# CETTIRE

INVESTOR PRESENTATION

28 APRIL 2021

# CETTIRE

UNIQUE VALUE PROPOSITION

CETTIRE IS A GLOBAL ONLINE LUXURY RETAILER

CETTIRE

## Selection

160,000+ products[1]

1,300+ brands[1]

$500m+ stock value[1]

## Customers

~68,000 Active Customers[2]

8.2m unique website visits[3]

34% of Gross revenue from returning customers[2]

## Economics

38% Product Margin[2]

$776 Average Order Value[2]

>90% international revenue[2]

1. As at November 2020
2. 1H FY21
3. Last 12 months to 31 December 2020

# MASSIVE + GROWING TAM, STRUCTURAL TAILWINDS

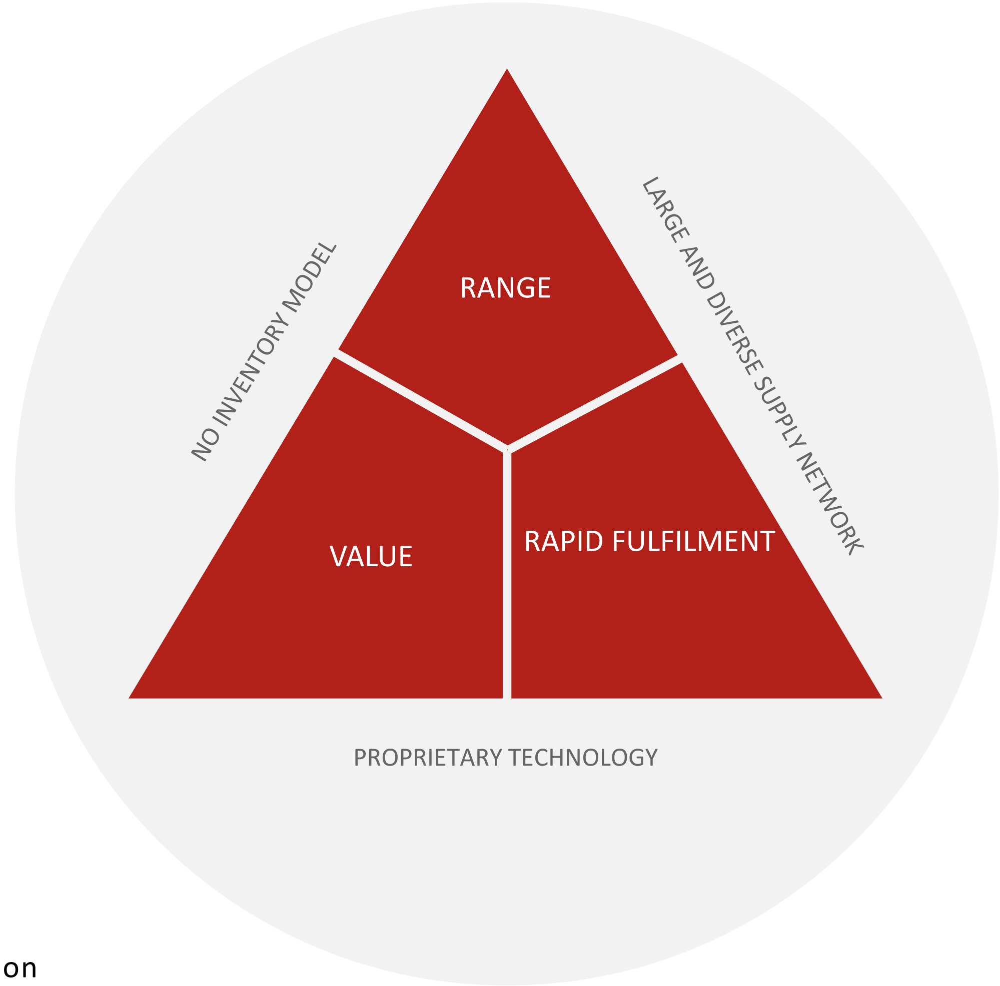
## THE PERSONAL LUXURY GOODS MARKET IS A A$460B GLOBAL INDUSTRY

| Massive + Growing TAM | Online Penetration | Millennial and Gen Z | China Growth |
|---|---|---|---|
| Global Personal Luxury Goods Market | % Online Penetration | Millennial and Gen Z as a % of Global Personal Luxury Goods Market | Share of sales from Chinese Consumers |
| 2019E | 2019E | 2019E | 2019E |
| $460 | 12% | 39% | 35% |
| ~3% CAGR | ~20% CAGR | ~10% CAGR | ~9% CAGR |
| 2025F | 2025F | 2025F | 2025F |
| $540b | 30% | 55% | 46% |

Source: Bain & Company and Altagamma: "The Future of Luxury: A Look Into Tomorrow to Understand Today (November 2018)", Bain Altagamma Luxury Goods Worldwide Market Study, Spring 2020 - May 7th, 2020, Bain press release, "Global personal luxury good market set to contract between 20 – 35 percent in 2020", 7 May 2020. Data converted from Euro to AUD at an exchange rate of 1.64

# CETTIRE VALUE PROPOSITION

CETTIRE OFFERS ONE OF THE LARGEST SELECTIONS OF LUXURY ONLINE. WE OFFER COMPETITIVE PRICING AND RAPID FULFILMENT, ENABLED BY OUR HIGHLY SCALABLE PROPRIETARY TECHNOLOGY




Customer value proposition

Key enablers

# HIGHLY SCALABLE PROPRIETARY PLATFORM

## CETTIRE HAS A HIGHLY SCALABLE, PROPRIETARY TECHNOLOGY STACK WHICH REQUIRES MINIMAL DAY-TO-DAY LABOUR INTERVENTION

| | |
|---|---|
| Customer order fulfilment and global logistics | • Facilitates the entire customer fulfilment cycle, including automation of order management and fulfilment, global logistics and customs compliance, returns management, fraud and payment management<br>• Efficient and highly automated process ensures rapid customer order fulfilment, driving strong customer satisfaction and repeat customers<br>• Automated reverse logistics process, facilitating product returns to suppliers without manual intervention from Cettire |
| Product and inventory management | • Integrated inventory systems allows for the synchronisation and management of a virtual inventory of >160,000 products from suppliers<br>• Deep integration into suppliers |
| Pricing | • Dynamic pricing system calculates real-time price analysis of products across supplier network<br>• System uses proprietary algorithms with multiple data points to optimise price leadership on website<br>• Optimise pricing and margin |
| Marketing | • Developed intelligent marketing approach which uses data-driven methods to ensure effective use of marketing spend<br>• Yields consistent high return on ad spend and low customer acquisition costs |

# CETTIRE

EXCEPTIONAL GROWTH
ACROSS ALL KEY METRICS

# FINANCIAL HIGHLIGHTS – H1 FY21

## EXCEPTIONAL MOMENTUM

| | | |
|---|---|---|
| $52.7m<br>Gross revenue[1]<br>+476% YoY | $40.5m<br>Sales revenue<br>+479% YoY | ~68k<br>Active Customers[3]<br>+319% YoY |
| $15.4m<br>Product Margin<br>38% Margin | $4.4m<br>Adj. EBITDA[2]<br>11% Margin | ~5.8m<br>Unique site visits<br>+300% YoY |
| $2.3m<br>Statutory NPAT<br>+354% YoY | 34%<br>Gross revenue[1] from repeat customers | 1.15%<br>Conversion rate[4]<br>+39% YoY |

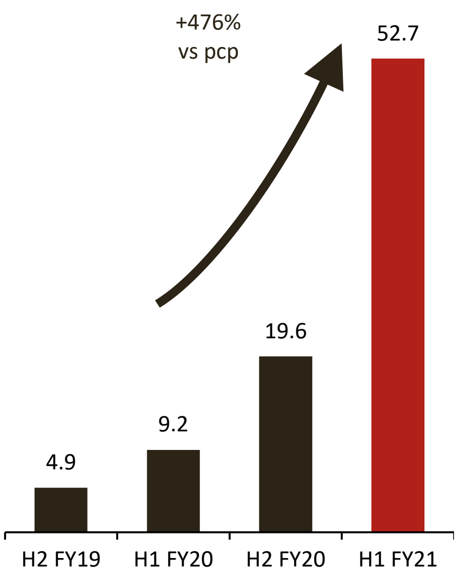
Note: all growth metrics represent year on year growth vs H1 FY20

1. Cettire uses gross revenue as a non-IFRS measure of business performance and represents revenue prior to returns and allowances
2. Cettire uses Adjusted EBITDA as a non-IFRS measure of business performance which excludes expenses associate with the IPO
3. Active Customers are unique customers who have made a purchase in the last 12 months
4. Orders divided by unique sits visits

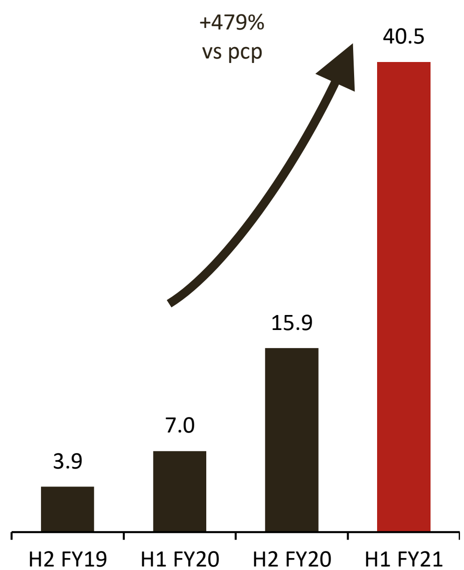
# FINANCIAL HIGHLIGHTS – H1 FY21

## EXCEPTIONAL MOMENTUM

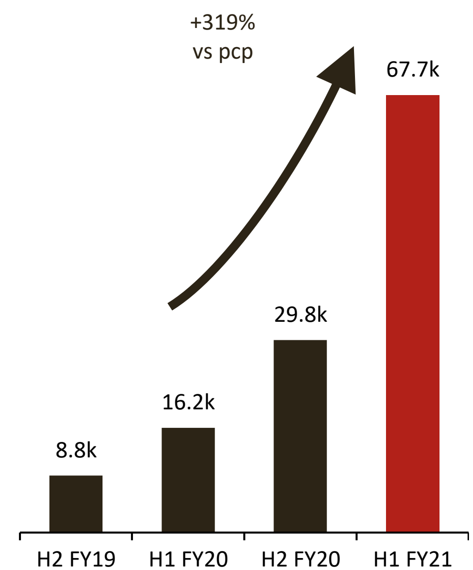
Gross revenue[1] ($ millions)




Sales revenue ($ millions)




Active customers[2]




Note: all growth metrics represent year on year growth vs H1 FY20

1. Cettire uses gross revenue as a non-IFRS measure of business performance and represents revenue prior to returns and allowances
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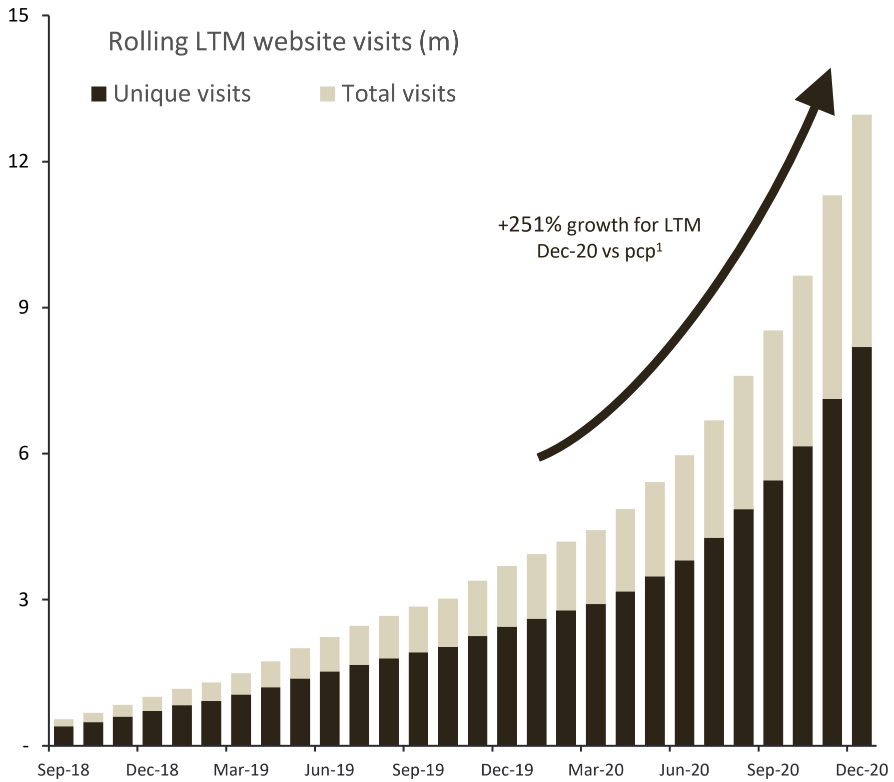
# SITE TRAFFIC AND CONVERSION

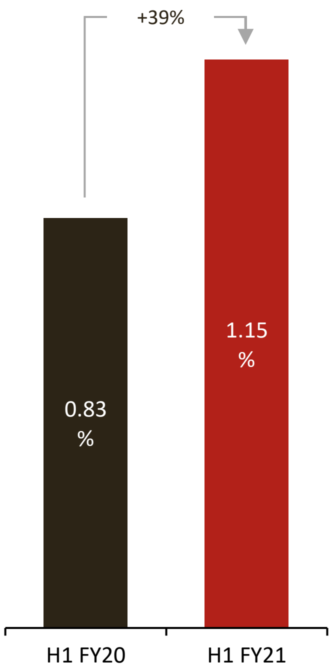
## KEY OPERATING METRICS ARE TRENDING VERY FAVOURABLY

### Website traffic growth accelerating

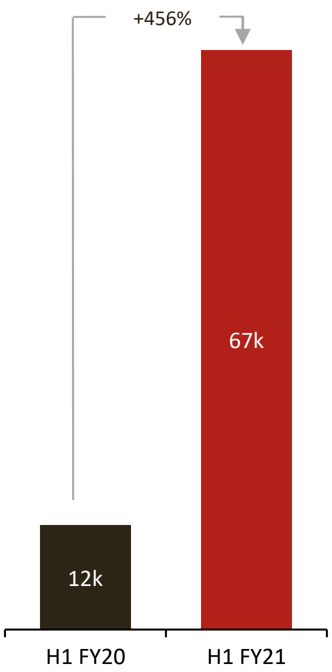



| | H1 FY20 | H1 FY21 | % change |
|---|---|---|---|
| Unique visits | 1.46m | 5.85m | +300% |

### Conversion rate[1]




### Orders

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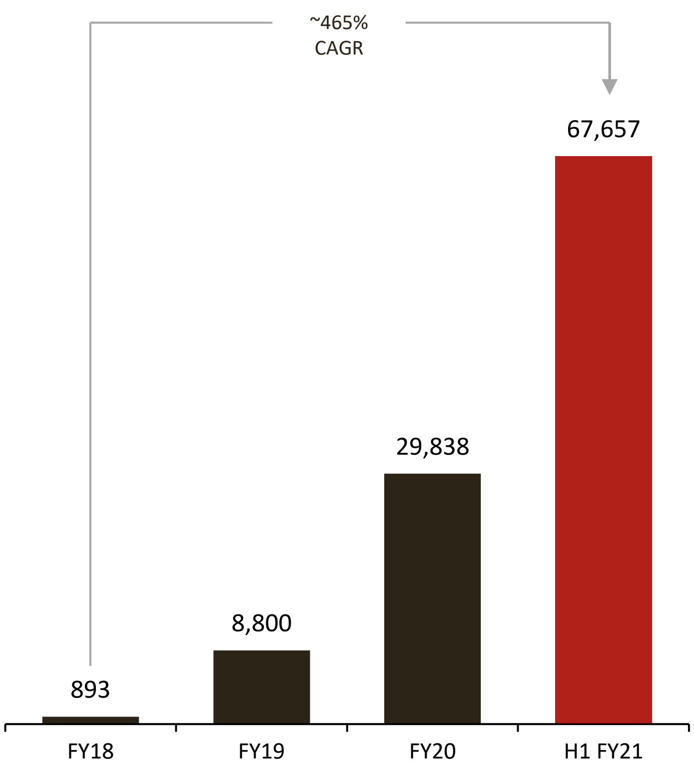
Notes: 1. Orders divided by unique site visits

# EXCEPTIONAL CUSTOMER GROWTH, IMMEDIATE PAYBACK

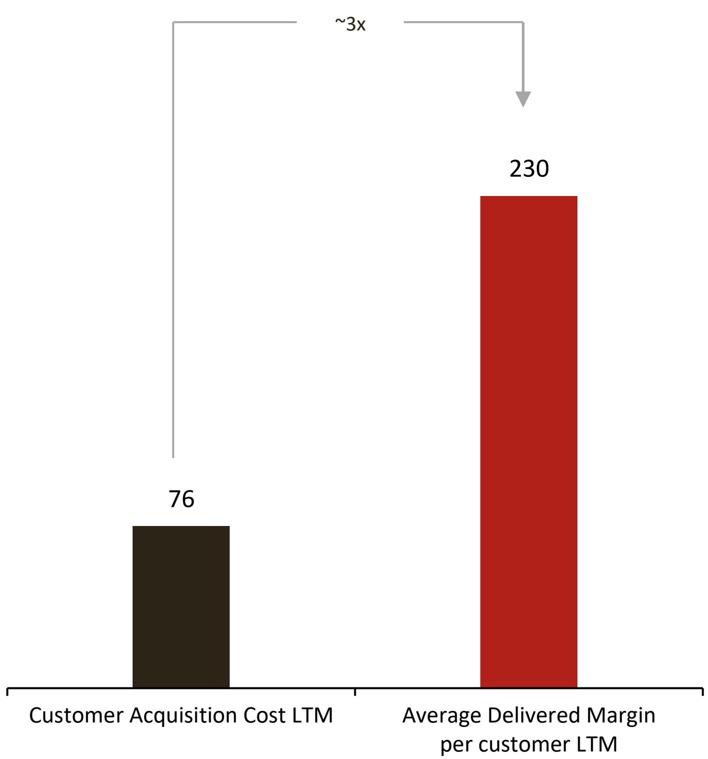
## GROWTH DRIVEN BY EXCEPTIONAL NEW CUSTOMER ACQUISITION AND DELIVERING STRONG RETURNS ON CUSTOMER ACQUISITION COSTS

- 127% growth in Active Customers since June 2020
- ~3x upfront return on customer acquisition investment
- Marketing expense ~8.8% of Sales revenue (H1 FY20: 8.4%)

**Active Customers[1,4]**




**Return on investment ($)[2,3,4]**




1. Active Customers are unique customers who have made a purchase in the last 12 months;
2. Customer Acquisition Cost Is calculated as total marketing costs excluding brand investment divided by new customer acquisitions in Last Twelve Months;
3. Average Delivered Margin represents gross revenue net of allowances and returns, less cost of sales and fulfillment costs;
4. Unaudited management accounts

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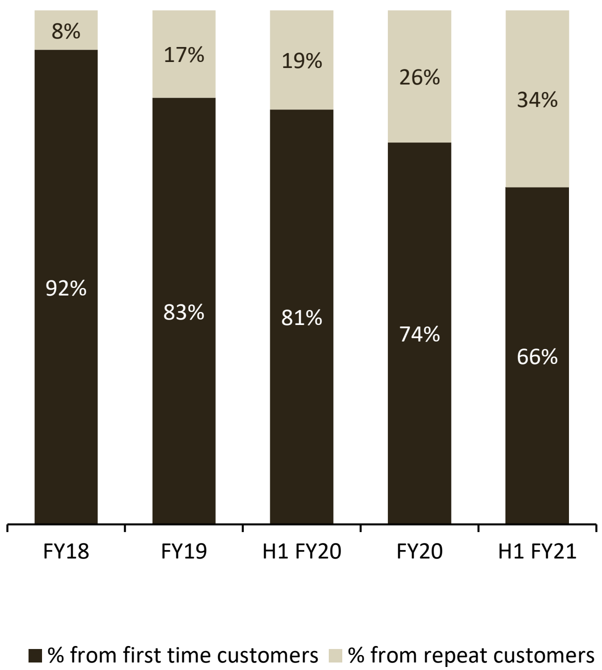
# CUSTOMER LIFETIME VALUE

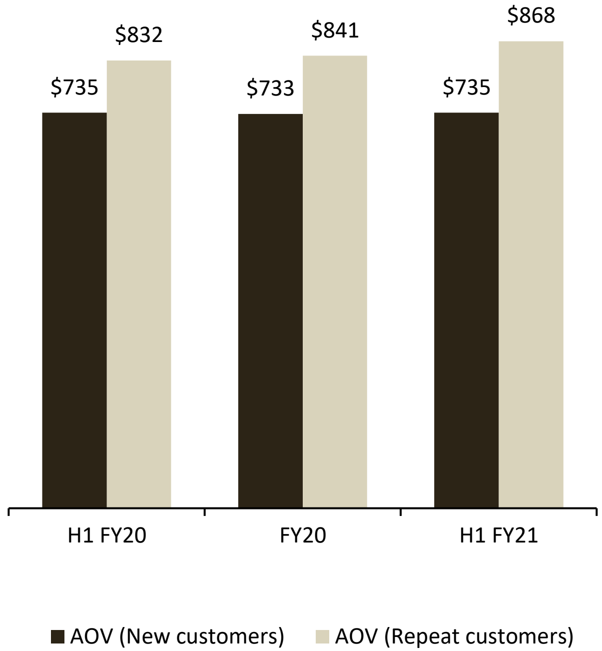
## PIECES IN PLACE TO DRIVE LONG TERM REVENUE GROWTH AND LIFETIME VALUE

### Share of gross revenue from repeat customers is growing[1, 2]



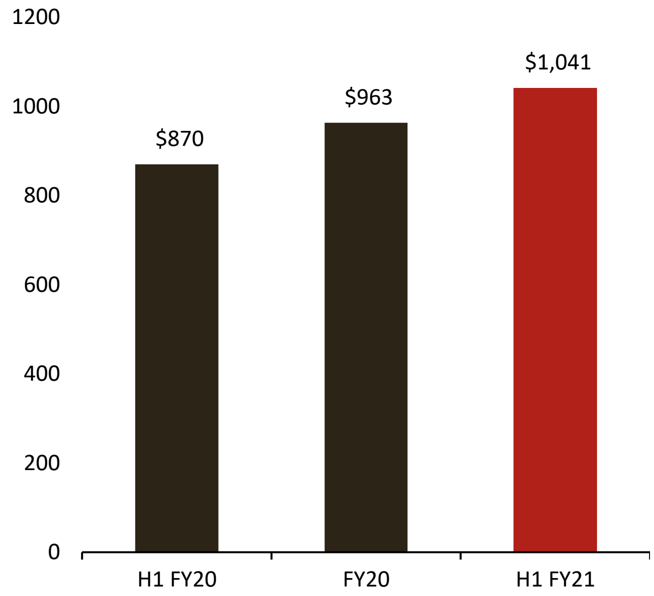

- AOV
- Order frequency

### Repeat customers spend more per order[1]




- Basket size

### Gross revenue per customer[1, 2]

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Notes:
1. Unaudited management accounts
2. Cettire uses gross revenue as a non-IFRS measure of business performance and represents revenue prior to returns

# CETTIRE

OUTLOOK

# GROWTH INITIATIVES

WE ARE EXECUTING ON OUR LONG-TERM GROWTH STRATEGY

| GROWTH LEVER | GROWTH INITIATIVES | PROGRESS SINCE IPO |
| --- | --- | --- |
| TRAFFIC | Scale data driven marketing investment to accelerate customer acquisition | January unique traffic +378% YoY |
| | Significantly increase products available online | Additional +2,000 products available online since year end |
| | BNPL partnerships | Global partnership with Afterpay executed in Feb 2021 |
| | Broadening of supply relationships | Additional suppliers added |
| CONVERSION AND CUSTOMER EXPERIENCE | UI/UX enhancement | |
| | • Functionality: filter and search features | Colour and size filter launched on desktop |
| | • Site aesthetics | Site design and UI upgrade |
| | Free returns pilot program | Pilot launched in Feb 2021 |
| | Core technology upgrade | Continuous development on our technology driving constant efficiencies |

# CETTIRE IS WELL PLACED TO GROW

- **Massive + growing TAM**, with structural tailwinds
- **Global** platform and opportunity, with traction in multiple markets
- Track record of **explosive growth**, cash generation and profitable since commercial launch; no external funding
- **No inventory** business model, delivering capital efficient growth and compelling risk reward
- **Technology driven DNA**, enabling exceptional scalability
- **Proprietary technology**, facilitating highly profitable customer acquisition and automated order fulfilment
- **Entrenched and diverse relationships with suppliers**, providing secure access to a huge brand catalogue
- **Impressive unit economics** (high AOV and margins) and increasing repeat customer spend (growing LTV)
- **Founder led**, dedicated management team

# CETTIRE

APPENDIX

# CUSTOMER FULFILMENT ON THE CETTIRE PLATFORM

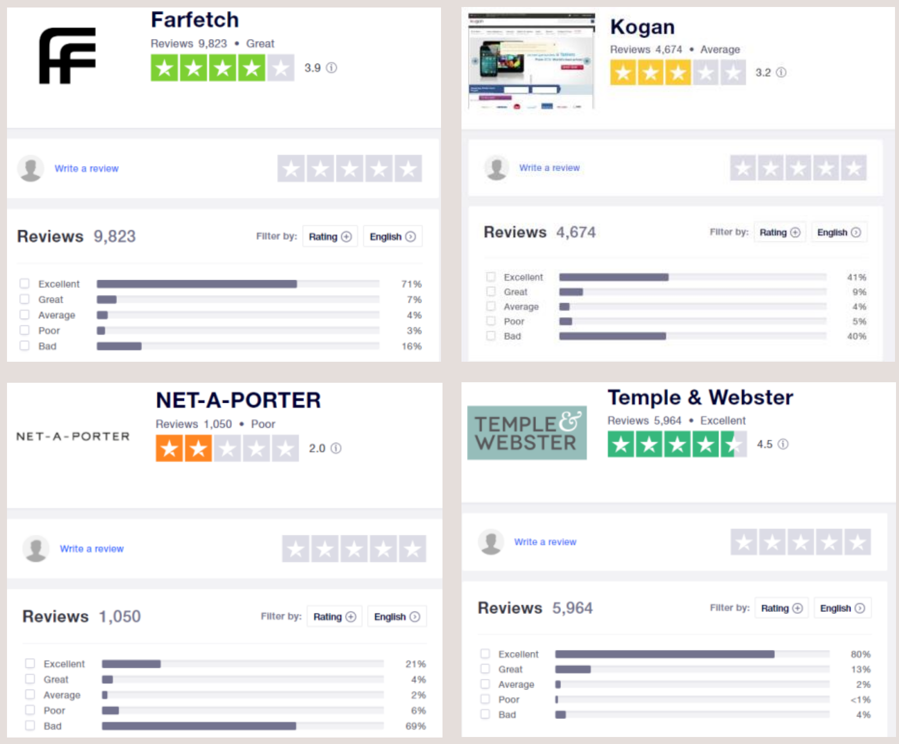
## PROPRIETARY TECHNOLOGY TO MANAGE AND AUTOMATE ALL STAGES OF CUSTOMER ORDER FULFILMENT

**Customer fulfilment cycle**

| | SALE | ORDER MANAGEMENT | INVENTORY MANAGEMENT | LOGISTICS MANAGEMENT | FULFILMENT |
|---|---|---|---|---|---|
| **Customer** | Purchase made<br>Payment authorised | | | | Customer order received |
| CETTIRE | Cettire website and third-party payment gateway supports transaction | Order routed to Order Management System<br>Order reviewed for fraud | Order routed to supplier inventory system<br>Places electronic order reserving items | All export and shipping documentation created automatically | Suppliers are paid in the month following the shipment of orders |
| **Supplier** | | | | Supplier confirms order, prints relevant documentation and attaches to Cettire boxes for shipping | |
| **Timing** | **NEAR INSTANT** | | | **1 BUSINESS DAY** | **1 – 4 BUSINESS DAYS** |

CETTIRE HAS AN 'EXCELLENT' RATING ON TRUSPILOT. TRUSTPILOT IS A GLOBAL CONSUMER REVIEW PLATFORM THAT IS OPEN TO ALL CONSUMERS AND COMPANIES, INDEPENDENT OF BOTH AND TRANSPARENT


**Cettire has excellent relative Trustpilot ratings**






Notes: https://au.trustpilot.com/review/www.cettire.com 16 Sep 2020 , https://au.trustpilot.com/review/www.farfetch.com 16 Sep 2020, https://au.trustpilot.com/review/www.kogan.com.au 16 Sep 2020, https://au.trustpilot.com/review/www.net-a-porter.com 16 Sep 20, https://au.trustpilot.com/review/templeandwebster.com.au 16 Sep 2020

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