

ASX Announcement

4th February 2020

Temple & Webster Half Year Results to 31 December 2019

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market¹, today released an investor presentation containing its half year results (pre-audit) for the period ending 31 December 2019 and January trading update.

Key H1 FY20 Highlights²

- Revenue of \$74.1m up 50% year on year
- EBITDA of \$2.3m, versus \$1.0m in the prior corresponding period
- Cash flow positive half, with ending cash of \$15.7m and no debt
- Active customers up 45% year on year
- Trade and Commercial division up 75% YoY
- 12-month marketing ROI in line with FY19 at ~2.6x

Temple & Webster CEO Mark Coulter said, "Temple & Webster has had another amazing half, with revenue growing 50% year on year. This was primarily driven by an increase in active customers, with more than 330,000 Australians shopping with Temple & Webster in the last 12 months."

"As market leader we remain in the best position to take advantage of the continued shift from offline to online driven by changing customer preferences and demographic shifts. Our strategy of being a category specialist, with a clear customer offering built around the largest range of furniture and homewares in the country, combined with the most inspirational content and the best customer service is working" said Coulter.

"It's also great to see our longer-term growth opportunities starting to shine, such as our Trade & Commercial division, which grew 75% year on year. We remain bullish around the opportunity to service this segment with our disruptive proposition based on price, range and providing a full turnkey solution to our clients" said Coulter.

¹ Source: IBISWorld Industry Report OD4176 Online Household Furniture Sales in Australia

² All numbers contained in this announcement are pre-audit and prior year comparatives have been updated to incorporate new leases accounting standard AAS16

Trading Update and Outlook

The second half has started well with YoY revenue growth of >50% (to Jan 31).

Temple & Webster is committed to a high growth strategy to take advantage of the structural shift towards online, however we do remain watchful of the competitive and macroeconomic environment.

TPW will be reinvesting short term operating leverage into growth initiatives such as Technology & Data, Mobile App, Trade & Commercial, Private Label and Logistics, while remaining profitable.

This reinvestment strategy supports Temple & Webster's stated goal of becoming the first place Australians turn to when shopping for their homes and work spaces.

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This announcement has been authorised by the board of directors.

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