

FY 2021 Results Briefing

March 31, 2022

AllHome
One-stop shop for *your* home



FY2021 by the numbers



15%

YoY Net sales growth to ₱14.3B
(19% higher vs pre-pandemic levels FY19)



35%

FY2021 Gross Profit Margin



27%

YoY EBITDA growth to ₱3.4B
(31% higher vs pre-pandemic levels FY19)



46%

YoY NIAT growth to ₱1,444M
(38% higher vs pre-pandemic levels FY19)



8%

Increase in transaction count



8.1%

FY2021 SSSG
(FY2020 SSSG at 3.5%)



P48,156

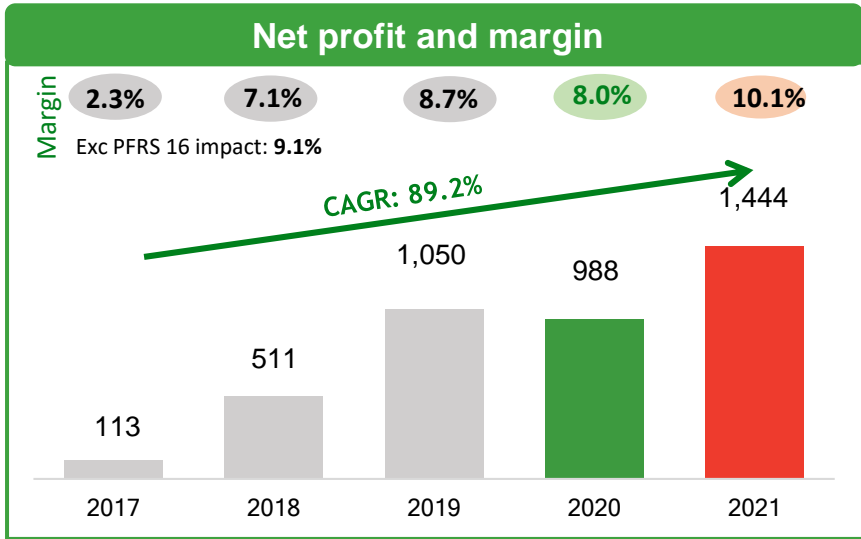
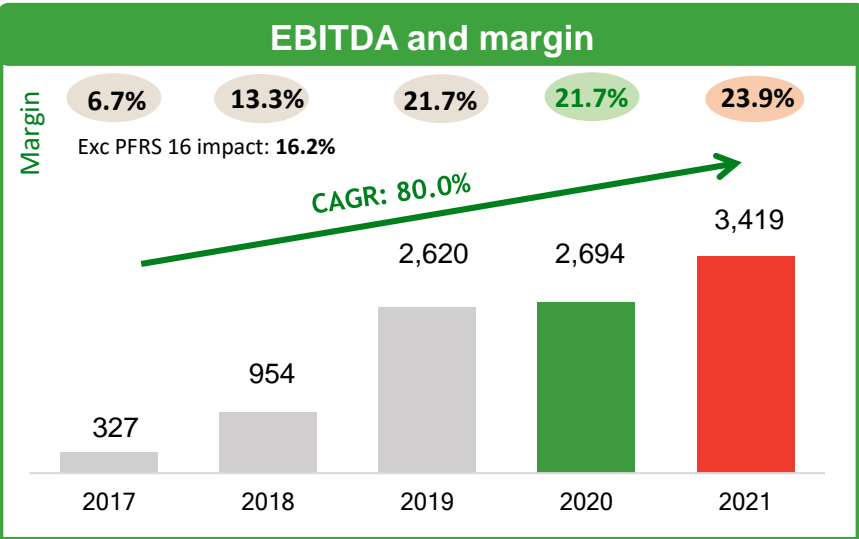
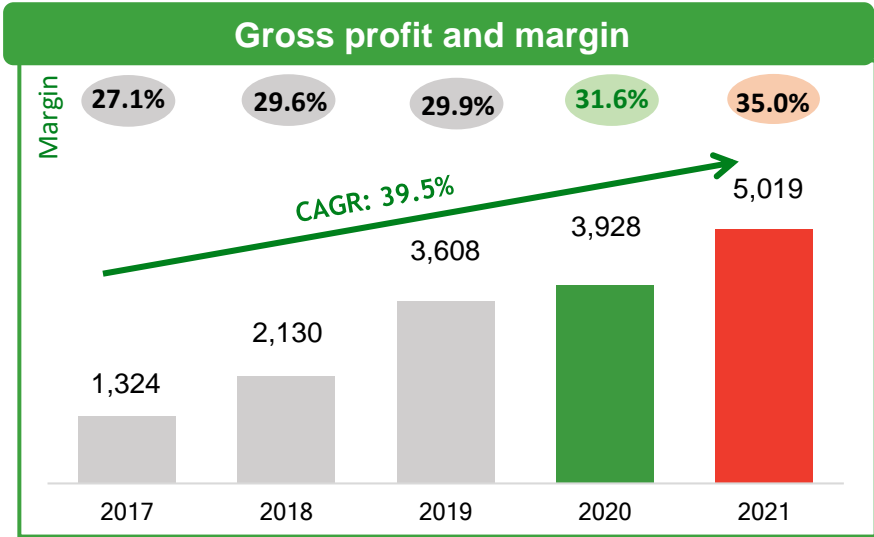
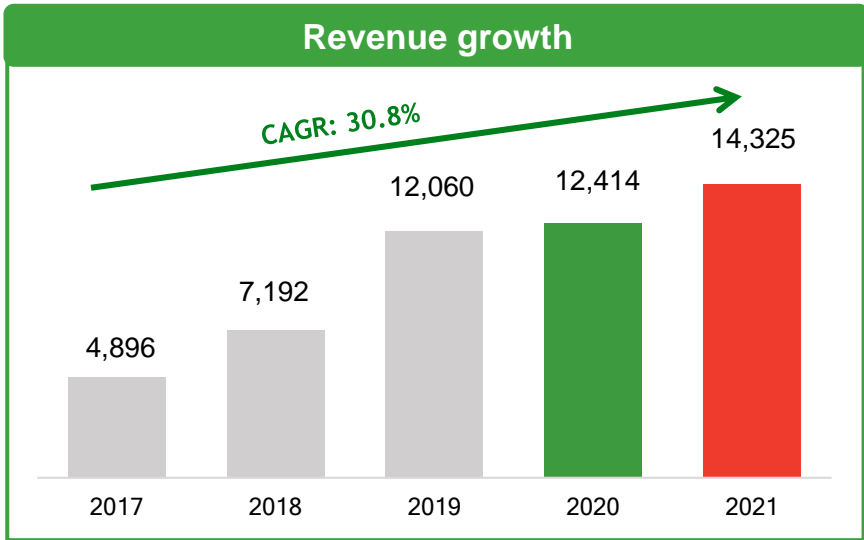
Sales per sqm in FY2021
(FY2020 at 37,438)



11%

E-commerce sales contribution
(as of December 2021)

Financial Highlights



Amounts in PHP million

Income Statement

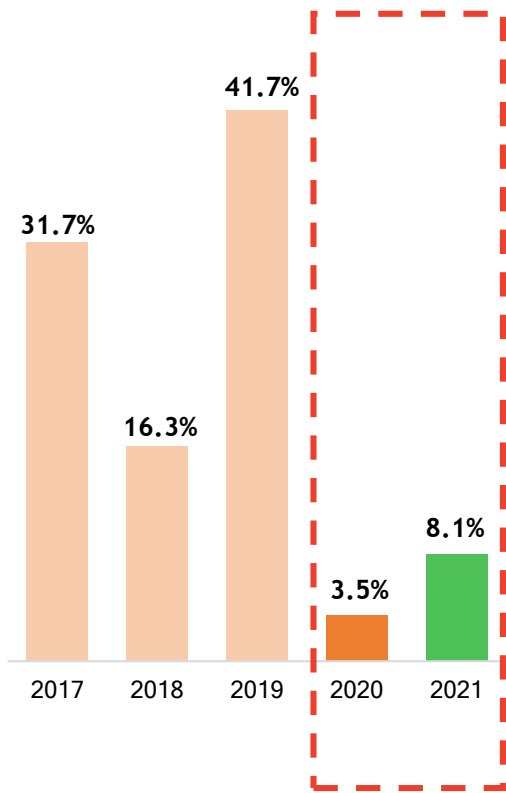
IN PHP MILLIONS	FY 2021	FY 2020	% Change
Revenues	14,325	12,414	15.4%
Cost of Goods Sold	9,306	8,486	9.7%
Gross Profit	5,019	3,928	27.8%
<i>Gross Profit Margin</i>	<i>35.0%</i>	<i>31.6%</i>	
Other Income	356	398	-10.5%
Operating Expenses	3,156	2,540	22.6%
Operating Profit	2,218	1,786	24.2%
EBITDA	3,419	2,691	27.0%
<i>EBITDA Margin</i>	<i>23.9%</i>	<i>21.7%</i>	
Profit Before Tax	1,826	1,411	29.4%
Tax Expense	381	423	-9.8%
Net Income	1,444	988	46.2%
<i>Net Margin</i>	<i>10.1%</i>	<i>8.0%</i>	

Financial Position

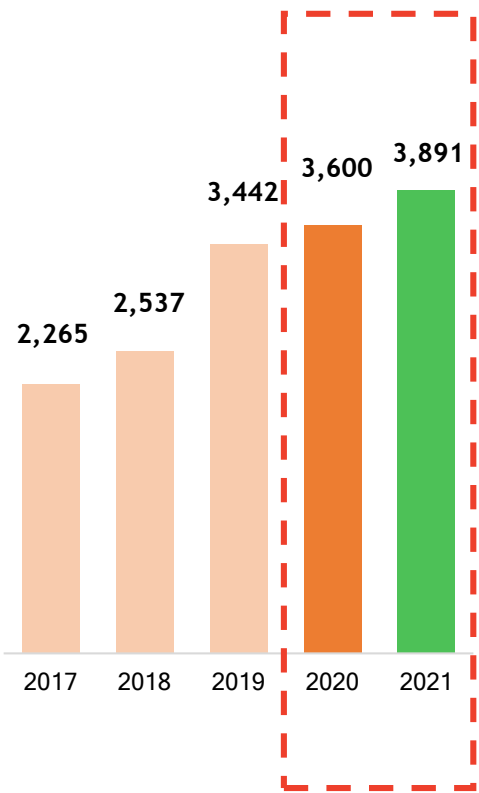
IN PHP MILLIONS	December 31, 2021	December 31, 2020
Current Assets	11,464	8,993
Noncurrent Assets	14,348	12,782
Total Assets	25,813	21,775
Current Liabilities	3,978	3,855
Noncurrent Liabilities	7,209	4,549
Total Liabilities	11,187	8,404
Capital Stock	3,750	3,750
Additional Paid-in Capital	7,209	7,209
Retained Earnings	3,667	2,421
Total Equity	14,626	13,371
Current ratio	2.88	2.33
Quick ratio	0.57	0.60
Debt to equity ratio	0.76	0.63
Return on asset	5.6%	4.5%
Return on equity	9.9%	7.4%

Operational Highlights

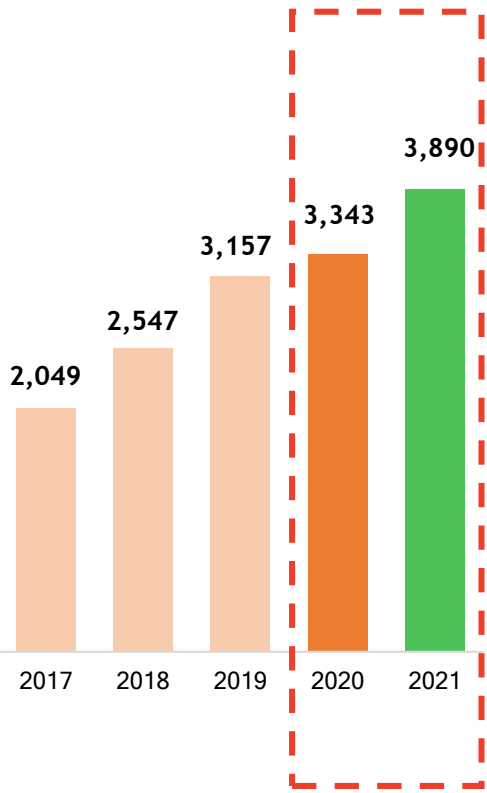
Same store sales growth



No. of transactions ('000s)



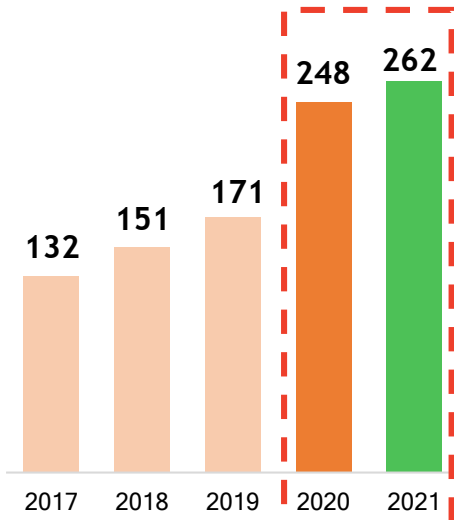
Ave transaction size (PHP)



Working Capital

Inventory turnover

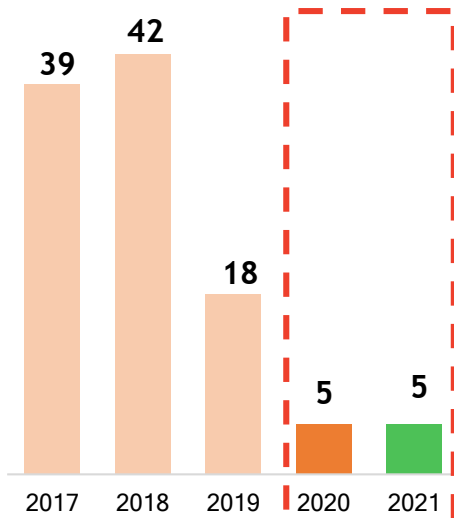
Days



- Increase in outright buys and expansion of in-house brands to increase GP margin
- Invty of new stores, advance invty buys due to int'l logistics and supply chain issues

Trade receivables turnover

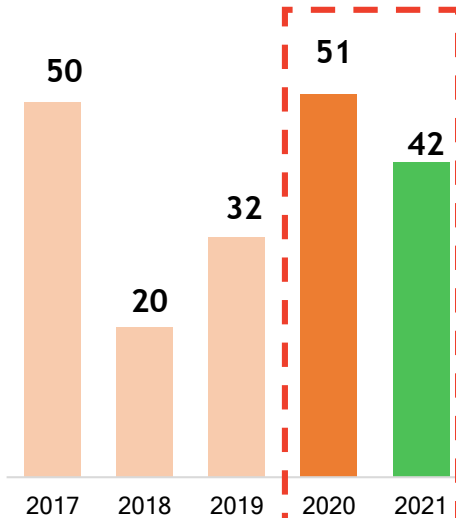
Days



- 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, December 31, 2018, December 31, 2019, December 31, 2020 and December 31, 2021)
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, December 31, 2018, December 31, 2019, December 31, 2020 and December 31, 2021)
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, December 31, 2018, December 31, 2019, December 31, 2020 and December 31, 2021)

Optimistic economic recovery in 2022



- ✓ 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



Omnichannel
Presence



Retail
ecosystem



Park and
shop concept



Near
communities

AllHome is part of a retail ecosystem that offers customers an elevated in-store experience and one-stop shop convenience

Strategies



**Sustainable
Network Expansion**



**Margin
Enhancement**



**Omnichannel
Strategy**



**Operational
Efficiencies**



**Harness Synergies
with the Villar Group**

Sustainable network expansion

Opened 7 stores in 2021

AllHome Stores opened:

- AllHome General Santos
- AllHome Cauayan, Isabela
- AllHome Bacolod
- QuickFix Camella East
- AllHome Sto Tomas, Batangas
- DIY Specialty Store Evia
- AllHome Worldwide Corporate Center (WCC)

57 Existing Stores as of FY2021:

43 MEGA MANILA

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

7 LUZON BALANCE

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

3 VISAYAS

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

4 MINDANAO

- 4 large free-standing stores



- 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, Dasmarias, Bulacan, Muntinlupa, GMA, Trece Martires, Laguna, Cebu, Davao



Existing large stores

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



New generation stores

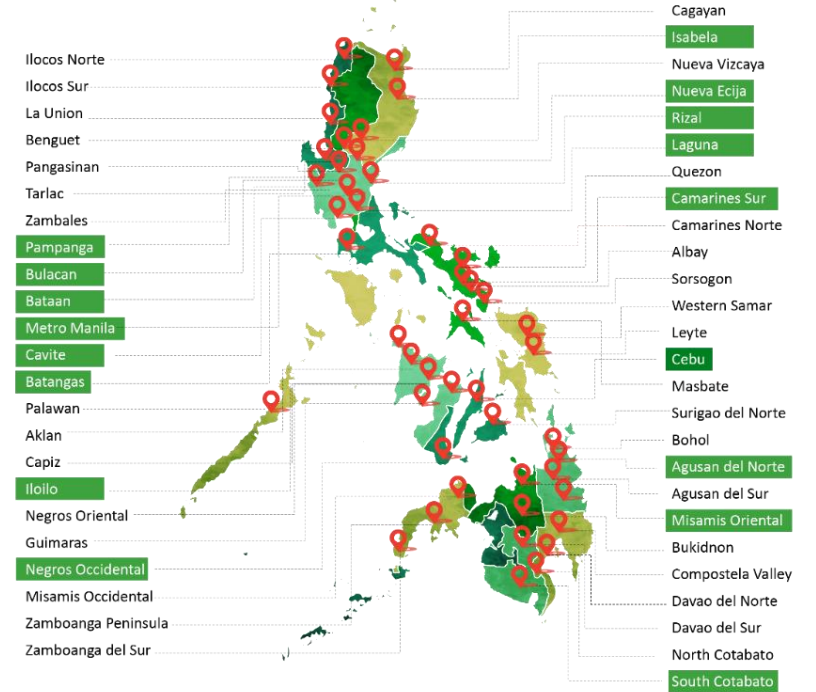
- ✓ 7,000-8,000 NSA (in sqm)
- ✓ Php160 million capex
- ✓ 250,000 SKUs (maximizing vertical display)

Small store remains an opportunistic strategy



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

Footprint expansion opportunity



Vista Land presence

AllHome's presence

- ✓ 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 81% comprised of numerous small players (mostly traditional hardware). AllHome has been gaining market share from these players. (Euromonitor Passport, January 2021 update)

New Generation Stores



Sto. Tomas



Worldwide Corporate Center



Enhancing Operating Margins through Proven Initiatives



Increase in In-house brand contribution

- ✓ **45 In-house brands**
27 out of 45 are hard categories
- ✓ **11% Sales contribution**
As of FY2021, up from 7% of prior year



Negotiation gains through increasing store network

- ✓ Purchasing strength from procurement



Strategic inventory buys and pricing

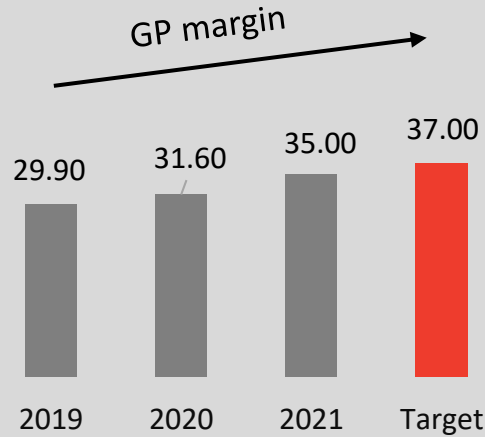
- ✓ Increased outright buys for top-selling and fast-moving SKUs
- ✓ Dynamic offering through consistent introduction of new items
- ✓ Strategic pricing



Periodic review of slow-moving and fast-moving products

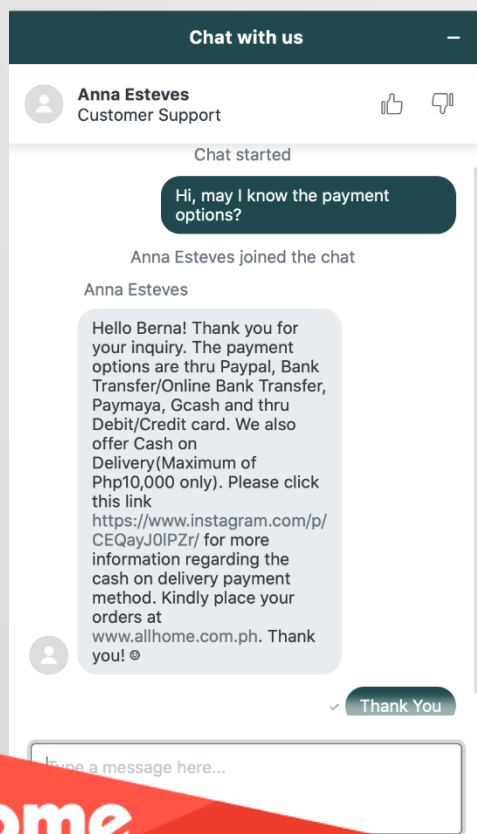
- ✓ Select concess SKUs converted to outright
- ✓ Slow-moving concess items continuously replaced or offered at discounted prices as part of agreement with suppliers
- ✓ Periodic flush out of slow-moving and phased-out outright items

Target GP margin :
37%



Revolutionizing digital experience

AllHome is capable of **predictive personalization** with the use of Zendesk, AllRewards Loyalty System and MoEngage.



AllHome
One-stop shop for *your* home



With AllHome's nationwide presence, it is positioned to achieve delivery in minutes. In fact, AllHome can **deliver within the same day through the Shop4U service**



AllHome has been proactive in finding ways to simplify shopping for customers. AllHome has long started its **Click & Collect initiatives** allowing customers to shop online or over the phone and they will just pick up, decreasing their exposure to other people.

allhome.com.ph



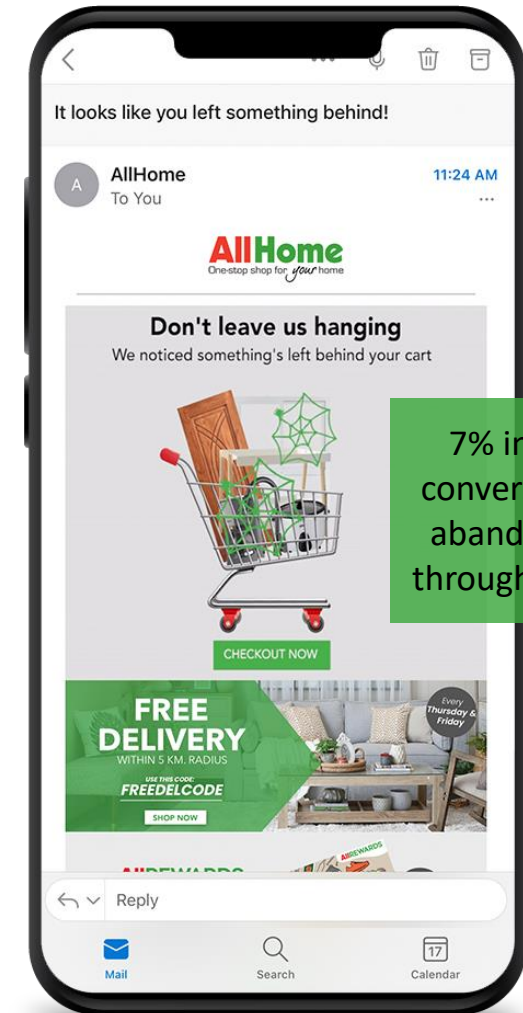
allhomeofficial

AllHomeCorp

Revolutionizing digital experience

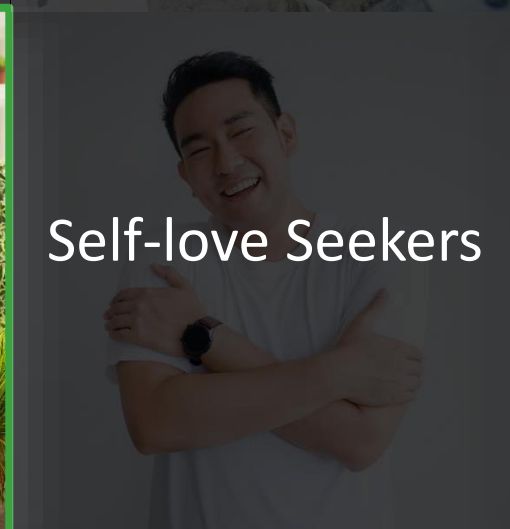
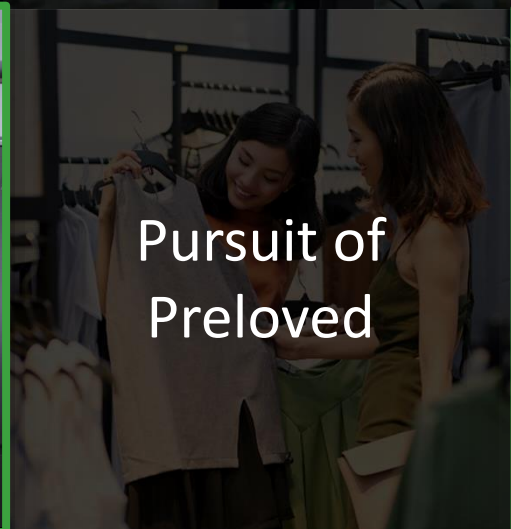
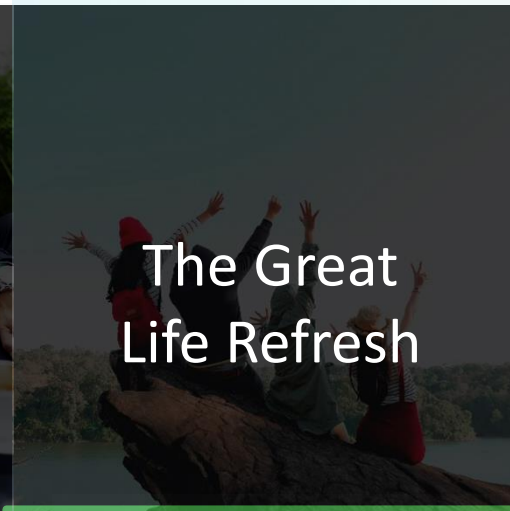
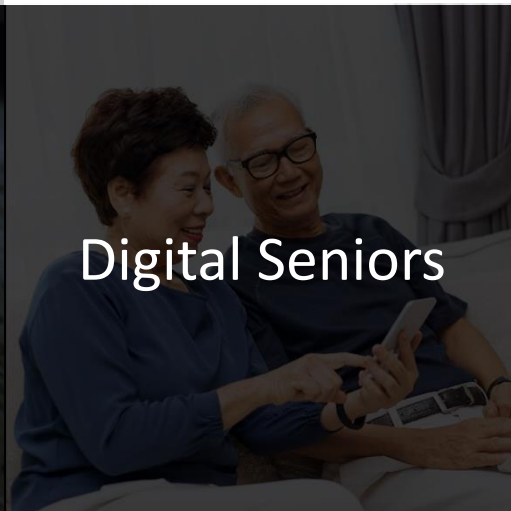
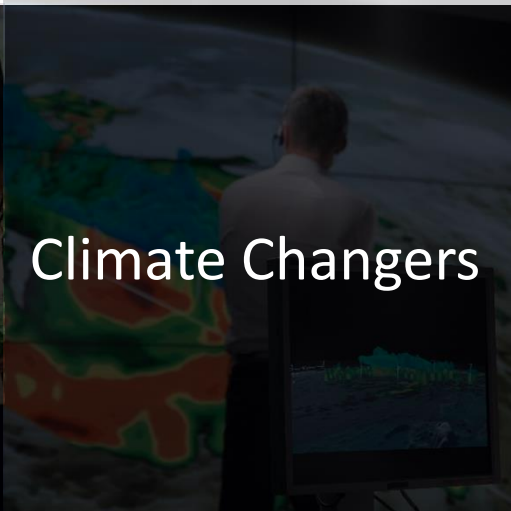


AllHome joins Vcon in bringing Retail Innovation and Shopping Expo to Filipinos across the Philippine thru its online platform. It sheds light on various trends and insights fueling the retail and mall industry movement. Plus, a shopping party led by AllHome with the AllValue brands.



7% increase in conversion rate of abandoned carts through MoEngage

Seek to capture 2022 Global Consumer Trends that shape our new future



Source: Top 10 Global Consumer Trends 2022. Euromonitor International

Our initiatives are aligned with the main global consumer trends

The Socialisation Paradox

76% of consumers took health and safety precautions when leaving their homes in 2021



AllHome's omnichannel approach has made it a preferred shopping destination for essentials during this pandemic.



Click & Collect counters help improve the ease of shopping and safeguard the health of our in-store customers.

Rural Urbanites

37% of consumers expect to be working from home in the future



Our stores are located near residential areas within and outside the city across the Philippines, making it ideal to lure these rural urbanites.



AllHome also offers wide selection of home office furniture and gadgets.

The Metaverse Movement

Simulated, 3D digital ecosystems of the future



AllHome's website has 360° virtual tour, a state-of-the-art virtual walkthrough of AllHome stores to help in navigating and picking items.



AllHome will offer augmented reality (AR), a trend in shopping for household items and furniture.

More consumers are using AR in shopping for household items and furniture



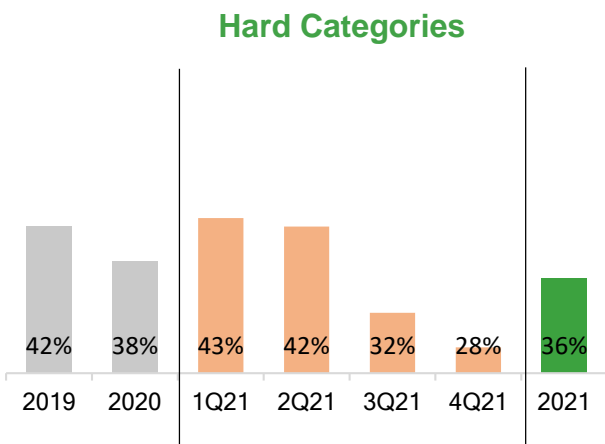
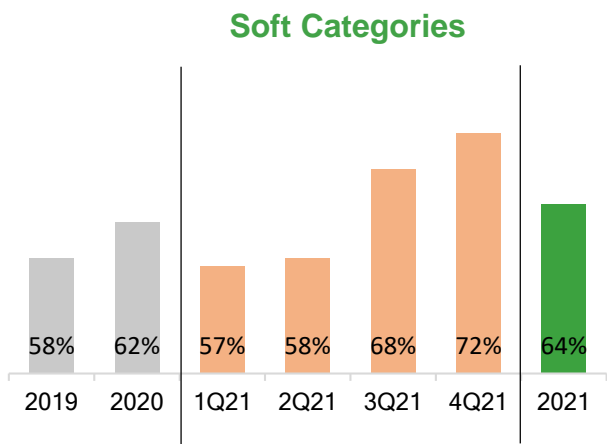
Source: Top 10 Global Consumer Trends 2022. Euromonitor International

Our balanced category mix adapts to changing customer needs

Wide offering of soft and hard products

SOFT CATEGORIES	Contribution	
	FY21	FY20
Furniture	20%	20%
Appliances	30%	30%
Homewares	11%	8%
Linens	3%	3%
TOTAL	64%	62%

HARD CATEGORIES	Contribution	
	FY21	FY20
Construction	5%	4%
Tiles & sanitary wares	10%	9%
Hardware	21%	25%
TOTAL	36%	38%



Target category mix



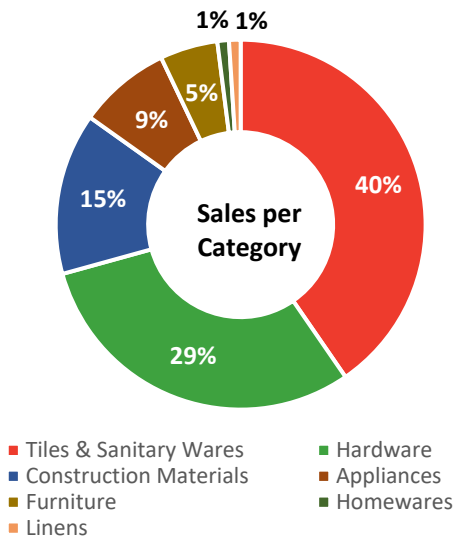
Push for hard categories through B2B expansion



Hard categories driven by loyalty card

8,550 members
As of Dec 2021
272% growth from Dec 2020

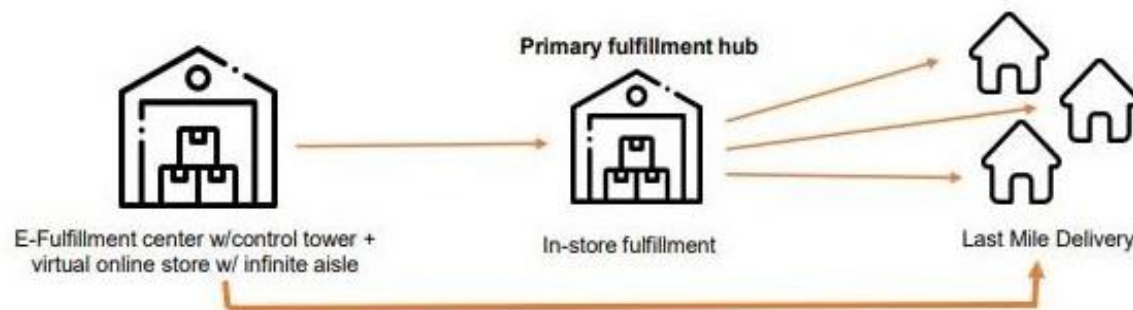
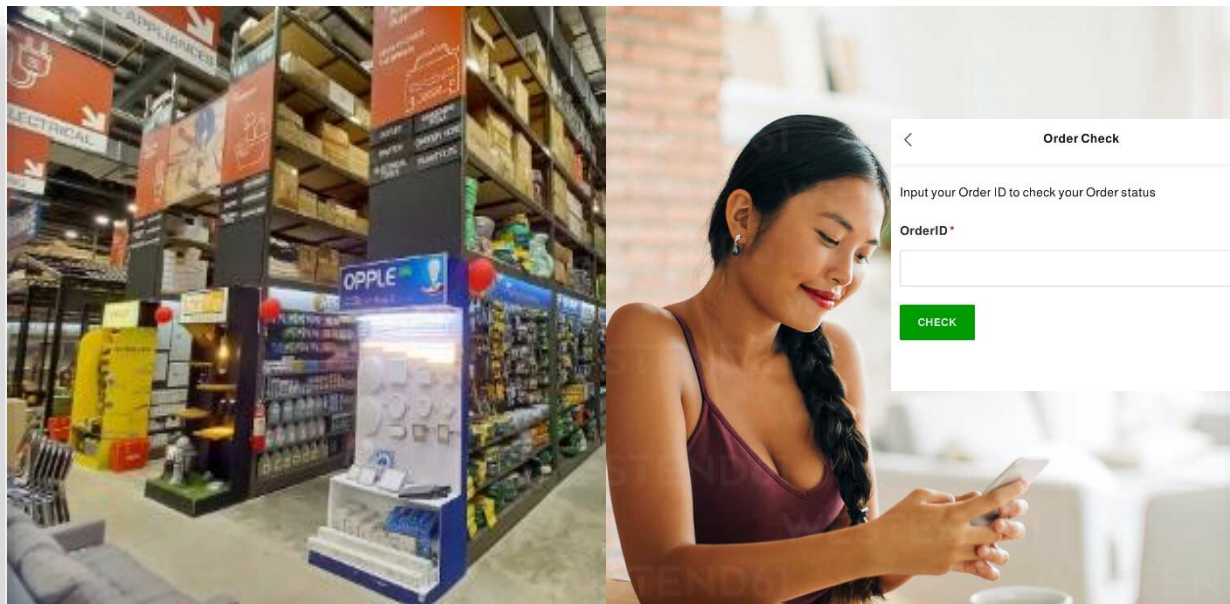
₱380M Sales
As of Dec 2021
98% growth in quarterly sales from 4Q2020



Operational efficiency initiatives for better customer experience

Infrastructure

- Allotting larger store space as designated fulfillment / logistics area in response to increasing e-commerce sales
- Bigger store warehouse minimized capex for additional DC space requirement
- Right-sizing of selling area and increased store warehouse will result to savings on utilities, manpower cost and DC rent
- Maximizing store inventory capacity via vertical display efficiency resulting to smaller required selling space footprint



ENHANCED IN-STORE CHANNEL EXPERIENCE

Technology

- Seamless experience between **digital** and **physical stores** that will allow customers freer and faster access to our **elevated in-store and online experience**
- Enhanced in-store channel experience by embedding the in-store experience with the digital platform.
- allhome.com.ph recently launched its order tracker. Now customers can easily track status of their orders.
- On top of the ecommerce platforms, AllHome promoted personal shopper to bring a human touch to the home shopping experience.
- 11% e-commerce sales contribution.

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
- 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



**For Corporate
Disclosures**



Thank You!

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One-stop shop for *your* home

