

THE
build
by TEMPLE & WEBSTER

Investor Presentation:
The Launch of The Build | May 2022



Welcome to The Build by Temple & Webster | www.thebuild.com.au

Purpose built site
focused on the home
improvement market (in
scope categories >\$16b)

Asset light model,
with hundreds of suppliers
and thousands of products
across multiple categories

First-stop shop
with core pillars
of large range, great value,
inspirational content &
advice

Targeting renovators,
builders and tradespeople
and digitally native
customers

The screenshot shows the homepage of 'THE BUILD' website. At the top, there is a navigation bar with a search bar, 'Trade + Commercial' link, 'Brands' link, and a 'Sale' indicator. Below the navigation bar, there is a promotional banner for 'WELCOME HOME' with a '\$20 GIFT CARD WHEN YOU JOIN OUR MAILING LIST' and a 'JOIN NOW' button. The main content area features a large image of a kitchen with a white countertop and a gold faucet, overlaid with the text 'QUICK & EASY WEEKEND RENO' and a 'SHOP NOW' button. Below the banner, there is a 'Top Categories' section with nine circular icons representing different home improvement categories: Bathroom, Kitchen, Laundry, Curtains & Blinds, Lighting, Wallpaper & Decorating, Heating & Cooling, New Arrivals, and Sale.

Australia is a nation of home renovators

9+ million homes, with
66% owner-occupier

40-60% home owners undertake
or plan to undertake a design
project each year



>\$1b approved renovations occur
each month nationally (based on
council approvals)

Projects include minor repairs,
painting, new bathrooms/kitchens,
redecorating (eg new floorboards),
to complete build/extensions

Intermediaries play a significant
role (designers, decorators,
builders, tradespeople)



Renovators skew older
and are more evenly split
between genders
(vs. furniture & homewares)

The Home Improvement market is a massive market, with more than \$16B in scope



Categories within scope – "front of wall"



Plumbing fixtures

Garden & landscaping

Paint & supplies

Window furnishings

Blinds & awnings

Tools & equipment

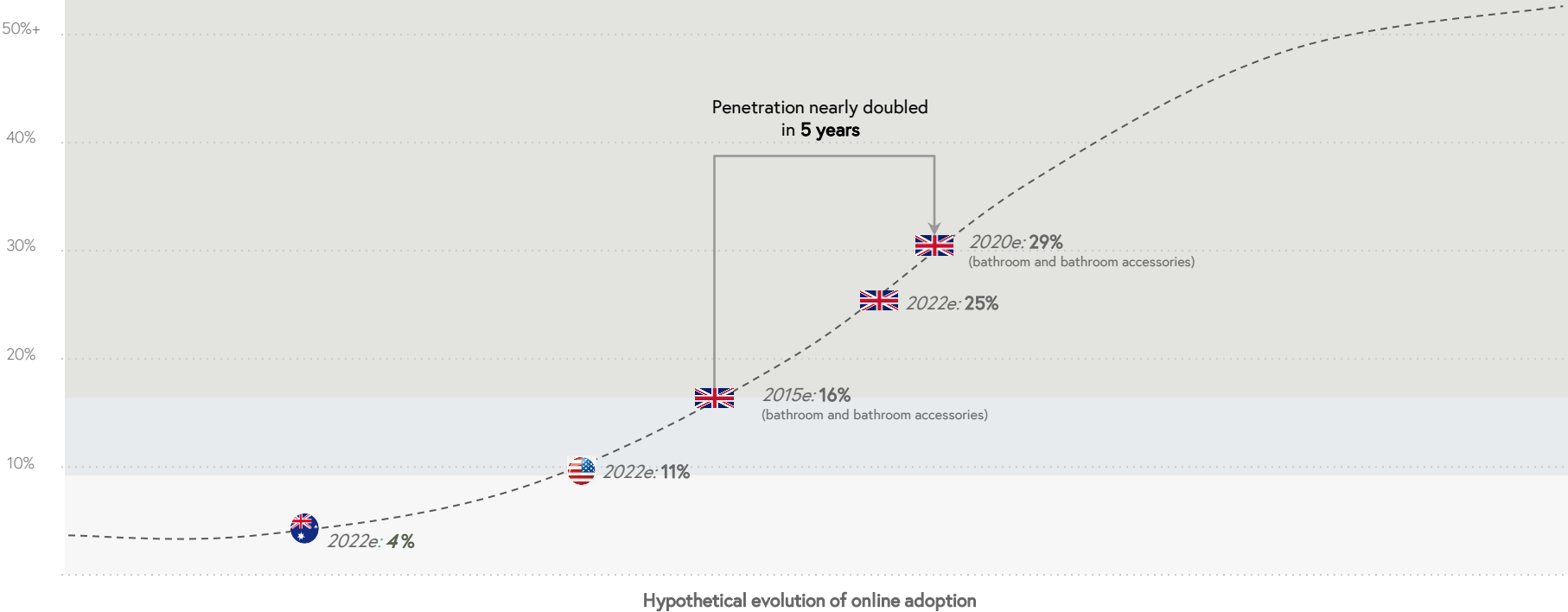
Flooring

Tiles

Other products

Australian online penetration in the Home Improvement market is much lower than overseas

Estimated online penetration in the Home Improvement market, selected countries



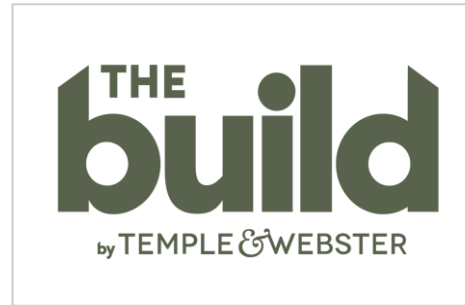
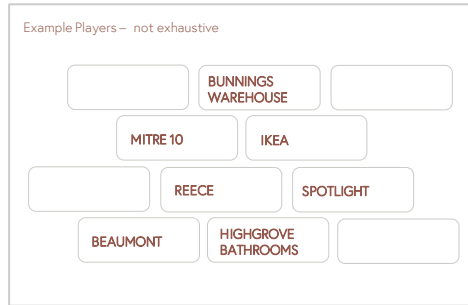
Source: Euromonitor International Limited; Home and Garden 2021 & 2022 / Retailing 2021 & 2022, TPW estimates

And while there are many players operating in the space, The Build will provide a compelling online-only renovation first-stop shop

Comprised of traditional bricks and mortar stores that specialise in renovation

Broad

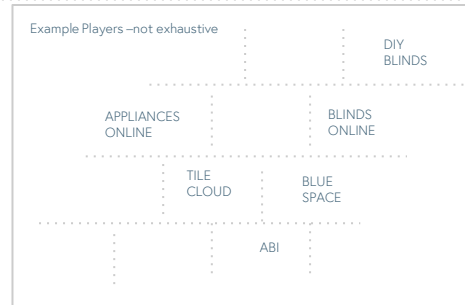
FOCUS



**ONLINE-ONLY
WITH LARGE
CROSS CATEGORY
RANGE**

Made up of many smaller scale independent business operators

Niche



Online landscape is highly fragmented, mainly made up of many small operators

Store-first

CHANNEL

Online-first

The Build is a natural extension for Temple & Webster

Ecommerce Expertise

- Ecommerce experts having already built the largest online only player in the Australian furniture & homewares market
- Key competencies around digital marketing and technology
- Leveraging purpose-built core technology platform (front end, back end and supplier management tools)

Famous for the Home

- Temple & Webster is already famous for the home and is seen as a place of beautiful and affordable products
- Home improvement is a natural extension from furnishings
- Leverage 60%+ brand awareness for Temple & Webster brand and existing customer base

Data & Cross-sells

- Natural cross-sell opportunities between home improvement and furniture & homewares
- Data-driven marketing strategy to grow customer lifetime value and optimise marketing ROI
- Group can now do whole of home projects and capture greater share of wallet of spend in the home

Leveraging Core Capabilities

- Existing capabilities around supply chain and logistics, especially bulky freight
- Some shared functions eg operations, Data & Analytics, Digital Marketing, finance/HR
- Existing trade and commercial program with knowledge of intermediaries (eg decorators)



The Build aligns with the existing strategy and vision of Temple & Webster

Our Core Belief

We believe everyone wants to live more beautifully.

Our Vision

Our vision is to make the world more beautiful, one room at a time.

Our Mission

Our mission is to deliver beautiful solutions for our customers' homes and work spaces, and for all of our other stakeholders, including suppliers and shareholders.

Our Goal

We believe if we can deliver on our strategic pillars (below), Temple & Webster will become the first place Australians turn to when shopping for their homes and work spaces.

Our Strategic Pillars

We want to be famous for having the biggest and best range in our category, the most inspirational content and services and the best delivery experience & customer service.

Our foundations are built on data-driven marketing, world-class technology and exceptional execution by an amazing team.



The Build's Growth Strategy



Add depth and breadth across current and future categories - **become experts in "front of wall" product ranging**

Build out **inspirational content** and digital capabilities : 3D, AR/VR, "how to" content, personalisation, AI

Optimise retargeting and cross sell opportunities across T&W and The Build to increase share of our customers' spend on their homes

Build upon T&W's **existing logistical infrastructure** to customise to home renovator and builder requirements (consolidated shipments etc.)

Build out the pre and post sales customer service to **provide industry specific advice**

Develop a go to market strategy for B2B: builders / trades / contractors (in progress)

Things are moving quickly...



>20k
Products live on site

>200
Suppliers live on site

39
Categories live on site

16
FTE hired as
initial team
(mgt, buyers, merchandisers etc)

- Investment across FY22-23 of ~\$10m, further funding subject to milestone achievement
- Targeting material revenue contribution and EBITDA positive business in FY26
- Investment and Group's home improvement revenue will be reported separately
- Long term margin profile expected to be better than Furniture & Homewares



YOUR RENOVATION DESTINATION

Purpose built site focused on the home improvement market (in scope categories >16b TAM)

Asset light model, first-stop shop for home renovator and builder

Core pillars of large range, great value, inspirational content & advice

Natural extension for Temple & Webster and leverages Group's market leading capabilities

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