

TEMPLE &  
WEBSTER

# H2FY19 Business Update

Analyst Briefing  
May 2019



# H2 FY19 (to Apr 30) Business Update

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## High growth in a weak housing market

- ~40% year on year revenue growth (1 Jan – 30 Apr 2019)
- 36% growth in active customers (as at 30 Apr 2019)
- Shift to online driven by demographic changes independent of macroeconomic factors
- Temple & Webster positioned as “affordable beauty”, appealing to value conscious shopper

## Market leader in a large, growing market

- Furniture & homewares is a \$13.6b market (excluding appliances and DIY)
- Temple & Webster is the online market leader
- High growth has allowed us to forge closer partnerships with our suppliers and accelerate investment in key differentiating areas e.g. technology, experience

## Strong balance sheet, cash flow positive business

- Cashflow positive model as ~80% of sales do not require holding inventory, no debt
- Contribution margin (margin after all variable costs including advertising and customer service costs) remains on target (>15%)

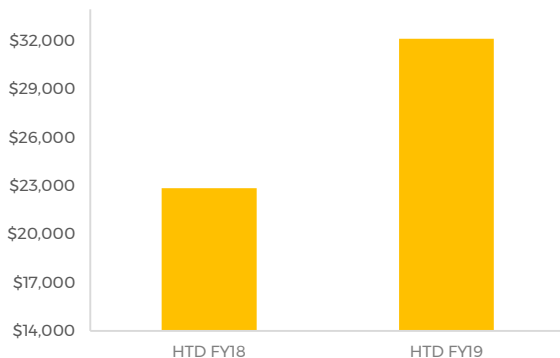
## By Appointment Showroom for Trade & Commercial Customers launches

- First permanent (non pop up) offline experience launched in Sydney
- By appointment showroom for Trade & Commercial customers (e.g. decorators, developers)
- Touch & feel key product lines, view swatches & samples, meet account manager for an in person consultation

# H2 FY19 (to Apr 30) Business Update

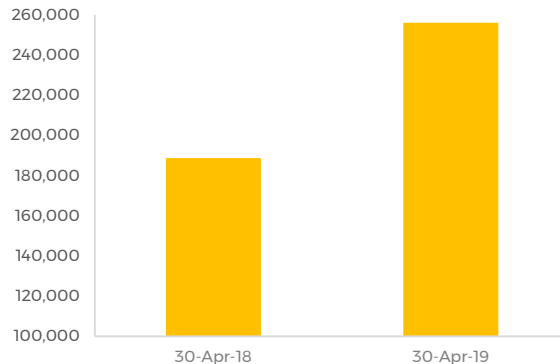
Revenue up ~40%

Revenue  
\$000



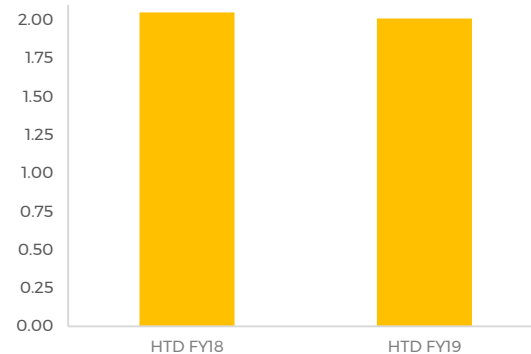
Active Customers up 36%

Active Customers



Marketing ROI holding at ~2x

Margin\$/CAC



1. Revenue = Accounting revenue after deferred revenue accounting adjustments

2. Active Customers = Active customers are the number of unique customers who have transacted in the last twelve months (LTM).

3. Marketing ROI = Margin \$ / CAC

Margin = Revenue / Active Customer as at 30 Apr 2019 x Delivered Margin % for H2 FY19

CAC = Total marketing spend for H2 FY19 divided by number of First Time customers during H2 FY19

# Our first Trade & Commercial Showroom opens in Sydney

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## **By appointment showroom**

Personal service with dedicated account manager for our Trade & Commercial customers e.g. designers, decorators, developers, corporates, hospitality



## **First permanent physical experience**

Touch & feel key product lines, view samples & swatches, review designs and product selections

**Q&A**



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