

## **AllHome sees In-house brands as One Key Driver for Growth**

AllHome proudly carries a substantial variety of in-house brands exclusively carried by its 45-store network. These selections of curated pieces give consumers an additional complement to an already wide array of options for furniture, linens, homewares, tiles and sanitary wares, hardware and construction materials. To date, AllHome houses 31 in-house brands as of the first quarter of 2020—coming from just 27 brands as of end December 2019. These are some of our exclusive brands for furniture – Kreativ, LivArt, Grab and Go; homewares - Blossoms, EZ space and Elements; linens - Homethreads; hardware - Markel, Toughnotch and Leuchte; tiles and sanitary wares – Rossio, Lustro, Brauhn, Teuer, Wudland and Eisei; and construction materials – Kernig, Finestra, Emboss, PolyShade.

AllHome's standard product offering, as well as its inhouse brands generates significantly higher margins and have positioned the company as a leader in home essentials and home improvement in the country. It is a firmly-held belief in AllHome that exclusive product diversification will benefit both the company and its loyal consumers. These in-house brands have contributed to AllHome's Php3.37B sales for Q1 2020 and to its increase ingross margin to 30.7% vs 29.0% in Q1 2019. AllHome sees further improvement in the revenue share of these in-house brands over the medium term, as these provide choice alternatives to customers.

In the first quarter of 2020, high-performing brands, such as Lustro, Rossio and Brauhn, came from our tiles and sanitary wares category. This is a result of well-chosen tile designs as well as unique, functional sanitary ware items that are displayed elegantly and prominently in the stores. The company currently sees continuous growth for all exclusive brands, most especially the ceramics line.

Inventory for these in-house brands are stable, despite current pandemic uncertainties. "We maintain six to eight months' worth of inventory. Although tiles and sanitary wares is one category with stock acquisitions affected by the pandemic, we have addressed this by importing from South East Asian countries that provide easier logistics," says AllHome Vice Chairman Camille Villar.