

## TEMPLE & WEBSTER GROUP LTD

ABN 69 608 595 660

### ASX Announcement

18 April 2018

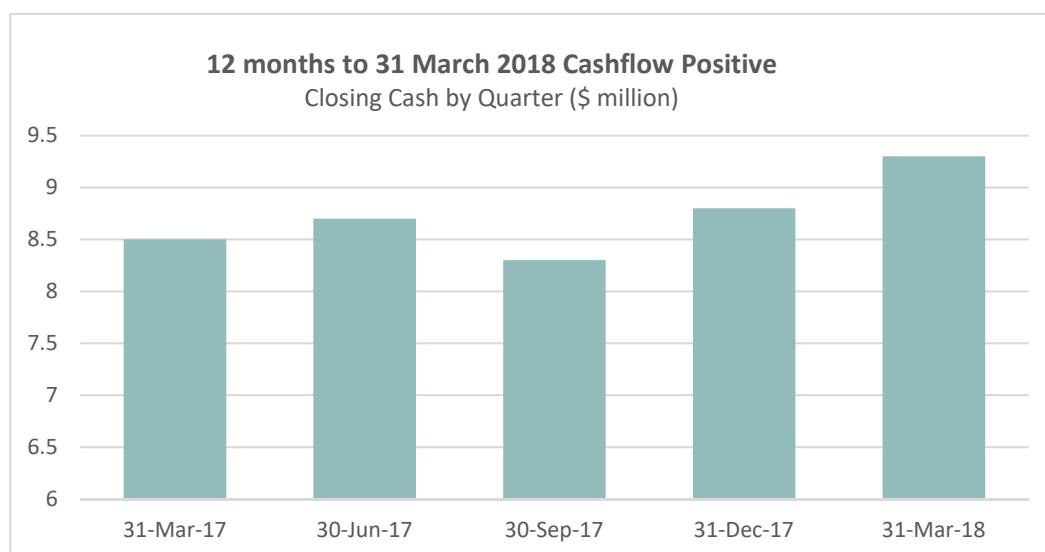
### FY18 Third Quarter Cash Flow Statement

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market, today released its Appendix 4C Cash Flow Statement for the third quarter of FY18.

#### Key highlights for Q3 FY18 were:

- Closing cash of \$9.3m
- First 12-month period of positive cashflow
- Q3 gross revenue up 23% year-on-year
- Revenue growth driven by new and repeat customer growth
- EBITDA loss for the quarter reduced by 89% to (\$0.2m) from (\$1.8m) in the prior corresponding period (unaudited)

Temple & Webster CEO Mark Coulter said, "the business accelerated its growth through the quarter, with gross revenues for the quarter up 23% year-on-year. This was driven by growth in both new and repeat customers, both up by more than 20% year-on-year. This top line growth combined with the significant amount of work performed on the cost base and margins, meant that we delivered the first 12-month period of positive cashflow in Temple & Webster's short history."



“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. As market leader in a growing market, we continue to remain confident that Temple & Webster is the brand that Australians will turn to when shopping for their homes and work spaces” said Coulter.

- ends -

**For further information on this announcement, please contact:**

Melissa Shawyer, PR Group  
M: +61 (0) 412 066 048  
[melissa@prgroup.com.au](mailto:melissa@prgroup.com.au)

**About the Temple & Webster Group**

The Temple & Webster Group is one of Australia's leading online retailers of furniture and homewares. The Group's vision is to deliver beautiful solutions for our customers and be the first-place Australians turn to when shopping for their homes & work spaces.

Temple & Webster has over 130,000 products on sale from over 700 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 business also sells furniture under the Milan Direct brand, which has almost 10 years of experience in sourcing and selling private label furniture in the online Australian market.

The Temple & Webster Group is headquartered in Sydney, Australia and is listed on the Australian Securities Exchange under the code TPW.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Temple & Webster Group Ltd

**ABN**

69 608 595 660

**Quarter ended ("current quarter")**

31 March 2018

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               | 19,406                             | 57,526   |
| 1.2 Payments for  |                                    |  |
| (a) research and development                              | -                                  | -  |
| (b) product manufacturing and operating costs             | (14,105)                           | (41,388)                                       |
| (c) advertising and marketing                             | (1,768)                            | (5,934)  |
| (d) leased assets   | (5)                                | (14)   |
| (e) staff costs   | (2,547)                            | (7,764)  |
| (f) administration and corporate costs                    | (466)                              | (1,827)  |
| 1.3 Dividends received (see note 3)                       | -                                  | -  |
| 1.4 Interest received                                     | 23                                 | 70   |
| 1.5 Interest and other costs of finance paid              | (1)                                | (2)  |
| 1.6 Income taxes paid                                     | -                                  | -  |
| 1.7 Government grants and tax incentives                  | -                                  | -  |
| 1.8 Other (provide details if material)                   | -                                  | -  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>537</b>                         | <b>667</b>                                     |

|  |      |      |
|--|------|------|
| <b>2. Cash flows from investing activities</b> |      |      |
| 2.1 Payments to acquire:                       |      |      |
| (a) property, plant and equipment              | (33) | (50) |
| (b) businesses (see item 10)                   | -    | -    |
| (c) investments                                | -    | -    |

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| (d) intellectual property                                 | -                          | -                                     |
| (e) other non-current assets                              | -                          | -                                     |
| 2.2 Proceeds from disposal of:                            |                            |                                       |
| (a) property, plant and equipment                         | -                          | -                                     |
| (b) businesses (see item 10)                              | -                          | -                                     |
| (c) investments   | -                          | -                                     |
| (d) intellectual property                                 | -                          | -                                     |
| (e) other non-current assets                              | -                          | -                                     |
| 2.3 Cash flows from loans to other entities               | -                          | -                                     |
| 2.4 Dividends received (see note 3)                       | -                          | -                                     |
| 2.5 Other (provide details if material)                   | -                          | -                                     |
| <b>2.6 Net cash from / (used in) investing activities</b> | <b>(33)</b>                | <b>(50)</b>                           |

|   |          |          |
|---|----------|----------|
| <b>3. Cash flows from financing activities</b>                                  |          |          |
| 3.1 Proceeds from issues of shares  | -        | -        |
| 3.2 Proceeds from issue of convertible notes                                    | -        | -        |
| 3.3 Proceeds from exercise of share options                                     | -        | -        |
| 3.4 Transaction costs related to issues of shares, convertible notes or options | -        | -        |
| 3.5 Proceeds from borrowings  | -        | -        |
| 3.6 Repayment of borrowings   | -        | -        |
| 3.7 Transaction costs related to loans and borrowings                           | -        | -        |
| 3.8 Dividends paid  | -        | -        |
| 3.9 Other (provide details if material)   | -        | -        |
| <b>3.10 Net cash from / (used in) financing activities</b>                      | <b>-</b> | <b>-</b> |

|   |       |       |
|---|-------|-------|
| <b>4. Net increase / (decrease) in cash and cash equivalents for the period</b> |       |       |
| 4.1 Cash and cash equivalents at beginning of quarter/year to date              | 8,841 | 8,728 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above)             | 537   | 667   |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above)             | (33)  | (50)  |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above)            | -     | -     |

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| 4.5   | Effect of movement in exchange rates on cash held  | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of quarter</b> | <b>9,345</b>                       | <b>9,345</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 4,768                              | 2,384                               |
| 5.2        | Call deposits   | 4,577                              | 6,457                               |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>9,345</b>                       | <b>8,841</b>                        |

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
| 66                                 |
| -                                  |

Gross payments of directors' fees (excluding superannuation, payroll tax and workers compensation).

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
| -                                  |
| -                                  |

n/a

| 8. <b>Financing facilities available</b><br><i>Add notes as necessary for an understanding of the position</i>   | Total facility amount<br>at quarter end<br>\$A'000 | Amount drawn at<br>quarter end<br>\$A'000 |
|--|--|---|
| 8.1 Loan facilities  | -  | -   |
| 8.2 Credit standby arrangements  | -  | -   |
| 8.3 Other (please specify)   | -  | -   |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. |  |   |

n/a

| 9. <b>Estimated cash outflows for next quarter</b> | \$A'000       |
|--|---------------|
| 9.1 Research and development                       | -             |
| 9.2 Product manufacturing and operating costs      | 15,689        |
| 9.3 Advertising and marketing                      | 2,237         |
| 9.4 Leased assets                                  | 5             |
| 9.5 Staff costs                                    | 2,786         |
| 9.6 Administration and corporate costs             | 692           |
| 9.7 Other (provide details if material)            | 15            |
| <b>9.8 Total estimated cash outflows</b>           | <b>21,424</b> |

| 10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b> | Acquisitions | Disposals |
|--|--------------|-----------|
| 10.1 Name of entity  | n/a - none   |           |
| 10.2 Place of incorporation or registration  |              |           |
| 10.3 Consideration for acquisition or disposal   |              |           |
| 10.4 Total net assets  |              |           |
| 10.5 Nature of business  |              |           |

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Director/Company secretary)

Date: 18 April 2018

Print name: Michael Egan

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.