

PRESS RELEASE



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AllHome's margin improvement sustained double digit growth in 1H 2021; implements efficiency initiatives

AllHome Corp., the pioneering one-stop shop home store in the Philippines, registered double-digit growth on 1H year-on-year performance and remarkable stand-alone 2Q year-on-year results. AllHome has proven once again its resiliency amidst the raging pandemic.

For 2Q 2021 alone, AllHome's net sales of Php3.132 billion grew by 110 *percent* from its comparative 2Q 2020 net sales of Php1.489 billion, EBITDA by 126 *percent*, and corresponding net income after tax grew about 54 times to Php297 million from only Php5 million same period last year.

The government's move to resume economic activities during the second quarter this year allowed our AllHome stores to operate although on shortened hours—which was a far cry situation from last year that forced the temporary closure of AllHome's branches in Luzon.

Aside from the topline improvement, AllHome also increased its Gross Profit by 130 *percent*. Gross Profit margin improved to 34.6 *percent* from 31.7 *percent* through combination of strategic pricing, conversion of select concess merchandise to outright, and improving sales contribution of in-house brands.

AllHome Chairman Manuel B. Villar, Jr. attributed the Company's double-digit growth to its ability to adapt to the current COVID-19 pandemic and address the shopping behavior of its valued clients.

"This pandemic gave us the opportunity to look at our strategies and implement innovations and initiatives to increase operational efficiency. Those innovations lead to the improvement in our margins as we recalibrate our merchandise mix and implement strategic pricing to enhance returns," he said.

"In addition to our intensive digital expansion program, we are adjusting to optimize our stores in view of changes in the shopping behavior of our customers during this pandemic. We will be introducing the new generation of AllHome Stores soon," the Chairman added.

For 1H 2021 year-on-year comparative results, AllHome generated growth in its net sales by 39 *percent* to Php6.724 billion from Php4.854 billion same period last year. Likewise, its Gross Profit improved by 48% and corresponding Gross Profit margin increased to 33.1 *percent* from 31 *percent*. EBITDA also grew by 50 *percent* and corresponding net income after tax by 133 *percent*.

Despite the challenges *brought by the pandemic*, AllHome's performance remained resilient. Its 1H 2021 net sales augmented by 33 *percent* from pre-pandemic net sales in

1H 2019. Resultant EBITDA for 1H 2021 is higher by 39 *percent* than pre-pandemic EBITDA in 1H 2019, and net income after tax of 1H 2021 is also higher by 48% than in 1H 2019.

Ms. Camille A. Villar, Vice-Chairman of AllHome, cited how the Company has implemented new strategies to work around the limitations caused by the pandemic.

“We learned to navigate and operate within the parameters of the pandemic,” she said. “The AllHome team, through its innovative nature, has responded quickly to the changing demands of the pandemic,” she said.

Throughout the many challenges of the ongoing pandemic, Ms. Villar said, “we continuously improved how we operate, with the ultimate objective of serving our customers more effectively and safely.”

“We established omni-channel shopping platforms, strengthened SHOP4U—our personal shopper service-- streamlined our fulfillment centers, and partnered with the country’s leading digital marketplaces and on-demand delivery providers to efficiently serve the home needs of our online customers considering the intermittent lockdown pronouncements,” she added.

Among other operational developments, the Vice-Chairman said the Company installed self-checkout, *and* click & collect counters to improve ease of shopping and safeguard the health of our in-store customers.

“As we continue to traverse the course of this pandemic, we will keep on exploring options to improve further our operations and serve more Filipinos across the country”, she added.

Benjaminie Therese Serrano, President of AllHome, *also welcomed the latest development.*

“We are pleased with our year-on-year results. As more Filipinos become vaccinated, we are confident that we can continue to assess the current situation with much more optimism. We opened five stores as of 1H this year, bringing AllHome’s total store network to 55—39 of which are large format stores,” Serrano said.

“These large stores generate the lion’s share of our sales, contributing as much as 97% of total retail sales for 1H 2021. As the situation improves, our store network expansion strategy will remain focused on free-standing large format stores,” she added.

AllHome’s singular premise of bringing comprehensive assortment of merchandise—from furniture, appliances to construction and hardware—under one roof allows *customers* to easily and safely find what they need, without hopping from one store to another.

Further, its omnichannel presence and partnership with reliable logistics and on-demand delivery providers have made it a go-to-shopping place during this pandemic. With AllHome’s very own online shopping platform www.allhome.com.ph, customers can opt to shop conveniently from their homes.

www.allhome.com.ph offers the vaunted AllHome range of furniture, appliances,

homewares, linens, hardware, construction tiles and sanitary wares. Visit www.allhome.com.ph to shop safely from the comfort of your home. AllHome made its debut in the Philippine Stock Exchange via Initial Public Offering (IPO) on 10 October 2019.

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