

Harvey Norman Holdings Limited

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Australian Securities Exchange
Limited Exchange Centre
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AGGREGATED SALES REVENUE FOR THE SIX (6) MONTHS ENDED 31 DECEMBER 2020 **UP 25.8%**

The Directors of Harvey Norman Holdings Limited announce that the aggregated sales revenue from Harvey Norman® wholly-owned company-operated stores in New Zealand, Slovenia, Croatia, Ireland and Northern Ireland, majority-owned controlled company-operated stores in Singapore and Malaysia, and from independent Harvey Norman®, Domayne® and Joyce Mayne® branded franchised complexes in Australia* (**Aggregated Sales**) totaled **\$5.12 billion for the six (6) months ended 31 December 2020**. When compared to Aggregated Sales for the six (6) months ended 31 December 2019, the **increase was 25.8%**. Comparable Aggregated Sales for the six (6) months ended 31 December 2020 when compared to the six (6) months ended 31 December 2019, increased by 24.6%. Sales made by franchisees in Australia are not made by Harvey Norman Holdings Limited or its controlled entities.

Aggregated Sales have been positively affected by a 0.8% appreciation in the Euro (€), and negatively affected by a 1.8% depreciation in the UK Pound (£GBP), a 4.7% depreciation in the Singaporean dollar (\$SGD), a 5.0% depreciation in the Malaysian Ringgit (RM), and a 1.3% depreciation in the New Zealand dollar (\$NZD) for the six (6) months ended 31 December 2020 compared to the six (6) months ended 31 December 2019.

During the six (6) months ended 31 December 2020, twelve (12) company-operated stores were opened as follows:

- two (2) new stores were opened in Ireland: Galway City on 22nd July and Sligo on 5th November 2020;
- one (1) new store at Pula, Croatia was opened on 26th November 2020;
- three (3) new stores were opened in Malaysia: KL East Mall on 25th November, Menara on 5th December and Quayside Mall on 19th December 2020;
- three (3) new stores were opened in Singapore: Seletar Mall on 15th September, The Centrepoint on 22nd September and Westgate on 25th November 2020.
- two (2) Harvey Norman® outlets in New Zealand were opened at Dunedin (Aug-20) and Glen Innes (Oct-20), and one (1) commercial showroom at Grey Lynn was opened on 15th October 2020.

The above company-operated store openings overseas were offset by one (1) store closure during the period, with the closure of the Kinex Mall store in Singapore on 27th September 2020.

In Australia, the new premium-format Harvey Norman® franchised complex was opened at Hornsby, NSW on 2nd October 2020 and a small-format Harvey Norman® franchised complex at West Wyalong, NSW was closed during the current half year.

Aggregated Sales increase / (decrease) in \$A – TOTAL SALES

(% increases have been calculated in Australian Dollars \$A)

COUNTRY (% increase calculated in \$AUD)	1Q21 vs. 1Q20 %	2Q21 vs. 2Q20 %	1H21 vs. 1H20 %
Australian Franchisees (Note 1)	31.4	23.8	27.3
New Zealand (Note 2)	18.6	17.4	17.9
Slovenia & Croatia (Note 3)	26.8	3.4	13.7
Ireland (Note 4)	65.5	48.6	54.5
Northern Ireland (Note 5)	18.1	22.7	20.7
Singapore	(-3.3)	6.5	1.9
Malaysia (Note 6)	4.9	9.6	7.3
TOTAL INCREASE / (DECREASE) % in \$AUD	28.9	23.2	25.8

Aggregated Sales increase / (decrease) in \$A – COMPARABLE SALES¹

(% increases have been calculated in Australian Dollars \$A)

¹ comparable sales growth has not been adjusted for the temporary closures mandated by each local government as a result of their COVID-19 Response

COUNTRY (% increase calculated in \$AUD)	1Q21 vs. 1Q20 %	2Q21 vs. 2Q20 %	1H21 vs. 1H20 %
Australian Franchisees (Note 1)	32.3	23.5	27.5
New Zealand (Note 2)	17.8	16.4	17.0
Slovenia & Croatia (Note 3)	26.8	0.3	11.9
Ireland (Note 4)	58.4	36.4	44.1
Northern Ireland (Note 5)	18.1	22.7	20.7
Singapore	(-4.3)	(-5.9)	(-5.2)
Malaysia (Note 6)	(-7.3)	0.3	(-3.4)
TOTAL INCREASE / (DECREASE) % in \$AUD	28.7	21.2	24.6

Aggregated Sales increase / (decrease) in Local Currencies – TOTAL SALES

(% increases have been calculated in local currencies)

COUNTRY (% increase calculated in local currencies)		1Q21 vs. 1Q20 %	2Q21 vs. 2Q20 %	1H21 vs. 1H20 %
Australian Franchisees (Note 1)	\$AUD	31.4	23.8	27.3
New Zealand (Note 2)	\$NZD	21.2	18.0	19.4
Slovenia & Croatia (Note 3)	€EUR	25.8	2.7	12.8
Ireland (Note 4)	€EUR	64.4	47.5	53.4
Northern Ireland (Note 5)	£GBP	17.6	26.9	22.9
Singapore	\$SGD	0.8	12.3	6.9
Malaysia (Note 6)	MYR	10.4	15.4	13.0

Aggregated Sales increase / (decrease) in Local Currencies – COMPARABLE SALES¹

(% increases have been calculated in local currencies)

¹ comparable sales growth has not been adjusted for the temporary closures mandated by each local government as a result of their COVID-19 Response

COUNTRY (% increase calculated in local currencies)		1Q21 vs. 1Q20 %	2Q21 vs. 2Q20 %	1H21 vs. 1H20 %
Australian Franchisees (Note 1)	\$AUD	32.3	23.5	27.5
New Zealand (Note 2)	\$NZD	20.4	16.9	18.5
Slovenia & Croatia (Note 3)	€EUR	25.8	(-0.4)	11.1
Ireland (Note 4)	€EUR	57.3	35.4	43.1
Northern Ireland (Note 5)	£GBP	17.6	26.9	22.9
Singapore	\$SGD	(-0.2)	(-0.8)	(-0.5)
Malaysia (Note 6)	MYR	(-2.4)	5.6	1.7

Mandatory temporary COVID-19 closures imposed by each local government for the period 1 July 2020 to 31 December 2020 are outlined below. Comparable sales in the previous corresponding period were not adjusted for the effect of these mandated temporary closures.

- 1) **Australian Franchised Complexes: Victoria (VIC):** 11-week closure of 18 Harvey Norman® and Domayne® franchised complexes in greater Melbourne, VIC from 6 August 2020 to 27 October 2020 as a result of Stage 4 Restrictions mandated by the State Government of VIC. All 18 affected franchised complexes in Victoria re-opened to the public on 28 October 2020. **South Australia (SA):** 3-day closure of all 10 Harvey Norman® franchised complexes located in SA by the State Government of SA from 19 to 21 November 2020 (inclusive).
- 2) **New Zealand:** 19-day closure of 11 Harvey Norman® company-operated stores in Auckland from midday 12 August 2020 to Sunday 30 August 2020 (inclusive), pursuant to the announcement of Alert Level 3 restrictions for the Auckland region by the New Zealand Government. All 11 stores re-opened to the public on Monday 31 August 2020.

- 3) **Slovenia:** 13-day closure of all 5 Harvey Norman® company-operated stores in Slovenia from 24 October 2020 to Thursday 5 November 2020 (inclusive), pursuant to government decree. All 5 stores re-opened to the public on Friday 6 November 2020. 33-day closure of all 5 stores in Slovenia from 16 November 2020 to Friday 18 December 2020 (inclusive), pursuant to government decree. All 5 stores re-opened to the public on Saturday 19 December 2020, however, was mandated by the Slovenian Government to close to the public from 24 December 2020.
- 4) **Ireland:** 39-day closure of the furniture and bedding product categories of all Harvey Norman® company-operated stores in Ireland from 22 October 2020 to Sunday 29 November 2020 (inclusive), pursuant to the announcement of Level 5 lockdown measures by the Irish Government. The computer and electrical categories were permitted to remain open to the public during this period and online trade was permitted across all product categories. The furniture and bedding categories of all stores re-opened to the public on Monday 30 November 2020. A further Level 5 lockdown was mandated from 31 December 2020.
- 5) In **Northern Ireland**, the Northern Ireland Executive announced COVID-19 lockdown measures, resulting in the closure of the 2 company-operated stores in Northern Ireland from 26 December 2020, with an expected re-opening date of 1 April 2021, subject to continuous review. Online trade during this lockdown period is restricted to contactless delivery only.
- 6) In **Malaysia**, the Recovery Movement Control Order (RMCO) was implemented on 10 June 2020 and has been further extended to 31 March 2021. Due to the rising COVID cases, the Conditional Movement Control Order (CMCO) was re-implemented on 9 October 2020 and continued to be extended until 4 March 2021 in certain regions. With appropriate safety measures for its customers and employees, the Harvey Norman® stores were permitted to trade and remain open to the public.

Whilst there have been no further lockdowns, there were certain restrictions to retail trade. The RMCO and CMCO have inhibited mobility and shortened trading hours throughout many regions in Malaysia resulting in an adverse impact to foot traffic within our stores throughout 1H21.

RETAIL TRADING UPDATE:

1 January 2021 to 23 February 2021 vs 1 January 2020 to 23 February 2020

AGGREGATED SALES REVENUE FOR THE PERIOD 1 JANUARY 2021 to 23 FEBRUARY 2021 **UP 21.0%**

The below table shows the increase / (decrease) percentages (%) of aggregated total sales and comparable sales from **1 January 2021 to 23 February 2021** compared to **1 January 2020 to 23 February 2020**. The % increases have been calculated in Australian Dollars \$AUD and in the constant local currencies of each of the below countries. Comparable sales for the previous corresponding period have not been adjusted for the effect of any temporary closures mandated by each local government as a result of their COVID-19 Response.

Positive momentum has continued from 1 January 2021 to 23 February 2021 with aggregated sales revenue increasing 21.0% compared to the period 1 January 2020 to 23 February 2020. The increase/(decrease) % by country is shown below:

COUNTRY	% Increase Calculated in \$AUD		% Increase Calculated in Constant Local Currencies		
	Total Sales %	Comparable Sales %	Total Sales %	Comparable Sales %	
Australian Franchisees (Note 7)	22.2	22.0	\$AUD	22.2	22.0
New Zealand (Note 8)	17.3	15.9	\$NZD	20.8	19.4
Slovenia & Croatia (Note 9)	(-4.1)	(-11.3)	€EUR	(-1.0)	(-8.4)
Ireland (Note 10)	51.5	37.3	€EUR	56.3	41.7
Northern Ireland (Note 11)	(-32.7)	(-32.7)	£GBP	(-27.3)	(-27.3)
Singapore	2.9	(-7.4)	\$SGD	13.6	2.2
Malaysia (Note 12)	6.3	(-4.7)	MYR	18.8	6.6

From 1 January 2021, further lockdowns and restrictions have been mandated by each local government as part of their COVID-19 Response as outlined below. Comparable sales in the previous corresponding period were not adjusted for the effect of these mandated temporary closures.

- 7) **Australian Franchised Complexes: Western Australia (WA):** 5-day closure of 13 Harvey Norman® and Domayne® franchised complexes located in Perth and other affected regions of WA by the State Government of WA from 1 to 5 February 2021 (inclusive). **VIC:** 5-day closure of all 40 Harvey Norman® and Domayne® franchised complexes in VIC by the State Government of Victoria from 13 February 2021 to 17 February 2021 (inclusive).
- 8) **New Zealand:** 3-day closure of 13 Harvey Norman® company-operated stores and outlets in Auckland from 15 February 2021 to Wednesday 17 February 2021 (inclusive). All 13 stores re-opened to the public on Thursday 18 February 2021.
- 9) **Slovenia:** 53-day closure of all 5 Harvey Norman® company-operated stores from 24 December 2020 to Sunday 14 February 2021. All 5 stores re-opened to the public on Monday 15 February 2021.
- 10) **Ireland:** The Irish Government re-introduced the Level 5 lockdown measures from 31 December 2020 resulting in the closure of the furniture and bedding categories across all stores from that date while the computer and electrical categories were permitted to remain open to the public. During this lockdown, no restrictions have been imposed on online trade for the computer and electrical categories, but the "Click & Collect" option is currently prohibited for online sales for the furniture and bedding categories. The Irish Government has indicated that the Level 5 lockdown measures may be lifted on 5 April 2021.
- 11) In **Northern Ireland**, the Northern Ireland Executive announced COVID-19 lockdown measures, resulting in the closure of the 2 company-operated stores in Northern Ireland from 26 December 2020 with an expected re-opening date of 1 April 2021, subject to continuous review. Online trade during this lockdown period is restricted to contactless delivery only.
- 12) In **Malaysia**, the Recovery Movement Control Order (**RMCO**) was implemented on 10 June 2020 and has been further extended to 31 March 2021. The Conditional Movement Control Order (**CMCO**) was re-implemented on 9 October 2020 and continued to be extended until 4 March 2021 in certain regions. On 13 January 2021, the Movement Control Order (**MCO**) was re-introduced for certain States with a spike in COVID cases and has been extended until 4 March 2021. Whilst there have been no further lockdowns, these restrictions have continued to inhibit mobility throughout many regions in Malaysia.

This document was authorised to be provided to the ASX by the Board of Directors of Harvey Norman Holdings Limited.



Chris Mentis
Company Secretary / CFO
26 February 2021