

ASX Announcement
31st August 2020

Temple & Webster Full Year Results to 30 June 2020 and FY21 Trading Update

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market¹, today released its Appendix 4E, Annual Report and Results Presentation for the period ending 30 June 2020.

PLEASE NOTE THERE ARE NO CHANGES TO THE FY20 RESULTS CONTAINED WITHIN THE INVESTOR PRESENTATION LODGED WITH THE ASX ON THE 28TH JULY.

Key FY20 Highlights

- 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 period²
- NPAT result of \$13.9m which included an income tax benefit of \$5.9m
- Cash flow positive year with ending cash of \$38.1m and no debt (excludes proceeds from recent \$40m placement to strengthen balance sheet)
- Active customers up 77% YoY to ~480k
- Trade and Commercial division up 68% YoY
- First \$2 million day in June (checkout revenue³)
- 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

¹ IBISWorld Industry Report OD4176 Online Household Furniture Sales in Australia

² Both FY19 and FY20 numbers take into consideration the new lease accounting standard AASB16

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

FY21 Trading & Business Update

- FY21 has started strongly with YoY revenue⁴ growth of 161% (to Aug 27)
- Growth was consistent across July and August, with both months trading ~160% up on pcp
- Contribution margin tracking above 15%
- EBITDA for July/August (2-month period) will be ~\$6m⁵
- Cash of \$81m (and no debt) as at Aug 27
- Customer satisfaction still high (NPS remains over 65%) and cohorts of newly acquired customers are performing well compared to historical like-for-like cohorts
- iOS Mobile app has launched into the app store
- After significant analysis, our second national TV campaign will commence end of Q1

Temple & Webster CEO, Mark Coulter, said “I want to reiterate the great job the Temple & Webster team have done in stepping up to keep looking after our customers during this challenging period. As you can see from our trading update, Australians are still turning to the online channel to meet their ongoing needs. We continue to focus on customer satisfaction to ensure that customers who are trialling online shopping for the first time have a great experience and therefore will come back.”

“In July we crossed the magical milestone of 500,000 active customers. That’s half a million Australian homes which now have something from Temple & Webster in them, which as a co-founder makes me very proud. 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.

This document has been authorised for release by the Board of Directors.

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Melissa Shawyer, PR Group
M: +61 (0) 412 066 048
melissa@prgroup.com.au

⁴ Checkout revenue is pre accounting adjustments (deferred revenue, refund provision)

⁵ EBITDA result quoted above is an actual July result plus an expected August EBITDA result based on MTD August trading

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 is Unit 1a, 1-7 Unwins Bridge Road St Peters Sydney, Australia and is listed on the Australian Securities Exchange under the code TPW.