

TEMPLE & WEBSTER GROUP LTD
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ASX ANNOUNCEMENT

5 May 2021

Presentation at Macquarie Australia Conference

Temple & Webster Group Ltd attaches the presentation on 5 May at the Macquarie Australia Conference.

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

TEMPLE &
WEBSTER

Macquarie Australia Conference

May-21

Mark Coulter CEO
Mark Tayler CFO



Overview

- Temple & Webster is the leading pure-play online retailer for furniture & homewares in Australia
- Our mission is to make the world more beautiful, one room at a time
- We are profitable, rapidly scaling, and best positioned to win the customer as they shift online

**>750k Active
Customers**

**55% Brand
Awareness**

**>700
Suppliers**

**~500
Employees**

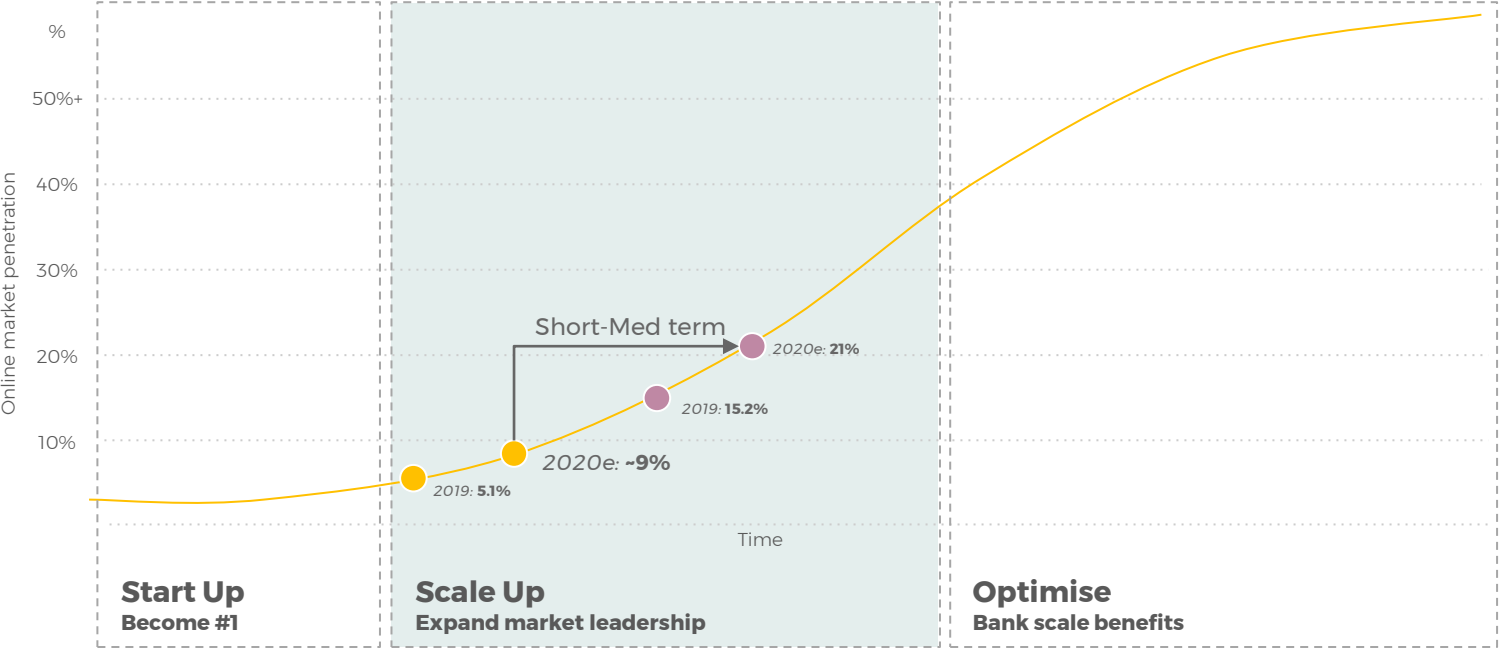
**Founder-Led
Business**

**High Customer
Satisfaction**

All metrics are from Apr-21.

Our core B2C furniture and homewares category is a ~\$16b market, undergoing a structural shift towards online

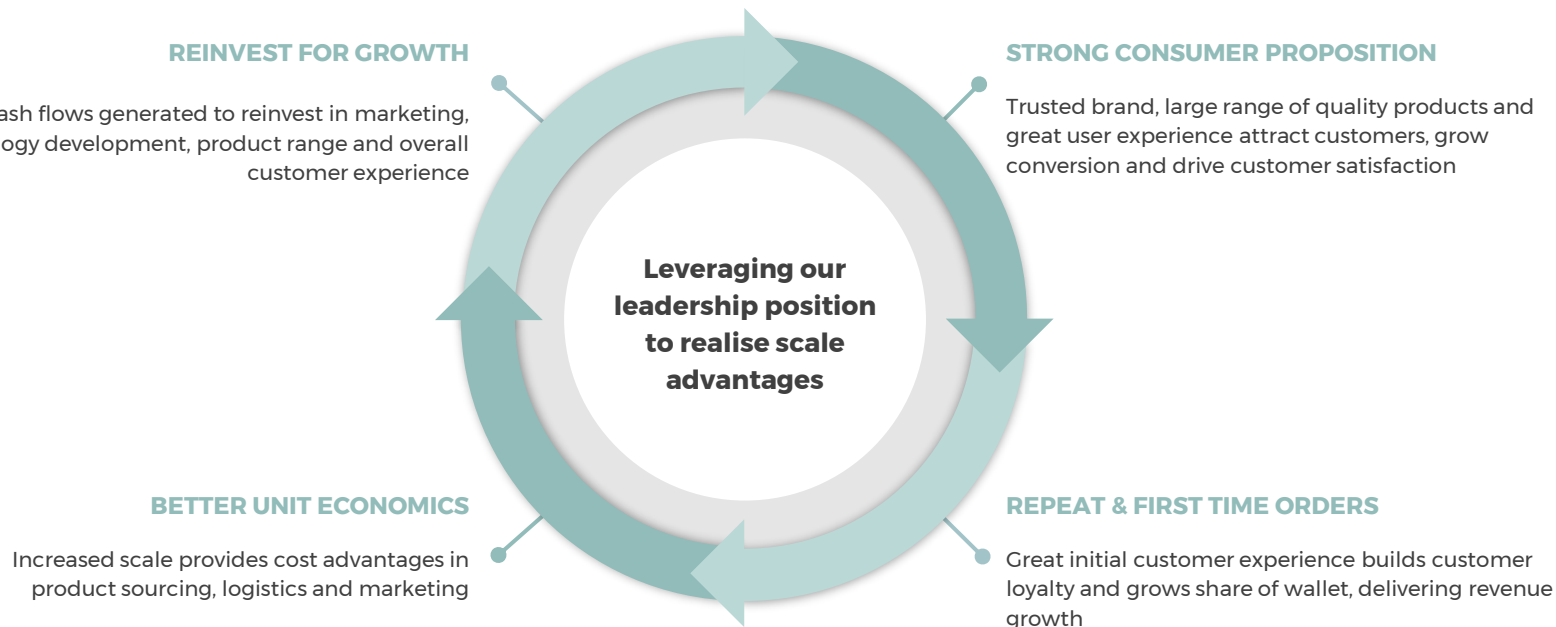
Hypothetical adoption curve for online penetration in the Furniture & Homewares market ● Aus ● US



Source: Euromonitor International Limited; Home Furnishings and Homewares System 2019 edition, ABS Retail Sales data, TPW estimates

Scale increases our operating leverage, allowing us to accelerate investment in future growth and take market share

Internal use only



Our B2C Growth strategy

Customer Value Proposition

PILLARS

RANGE

Biggest and best range in our category

Add depth and breadth across core & new categories e.g. home improvement

Grow private label (import) division

Launch exclusive ranges with drop ship suppliers

INSPIRATION

Most inspirational content and services

More video, editorial, shoppable content

Build largest library of 3D models in Australia

Add design tools (e.g. 3D/AR, AI generated interior design advice)

EXPERIENCE

Best delivery experience & customer service

Data integrations with logistics partners

More options - e.g. after hours, white glove delivery

Exceptional customer service and support

BRAND AWARENESS

Aiming for 80%+ brand awareness, driven by brand building above-the-line investment and digital marketing

DATA & PERSONALISATION

Investment in Data & Analytics capabilities: business intelligence, AI / machine learning, personalisation

WORLD-CLASS TECHNOLOGY

E-commerce platform; great user experience; mobile apps

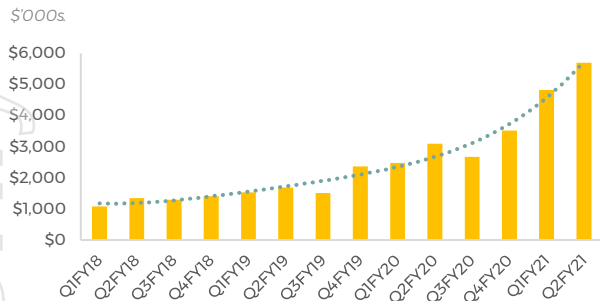
ONLINE RETAIL EXPERTISE

Team of digital natives; category expertise; product curation; creative expertise; pricing

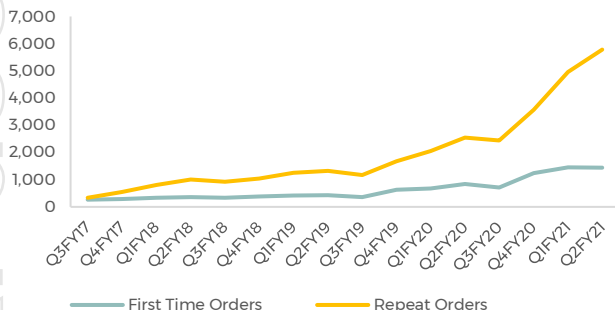
FOUNDATIONS

Our Trade & Commercial (B2B) division is an emerging growth horizon

1 T&C Revenue is growing strongly



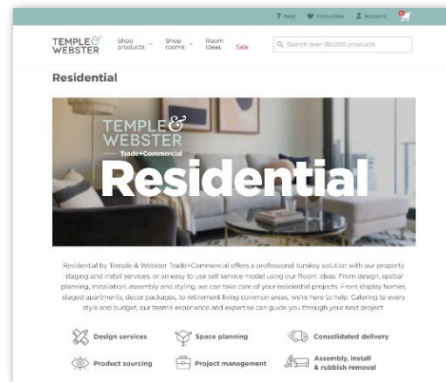
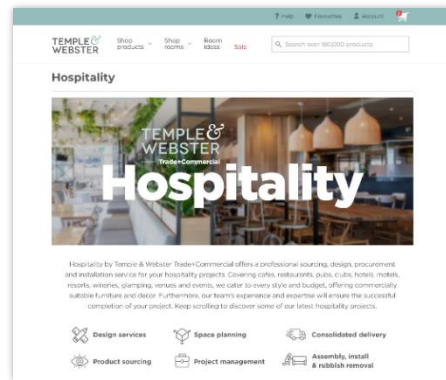
2 The nature of the customer and our service model has led to high repeat rates



Revenue growth is based on checkout revenue which is pre accounting adjustments (deferred revenue, refund provision).

3 Our strategy to step change the B2B division

- Leverage the range, platform, brand and logistics capabilities of the B2C division
- Over time significantly increase sales force – new client segments, geographies, capabilities
- Scale B2B fulfillment solutions (design, consolidation, install)
- Add commercial grade furniture & fit out ranges
- Grow B2B/trade marketing and invest in B2B brand awareness



Trading update & outlook

As announced on the 20th April, trading continues to exceed expectations, despite the fact that prior comparable periods now include the impact of the COVID-19 lockdowns:

- Q3 FY21 Revenue up 112% vs pcp
- Active customers reached ~750k at the end of Q3
- April 2021 (to the 20th April) revenue up >20% vs pcp, noting this month is comparing to April 2020 which was the fastest growing month last year due to the nationwide lockdowns implemented during March 2020
- COVID-19 cohorts continue to perform better than historical cohorts

Temple & Webster believes this trading suggests COVID-19 has permanently accelerated online adoption in the Australian furniture and homewares market.

Revenue growth is based on checkout revenue which is pre accounting adjustments (deferred revenue, refund provision adjustments).





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