabilities	273,281	246,661	248,651
Loans and borrowings	48,000	54,000	43,000
Deferred Tax Liability	2,396	2,751	-
Provisions	10,535	9,264	8,678
Total liabilities	495,031	452,513	435,463
Net assets	104,455	80,286	103,954

STORE GROWTH



Global expansion continued with 57 new stores opened

Country	Store number growth							
	HY25	FY24	HY24	Var 6 mths	New Stores	Relocations	Closures	Var YOY
Australia	180	178	175	2	4	(1)	(1)	5
New Zealand	32	28	27	4	4	0	0	5
Singapore	17	16	15	1	1	0	0	2
Malaysia	43	44	43	(1)	0	0	(1)	0
Hong Kong	10	9	8	1	1	0	0	2
Taiwan	1	1	1	0	0	0	0	0
China	1	1	1	0	0	0	0	0
Vietnam	1	1	1	0	0	0	0	0
South Africa	83	81	77	2	3	0	(1)	6
Namibia	4	3	3	1	1	0	0	1
Botswana	3	3	1	0	0	0	0	2
United Kingdom	53	50	47	3	4	(1)	0	6
Ireland	8	3	0	5	5	0	0	8
Spain	3	2	1	1	1	0	0	2
France	88	86	80	2	5	0	(3)	8
Germany	57	53	51	4	5	0	(1)	6
Belgium	17	17	13	0	1	0	(1)	4
Netherlands	9	9	7	0	0	0	0	2
Austria	8	9	9	(1)	0	0	(1)	(1)
Luxembourg	3	2	2	1	1	0	0	1
Switzerland	8	8	9	0	0	0	0	(1)
Poland	20	19	19	1	1	0	0	1
Italy	11	9	8	2	2	0	0	3
Hungary	2	2	2	0	0	0	0	0
Romania	1	1	1	0	0	0	0	0
United Arab Emirates	5	5	3	0	0	0	0	2
USA	209	207	207	2	2	0	0	2
Canada	23	14	10	9	9	0	0	13
Mexico	4	4	4	0	0	0	0	0
Middle East/Africa Franchise	22	20	17	2	4	0	(2)	5
South America Franchise	17	15	12	2	3	0	(1)	5
Total	943	900	854	43	57	(2)	(12)	89

- 57 new stores opened in the period offset by 14 closures/relocations, with constant focus on keeping the network strong
- Improved rollout trajectory in Q2 after slower 2H FY24 and Q1 FY25
- Americas region growth driven by focus on Canadian market, with 9 new stores for the period and now 23 stores trading in that market
- Strong base in Europe delivered the largest share of new store growth for the half year with 25 new stores opened including 5 in Ireland, 4 in the UK and 5 each in France and Germany
- 3 new franchise markets opened in the period in Ivory Coast, Republic of Congo and Panama
- Trading from 49 markets at half year end, with a strong base for continuation of store network growth and opening of 50th market in February in Zambia

STRATEGY RECAP

Our strategic plans remain in place

OUR PAST

15 years ago we set out to develop a fast fashion jewellery concept to meet customers needs

We were determined to focus on fashion jewellery maintaining a high margin and small store footprint model

With plans to globalise the brand we set about building a model that can be centrally managed and rolled out globally

We have opened over 900 stores across 49 markets in that time

Sales and EBIT CAGR of over 20% over the past decade

OUR PRESENT

We are well on the way in establishing a global brand

We continue to develop over 100 new lines every week for our customers

We continue to build and invest in our structures globally to support our future growth

We are investing in our digital platform and strategy to drive continued global growth as an omni-channel retailer

We have a strong balance sheet and we continue to control our costs

OUR FUTURE

Continued expansion both in existing and new markets with the same successful disciplines and criteria used to date

Continued investment in technology and our team ahead of our growth curve and building global capability

Continued focus on our Digital platforms globally as well as expanding our brand presence through online marketplaces

Continued focus on identifying new markets to grow our Lovisa brand

We remain excited about the future and we believe significant opportunity exists for continued future growth

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TRADING UPDATE

- Trading for the first 7 weeks of the second half of FY25 saw comparable store sales for this period up 3.7%. Total sales for this period are up 12.9% on the same period in FY24.
- Since the end of the half, we have opened 16 new stores with 2 closures and 1 relocation, with total store count at 956. We also expect to open our 50th market globally in the coming week with our first store in Zambia set to open.
- We continue to focus on opportunities for expanding both our physical and digital store network, with structures in place to drive this growth in existing and new markets and expect store rollout momentum to continue
- Our balance sheet remains strong with available cash and debt facilities supporting continued investment in growth

SUMMARY

- Sales performance solid for the period, with growth primarily from new store rollout with flat comparable store sales to deliver 8.8% growth
- 170bp improvement in Gross Margin driven by price and promotion management and strong execution on product and inventory control
- Global expansion continued with 57 new stores opened during the period, and a total network of 943 stores at half-year end
- 3 new franchise markets opened during the period
- EBIT up 10.7% to \$90.2m
- NPAT of \$56.9m, up 6.5% on prior period
- Interim Dividend of 50 cents per share to be paid in April

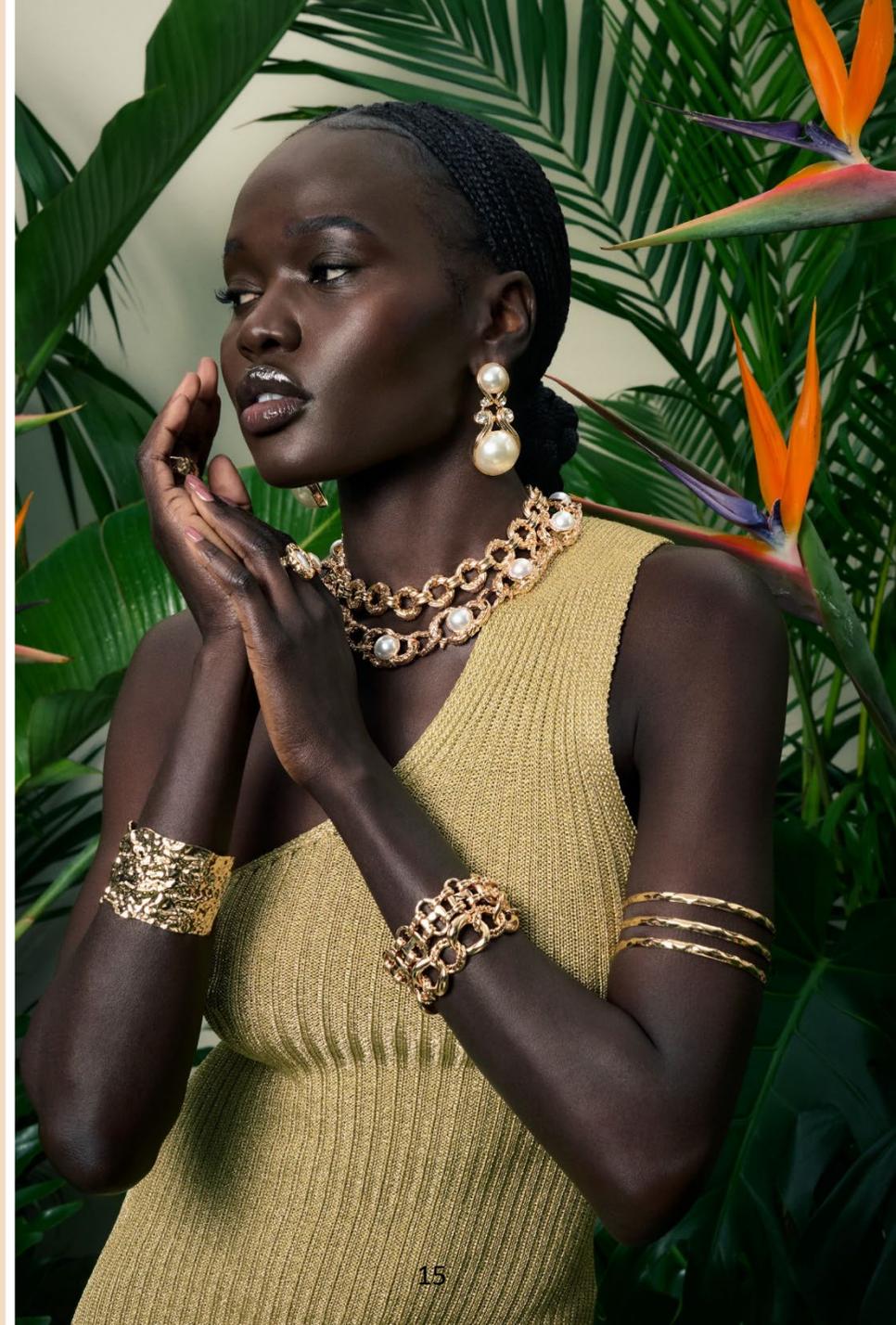


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APPENDICES



APPENDIX 1



ASIC Regulatory Guide 230 Disclosing non-IFRS financial information

In December 2011 ASIC issued Regulatory Guide 230. To comply with this Guide, Lovisa Holdings Limited is required to make a clear statement about the non-IFRS information included in the Profit announcement and presentation for the half year ended 29 December 2024.

In addition to statutory report amounts, the following non-IFRS measures are used by management and the directors as the primary measures of assessing financial performance of the Group and Individual Segments:

Non-IFRS measures used in describing the Business Performance include:

- Earnings before interest tax (EBIT), both Reported and Underlying
- Earnings before interest, tax, depreciation, amortisation (EBITDA) both Reported and Underlying
- Underlying Net Profit Before and After Tax
- Comparable Store Growth
- Cost of Doing Business (CODB)

In addition to the above the following non-IFRS measures are used by management and the directors to assess the underlying performance of the Group for the period.

- Constant Currency Margin

The directors consider that these performance measures are appropriate for their purposes and present meaningful information on the underlying drivers of the continuing business.

Many of the measures used are common practice in the industry within which Lovisa operates. The Profit Announcement and presentation has not been audited or reviewed in accordance with Australian Auditing Standards.

Definitions

- EBITDA - Result from operating activities before Depreciation, Amortisation and Impairments
- EBIT - Result from operating activities
- Comparable Store Growth - Sales performance compared to last periods for stores trading in the retail network greater than one year before foreign currency movements.
- CODB – Cost of Doing Business, represents the difference between Gross Profit and EBITDA, excluding Other Income
- Net Cash - Cash on hand less overdraft and borrowings



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APPENDIX 2 – PROFIT & LOSS STATEMENT

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(\$'000)	HY25	HY24	Variance
Revenue	405,926	373,024	8.8%
Cost of sales	(71,257)	(71,876)	-0.9%
Gross profit	334,669	301,148	11.1%
Employee expenses	(115,124)	(102,972)	11.8%
Property expenses	(24,740)	(20,343)	21.6%
Distribution expenses	(11,816)	(14,638)	-19.3%
(Loss)/profit on disposal of PPE	(78)	(472)	-83.4%
Other expenses	(41,971)	(34,536)	21.5%
Other income	-	177	-100.0%
EBITDA	140,940	128,364	9.8%
Depreciation	(50,696)	(46,814)	8.3%
EBIT	90,244	81,550	10.7%
Finance income	260	89	192.1%
Finance cost	(9,940)	(8,948)	11.1%
Profit before tax	80,564	72,691	10.8%
Income tax expense	(23,632)	(19,218)	23.0%
Net profit after tax	56,932	53,473	6.5%
EPS (cents)	51.6	49.1	2.5

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THANK YOU

