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Half Year 2026 Results Announcement Strong Sales and Profit Growth Continues

- Total Revenue up 23.3% to \$500.7m
- 1H FY26 comparable store sales up 2.2%
- Lovisa Underlying Gross Margin¹ 82.9%, up 50bps
- 85 new stores opened during the half year, 1,095 at half year end
- Reported EBIT \$98.3m, NPAT \$58.4m
- Lovisa Underlying EBIT¹ \$109.1m up 20.4%
- Lovisa Underlying Net Profit After Tax¹ up 21.5% to \$69.6m
- Operating cash flow of \$183.8m, up 30.3%
- Interim Dividend up 3 cents to 53 cents per share, 50% franked
- Solid start to the second half with first 7 weeks Total Sales up 21.5% and comparable store sales up 1.6%

Results Highlights¹

(A\$'m)	1H FY26 Reported	1H FY26 Lovisa Underlying ¹	Variance 1H FY26 v 1H FY25 Lovisa Underlying ¹
Revenue	500.7	498.1	+22.7%
Gross profit	411.6	412.9	+23.4%
EBITDA	167.8	175.9	+24.4%
EBIT	98.3	109.1	+20.4%
NPAT	58.4	69.6	+21.5%
Interim dividend (cps)	53.0	53.0	+3.0 cents

Global Chief Executive Officer John Cheston said, “Lovisa has once again been able to deliver strong growth in the underlying global Lovisa business, with the highlight another exceptional Gross Margin performance and the continued momentum in the store rollout through the period. I would like to share my appreciation to the global team for their hard work in delivering these outstanding results.”

Results¹

Total Revenue was \$500.7m, up 23.3% on 1H25 as a result of the continued growth in the store network, with comparable store sales also contributing at 2.2% up on the prior half year. Lovisa Underlying Revenue (excluding Jewells) was \$498.1m, up 22.7%.

We have continued to focus on sourcing, promotion efficiency and shrinkage management which have combined to deliver gross margin expansion. Underlying Gross Profit was up 23.4% on prior half year, with underlying Gross Margin again a highlight up 50 basis points to 82.9% on top of the 170 basis point improvement delivered in 1H25 and now 220 basis points higher than 1H24.

Investment has continued to be made into team structures and technology to support the growing global business and our focus on operational execution.

¹ Underlying results and metrics have been presented to enhance comparability of reported financial information and reflect performance excluding the impact of the start-up phase of the Jewells business, our potential second global brand, which contributed an EBIT loss of \$10.8m for the period (1HFY25: \$0.3m loss) and an NPAT loss of \$11.2m (1HFY25: \$0.3m loss). Underlying results and metrics have not been subject to auditor review.



Depreciation and interest expense both reflect the growth in the store network, with depreciation of store fit outs and lease right of use assets increasing in line with store numbers, and interest expense increasing due to the associated increase in lease liabilities.

Reported EBIT was up 8.9% to \$98.3m, reflecting 20.4% growth from Lovisa Stores enabling Lovisa to invest in the start-up phase of Jewells, our potential second global brand.

Strong Cash Flow, Strong Balance Sheet

Lovisa generated cash from operations before interest and tax of \$183.8m and is in a strong position to deliver future store growth. The strong cash flow and balance sheet position has enabled the Board to announce an interim dividend of 53.0 cents, 50% franked, representing 100% distribution of first half reported earnings.

The Board will continue to assess dividend levels each half year and determine the appropriate level of dividend based on profitability, cash flow and future growth capex requirements of the company and the structure of the balance sheet.

Store Growth

A key driver of growth for Lovisa is the continued global store roll out. The company opened 85 new stores during the period, taking the store network to 1,095 stores globally across more than 50 markets, with 152 more stores trading than December 2024.

Country	Store number growth							
	HY26	FY25	HY25	Var 6 mths	New Stores	Relocations	Closures	Var YOY
Australia	186	182	180	4	8	(3)	(1)	6
New Zealand	33	32	32	1	2	(1)	0	1
Singapore	15	16	17	(1)	1	0	(2)	(2)
Malaysia	42	42	43	0	1	0	(1)	(1)
Hong Kong	8	8	10	0	1	0	(1)	(2)
Taiwan	1	1	1	0	0	0	0	0
China	2	2	1	0	0	0	0	1
Vietnam	2	1	1	1	1	0	0	1
South Africa	91	87	83	4	5	(1)	0	8
Namibia	4	4	4	0	0	0	0	0
Botswana	4	3	3	1	1	0	0	1
Zambia	2	1	0	1	1	0	0	2
United Kingdom	88	74	53	14	16	(1)	(1)	35
Ireland	13	10	8	3	3	0	0	5
Spain	7	4	3	3	3	0	0	4
France	93	92	88	1	3	(1)	(1)	5
Germany	73	64	57	9	10	0	(1)	16
Belgium	18	17	17	1	1	0	0	1
Netherlands	19	17	9	2	2	0	0	10
Austria	8	9	8	(1)	0	0	(1)	0
Luxembourg	3	3	3	0	0	0	0	0
Switzerland	8	8	8	0	0	0	0	0
Poland	22	22	20	0	0	0	0	2
Italy	12	13	11	(1)	0	0	(1)	1
Hungary	3	2	2	1	1	0	0	1
Romania	1	1	1	0	0	0	0	0
United Arab Emirates	7	5	5	2	2	0	0	2
USA	237	229	209	8	9	0	(1)	28
Canada	41	32	23	9	9	0	0	18
Mexico	5	5	4	0	0	0	0	1
Middle East/Africa Franchise	25	21	22	4	5	0	(1)	3
South America Franchise	16	17	17	(1)	0	0	(1)	(1)
Total Lovisa Stores	1,089	1,024	943	65	85	(7)	(13)	146
United Kingdom - Jewells	6	7	0	(1)	0	0	(1)	6
Total Stores	1,095	1,031	943	64	85	(7)	(14)	152

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The strong base we have built in Europe allowed that region to deliver the largest share of new store growth for the period with 39 new stores opened, including 16 in the UK and 10 in Germany. The Americas region saw continued momentum in both the US and Canadian markets with 18 new stores opened across the region for the period.

Our ongoing focus on the quality of the store network resulted in 14 stores being closed during the period and 7 relocations. We will continue to focus on store profitability and where landlords don't provide a profitable rent we will action stores not delivering to required levels of return on investment. With a footprint now in over 50 markets and increased support structures in place we are well positioned to continue our global rollout across both existing and new markets.

Trading Update and Outlook

Trading for the first 7 weeks of the second half saw total sales for this period up 21.5% on the same period in FY25, with comparable store sales up 1.6%. 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 formats, and expect store rollout momentum to continue. Our balance sheet remains strong with available cash and debt facilities supporting continued investment in growth.

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