

Universal Store

Brisbane, 19 July 2024

FY24 TRADING UPDATE & GUIDANCE

Universal Store Holdings Limited (ASX: “UNI”, “Group” or the “Company”), a specialty retailer of youth casual fashion apparel, provides the following trading update on Group financial performance (unaudited) and guidance for the full year period ended 30 June 2024 (“FY24”). The Company will release its complete set of audited FY24 results pre-market open on Thursday, 22 August 2024.

FY24 Highlights (Unaudited):

- **Strong trading performance exiting FY24, with momentum continuing into July 2024**
- **Group sales are expected to be \$288.5 million, up +9.7% on FY23 (FY23: \$263.1 million)¹;**
 - Universal Store LFL sales growth -0.3% in FY24 (H2 +6.6%)
 - Perfect Stranger LFL sales growth +7.3% in FY24 (H2 +11.5%)
 - Cheap Thrills Cycle (CTC) retail and online LFL sales growth +4.6% in FY24 (H2 +5.6%)
 - CTC wholesale sales growth of +5.4% in FY24 (on a proforma basis, excluding intercompany eliminations)
- **Underlying EBIT² is expected to finalise in the range of \$46.0 million to \$47.0 million (FY23: \$40.4 million)**
- **FY24 period end net cash of approximately \$14.3 million (excludes lease liabilities), and inventory is well balanced and clean; and**
- **102 physical store locations as at 30 June 2024, comprising 80 Universal Store sites, 14 Perfect Stranger sites, and 8 THRILLS stores**

The strength of sales achieved in H2, particularly in Q4 of FY24, has been pleasing and was driven by enhanced execution rather than favourable macro-economic factors, which continue to pose challenges. The Group has delivered successive Quarter on Quarter (QoQ) improvements in sales growth as the financial year has progressed, culminating in the strongest quarter, measured in % sales growth vs pcp, in Q4 of FY24.

In the first two weeks of FY25, the Company has seen these positive sales trends continue, with total sales growth in this initial period of FY25 being over +15% (vs. pcp) excluding CTC wholesale channel.

Commenting on the expected FY24 result, Group CEO, Alice Barbery said:

“We’re really pleased to have delivered significant growth in underlying EBIT versus last year, amidst a backdrop of a ‘cost of living crisis’, inflationary pressures and evolving market dynamics. Our team have showcased our resilience and strategic acumen in navigating fluctuating market conditions. These results underscore our commitment to customer led outcomes and operational excellence. We’ve maintained a steadfast focus on managing margins, optimising inventory and controlling costs.”

¹LFL (like-for-like) sales are calculated daily from (Mon 3rd Jul to Sun 30th Jun 2024) excluding closed stores from the day of closure and new stores until they have completed the first three weeks of operation.

²Underlying EBIT is post AASB16 and excludes the impact of Fair Value (FV) movement of the DVC provision in relation to CTC, and other one-off costs and transactions associated with the CTC acquisition completed 31 October 2022.

Investor webinar

The Company will host an investor webinar to discuss the audited FY24 results with Chief Executive Officer Alice Barbery, outgoing Chief Financial Officer Renee Jones and its new Chief Financial Officer Ethan Orsini. The webinar will be hosted at 10.15am AEST, Thursday, 22 August 2024.

Following the presentation, participants will have an opportunity to ask questions. Register for the investor webinar via the link below:

https://us02web.zoom.us/webinar/register/WN_1NzEGrdDRkitczycdlk2A

Investors can submit questions prior to the webinar to sam@nwrcommunications.com.au or do so via the Q&A functions on Zoom.

Authorised for release by the Board of Directors of Universal Store Holdings Limited.

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ABOUT UNIVERSAL STORE

Universal Store Holdings (ASX: UNI) owns a portfolio of premium youth fashion brands and omni-channel retail and wholesale businesses. The Company's principal businesses are Universal Store and CTC (trading the THRILLS and Worship brands). The Group is currently rolling out the Perfect Stranger brand as a standalone retail concept. The Company currently operates 102 physical stores across Australia in addition to online channels. The Company's strategy is to grow and develop its premium youth fashion apparel brands and retail formats to deliver a carefully curated selection of on-trend apparel products to target 16-35 year-old fashion focused customers.