TEMPLE & WEBSTER GROUP LTD
ABN 69 608 595 660

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ASX Announcement
2nd Feb 2021

Temple & Webster Half Year Results to 31 December 2020

Temple & Webster (ASX: TPW), Australia's largest pure play online retailer in the furniture and homewares market[1], today released an investor presentation containing its half year results (pre-auditor review) for the period ending 31 December 2020.

Key H1 FY21 Highlights[2]

- H1 revenue of $161.6m up 118% year on year
- EBITDA of $14.8m, versus $2.3m in prior corresponding period (up 556%)
- Cash flow positive half with ending cash balance of $85.7m (including proceeds of a $40m placement)
- Active customers up 102% to 687k
- Trade and Commercial division grew 89% year on year

Temple & Webster CEO, Mark Coulter, said "I am pleased to present a great set of results for the first half of FY21. While 2020 remained a challenge for the country, we are proud that many Australians continued to turn to Temple & Webster for their furniture and homewares needs. It is great to see our revenue growth translating into operating leverage and significant profit growth. This allows us to accelerate our investment into areas such as data, technology, private label and brand awareness to further differentiate our proposition".

"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-auditor review

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Other H1 FY21 Highlights:

- First ~$3 million day in November (checkout revenue[3])
- Significant increase in brand awareness due to a national TV campaign
- 12-month marketing ROI in line with the prior period at ~2.6x
- Fixed cost as a % of sales decreased from 11.6% to 7.5% (vs pcp), demonstrating continued operating leverage

Trading Update and Outlook

The second half has started strongly, with January's revenue growth tracking in excess of 100%.

We continue to experience strong tailwinds, including:

- the ongoing adoption of online shopping due to structural and demographic shifts
- an acceleration of these trends due to COVID-19
- an increase in discretionary income due to travel restrictions
- the continued recovery of the housing market and unemployment levels

We will continue our reinvestment strategy, investing into growth areas of the business to cement our online market leadership and drive market share.

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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 200,000 products on sale from hundreds of suppliers. The business runs an innovative drop-shipping model whereby products are sent directly to customers by suppliers, enabling faster delivery times and reducing the need to hold inventory, allowing for 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.

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