



Lovisa Holdings Limited
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Lovisa Holdings Limited
Appendix 4D
Half Yearly Report
For the half-year ended 31 December 2017

The following sets out the requirements of Appendix 4D with the stipulated information either provided here or cross referenced to the FY2018 Interim Financial Report which is attached.

1. Company details

Company Name	Lovisa Holdings Limited
ACN	602 304 503
Reporting Period	26 weeks ended 31 December 2017
Prior Half Year Reporting Period	26 weeks ended 1 January 2017
Prior Financial Year Ended	2 July 2017

2. Results for announcement to the market

Comparison to the prior period (Appendix 4D items 2.1 to 2.3)	Increase/ Decrease	Change %	To A\$'000s
Revenue from ordinary activities	Increase	18.9%	118,615
Profit before tax	Increase	24.4%	34,728
Profit after tax attributable to the members	Increase	22.5%	24,843

Dividends / distributions (Appendix 4D item 2.4)	Amount per security	Franked amount per security
Interim dividend for the year ended 1 July 2018 to be paid on 27 th April 2018	13.00 cents	13.00 cents

Record date for determining entitlement to the dividend (Appendix 4D item 2.5)	13 th March, 2018
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Brief explanation of the figures reported above necessary to enable the figures to be understood (Appendix 4D item 2.6)

For the half-year ended 31 December 2017 the Company reported net profit after tax of \$24.8m following same store sales growth of +7.4% and an additional 31 stores across the globe. Gross Profit increased 22.9% to \$95.4m following an increase in margin from 77.8% to 80.4%. Other costs of doing business (excluding depreciation) increased from 46.9% in the prior half to 48.1%.

The Company's cash flow from operations was \$37.2m compared to \$29.7m in the prior half year.

This result reflects an increase of 22.5% on the Company's half-year December 2016 statutory net profit after tax.

3. Dividends

Please refer to note 3 of the attached interim financial report for details of dividends paid in the reporting period and prior period.

4. Dividend reinvestment plans

Not applicable.

5. Net tangible asset per security

	Current period	Previous period
Net tangible asset backing per ordinary share	\$0.42	\$0.25

6. Entities over which control has been gained during the period

Not applicable.

7. Details of associates and joint ventures

Not applicable.

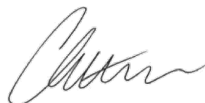
8. For foreign entities, which set of accounting standards has been used in compiling the report

The results of all foreign entities have been compiled using International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

9. Dispute or qualification arising from auditor's review

Not applicable.

Signed on behalf of Lovisa Holdings Limited, on the 20 February 2018



Chris Lauder
Company Secretary

A woman with light brown hair is shown in profile, looking towards the left. She is wearing several pieces of jewelry: a large, ornate ring with a central gold stone and diamonds on her right hand; a smaller ring with a gold stone and diamonds on her left hand; a multi-strand bracelet with black, silver, and gold beads on her right wrist; and a long, dangling earring with a central orange stone and black and silver floral motifs. She is wearing a black strapless top. The background is a plain, light gray.

LOVISA

LOVISA HOLDINGS LIMITED

INTERIM FINANCIAL REPORT

FOR THE 26 WEEKS ENDED
31 DECEMBER 2017

ACN 602 304 503

LOVISA

LOVISA WAS BORN FROM A DESIRE
TO FILL THE VOID FOR FASHION FORWARD
AND DIRECTIONAL JEWELLERY THAT IS
BRILLIANTLY AFFORDABLE



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COMPANY OVERVIEW

DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Lovisa Holdings Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2017.

1. OPERATING AND FINANCIAL REVIEW

Lovisa's revenue for 1H FY2018 was \$118.6m. This is an increase of \$18.9m (18.9%) on 1H FY2017. Revenue growth was achieved through like for like (LFL) sales performance of +7.4%, and the net opening of 30 new company owned stores, and 1 new franchise store. Lovisa closed the half with 295 company owned stores and 24 franchise stores. The international rollout of stores continued with 23 stores trading in the United Kingdom at the end of the period, 2 stores in Spain and new markets now underway in the US and France. We continue to do due diligence on other markets and opportunities to accelerate new country growth with our products having global appeal. We continue to be optimistic on Lovisa's global rollout plan.

The gross profit for the half was \$95.4m, an increase of \$17.8m on the prior half. Gross margin for the half was 80.4% compared to 77.8% for the first half of the prior year. Gross margin on a constant currency basis would have been 79.3%.

Cost of doing business (CODB) for the half was 48.1%, compared to 46.9% for the first half of the prior year. Lovisa continues to invest in the expansion of its global footprint.

Earnings before interest and tax were \$34.7m, an increase of \$6.5m (23.2%) on the prior year. Net profit after tax was \$24.8m an increase of 22.5% on the prior half.

The Company's net debt position has continued to strengthen during the half with net cash of \$33m on hand at balance date.

The Company's cashflow from operations was \$37.2m compared to \$29.7m from the prior period. Capital expenditure after landlord contributions was \$7.4m.

2. DIRECTORS

The following persons were Directors of Lovisa Holdings Limited during the whole of the half-year and up to the date of the report:

Michael Kay	Non-Executive Chairman
Shane Fallscheer	Managing Director
Tracey Blundy	Non-Executive Director
James King	Non-Executive Director

Paul Cave resigned as a Non-Executive Director on 31 October 2017.

3. DIVIDENDS

Since the end of the half-year, the Directors have resolved to pay an interim dividend of 13.0 cents per share fully franked.

The interim dividend will be paid on 27 April 2018.

4. AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 19.

5. ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report and financial report. Amounts in the Directors' report and financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of Directors



Michael Kay
Non-Executive Chairman



Shane Fallscheer
Managing Director

Melbourne, 20 February 2018



FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2017

<i>Consolidated (\$000s)</i>	Note	31 December 2017	2 July 2017	1 January 2017
Assets				
Cash and cash equivalents		33,034	12,744	28,246
Trade and other receivables		3,781	3,615	3,130
Inventories		14,670	13,127	12,338
Derivatives		-	-	693
Total current assets		51,485	29,486	44,407
Deferred tax assets		4,097	3,275	3,064
Property, plant and equipment	4	19,685	15,658	13,081
Intangible assets and goodwill	5	2,495	2,276	2,328
Total non-current assets		26,277	21,209	18,473
Total assets		77,762	50,695	62,880
Liabilities				
Bank overdraft		-	1,705	-
Trade and other payables		14,702	10,001	9,905
Employee benefits - current		2,508	2,075	1,934
Provisions - current	6	1,266	1,042	1,022
Derivatives		609	805	-
Current tax liabilities		7,277	3,819	5,410
Total current liabilities		26,362	19,447	18,271
Employee benefits - non current		721	608	441
Loans and borrowings		-	-	10,000
Provisions - non current	6	4,501	2,451	2,460
Total non-current liabilities		5,222	3,059	12,901
Total liabilities		31,584	22,506	31,172
Net assets		46,178	28,189	31,708
Equity				
Issued capital		208,526	208,526	208,526
Common control reserve		(208,906)	(208,906)	(208,906)
Other reserves		667	(461)	1,332
Retained earnings		45,892	29,030	30,756
Total equity		46,178	28,189	31,708

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

<i>Consolidated (\$000s)</i>	Note	31 December 2017	1 January 2017
Revenue	2	118,615	99,740
Cost of good sold		(23,227)	(22,148)
Gross profit		95,388	77,592
Salaries and employee benefits expense		(28,167)	(23,261)
Property expenses		(16,407)	(14,009)
Distribution costs		(3,432)	(2,363)
Depreciation		(3,595)	(2,647)
(Loss) on disposal of property, plant and equipment		(67)	29
Other expenses		(8,986)	(7,147)
Results from operating activities		34,734	28,194
Finance income		18	53
Finance expense		(24)	(328)
Net financing income		(6)	(275)
Profit before income tax		34,728	27,919
Income tax expense		(9,885)	(7,647)
Profit for the period		24,843	20,272
Other comprehensive income			
Items that may be reclassified to profit or loss:			
OCI - Cash flow hedges		188	1,450
OCI - Foreign operations - foreign currency translation differences		610	645
		798	2,095
Other comprehensive income, net of tax		798	2,095
Total comprehensive income		25,641	22,367
Profit attributable to:			
Owners of the company		24,843	20,272
		24,843	20,272
Total comprehensive income attributable to:			
Owners of the Company		25,641	22,367
		25,641	22,367
Earnings per share			
Basic earnings per share (cents)		23.66	19.31
Diluted earnings per share (cents)		22.99	19.30

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 31ST DECEMBER 2017

Attributable to Equity Holders of the Company

<i>Consolidated (\$000s)</i>	Note	Share Capital	Common Control Reserve	Retained Earnings	Share Based Payments Reserve	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Total Equity
Balance at 4 July 2016		208,526	(208,906)	12,584	116	(772)	(376)	11,171
Total comprehensive income								
Profit		-	-	20,272	-	-	-	20,272
Cash flow hedges		-	-	-	-	1,450	-	1,450
Foreign operations - foreign currency translation differences		-	-	-	-	-	645	645
Total comprehensive income for the year		-	-	20,272	-	1,450	645	22,367
Transactions with owners of the Company								
Contributions and distributions								
Employee share schemes		-	-	-	269	-	-	269
Dividends	3	-	-	(2,100)	-	-	-	(2,100)
Total contributions and distributions		-	-	(2,100)	269	-	-	(1,831)
Total transactions with owners of the Company		-	-	(2,100)	269	-	-	(1,831)
Balance at 1 January 2017		208,526	(208,906)	30,756	385	678	269	31,708
Balance at 3 July 2017		208,526	(208,906)	29,030	556	(731)	(286)	28,189
Total comprehensive income								
Profit		-	-	24,843	-	-	-	24,843
Cash flow hedges		-	-	-	-	188	-	188
Foreign operations - foreign currency translation differences		-	-	-	-	-	610	610
Total comprehensive income for the year		-	-	24,843	-	188	610	25,641
Transactions with owners of the Company								
Contributions and distributions								
Employee share schemes		-	-	-	330	-	-	330
Dividends	3	-	-	(7,981)	-	-	-	(7,981)
Total contributions and distributions		-	-	(7,981)	330	-	-	(7,652)
Total transactions with owners of the Company		-	-	(7,981)	330	-	-	(7,652)
Balance at 31 December 2017		208,526	(208,906)	45,892	886	(543)	324	46,178

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

<i>Consolidated (\$000s)</i>	Note	31 December 2017	1 January 2017
Cash flows from operating activities			
Cash receipts from customers		132,510	109,987
Cash paid to suppliers and employees		(87,581)	(75,045)
Cash generated from operating activities		44,929	34,942
Interest received		18	53
Interest paid		(24)	(328)
Income taxes paid		(7,689)	(4,982)
Net cash from operating activities		37,234	29,685
Cash flows from investing activities			
Acquisition of fixed assets	4	(7,430)	(2,490)
Proceeds from sale of property, plant and equipment		-	42
Net cash (used in) investing activities		(7,430)	(2,448)
Cash flows from financing activities			
Repayment of cash advance facility		-	(2,000)
Dividends paid	3	(7,981)	(2,100)
Net cash (used in) financing activities		(7,981)	(4,100)
Net increase in cash and cash equivalents		21,823	23,137
Cash and cash equivalents at the beginning of the period		11,039	4,729
Effect of movement in exchange rates on cash held		172	380
Cash and cash equivalents at the end of the period		33,034	28,246

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

1 Summary of significant accounting policies

Lovisa Holdings Limited (the "Company") is a for-profit company incorporated and domiciled in Australia with its registered office at Level 1, 818 Glenferrie Road, Hawthorn, Victoria 3122. The consolidated financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies"). The Group is primarily involved in the retail sale of fashion jewellery and accessories.

Lovisa Holdings Limited operates within a retail financial period. The current financial period was a 26 week period ended on the 31 December 2017 (2016: 26 week period ending 1 January 2017).

The principal accounting policies adopted in the preparation of this consolidated financial report are set out below. These policies have been consistently applied to all the periods presented.

Basis of accounting

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2017 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 2 July 2017.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2 Operating segments

(a) Basis for segmentation

The Chief Operating Decision Maker (CODM) for Lovisa Holdings Limited and its controlled entities, is the Managing Director (MD). For management purposes, the Group is organised into geographic segments to review sales by territory. All territories offer similar products and services and are managed by sales teams in each territory reporting to the Global GM of Sales, however overall company performance is managed on a global level by the MD and the Group's management team. Store performance is typically assessed at an individual store level. Lovisa results are aggregated to form one reportable operating segment, being the retail sale of fashion jewellery and accessories. The individual stores meet the aggregation criteria to form a reportable segment.

The company's stores exhibit similar long-term financial performance and economic characteristics throughout the world, which include:

- Consistent products are offered throughout the company's stores worldwide;
- All stock sold throughout the world utilises common design processes and products are sourced from the same supplier base;
- Customer base is similar throughout the world;
- All stores are serviced from two delivery centres;
- No major regulatory environment differences exist between operating territories.

As the Group reports utilising one reporting operating segment, no reconciliation of the total of the reportable segments measure of profit or loss to the consolidated profit has been provided as no reconciling items exist.

Revenue by nature and geography

The geographic information below analyses the Group's revenue by the country of domicile. In presenting the following information, segment revenue has been based on the geographic location of customers.

(\$000s)	31 December 2017	1 January 2017
External Revenues		
Australia / New Zealand	76,479	70,755
Asia	17,267	14,793
Africa	15,998	11,548
Europe	8,112	2,216
North America	151	-
Total external revenue	118,007	99,312
Franchise Revenue		
Middle East	434	348
Asia	174	80
Total franchise revenue	608	428
Total revenue	118,615	99,740



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

3 Dividends

(a) Ordinary shares

<i>Consolidated (\$000s)</i>	31 December 2017	1 January 2017
Dividends provided for or paid during the half-year (fully franked)	7,981	2,100

(b) Dividends not recognised at the end of the half-year

After the reporting date, the following dividends were proposed by the Board of Directors. The dividends have not been recognised as liabilities and there are no tax consequences.

<i>Consolidated (\$000s)</i>	31 December 2017	1 January 2017
13.0 cents per qualifying ordinary share, fully franked (2016: 10.0)	13,652	10,500

4 Property, plant and equipment

<i>Consolidated (\$000s)</i>	Leasehold improvements	Hardware and software	Fixtures and fittings	Total
Cost				
Balance at 3 July 2017	32,532	1,555	194	34,281
Additions	5,120	855	1,455	7,430
Disposals	(1,071)	(17)	(1)	(1,089)
Effect of movements in exchange rates	396	29	1	425
Balance at 31 December 2017	36,977	2,422	1,649	41,048
Accumulated depreciation				
Balance at 3 July 2017	(17,881)	(704)	(38)	(18,623)
Depreciation	(3,127)	(382)	(86)	(3,595)
Disposals	1,007	14	1	1,022
Effect of movements in exchange rates	(154)	(13)	-	(167)
Balance at 31 December 2017	(20,155)	(1,086)	(123)	(21,363)
Carrying amounts				
At 3 July 2017	14,651	851	156	15,658
At 31 December 2017	16,822	1,336	1,527	19,685

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

5 Intangible assets and goodwill

<i>Consolidated (\$000s)</i>	Goodwill
Cost	
Balance at 3 July 2017	2,276
Effect of movements in exchange rates	219
Balance at 31 December 2017	2,495

6 Provisions

<i>Consolidated (\$000s)</i>	Site restoration	Straight line rent and lease incentive	Onerous lease	Total
Balance at 3 July 2017	1,956	1,126	411	3,493
Provisions made during the period	472	2,361	13	2,846
Provisions used during the period	(150)	(245)	(248)	(643)
Effect of movement in exchange rates	18	52	1	71
Balance at 31 December 2017	2,296	3,294	177	5,767
Current	701	397	168	1,266
Non-current	1,595	2,897	9	4,501
	2,296	3,294	177	5,767

7 Loans and borrowings

31 December 2017

<i>Consolidated (\$000s)</i>	Carrying Amount	Contractual cash flows					
		Total	2 mths or less	2-12 mths	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Trade payables	4,955	4,955	4,955	-	-	-	-
	4,955	4,955	4,955	-	-	-	-
Derivative financial liabilities							
Forward exchange contracts used for hedging:							
- Outflow	-	28,875	7,515	21,360	-	-	-
- Inflow	-	(28,266)	(7,295)	(20,971)	-	-	-
	609	609	220	389	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 26 WEEKS ENDED 31 DECEMBER 2017

7 Loans and borrowings (continued)

2 July 2017

Consolidated (\$000s)	Carrying Amount	Contractual cash flows					
		Total	2 mths or less	2-12 mths	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Trade payables	4,568	4,568	4,568	-	-	-	-
Bank overdrafts	1,705	1,705	-	1,705	-	-	-
	6,273	6,273	4,568	1,705	-	-	-
Derivative financial liabilities							
Forward exchange contracts used for hedging:							
- Outflow	-	35,586	7,140	28,446	-	-	-
- Inflow	-	(34,781)	(7,015)	(27,766)	-	-	-
	805	805	125	680	-	-	-

The future cash flows on trade payables may be different from the amount in the above table as exchange rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The Group maintains the following lines of credit:

- \$15 million revolving cash advance facility
- \$10 million multi option facility
- \$5 million contingent liability facility for global letters of credit and bank guarantees.

(a) Valuation techniques used to determine fair values

Valuation of derivatives is undertaken using a market comparison technique: the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date. These over-the-counter derivatives utilise valuation techniques maximising the use of observable market data where it is available. Forward exchange contracts continue to be valued as level 2 instruments.

8 Capital commitments and contingencies

The group is committed to incur capital expenditure of \$1,329,000 (1 January 2017: nil).

There are no contingent liabilities that exist at 31 December 2017 (1 January 2017: nil).

9 Events occurring after the reporting period

Refer to note 3 for dividends recommended since the end of the reporting period.

There are no other matters or circumstances that have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years.



SIGNED REPORTS

DIRECTORS' DECLARATION

In the opinion of the Directors of Lovisa Holdings Limited ('the Company'):

- (a) the consolidated financial statements and notes that are set out on pages 7 to 14 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance, for the 26 week period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that Lovisa Holdings Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Shane Fallscheer

Director

Melbourne

20 February 2018



Independent Auditor's Review Report

To the shareholders of Lovisa Holdings Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Lovisa Holdings Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the **Interim Financial Report** of Lovisa Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2017 and of its performance for the **Half-year** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2017
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Lovisa Holdings Limited (the Company) and the entities it controlled at the Half-year's end or from time to time during the Half-year.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- for such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF LOVISA HOLDINGS LIMITED (CONTINUED)

Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Lovisa Holdings Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



KPMG



Maurice Bisetto

Partner

Melbourne

20 February 2018

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001



Lead Auditor's Independence Declaration under
Section 307C of the Corporations Act 2001

To the Directors of Lovisa Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Lovisa Holdings Limited for the interim period ended 31 December 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of 'KPMG' in blue ink.

KPMG

A handwritten signature of 'M. Bisetto' in blue ink.

Maurice Bisetto

Partner

Melbourne

20 February 2018

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Profession Standards Legislation.

CORPORATE DIRECTORY

Company Secretary

Chris Lauder

Principal Registered Office

Lovisa Holdings Limited
Level 1, 818 Glenferrie Road
Hawthorn VIC 3122
+61 3 9831 1800

Location of Share Registry

Link Market Services Limited
Tower 4
727 Collins Street
Melbourne Victoria 3000
+61 3 9615 9800

Stock Exchange Listing

Lovisa Holdings Limited (LOV) shares are listed on the ASX.

Auditors

KPMG
Tower 2, Collins Square
727 Collins Street
Melbourne Victoria 3000

Website

www.lovisa.com