

ASX Announcement

28th July 2020

Temple & Webster Full Year Results to 30 June 2020

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market¹, today released an investor presentation containing its full year results (pre-audit) for the period ending 30 June 2020 and July trading update.

Key FY20 Highlights²

- Full year revenue of \$176.3m up 74% year on year (H2 revenue up 96% vs pcp; Q4 revenue up 130% vs pcp)
- EBITDA of \$8.5m, versus \$1.5m in the prior corresponding period
- Cash flow positive year with ending cash of \$38.1m and no debt (excludes proceeds from recent \$40m placement)
- Active customers up 77% year on year
- Trade and Commercial division up 68% YoY

Temple & Webster CEO, Mark Coulter, said "I am pleased to report a great set of numbers in the face of some very tough retail conditions. I am so proud of the Temple & Webster team who have risen to the challenge of continuing to look after our customers while transitioning to a work from home environment. Out of all the great numbers that we are releasing today, the record level of customer satisfaction is the one that I am most proud of. Many customers are trying online shopping for their homes for the first time out of necessity and it's clear the inherent benefits of online, being range, value and convenience, have resonated with those customers."

"Our strategy of being a category specialist, with a clear customer offering built around the biggest and best range of furniture and homewares in the country, combined with the most inspirational content and services and a great delivery experience and customer service, is working. The advantages of being the online market leader are apparent as we continue to grow our market share" said Coulter.

¹ Source: IBISWorld Industry Report OD4176 Online Household Furniture Sales in Australia

² All numbers contained in this announcement are pre-audit and prior year comparatives have been updated to incorporate new leases accounting standard AAS16 for comparability purposes. As a result, the FY19 EBITDA increased by \$0.4m from \$1.1m to \$1.5m.

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Other FY20 Highlights:

- First \$2 million day in June (checkout revenue³)
- Successful completion of recent \$40m raise to strengthen balance sheet
- Customer satisfaction reached record levels in Q4 (NPS 65%+)
- 12-month marketing ROI in line with FY19 at ~2.6x
- Small investment into a start-up developing AI interior design tools

Trading Update and Outlook

FY21 has started strongly with July's revenue growth rates in line with those experienced throughout Q4.

Temple & Webster is committed to a high growth strategy to take advantage of the structural shift towards online, capitalising on both organic and inorganic opportunities, however we do remain watchful of the competitive and macroeconomic environment.

This strategy supports Temple & Webster's stated goal of becoming the first place Australians turn to when shopping for their homes and work spaces.

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This announcement has been authorised by the board of directors.

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³ Checkout revenue is pre accounting adjustments (deferred revenue, refund provisioning)

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About the Temple & Webster Group

Temple & Webster is Australia's leading online retailer of furniture and homewares.

Temple & Webster has over 180,000 products on sale from hundreds of suppliers. The business runs an innovative drop-shipping model, whereby products are sent directly to customers by suppliers thereby enabling faster delivery times and reducing the need to hold inventory thereby allowing a larger product range.

The drop ship range is complemented by a private label range which is sourced directly by Temple & Webster from overseas suppliers.

Temple & Webster's registered office and principal place of business Group is Unit 1a, 1-7 Unwins Bridge Road St Peters Sydney, Australia and is listed on the Australian Securities Exchange under the code TPW.

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