Lovisa Holdings Limited
ACN 602 304 503
Level 1, 818 Glenferrie Road
Hawthorn VIC 3122

t +61 3 7042 6440
e info@lovisa.com

lovisa.com

3 June 2024

ASX Market Announcements Office
ASX Limited

Chief Executive Officer Succession Update

Lovisa Holdings Limited (Lovisa or Company) announces that CEO Victor Herrero has agreed to an amended employment contract through to 31st May, 2025. The company is also pleased to announce today the appointment of John Cheston as Lovisa's next CEO and Managing Director. John will join the group on 4th of June, 2025.

Brett Blundy Chairman of Lovisa said "The Board and I are pleased to announce that Victor has entered an amended 12-month contract. The Board and I are also pleased to announce that John Cheston will join us as CEO and Managing Director on the 4th of June 2025. John is a highly successful Global retailer and will join Lovisa at a very exciting time as we continue our global growth.

Details of the Key terms and Remuneration under Victor and John's employment contracts are included in the attached Appendix.

For and on behalf of the Board of Directors

Brett Blundy
Chairman

For further enquiries please contact investors@lovisa.com or:

Brett Blundy
Chairman
+61 3 7042 6440

Chris Lauder
Chief Financial Officer
+61 3 7042 6440

This announcement has been approved for release by the Board of Directors.

ATTACHMENT 1

Summary of material terms and conditions of the amended employment agreement of Victor Herrero

Term	The existing employment contract, as amended to reflect the terms below, will now expire on 31 May 2025, with renewal after that date subject to mutual agreement.
Fixed Remuneration	US$1,300,000 per annum
Short-Term Incentive (STI)	No STI granted for the 2025 financial year.
Long-Term Incentive (LTI)	No LTI granted for the 2025 financial year. Victor's existing LTI due to vest at the end of the 2024 Financial Year remains in place in accordance with the terms of that plan. Any equity issued under that plan will be subject to a 1 year holding restriction period from the date of vesting.
Notice Period and payments on termination	The Company may terminate the employment contract immediately for "Cause", and Victor can terminate the employment contract immediately for "Good Reason", each by providing written notice to the other subject to relevant cure periods in each circumstance. Termination for "Cause" includes serious misconduct, wilful and continuous failure to perform duties, and material breach of the employment contract, for "Good Reason" includes material breach of the employment contract and customary change of control provisions. Where Victor's employment is terminated for Cause by the Company, no termination benefits are payable and all unvested LTI rights will immediately lapse. Where Victor's employment is terminated by Victor for good reason, he may be eligible for a termination payment equal to the base salary of the remaining term of the contract, subject to a minimum payment of 3 months base salary. He will also be entitled to any existing LTI applicable to the current performance year remaining outstanding and subject to its applicable performance hurdles.
Post-employment	Victor is subject to post-employment non-solicit and non-compete restraints for a maximum of two years commencing from the end of his employment.

Victor's Contract of Employment otherwise includes provisions customary to a role of this nature.

This announcement has been approved for release by the Board of Directors.

Summary of material terms and conditions of the amended employment agreement of John Cheston

Term	Commencement date of 4 June 2025, with no fixed end date.
Fixed Remuneration	A$2,350,000 per annum
Short-Term Incentive (STI)	STI opportunity of $2,350,000 per annum, vesting on a straight-line basis subject to the following performance hurdles: EBIT Growth <18%: Nil EBIT Growth 18%: $188,000 EBIT Growth 30% or greater: $2,350,000
Long-Term Incentive (LTI)	Subject to shareholder approval, John shall be eligible to participate in the Group's Long Term Incentive Plan as amended and restated from time to time. He will be entitled to an initial 3-year LTI Grant vesting annually over its 3 year term to a maximum value of $2,350,000 per annum, based on the following vesting schedule: FY25: $2,350,000 FY26: $2,350,000 FY27: $2,350,000 TOTAL: $7,050,000 Vested LTI will be satisfied by the issue of Rights over ordinary shares in the Company, that will be subject to a 2-year holding lock during which time they will be entitled to receipt of dividends from the company by way of an equivalent cash payment. At the end of the 2-year holding lock they are convertible to ordinary shares for nil consideration at any time within the following 10 year period. For each Performance Period, the number of Rights to be granted will be calculated by dividing the value of the applicable vested LTI Opportunity (following testing against the performance hurdle) by the 30 calendar-day volume-weighted average price (VWAP) of a Share for the period up to and including 30 June of the relevant Performance Period. The performance hurdles for each year will be based on EBIT growth over the EBIT performance of the financial year immediately prior for each year as follows: EBIT Growth <18%: Nil EBIT Growth 18%: $188,000 EBIT Growth 30% or greater: $2,350,000 Calculation of the EBIT Hurdle and achievement against the EBIT Hurdle will be determined by the Board (or a committee of the Board) in its reasonable good faith discretion, having regard to any matters that it considers relevant.
Notice Period	12 months.

This announcement has been approved for release by the Board of Directors.

Post-employment	John is subject to post-employment non-solicit and non-compete restraints for a maximum of two years commencing from the end of his employment.

John's Contract of Employment otherwise includes provisions customary to a role of this nature.

This announcement has been approved for release by the Board of Directors.