

Harvey Norman Holdings Limited

A.C.N. 003 237 545

A1 RICHMOND ROAD
HOMEBUSH WEST N.S.W. 2140
LOCKED BAG 2
SILVERWATER DC, N.S.W 1811

Telephone: (02) 9201 6111
Facsimile: (02) 9201 6250

25 November 2020

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

AGGREGATED SALES REVENUE FOR THE PERIOD 1 JULY 2020 to 21 NOVEMBER 2020

UP 28.2%

and

UNAUDITED PRELIMINARY PROFIT BEFORE TAX FOR THE PERIOD 1 JULY 2020 to 31 OCTOBER 2020

UP 160.1%

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**) **increased by 28.2%** for the period from 1 July 2020 to 21 November 2020 when compared to Aggregated Sales for the period 1 July 2019 to 21 November 2019.

Comparable Aggregated Sales for the period 1 July 2020 to 21 November 2020 when compared to the previous corresponding period, **increased by 27.5%**.

** 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 0.97% appreciation in the Euro (€), and negatively affected by a 0.67% depreciation in the UK Pound (£GBP), a 4.12% depreciation in the Singaporean dollar (\$SGD), a 4.7% depreciation in the Malaysian Ringgit (RM), and a 1.3% depreciation in the New Zealand dollar (\$NZD) for the period 1 July 2020 to 21 November 2020 compared to the previous corresponding period.

Two (2) new company-operated stores were opened in Ireland during the current period, Galway City on 22nd July and Sligo on 5th November 2020. Two (2) new company-operated stores were opened in Singapore, Seletar Mall on 15th September and CentrePoint on 22nd September 2020, and the One KM store was closed on 27th September 2020. In addition, two (2) Harvey Norman® outlets in New Zealand were opened during the period located at Dunedin and Glen Innes, and a commercial showroom at Grey Lynn was opened on 15th October 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 period.

UNAUDITED PRELIMINARY PROFIT BEFORE TAX & NON-CONTROLLING INTERESTS FOR THE CONSOLIDATED ENTITY FOR THE PERIOD 1 JULY 2020 TO 31 OCTOBER 2020 **UP 160.1%**

Unaudited preliminary accounts for the consolidated entity for the period 1 July 2020 to 31 October 2020 indicate profit before tax and non-controlling interests, but excluding the net impact of AASB 16 *Leases* and net property revaluation adjustments, of **\$341.11 million compared to \$131.17 million** for the prior corresponding period, an increase of approximately **160.1%**.

This disclosure is not intended to constitute earnings guidance. The Company does not provide earnings guidance. The COVID-19 pandemic has caused, and continues to cause, great uncertainty about the future economy.

AGGREGATED SALES REVENUE BY COUNTRY
FOR THE PERIOD 1 JULY 2020 TO 21 NOVEMBER 2020 UP 28.2%

Aggregated Sales increase / (decrease) in \$A from 1 July 2020 to 21 November 2020 vs 1 July 2019 to 21 November 2019:

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

COUNTRY (% increase calculated in \$AUD)	Period 1 July 2020 to 21 November 2020 vs 1 July 2019 to 21 November 2019 %	
	TOTAL SALES INCREASE / (DECREASE) %	COMPARABLE SALES ¹ INCREASE / (DECREASE) %
Australian Franchisees	29.7 (A)	30.4 (A)
New Zealand	19.8 (B)	18.8 (B)
Slovenia & Croatia	23.0 (C)	23.0 (C)
Ireland	62.9 (D)	54.2 (D)
Northern Ireland	16.8	16.8
Singapore	3.0	(-2.0)
Malaysia	6.6 (E)	(-4.7) (E)
TOTAL INCREASE / (DECREASE) % in \$AUD	28.2	27.5

¹ unadjusted for the effects (in the relevant comparable period) of the temporary closures mandated by each local government as a result of their COVID-19 Response

Aggregated Sales increase / (decrease) in local currencies from 1 July 2020 to 21 November 2020 vs 1 July 2019 to 21 November 2019:

(% increases have been calculated in local currencies)

COUNTRY (% increase calculated in local currencies)		Period 1 July 2020 to 21 November 2020 vs 1 July 2019 to 21 November 2019 %	
		TOTAL SALES INCREASE / (DECREASE) %	COMPARABLE SALES ¹ INCREASE / (DECREASE) %
Australian Franchisees	\$AUD	29.7 (A)	30.4 (A)
New Zealand	\$NZD	21.3 (B)	20.4 (B)
Slovenia & Croatia	€ Euro	21.8 (C)	21.8 (C)
Ireland	€ Euro	61.3 (D)	52.7 (D)
Northern Ireland	£ GBP	17.8	17.8
Singapore	\$ SGD	7.4	2.1
Malaysia	MYR	11.9 (E)	(-0.2) (E)

¹ unadjusted for the effects (in the relevant comparable period) of the temporary closures mandated by each local government as a result of their COVID-19 Response

(A) In August 2020, eighteen (18) Harvey Norman® and Domayne® franchised complexes in greater Melbourne, Victoria were closed to the public from 6th August 2020 to 27th October 2020 as a direct result of the Stage 4 Restrictions mandated by the State Government of Victoria. Our franchisees quickly moved to service their customers via Click & Collect and contactless deliveries. The sales turnover of our affected franchisees in greater Melbourne have been adversely impacted by these mandated closures. All eighteen (18) affected franchised complexes in Victoria re-opened to the public on 28th October 2020. Ten (10) Harvey Norman® franchised complexes located in South Australia (SA) were closed for a 3-day period by the State Government of South Australia from the 19th to 21st November 2020 (inclusive) in order to prevent a COVID-19 second wave in the region. Sales for the comparable period in the previous corresponding period were not restated for the effect of these mandated temporary closures.

- (B)** On 11th August 2020, the New Zealand Government announced Alert Level 3 restrictions for the Auckland region, and Alert Level 2 restrictions for the remainder of the country, resulting in the closure of eleven (11) Harvey Norman® company-operated stores in Auckland to the public from midday 12th August 2020 to Sunday 30th August 2020 inclusive. All 11 stores re-opened to the public from Monday 31st August 2020. Sales for the comparable period in the previous corresponding period were not restated for the effect of this mandated temporary closure.
- (C)** On 22nd October 2020, the Slovenian Government announced new restrictions to limit the spread of COVID-19 resulting in the closure of all five (5) Harvey Norman® stores in Slovenia from 24th October 2020 for a minimum 7-day period. All 5 stores re-opened to the public on 6th November 2020. A further lockdown was mandated from 16th November 2020 resulting in the closure of all 5 Slovenian stores from that date for an estimated 2-week period. Sales for the comparable period in the previous corresponding period were not restated for the effect of this mandated temporary closure.
- (D)** In Ireland, the Irish Government announced Level 5 lockdown measures with all non-essential retail closed from 22nd October 2020 for approximately 6-weeks, with a proposed re-opening date of 2nd December 2020. These new restrictions resulted in the closure of the furniture and bedding product categories within the 13 company-operated stores in Ireland, while the computer and electrical categories were permitted to remain open to the public. No restrictions have been imposed to online trade for this period. Sales for the comparable period in the previous corresponding period were not restated for the effect of this mandated temporary closure.
- (E)** In Malaysia, whilst there have been no further lockdowns or restrictions to retail trade, the extension of the Recovery Movement Control Order to 31st December 2020 and the Conditional Movement Control Order to 6th December 2020, has inhibited mobility and shortened trading hours throughout many regions in Malaysia resulting in an adverse impact to foot traffic within our stores.

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
25 November 2020