

A modern bedroom interior featuring a mustard yellow tufted headboard, a white bed frame, and a thick white knit blanket. A white dresser with three drawers and a white bedside table with a lamp are visible. A framed map of Copenhagen is on the wall, and a white rocking chair is on the right. A white wardrobe with a cane panel is on the left.

home24 Q4 & FY 2020 Audited Results

31 March 2021

FY 2020 Management summary



Order intake growth accelerated to 58% in Q4 2020, raising FY 2020 growth to 46% YoY.

Q1 QTD trading with continued strong momentum in order intake of +73% YoY (EU: +80% YoY, LatAm: +48% YoY, all in CC).

Q4 revenue growth of 50% brings FY 2020 to 42% and thus upper end of guidance range (in CC, last upgraded Nov 11th). Q4 adj. EBITDA at 3% or EUR 5m, leading to FY adj. EBITDA of 3% or EUR 16m (significant improvement of 11pp or EUR 44m YoY).

Financial year 2020 cash flow positive, also excluding capital increase of EUR 46m. Cash and cash equivalents at the end of 2020 at EUR 103m (pre Mobly IPO).

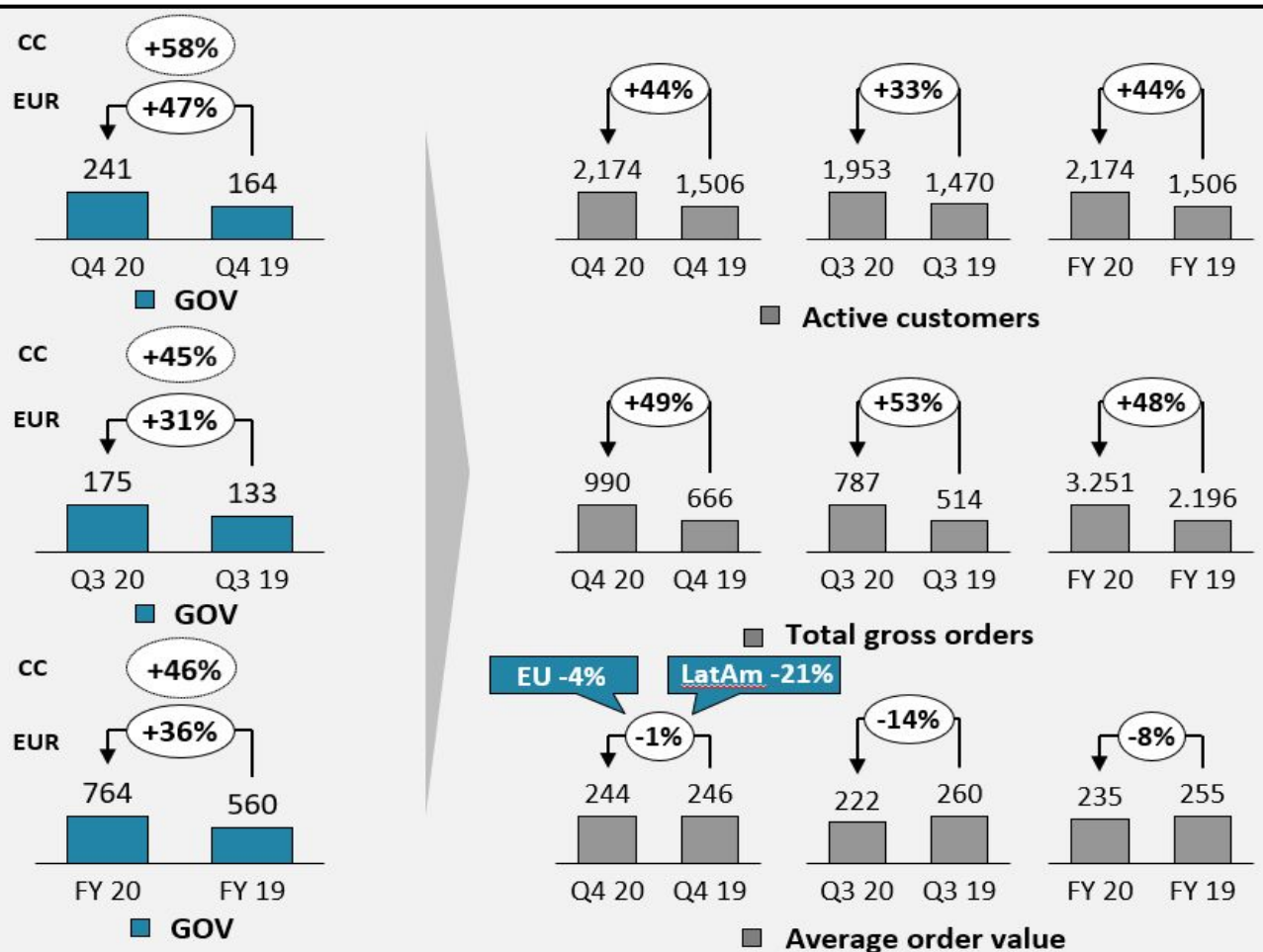
Public listing of our Brazilian business Mobly on February 5, to make growth financing more independent from home24. Gross proceeds of c. EUR 121m to Mobly, and EUR 24m to home24. Pricing of BRL 21 per share at c. 4x LTM Q3 2020 Sales (in BRL).

Post capital measures, both EU and Latam segments of home24 have more than EUR 100m funds available to invest in accelerated growth, having reached core profitability in 2020.

home24 anticipates revenue growth of +20% and +40% (in CC) in 2021 and an adjusted EBITDA margin of 0% and +2%. The outlook considers a strong first quarter as well as the strong PY comparison and the possibility of increased volatility in consumer demand from Q2 onwards.

Q4 2020 order intake growth accelerated to 58%, bringing FY 2020 growth to 46% (all CC)

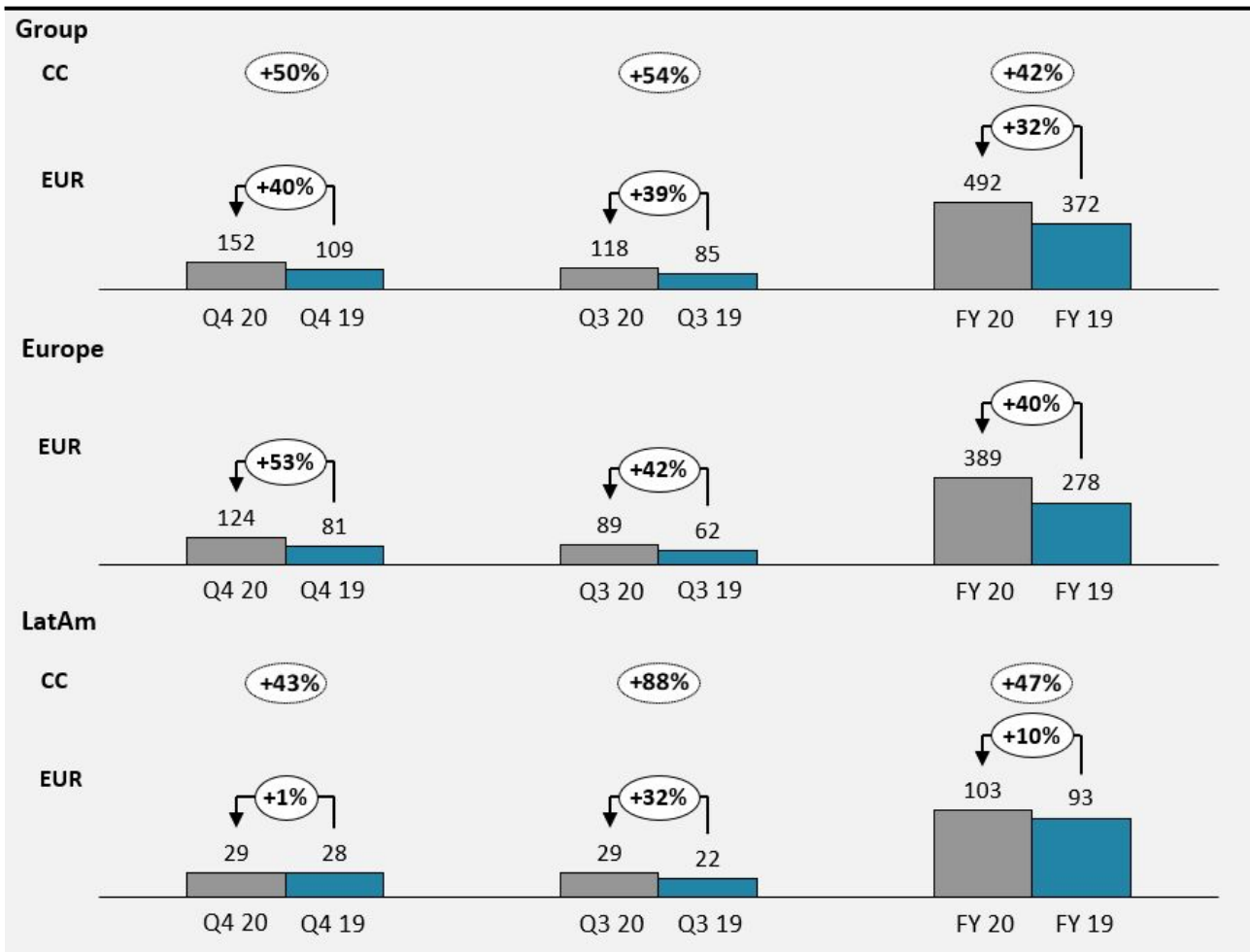
GOV in EURm, Active customers and Total gross orders in k, Average order value in EUR



- home24 further accelerates growth at **58% YoY GOV in Q4 2020**.
- Milestone of +2m active customers** surpassed with now **2.2m active customers**.
- Further FX impact** due to decrease in BRL/EUR weighing on real currency basket size and growth rate.

Q4 revenue growth of +50% (in CC) brings FY with +42% at upper end of latest guidance, despite significant spillover to Q1 in EU

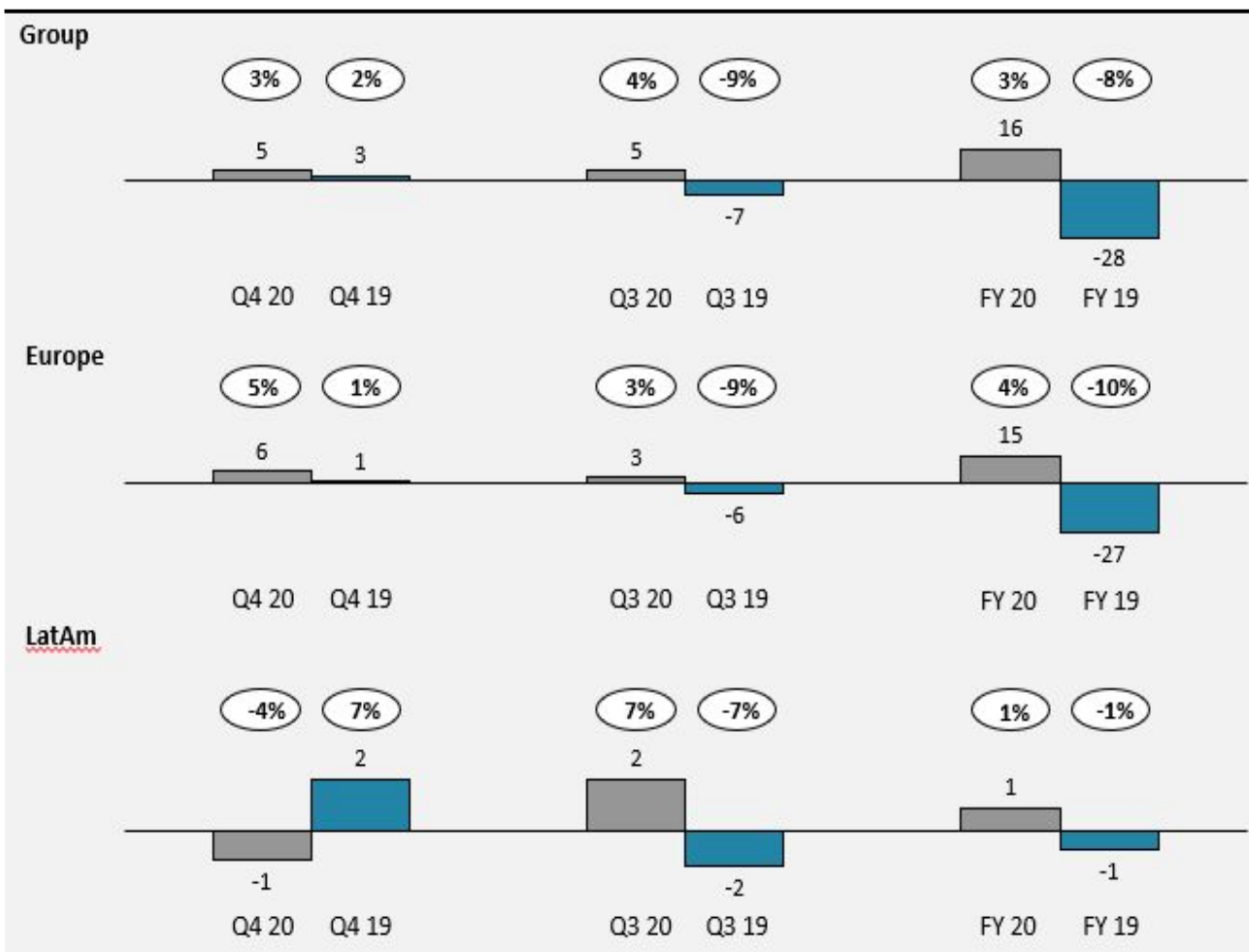
Revenue in EURm and Growth YoY in %



- Both segments broadly contributed in a similar way to **FY growth of +42% in CC**.
- In **Europe**, spillover of Q4 order intake into Q1 or even Q2 revenue due to significantly longer delivery times (**GOV growth: +66%, IFRS growth: +53%**).
- In **LatAm**, stronger revenue realization due to strong sales campaigns focusing on available warehouse stock (**GOV growth: +35%, IFRS growth: +43%, all CC**).

Q4 adj. EBITDA at 3% or EUR 5m, leading to FY adj. EBITDA of EUR 15m, an improvement of EUR 44m compared to prior year

Adj. EBITDA in EURm and in % of Revenue

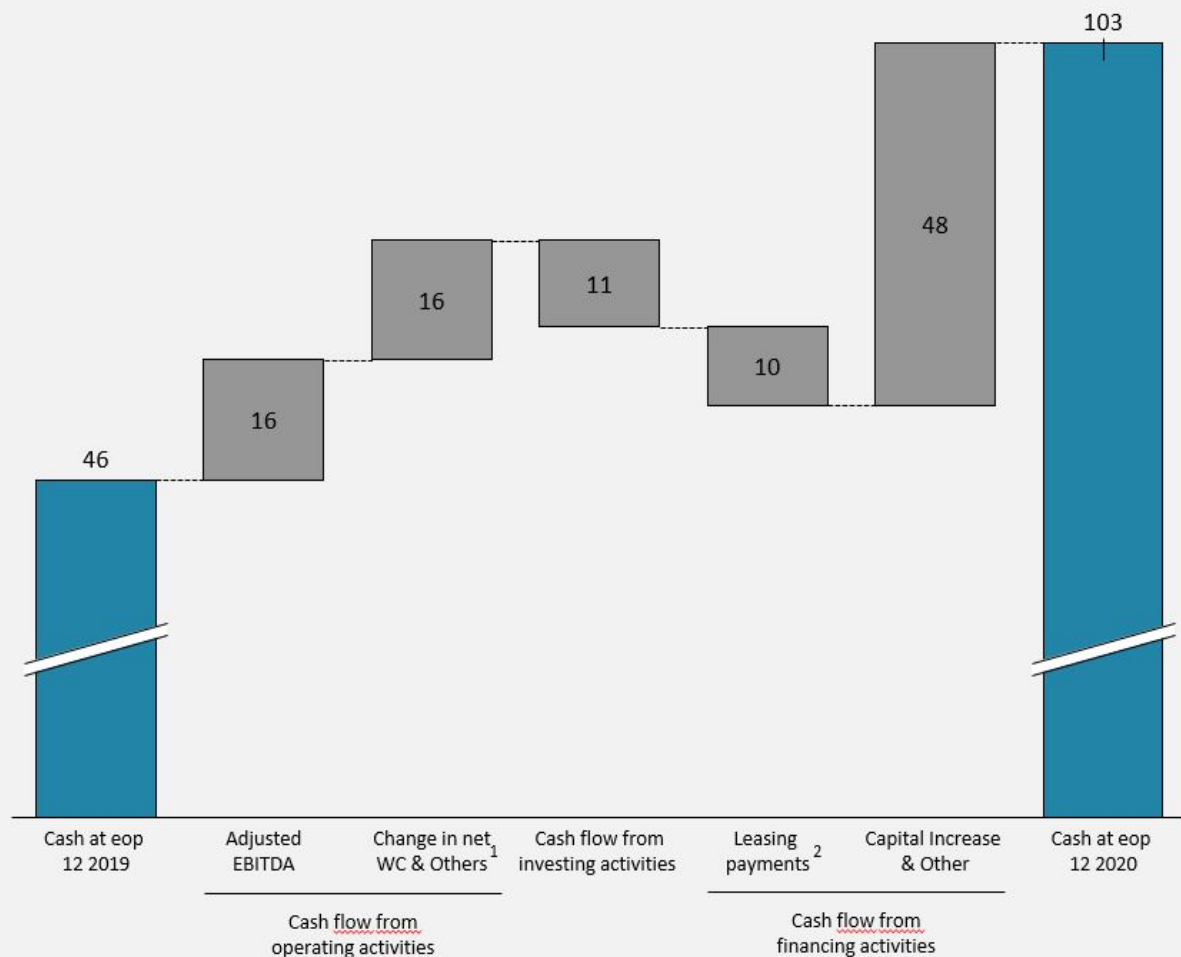


- Another strong quarter with **adj. EBITDA margin of 3%**.
- **Strong >40% FY revenue growth** paired with **11pp adj. EBITDA margin improvement** lead to EUR 44m profitability increase.
- **Improvements in all P&L line items:**
 - -2pp COGS
 - -2pp Fulfillment Expenses
 - -3pp Marketing Expenses
 - -4pp SG&A
- Q4 20 in LatAm influenced by tax contingencies of ~EUR1m related to a recent tax ruling.

Cash and cash equivalents ended 2020 at above EUR 100m.

FY 2020 cash flow positive also excl. capital increase of EUR 46m

Cash flow FY 2020 in EURm



- **Positive operating cash flow in all quarters 2020**, with total +EUR 32m in 2020, solid basis for continuously improved cash position.
- Due to the **10% capital increase** executed in Dec **cash level of more than EUR 100m**.
- Cash inflows from **Working Capital** esp. in Europe significantly increased due to low stock levels. This is **expected to partly reverse in 2021**, once delivery times decrease again and growth trajectory stabilizes.

Profit and loss statement - Group

In EURm and in % of Revenue

| | ACT Q4-20 | ACT Q4-19 | ACT Q3-20 | ACT Q3-19 | ACT FY-20 | ACT FY-19 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | 152,4 | 109,1 | 117,8 | 84,5 | 491,8 | 371,6 |
| Revenue growth CC | 50% | 21% | 54% | 20% | 42% | 20% |
| Cost of sales | 82,0 | 60,0 | 62,6 | 46,5 | 264,4 | 207,8 |
| Gross profit | 70,4 | 49,2 | 55,2 | 38,0 | 227,5 | 163,8 |
| Gross profit margin | 46% | 45% | 47% | 45% | 46% | 44% |
| Fulfillment expenses ¹ | 26,2 | 19,9 | 20,6 | 16,5 | 85,9 | 72,6 |
| Fulfillment expenses ratio | 17% | 18% | 18% | 20% | 17% | 20% |
| Profit contribution | 44,2 | 29,3 | 34,5 | 21,5 | 141,5 | 91,2 |
| Profit contribution margin | 29% | 27% | 29% | 25% | 29% | 25% |
| Marketing expenses | 23,3 | 15,8 | 16,8 | 15,3 | 71,5 | 64,9 |
| Marketing expenses ratio | 15% | 14% | 14% | 18% | 15% | 17% |
| G&A | 15,7 | 10,8 | 12,9 | 13,5 | 54,2 | 54,5 |
| G&A ratio | 10% | 10% | 11% | 16% | 11% | 15% |
| Adjusted EBITDA | 5,2 | 2,6 | 4,9 | -7,3 | 15,8 | -28,1 |
| Adjusted EBITDA margin | 3% | 2% | 4% | -9% | 3% | -8% |
| Share based payments | 0,9 | 0,3 | 0,7 | 1,1 | 2,9 | 3,5 |
| IPO costs | 0,4 | 0,0 | 0,0 | 0,0 | 0,4 | 0,0 |
| EBITDA | 4,0 | 2,4 | 4,2 | -8,4 | 12,4 | -31,6 |
| EBITDA margin | 3% | 2% | 4% | -10% | 3% | -9% |

¹ Including impairment losses on financial assets

Outlook



- Home24 has laid the foundation of further growth with the capital increase and the Mobly IPO. With EUR >100m funds dedicated to both EU and LatAm, we will **step up deliberate investments into Working Capital, customer acquisition and Capex.**
- While we see our terminal margin profile of low double digit adj. EBITDA margins confirmed by recent profitability improvements (>10pp YoY FY 2020), we believe the market opportunity is attractive to **accelerate growth and take market share.**
- **Q1 QTD trading** with continued strong momentum in **order intake (+73% YoY Group, +80% YoY EU, +48% YoY LatAm, all in CC).** Yet, uncertainty around COVID-19 pandemic prevails both on demand and supply side.
- Backed by the active customer base of >2.2 million and the ability to step up marketing expenses having reached core break-even, we are in a good position to deliver significant IFRS growth in 2021 despite strong YoY comparables.
- home24 anticipates **revenue growth of +20% and +40% (in CC)** in 2021 and an **adjusted EBITDA margin of 0% and +2%.** The outlook considers a **strong first quarter** as well as the strong PY comparison and the possibility of increased volatility in consumer demand from Q2 onwards.

home24 remains uniquely positioned to exploit the vast Home & Living opportunity, even more than before the COVID pandemic



Market

Huge market opportunity characterized by **low online penetration** with **huge catch-up potential**, accelerated by **consumer behaviour** during the **COVID pandemic**

Customer value proposition

Best value offering and **most relevant selection** brought to life in a **customer centric go-to-market approach**

Value chain

Scalable and automated value chain that delivers **sustainable scale effects**



Data & Technology

Pioneering technologies improve shopping experience and empower **data-driven decisions**

Financial calendar – upcoming events

| Date | Event |
|---------------------------|---|
| March 31 st | Publication Annual Financial Report 2020 |
| May 11 th | Publication Quarterly Financial Report (Q1) |
| June 17 th | Annual General Meeting |
| Aug 10 th | Publication Half-yearly Financial Report (H1) |
| November 10 th | Publication Quarterly Financial Report (Q3) |

KPI definitions

| KPI | Definition |
|----------------------------------|---|
| Gross order value [in EUR] | Defined as the aggregated gross order value of the orders placed in the respective period, including VAT and without factoring in cancellations and returns as well as subsequent discounts and vouchers |
| Number of active customers [#] | Defined as the number of customers that have placed at least one non-canceled order in the 12 months prior to the respective date, without factoring in returns |
| Total gross orders | Defined as the number of orders placed in the relevant period, regardless of cancellations or returns |
| Average order value [in EUR] | Defined as the aggregated gross order value of the orders placed in the respective period, including VAT, divided by the number of orders, without factoring in cancellations and returns as well as subsequent discounts and vouchers |
| Growth at constant currency (CC) | Defined as growth using constant BRL/EUR exchange rates from the previous year |
| Adjusted EBITDA [in EUR] | EBITDA defined as the sum of operating result (EBIT) and depreciation and amortization. Adjusted for share-based compensation expenses and costs incurred in connection with the listing of existing shares and other one-off expenses, mainly service fees for legal and other consulting services associated with the IPO |

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