

# AllHome

One-stop shop for *your* home

## 1Q 2022 Results Briefing

May 16, 2022



# 1Q2022 by the numbers



**₱3.2B**

Sales is 36% higher vs pre-pandemic 1Q2019 level



**36%**

Gross Profit Margin reached 36.1% in 1Q2022 vs. 31.9% in 1Q2021 and 29% in 1Q2019



**+8%**

EBITDA grew to P856 million, 68% higher vs pre-pandemic 1Q2019 level



**₱275M**

Core NIAT is 33% higher vs pre-pandemic 1Q2019 level



**7%**

Increase in transaction size



**₱45,525**

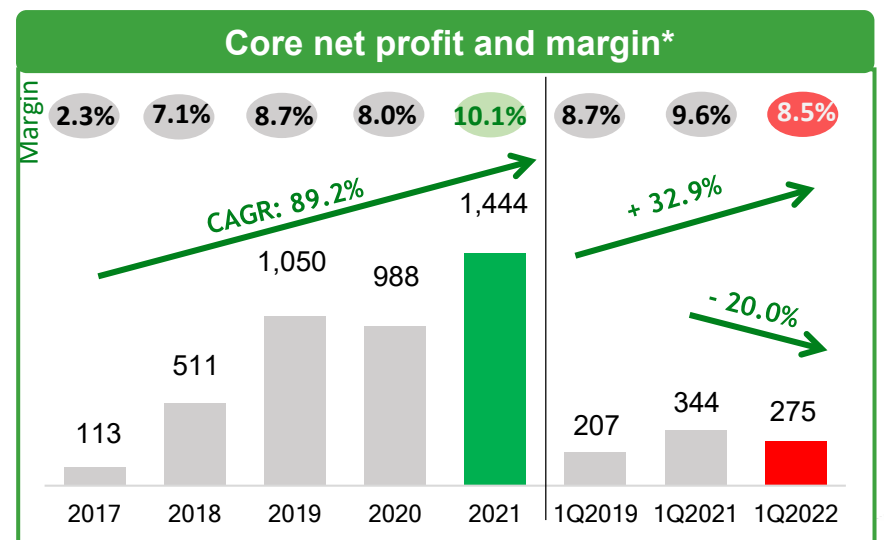
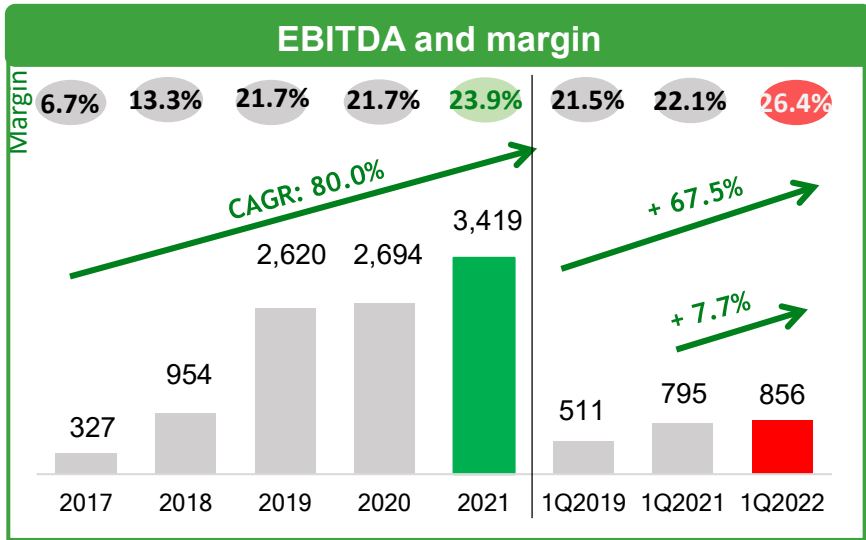
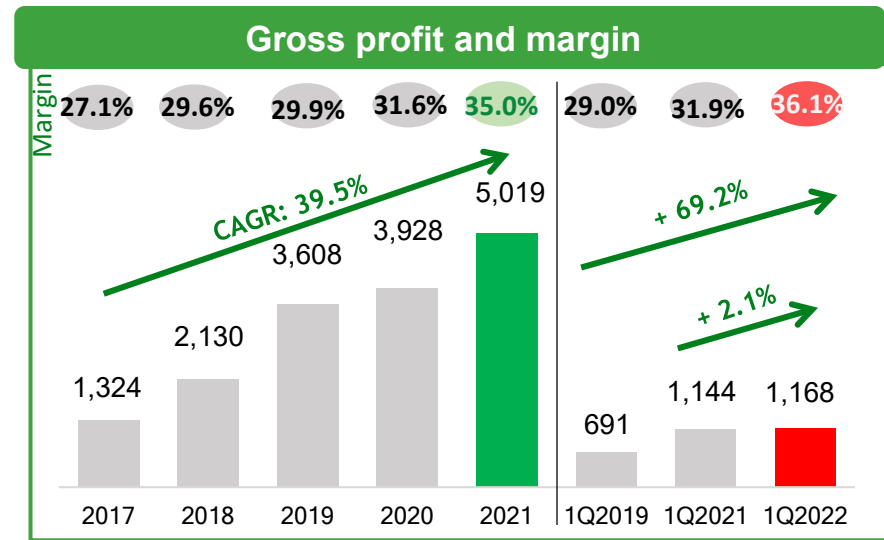
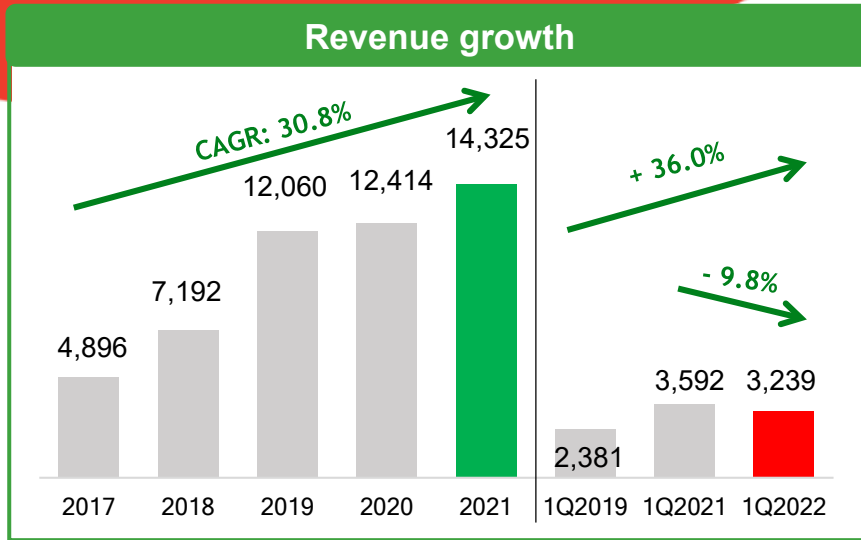
Sales per sqm in 1Q2022  
(NSA excluding Alabang stores)



**-9.8%**

1Q2022 SSSG

# Financial Highlights



Amounts in PHP million

\*1Q2022 figure is based on Core Net Profit and margin

# Income Statement

IN PHP MILLIONS	1Q 2022	1Q 2021	% Change
<b>Revenues</b>	<b>3,239</b>	<b>3,592</b>	<b>-9.8%</b>
Cost of Goods Sold	2,070	2,447	-15.4%
<b>Gross Profit</b>	<b>1,168</b>	<b>1,144</b>	<b>2.1%</b>
<i>Gross Profit Margin</i>	<i>36.1%</i>	<i>31.9%</i>	
Other Income	65	70	-8.1%
Operating Expenses	766	674	13.6%
<b>Operating Profit</b>	<b>467</b>	<b>541</b>	<b>-13.6%</b>
<b>EBITDA</b>	<b>856</b>	<b>795</b>	<b>7.7%</b>
<i>EBITDA Margin</i>	<i>26.4%</i>	<i>22.1%</i>	
<b>Core Net Income</b>	<b>275</b>	<b>344</b>	<b>-20%</b>
<i>Net Margin</i>	<i>8.5%</i>	<i>9.6%</i>	
Losses on damaged assets	-303	-	-
<b>Net Income</b>	<b>-28</b>	<b>344</b>	<b>-108%</b>
<i>Net Margin</i>	<i>-0.9%</i>	<i>9.6%</i>	

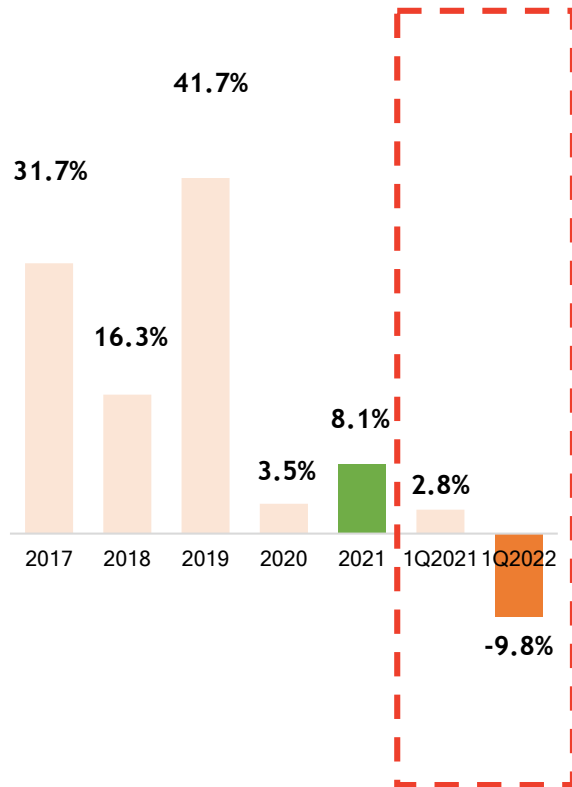
# Financial Position

IN PHP MILLIONS	March 31, 2022	December 31, 2021
Current Assets	10,968	11,464
Noncurrent Assets	14,402	14,348
<b>Total Assets</b>	<b>25,370</b>	<b>25,813</b>
Current Liabilities	3,766	3,978
Noncurrent Liabilities	7,005	7,209
<b>Total Liabilities</b>	<b>10,772</b>	<b>11,187</b>
Capital Stock	3,750	3,750
Additional Paid-in Capital	7,209	7,209
Retained Earnings	3,639	3,667
<b>Total Equity</b>	<b>14,598</b>	<b>14,626</b>
Current ratio	2.91	2.88
Quick ratio	0.46	0.57
Debt to equity ratio	0.74	0.76
Return on asset*	4.3%	5.6%
Return on equity*	7.5%	9.9%

\*1Q2022 ratio is based on Core Net Profit

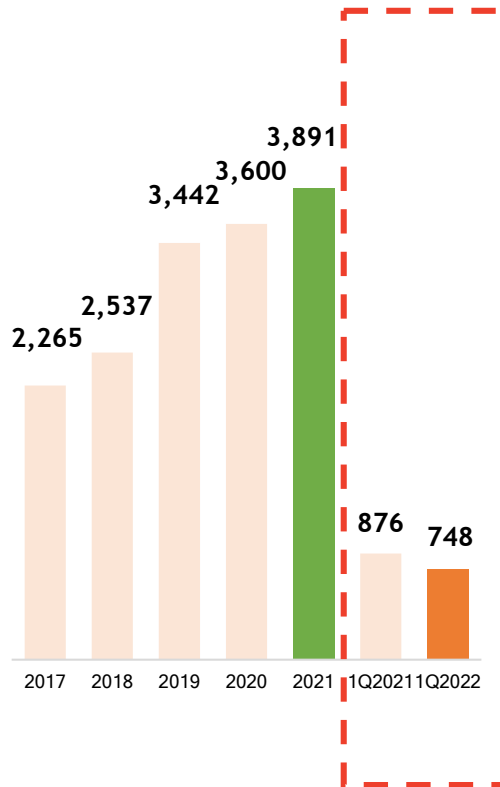
# Operational Highlights

## Same store sales growth\*

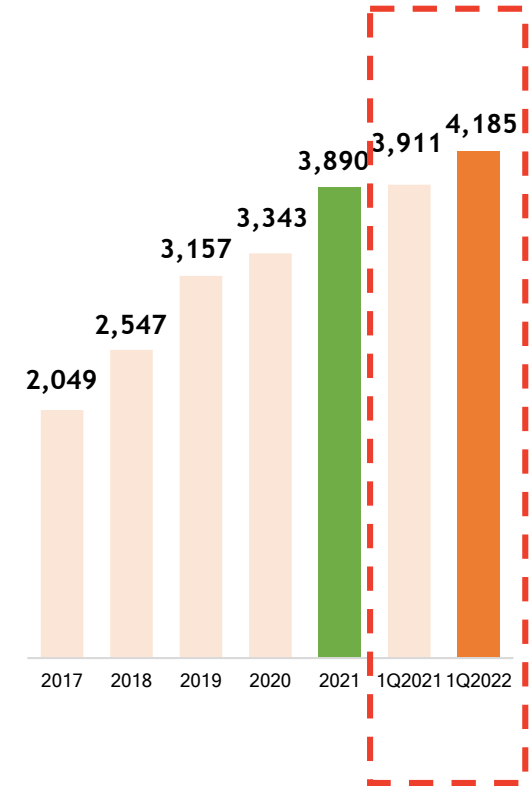


\*1Q2022 SSSG excludes Alabang stores

## No. of transactions ('000s)



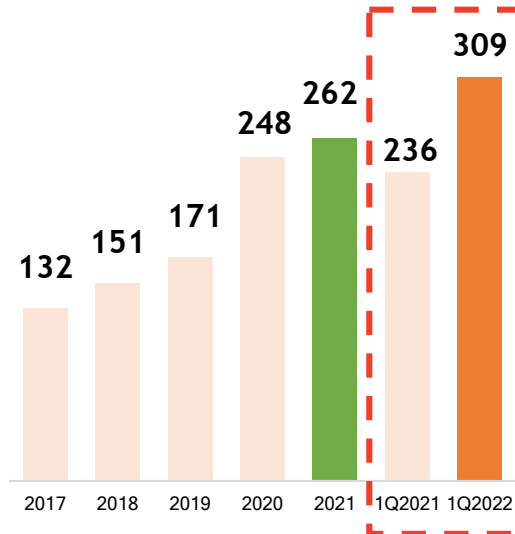
## Ave transaction size (PHP)



# Working Capital

## Inventory turnover

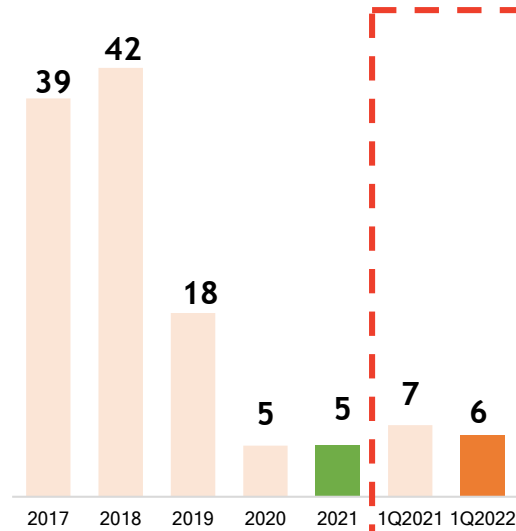
Days



- Increase in outright buys and expansion of in-house brands to increase GP margin
- Advance inventory buys due to int'l logistics and supply chain issues
- Effect of lower sales

## Trade receivables turnover

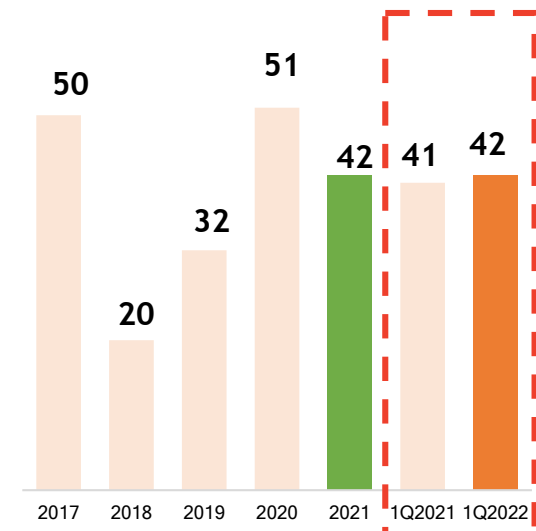
Days



- Trade receivables days maintained at single digit due to improved collection of corporate sales.

## Trade payables turnover

Days



- Within the 30-60 credit term with suppliers
- Includes Advances for importation increase in outright buys, expansion of in-house brands, and advance invty buys

Notes:

1. Inventory turnover days is equal to the average opening and closing inventory divided by cost of goods sold and multiplied by 365 days (for the year ended December 31, 2017 - 2021, and for the quarter ended March 31, 2021 - 2022)
2. Trade receivables turnover days is equal to the average opening and closing trade receivables divided by revenues and multiplied by 365 days (for the year ended December 31, 2017 - 2021, and for the quarter ended March 31, 2021 - 2022)
3. Trade payables turnover days is equal to the average opening and closing trade payables divided by cost of goods sold and multiplied by 365 days (for the year ended December 31, 2017 - 2021, and for the quarter ended March 31, 2021 - 2022)

# Optimistic economic recovery in 2022

AllHome is part of a retail ecosystem that provides customers a complete shopping experience for all their needs.

## AllValue



- ✓ At Alert Level 1
- ✓ Indoor and outdoor restaurants may open at 100% of capacity
- ✓ All guests, including minors are welcome to shop
- ✓ Entertainment venues are open to fully-vaccinated guests

### Our Core Competitive Advantages



Balanced mix of categories



Retail ecosystem



Omnichannel Presence



Park and shop concept



Near communities



## AII REWARDS Membership Program



702,584 cardholders as of March 2022



+1 POINT Earn points for purchases at AllHome



Points can be used as payment at any AllValue store



Close to half of AllHome's total retail sales come from members



Basket size of members are more than double that of non-members



Close to 20% of members bought from both AllHome and AllDay Supermarket in 2020

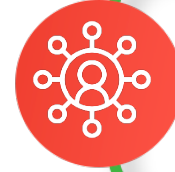
# Strategies



**Margin  
Enhancement**



**Operational  
Efficiencies**



**Omnichannel  
Strategy**



**Sustainable  
Network Expansion**



**Harness Synergies  
with the Villar Group**

# Enhancing Operating Margins through Proven Initiatives



## Increase in In-house brand contribution

- ✓ 45 In-house brands,
- ✓ 11.8% Sales contribution as of 1Q2022



## Negotiation gains through increasing store network

- ✓ Purchasing strength from procurement



## Strategic inventory buys and pricing

- ✓ Increased outright buys for top-selling and fast-moving SKUs
- ✓ Dynamic offering through consistent introduction of new items
- ✓ Strategic pricing

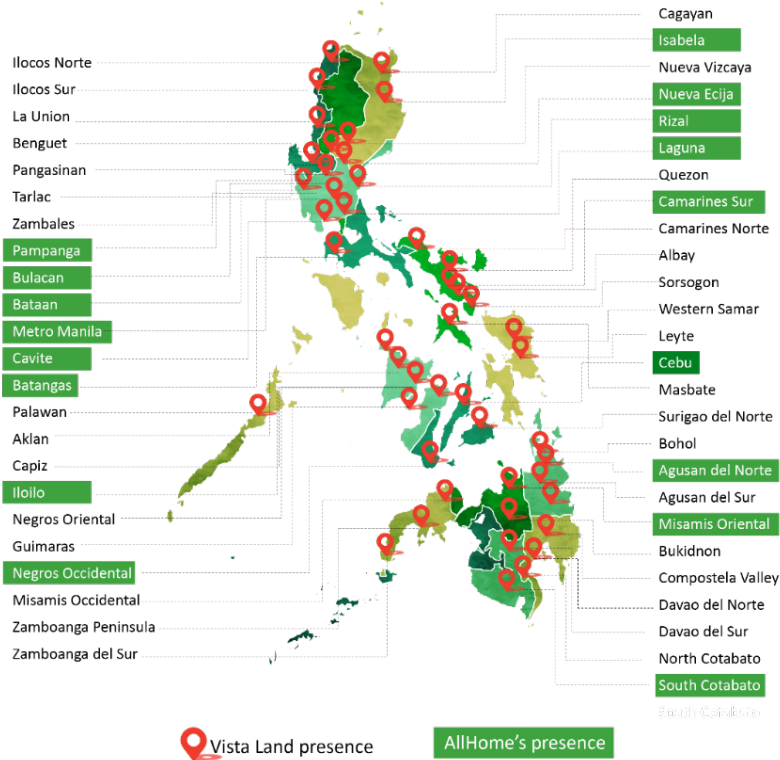


## Periodic review of slow-moving and fast-moving products

- ✓ Select concess SKUs converted to outright
- ✓ Slow-moving concess items continuously replaced or offered at discounted prices as part of agreement with suppliers
- ✓ Periodic flush out of slow-moving and phased-out outright items

# Sustainable network expansion

## Footprint expansion opportunity



✓ Currently in **17** out of **49** provinces and **34** out of **147** cities and municipalities owned by Vista Land

✓ The home improvement market is fragmented, with 79% comprised of numerous small players (mostly traditional hardware). AllHome has been gaining market share from these players. (Source: Euromonitor Passport)



- Increased ability to open new stores with lower CAPEX requirement
- Focused expansion primarily through large stores in **NCR+ and Tier 1 cities**;
- Immediate pipelines:** Caloocan, Las Pinas, Dasmaringas, Bulacan, Muntinlupa, GMA, Trece Martires, Laguna, Cebu, Davao

## Opened 7 stores in 2021 ending with 57 as of FY2021

### 43 MEGA MANILA

- 17 large mall-based stores
- 9 large free-standing stores
- 17 small specialty stores/

### 3 VISAYAS

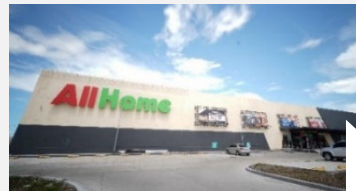
- 2 large-mall based stores
- 1 large free-standing store

### 7 LUZON BALANCE

- 3 large mall-based stores
- 4 large free-standing stores

### 4 MINDANAO

- 4 large free-standing stores



### Existing large stores

- ✓ 9,000-10,000 NSA (in sqm)
- ✓ Php200 million capex
- ✓ 250,000 SKUs



### New generation stores

- ✓ 7,000-8,000 NSA (in sqm)
- ✓ Php160 million capex
- ✓ 250,000 SKUs (maximizing vertical display)

## Small store remains an opportunistic strategy



- ✓ 250-400 NSA (in sqm)
- ✓ Php10 to Php20 million capex
- ✓ Appliances, DIY, and Digital

## Customers migrate to the countryside

“Philippines is experiencing the same global phenomenon of migration from urban city centers to the countryside as consumers increasingly search for more space. This is even true amongst the upper class, who are seeking to build rest houses and holiday homes away from the city.”

“Home improvement and even home furnishings are set to see greater sales from areas outside the key cities in the forecast period. This will lead home and garden specialist retailers to return to its historical pace in terms of expansion.”

*Source: Euromonitor*



**Opened in Davao this May and opening soon in Cebu**

# Revolutionizing digital experience

**Special Room Inspiration**  
Browse and shop products from our most inspiring spaces

[SEE ALL ROOM INSPIRATION](#)

**Launch by May 16**

**SHOP BY LOOK**

- ✓ get inspirations for any part of their homes
- ✓ shop for the items by clicking the icon on each photo inspiration

**Flash Sale**

**Launch by May 16**

## FLASH SALE

**TRAMONTINA Maresias 24pc. Cutlery Set**  
P1,299.75

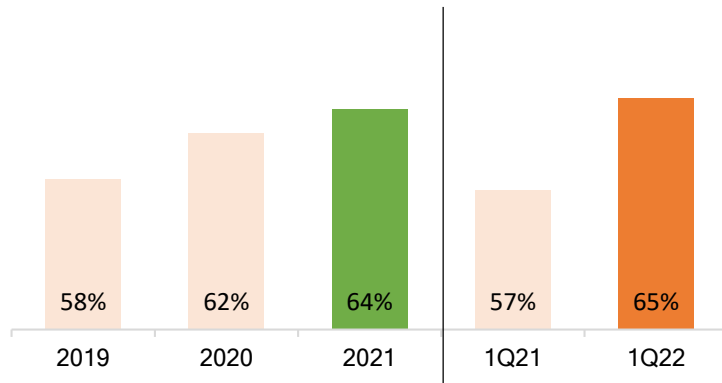
**TRAMONTINA Amazonas 20pc Cutlery Set**  
P1,999.75

- ✓ features items with substantial discounts that will only be offered within a limited time frame

# Our balanced category mix adapts to changing customer needs

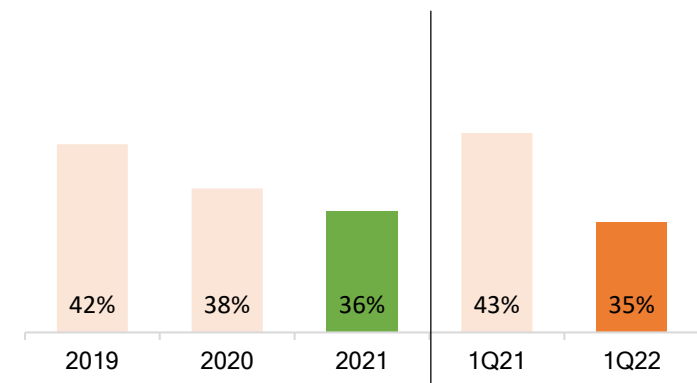
## Soft Categories

SOFT CATEGORIES	Contribution	
	1Q21	1Q22
Furniture	20%	21%
Appliances	27%	28%
Homewares	7%	13%
Linens	3%	3%
<b>TOTAL</b>	<b>57%</b>	<b>65%</b>



## Hard Categories

HARD CATEGORIES	Contribution	
	1Q21	1Q22
Construction	5%	4%
Tiles & Sanitary Wares	11%	11%
Hardware	27%	20%
<b>TOTAL</b>	<b>43%</b>	<b>35%</b>



# Strategies

## Sustainable Network Expansion

- 100 stores by 2026
- NCR+ and Tier 1 key cities
- New generation store format
- Synergies with Villar Group

## Margin Enhancement

- 20% in-house brands target sales contribution by 2023
- 37% target GP
- Increase outright buys of saleable SKUs
- Pursue exclusive brand offerings
- Strategic pricing

## Omnichannel Strategy

- [www.allhome.com.ph](http://www.allhome.com.ph)
- Customer service ticketing tool Zendesk and Marketing automation tool MoEngage
- SHOP4U and On-demand delivery and third-party platforms
- Aligned with changing consumer trends

## Operational Efficiencies

- Optimal inventory management
- Capex savings
- Opex savings
- Periodic review of optimal store size and layout
- Complementary technology / digitalization

## Harness synergies with the Villar Group

- Retail Group
  - Home Improvement
  - Grocery
  - Food Service
  - Entertainment
  - Lifestyle and fashion
- Real Estate and Malls

# Q&A

AllHome Website  
[www.allhome.com.ph](http://www.allhome.com.ph)

For Corporate  
Disclosures



Thank You!

