

Harvey Norman Holdings Limited

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Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

AGGREGATED SALES REVENUE FOR THE PERIOD

1 July 2021 to 31 December 2021 (**1H22**) vs

1 July 2020 to 31 December 2020 (**1H21**)

DOWN -6.3%

AGGREGATED SALES REVENUE FOR THE PERIOD

1 July 2021 to 31 December 2021 (**1H22**) vs

1 July 2019 to 31 December 2019 (**1H20**)

UP 17.8%

** Sales made by franchisees in Australia are not made by Harvey Norman Holdings Limited or its controlled entities.*

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**) **decreased by 6.3%** for the period 1 July 2021 to 31 December 2021 (**1H22**) when compared to Aggregated Sales for the period 1 July 2020 to 31 December 2020 (**1H21**). Comparable Aggregated Sales for 1H22 when compared to 1H21, **decreased by 6.8%**.

When compared to a more stable recent retail trading period in 1H20 (i.e. the period 1 July 2019 to 31 December 2019), Aggregated Sales for 1H22 **increased by 17.8%** relative to 1H20. Comparable Aggregated Sales for 1H22 when compared to 1H20, **increased by 16.2%**.

Australian franchisees were adversely affected with hard lockdowns throughout most cities and regions in New South Wales (**NSW**), Victoria (**VIC**) and the Australian Capital Territory (**ACT**) for a period of up to 4 months, representing retail closures of nearly 60% of the total number of Australian Harvey Norman®, Domayne® and Joyce Mayne® franchised complexes for the majority of 1Q22. These closures resulted in a reduction in franchisee sales by -16.5% in 1Q22 compared to 1Q21. Whilst express contactless click & collect and safe delivery to the home in-person was available, the mandatory retail closures and the 5 km limit to customer mobility affected the product categories that were unable to transact online, resulting in consumers deferring home furnishing purchases until the restrictions lifted. Franchisee sales rebounded during 2Q22 as the Delta restrictions progressively lifted from mid-October 2021, with the pent-up demand resulting in an acceleration in franchisee sales post lockdown. This momentum continued into the Christmas trading period despite the looming threat of 'Omicron' to close out 2Q22 only 1.7% down on the record 2Q21 sales achieved last year. Retail closures during 1H21 were not as widespread, limited to franchised complexes located in greater Melbourne, VIC for an 11-week period, representing less than 10% of the total number of Australian franchised complexes.

Offshore sales growth has moderated this half due to extensive hard lockdowns and nationwide closures in New Zealand and Malaysia during 1H22.

For 1H22, Aggregated Sales have been negatively affected by a 2.8% depreciation in the Euro (€), a 0.9% depreciation in the Singaporean dollar (\$SGD) and a 2.1% depreciation in the Malaysian Ringgit (MYR) offset by a 2.3% appreciation in the New Zealand dollar (\$NZD) and a 3.1% appreciation in the UK Pound (£GBP).

During 1H22, two new franchised complexes were opened in Australia located at Murwillumbah, New South Wales (opening delayed to September 2021 due to NSW lockdowns) and in Port Pirie, South Australia (opened 11 November 2021). One company-operated store was opened in Malaysia located at Pavilion Bukit Jalil, Kuala Lumpur on 3 December 2021.

Aggregated Sales increase / (decrease) in Australian Dollars \$A - TOTAL SALES:
1 July 2021 to 31 December 2021 vs 1 July 2020 to 31 December 2020; and
1 July 2021 to 31 December 2021 vs 1 July 2019 to 31 December 2019
 (% increases have been calculated in Australian Dollars \$A)

| COUNTRY | 1Q22 vs. 1Q21 % | 2Q22 vs. 2Q21 % | 1H22 vs. 1H21 % | 1Q22 vs. 1Q20 % | 2Q22 vs. 2Q20 % | 1H22 vs. 1H20 % |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Australian Franchisees | (-16.5) | (-1.7) | (-8.7) | 9.8 | 21.7 | 16.2 |
| New Zealand | (-12.6) | 8.0 | (-1.3) | 3.7 | 26.8 | 16.4 |
| Slovenia & Croatia | 0.9 | 15.2 | 8.2 | 27.9 | 19.1 | 23.0 |
| Ireland | 8.3 | (-0.4) | 2.9 | 79.2 | 48.0 | 59.0 |
| Northern Ireland | 8.3 | (-6.7) | (-0.4) | 27.9 | 14.5 | 20.2 |
| Singapore | 5.8 | 2.8 | 4.1 | 2.3 | 9.4 | 6.1 |
| Malaysia | (-32.3) | 6.6 | (-12.0) | (-29.0) | 16.8 | (-5.6) |
| Total Increase / (Decrease) % in \$AUD | (-13.9) | 0.2 | (-6.3) | 11.0 | 23.4 | 17.8 |

Aggregated Sales increase / (decrease) in Australian Dollars \$A - COMPARABLE SALES:
1 July 2021 to 31 December 2021 vs 1 July 2020 to 31 December 2020; and
1 July 2021 to 31 December 2021 vs 1 July 2019 to 31 December 2019
 (% increases have been calculated in Australian Dollars \$A)

Comparable sales growth has not been adjusted for the temporary closures mandated by each local government as a result of their COVID-19 Response. Refer to the tables of closure dates for each country in Appendix 1 and Appendix 2.

| COUNTRY | 1Q22 vs. 1Q21 % | 2Q22 vs. 2Q21 % | 1H22 vs. 1H21 % | 1Q22 vs. 1Q20 % | 2Q22 vs. 2Q20 % | 1H22 vs. 1H20 % |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Australian Franchisees | (-16.3) | (-1.3) | (-8.4) | 11.0 | 22.1 | 17.1 |
| New Zealand | (-13.1) | 7.9 | (-1.6) | 2.4 | 25.2 | 14.9 |
| Slovenia & Croatia | (-6.0) | 11.2 | 2.8 | 19.1 | 11.9 | 15.0 |
| Ireland | 2.8 | (-1.5) | 0.1 | 62.2 | 33.7 | 43.7 |
| Northern Ireland | 8.3 | (-6.7) | (-0.4) | 27.9 | 14.5 | 20.2 |
| Singapore | (-3.2) | 0.7 | (-1.0) | (-7.9) | (-2.0) | (-4.8) |
| Malaysia | (-40.8) | (-1.8) | (-20.5) | (-46.5) | (-1.9) | (-23.7) |
| Total Increase / (Decrease) % in \$AUD | (-14.8) | 0.1 | (-6.8) | 9.8 | 21.4 | 16.2 |

Aggregated Sales increase / (decrease) in Local Currencies - TOTAL SALES:
1 July 2021 to 31 December 2021 vs 1 July 2020 to 31 December 2020; and
1 July 2021 to 31 December 2021 vs 1 July 2019 to 31 December 2019
 (% increases have been calculated in local currencies)

| COUNTRY | | 1Q22 vs. 1Q21 % | 2Q22 vs. 2Q21 % | 1H22 vs. 1H21 % | 1Q22 vs. 1Q20 % | 2Q22 vs. 2Q20 % | 1H22 vs. 1H20 % |
|------------------------|-------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Australian Franchisees | \$A | (-16.5) | (-1.7) | (-8.7) | 9.8 | 21.7 | 16.2 |
| New Zealand | \$NZD | (-15.0) | 6.1 | (-3.6) | 3.0 | 25.2 | 15.2 |
| Slovenia & Croatia | €Euro | 2.8 | 19.6 | 11.4 | 29.3 | 22.8 | 25.6 |
| Ireland | €Euro | 10.3 | 3.2 | 5.9 | 81.3 | 52.2 | 62.4 |
| Northern Ireland | £GBP | 4.4 | (-9.0) | (-3.4) | 22.7 | 15.5 | 18.6 |
| Singapore | \$SGD | 7.0 | 3.4 | 5.0 | 7.9 | 16.1 | 12.2 |
| Malaysia | MYR | (-30.8) | 8.8 | (-10.2) | (-23.5) | 25.6 | 1.5 |

Aggregated Sales increase / (decrease) in Local Currencies - COMPARABLE SALES:

1 July 2021 to 31 December 2021 vs 1 July 2020 to 31 December 2020; and

1 July 2021 to 31 December 2021 vs 1 July 2019 to 31 December 2019

(% increases have been calculated in local currencies)

Comparable sales growth has not been adjusted for the temporary closures mandated by each local government as a result of their COVID-19 Response. Refer to the tables of closure dates for each country in Appendix 1 and Appendix 2.

| COUNTRY | | 1Q22 vs. 1Q21 % | 2Q22 vs. 2Q21 % | 1H22 vs. 1H21 % | 1Q22 vs. 1Q20 % | 2Q22 vs. 2Q20 % | 1H22 vs. 1H20 % |
|------------------------|-------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Australian Franchisees | \$A | (-16.3) | (-1.3) | (-8.4) | 11.0 | 22.1 | 17.1 |
| New Zealand | \$NZD | (-15.6) | 6.1 | (-3.8) | 1.7 | 23.7 | 13.8 |
| Slovenia & Croatia | €Euro | (-4.3) | 15.4 | 5.8 | 20.4 | 15.3 | 17.5 |
| Ireland | €Euro | 4.7 | 2.0 | 3.0 | 64.1 | 37.5 | 46.8 |
| Northern Ireland | £GBP | 4.4 | (-9.0) | (-3.4) | 22.7 | 15.5 | 18.6 |
| Singapore | \$SGD | (-2.1) | 1.4 | (-0.2) | (-2.9) | 4.0 | 0.7 |
| Malaysia | MYR | (-39.5) | 0.3 | (-18.8) | (-42.4) | 5.5 | (-18.0) |

RETAIL TRADING UPDATE:

1 January 2022 to 21 February 2022 vs 1 January 2021 to 21 February 2021
and 1 January 2022 to 21 February 2022 vs 1 January 2020 to 21 February 2020

Except for Ireland where sales were virtually flat, there has been sales growth in all countries for the period 1 January 2022 to 21 February 2022 against a strong prior comparable period for 1 January 2021 to 21 February 2021. When compared to a more stable recent retail trading period in 1 January 2020 to 21 February 2020, there has been solid sales growth by Australian franchisees and the company-operated stores in each overseas country.

The strengthening momentum in the home renovation market and heightened consumer demand since the start of the pandemic, continues to drive sales across key Home, Lifestyle and Tech product categories with the 'home' continuing to be the focal point for consumer spending.

Aggregated Sales increase / (decrease) from 1 January 2022 to 21 February 2022 vs 1 January 2021 to 21 February 2021 and 1 January 2022 to 21 February 2022 vs 1 January 2020 to 21 February 2020

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

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 | 1 January 2022 to 21 February 2022 vs 1 January 2021 to 21 February 2021 | | 1 January 2022 to 21 February 2022 vs 1 January 2020 to 21 February 2020 | |
|------------------------|--|-----------------|--|-----------------|
| | Total % | Comparable % | Total % | Comparable % |
| Australian Franchisees | 1.3 | 1.5 | 22.9 | 23.0 |
| New Zealand | 1.5 | 1.5 | 19.8 | 18.2 |
| Slovenia & Croatia | 21.2 | 21.2 | 11.6 | 3.3 |
| Ireland | (-0.1) | (-0.3) | 51.1 | 37.2 |
| Northern Ireland | 100.2 | 100.2 | 32.5 | 32.5 |
| Singapore | 9.2 | 9.2 | 13.3 | 1.6 |
| Malaysia | 8.7 | 4.5 | 18.1 | 2.1 |

Aggregated Sales increase / (decrease) from 1 January 2022 to 21 February 2022 vs 1 January 2021 to 21 February 2021 and 1 January 2022 to 21 February 2022 vs 1 January 2020 to 21 February 2020

(% increases have been calculated in local currencies)

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) | | 1 January 2022 to 21 February 2022 vs 1 January 2021 to 21 February 2021 | | 1 January 2022 to 21 February 2022 vs 1 January 2020 to 21 February 2020 | |
|--|-------|--|-----------------|--|-----------------|
| | | Total % | Comparable % | Total % | Comparable % |
| | | | | | |
| Australian Franchisees | \$A | 1.3 | 1.5 | 22.9 | 23.0 |
| New Zealand | \$NZD | 1.2 | 1.2 | 23.1 | 21.4 |
| Slovenia & Croatia | €Euro | 20.4 | 20.4 | 14.3 | 5.8 |
| Ireland | €Euro | (-0.7) | (-1.0) | 54.8 | 40.5 |
| Northern Ireland | £GBP | 87.6 | 87.6 | 4.9 | 4.9 |
| Singapore | \$SGD | 3.1 | 3.1 | 18.0 | 5.8 |
| Malaysia | MYR | 4.6 | 0.6 | 26.9 | 9.7 |

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

Yours faithfully



Chris Mentis
Company Secretary / CFO

Appendix 1: TABLE 1 - COVID-19 Closures in Australia from 1 July 2021 to 31 December 2021:

The mandatory temporary COVID-19 closures imposed by each State Government in Australia from 1 July 2021 to 31 December 2021 are outlined below. Comparable sales in the previous corresponding period were not adjusted for the effect of these mandated temporary closures.

| | | TABLE 1 AUSTRALIA: Government Mandated Temporary Closure Dates 1 July 2021 to 31 December 2021 | | |
|--|-------------------------|---|---------------|----------------|
| | | Affected Product Category | Date Closed | Date Re-opened |
| Australian Franchised Complexes: | | | | |
| Franchised Complexes in Victoria (VIC) | 39 Franchised Complexes | All product categories in the 39 Harvey Norman® and Domayne® franchised complexes across VIC | 16/07/21 | 28/07/21 |
| | 17 Franchised Complexes | All product categories in the 17 Harvey Norman® and Domayne® franchised complexes in greater Melbourne, VIC | 06/08/21 | 29/10/21 |
| | 22 Franchised Complexes | All product categories in the 22 Harvey Norman® franchised complexes across regional VIC | 06/08/21 | 10/08/21 |
| | | | 21/08/21 | From 10/09/21 |
| | 1 Franchised Complex | All product categories in the Harvey Norman® franchised complex at Ballarat | 15/09/21 | 23/09/21 |
| | 2 Franchised Complexes | All product categories in the 2 Harvey Norman® franchised complexes in the City of Greater Geelong | 20/09/21 | 27/09/21 |
| | 3 Franchised Complexes | All product categories in the 3 Harvey Norman® franchised complexes in the City of Latrobe | 29/09/21 | 06/10/21 |
| | 1 Franchised Complex | All product categories in the Harvey Norman® franchised complex at Shepparton | 01/10/21 | 09/10/21 |
| | 1 Franchised Complex | All product categories in the Harvey Norman® franchised complex at Mildura | 10/10/21 | 22/10/21 |
| Online Trade | | Online permitted - all product categories | open | |
| Franchised Complexes in South Australia (SA) | 10 Franchised Complexes | Furniture & bedding categories in the 10 Harvey Norman® franchised complexes in SA | 20/07/21 | 28/07/21 |
| | | Computer & electrical categories in the 10 Harvey Norman® franchised complexes in SA | 21/07/21 | 23/07/21 |
| | Online Trade | Online permitted - all product categories | open | |
| Franchised Complexes in New South Wales (NSW) | 29 Franchised Complexes | Furniture & bedding categories in the 29 Harvey Norman®, Domayne® and Joyce Mayne® franchised complexes across Sydney, Blue Mountains, Central Coast, Wollongong & Shellharbour LGAs of NSW | 18/07/21 | 11/10/21 |
| | | Computer & electrical categories in the 29 Harvey Norman®, Domayne® and Joyce Mayne® franchised complexes across Sydney, Blue Mountains, Central Coast, Wollongong & Shellharbour LGAs of NSW | 24/07/21 | 11/10/21 |
| | 12 Franchised Complexes | All product categories in the 12 Harvey Norman® and Domayne® franchised complexes within specific regional NSW LGAs | From 05/08/21 | From 11/09/21 |
| | 30 Franchised Complexes | All product categories in the 30 Harvey Norman®, Domayne® and Joyce Mayne® franchised complexes within the remaining regional NSW LGAs | From 15/08/21 | From 11/09/21 |
| | 2 Franchised Complexes | All product categories in the 2 Harvey Norman® franchised complexes at Albury and Lismore | 16/09/21 | 23/09/21 |
| | 1 Franchised Complex | All product categories in the Harvey Norman® franchised complex at Young | 18/09/21 | 01/10/21 |

| TABLE 1 AUSTRALIA: Government Mandated Temporary Closure Dates 1 July 2021 to 31 December 2021 (continued) | | | | |
|---|------------------------|---|-------------|----------------|
| | | Affected Product Category | Date Closed | Date Re-opened |
| Australian Franchised Complexes: | | | | |
| Franchised Complexes in New South Wales (NSW) (continued) | 2 Franchised Complexes | All product categories in the 2 Harvey Norman® franchised complexes at Murwillumbah and Tweed Heads | 22/09/21 | 29/09/21 |
| | 2 Franchised Complexes | All product categories in the 2 Harvey Norman® franchised complexes at Port Macquarie and Muswellbrook | 29/09/21 | From 05/10/21 |
| | 1 Franchised Complex | All product categories in the Harvey Norman® franchised complex at Lismore | 03/10/21 | 11/10/21 |
| | 3 Franchised Complexes | All product categories in the 3 Harvey Norman® franchised complexes at Gunnedah, Taree and Forster | 04/10/21 | 11/10/21 |
| | Online Trade | Online permitted - all product categories | open | |
| Franchised Complexes in Australian Capital Territory (ACT) | 2 Franchised Complexes | All categories at the Harvey Norman® Fyshwick complex and the furniture & bedding categories at the Domayne® Fyshwick complex | 13/08/21 | 22/10/21 |
| | Online Trade | Online permitted - all product categories | open | |
| Franchised Complexes in Northern Territory (NT) | 2 Franchised Complexes | All product categories at the Harvey Norman® and Joyce Mayne® Darwin complexes | 16/08/21 | 19/08/21 |
| | Online Trade | Online permitted - all product categories | open | |
| Franchised Complexes in Tasmania (TAS) | 4 Franchised Complexes | All product categories in the 4 Harvey Norman® and Domayne® franchised complexes across Southern Tasmania | 16/10/21 | 19/10/21 |
| | Online Trade | Online permitted - all product categories | open | |

Appendix 2: TABLE 2 - Overseas COVID-19 Closures from 1 July 2021 to 31 December 2021:

The mandatory temporary COVID-19 closures from 1 July 2021 to 31 December 2021 imposed by the government of each overseas country in which we operate are outlined below. Comparable sales in the previous corresponding period were not adjusted for the effect of these mandated temporary closures.

| TABLE 2 OVERSEAS: Government Mandated Temporary Closure Dates 1 July 2021 to 31 December 2021 | | | | |
|--|---|--|-------------|---|
| | | Affected Product Category | Date Closed | Date Re-opened |
| Overseas Company-Operated Stores: | | | | |
| New Zealand | 11 Retail Stores and 2 Outlets - Auckland | All product categories in the 11 retail stores and 2 outlets in Auckland. | 18/08/21 | 10/11/21 |
| | Online Trade - Auckland | Online permitted - all product categories for contactless home delivery only. Click & Collect not permitted. | 18/08/21 | 21/09/21 (Click & Collect permitted from 22/09/21) |
| | 27 Retail Stores and 3 Outlets - Outside Auckland | All product categories in the 27 retail stores and 3 outlets outside of Auckland. | 18/08/21 | Commenced limited opening to customers from 07/09/21 |
| | Online Trade - Outside Auckland | Online permitted - all product categories for contactless home delivery only. Click & Collect not permitted. | 18/08/21 | 31/08/21 (Click & Collect permitted from 01/09/21) |
| Malaysia | 26 Retail Stores | All product categories in the 26 retail stores in Malaysia | 01/06/21 | Commenced limited opening to customers from 21/08/21 |
| | Online Trade | Online permitted - all product categories | open | |
| Singapore | 14 Retail Stores | Retail trade permitted - all product categories | open | |
| | Online Trade | Online permitted - all product categories | open | |
| Republic of Ireland | 15 Retail Stores | Retail trade permitted - all product categories | open | |
| | Online Trade | Online permitted - all product categories | open | |
| Northern Ireland | 2 Retail Stores | Retail trade permitted - all product categories | open | |
| | Online Trade | Online permitted - all product categories | open | |
| Slovenia | 5 Retail Stores | Retail trade permitted - all product categories | open | |
| | Online Trade | Online permitted - all product categories | open | |
| Croatia | 2 Retail Stores | Retail trade permitted - all product categories | open | |
| | Online Trade | Online permitted - all product categories | open | |