

TEMPLE &
WEBSTER

Annual General Meeting

27 November 2018



TEMPLE &
WEBSTER

Stephen Heath
Chairman



FY18 Summary

FY18 Revenue
\$72.6m

FY18 EBITDA
(\$0.6m)

June 30 Cash
\$9.9m

H2 Revenue
↑ 25%

H2 EBITDA
\$0.3m

- Turn around is complete
- Business is profitable and growing
- Security of leadership

EBITDA is a non-IFRS measure that, in the opinion of the Directors, is useful in understanding and appraising the Company's performance.

TEMPLE &
WEBSTER

Mark Coulter
CEO



Our business can now scale profitably

	FY16	FY17	FY18
Revenue	100%	100%	100%
Gross Margin	39.9%	42.7%	44.2%
Delivered Margin (after all distribution costs)	21.7%	27.6%	31.0%
Customer Service & Merchant Fees	4.9%	4.7%	3.3%
Marketing	19.4%	12.7%	11.2%
Contribution Margin	(2.6%)	10.2%	16.6%
Fixed Costs (people, property, tech, other)	\$13.3	\$13.4	\$12.6

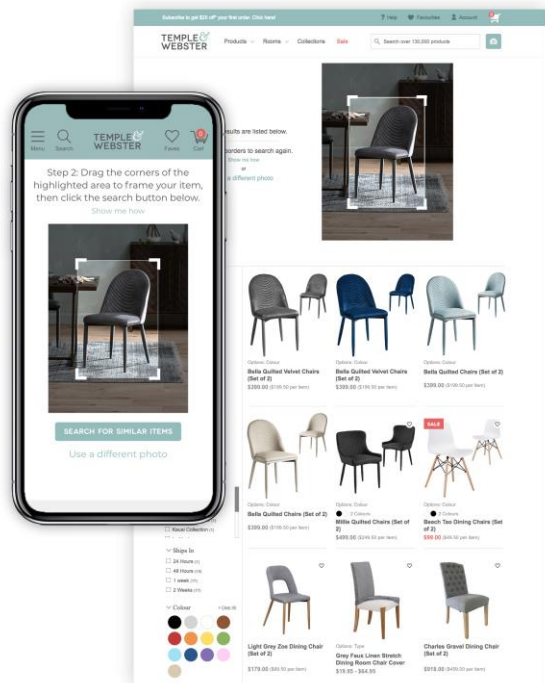
- Includes 100% of marketing and customer service costs

FY16 and FY17 comparisons are performed on a pro forma basis which includes the assumption that Milan Direct and ZIZO were part of the group but exclude any costs associated with the acquisition and restructure of Milan Direct and ZIZO and any costs associated with the Group's IPO.

As market leader we continue to innovate our offer

Visual Search

Using machine learning and artificial intelligence



Private Label

Private label ranges under the Temple & Webster brand



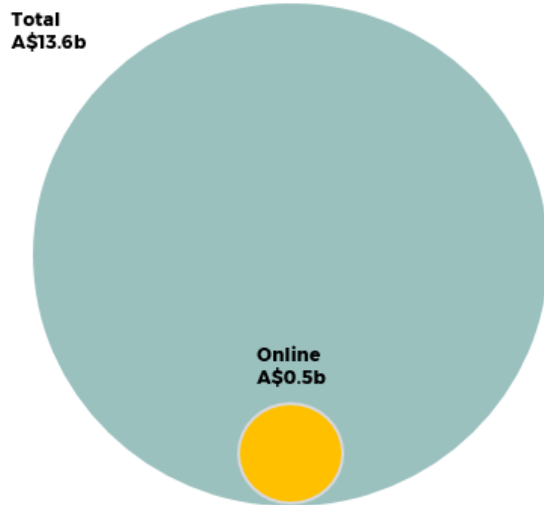
Temple & Webster Delivery

Our first branded delivery van, aimed at improving the bulky delivery experience



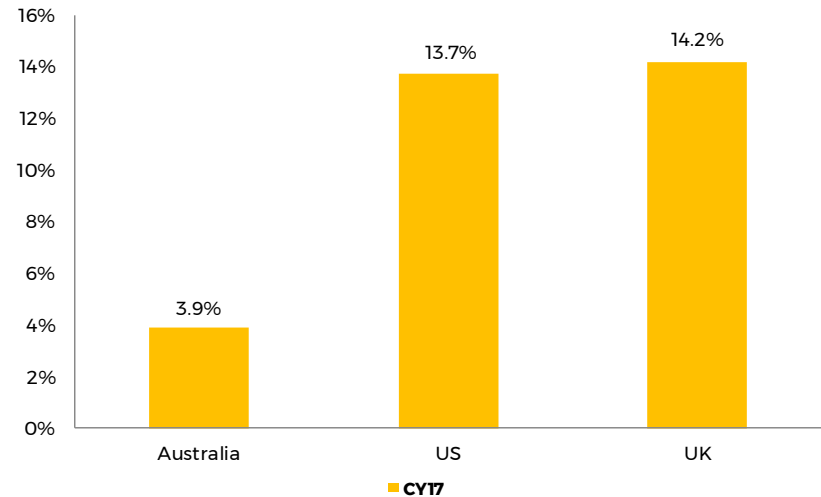
Our core furniture and homewares category is a \$13.6 billion dollar market, with only ~4% migrated online

Furniture and Homewares Market (AUS)



Source: Euromonitor International Limited; Home Furnishings and Homewares System 2017 edition. Sales in 2017 in retail value (inc. sales tax), current terms, and is to scale.

Furniture and homewares online penetration rates by country for CY17

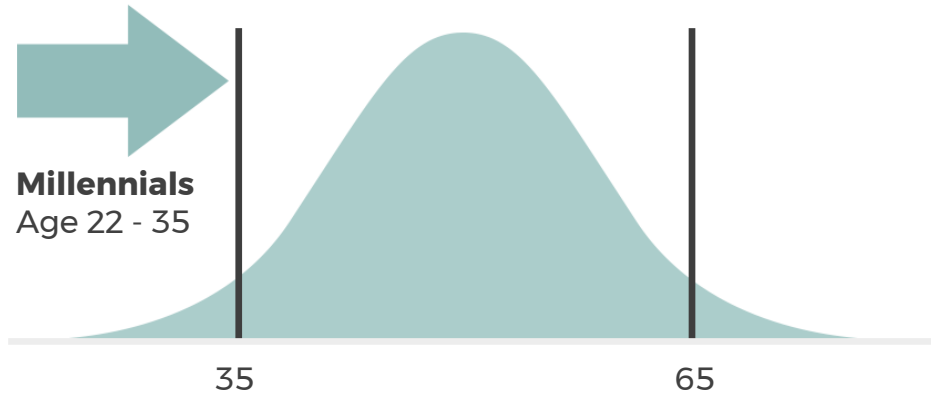


Source: Euromonitor International Limited; Home and Garden system 2017 edition. Internet sales as a percentage of the total retail sales value (inc. sales tax) for home furnishings and homewares in Australia, UK and US. Current terms.

Demographic and structural changes will drive strong market growth for years to come

1 Millennials are now entering our core demographic

Hypothetical distribution of homewares and furniture spend by age



2 Structural changes in our favour

- Faster internet and mobile speeds
eg. NBN, 5G
- New market entrants accelerating online shopping take-up
eg. Amazon
- New technologies improving experience and conversion
eg. augmented reality
- Offline exits/store closures

Our growth plans

Grow our range, add new categories, expand private label offering

Increase brand awareness; leverage data and personalisation

Innovate our offering: mobile app, product recommendations, shop the look

Pilot our own delivery van network to solve bulky delivery

Add free design help for all customers (chat, voice, in-store, augmented reality)

New growth horizons: Trade & Commercial; International

Trading update & outlook

The new financial year has started strongly, with trading exceeding expectations.

Year to date trading (to Nov 22) is up 39% year on year. The business continues to trade profitably, and our contribution margin (after all variable costs including marketing and customer service) remains within our growth phase target range of 16-17%.

The Company remains confident of delivering its maiden full year profit in FY19.

Gross Revenue is used in the calculation of the YTD growth rate metric, which excludes the impact of refunds and deferred revenue, which may result in a difference to statutory revenue growth



TEMPLE &
WEBSTER

Questions



TEMPLE &
WEBSTER

Resolutions



TEMPLE &
WEBSTER

Meeting Closed



Disclaimer

This presentation (Document) has been prepared by Temple & Webster Group Limited ACN 608 595 660 (T&W Group or the Company). This Document is a presentation to provide background information on the Company and its subsidiaries and is not an offer or invitation or recommendation to subscribe for securities nor does it constitute the giving of financial product advice by the Company or any other person. The information in this Document is selective and may not be complete or accurate for your particular purposes.

The Company has prepared this Document based on information available to it to date and the Company is not obliged to update this Document. Certain information in this Document is based on independent third-party research. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Document. To the maximum extent permitted by law, neither the Company, nor its directors, officers, employees, advisers or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault, negligence or omission on the part of any person, for any loss or damage arising from the use of this Document or its contents or otherwise arising in connection with it.

This information has been prepared by the Company without taking account of any person's objectives, financial situation or needs and because of that, you should, before acting on any information, consider the appropriateness of the information having regard to your own objectives, financial situation and needs. We suggest that you consult a financial adviser prior to making any investment decision.

This document contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", event or result "may", "will", "can", "should", "could", or "might" occur or be achieved and other similar expressions. These forward-looking statements reflect the current internal projections, expectations or beliefs of the Company based on information currently available to the Company.

Forward-looking statements are, by their nature, subject to a number of risks and uncertainties and are based on a number of estimates and assumptions that are subject to change (and in many cases outside of the control of the Company and its Directors) which may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. There can be no assurance as to the accuracy or likelihood of fulfillment of any forward-looking statements events or results. You are cautioned not to place undue reliance on forward-looking statements. Additionally, past performance is not a reliable indication of future performance. The Company does not intend, and expressly disclaims any obligation, to update or revise any forward-looking statements.

The information in this Document is only intended for Australian residents. The purpose of this Document is to provide information only. All references to dollars are to Australian dollars unless otherwise stated.

This document may not be reproduced or published, in whole or in part, for any purpose without the prior written consent of T&W Group.

TEMPLE &
WEBSTER