

ASX Announcement

28 October 2022

Mosaic Brands Limited
Quarterly Activities Report – Q1 FY2023

The Board of Directors of Mosaic Brands Limited (ASX: MOZ) releases its cash flow report (Appendix 4C) for the quarter ending 2 October 2022 ("the September quarter") and provides an update during the quarter.

Principal activities

Mosaic Brands owns and operates ten retail clothing brands, predominately within women's apparel and accessories within Australia and New Zealand, sold through its network of circa 920 stores and its online digital department platforms.

Commentary and Update

For the first time in three years the Group has traded in the last quarter unimpeded by the impact of COVID.

Consistent with our FY22 results announcement on 31 August, which had seen trading improve on a week by week, month by month basis, total sales for the start of FY23 through to 30th September were 64% up on the prior corresponding period (PCP) excluding EziBuy. The growth was driven by the continued return of in-store customers delivering in-store comp sales of 22% against PCP.

As seen nationally, pureplay online retailers have been severely impacted throughout the start of FY23 as consumers have returned to in-store shopping after being locked down in the prior year. Notwithstanding our strong rebound in store shopping, we have seen our online Brands, excluding EziBuy, buck this national trend and achieved comparable sales flat to PCP or the first quarter.

The recently acquired EziBuy brand has performed in line with its peer pureplay online retailers, with YTD sales -42%. Over the coming FY23 year the Group will continue to combine EziBuy within Mosaic Brands to extract synergies and apply our BIG digital strategy formula to this business.

Mosaic is well positioned for the all-important Christmas trade period and the Group is fully prepared and ready to maximise this key trading event. The Group is well stocked with fresh summer collections, all stores are expected to trade unimpeded and our strategies for Black Friday are well placed to deliver the result expected.

Mosaic will provide a further update at its AGM on November 10th.

Related party payments made during the quarter

During the quarter MOZ made rental payments of \$71,000, Board Fees of \$30,000 with EziBuy incurring 3PL distribution costs of \$15,000. Rental and 3PL distribution costs paid were at normal commercial terms and conditions.

Use of Funds Statement

The Company confirms that the quarter is not included in a period covered by a “use of funds” statement or expenditure program in a prospectus, PDS or information memorandum previously lodged under ASX Listing Rule 1.1.

All financial figures in this release are preliminary in nature and are subject to finalisation and review by the company’s auditors.

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The release of this announcement was authorised by Luke Softa, Chief Financial Officer and Company Secretary

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