

AllHome
One-stop shop for *your* home

Credit Suisse Asia Conference

January 7, 2022

AllHome

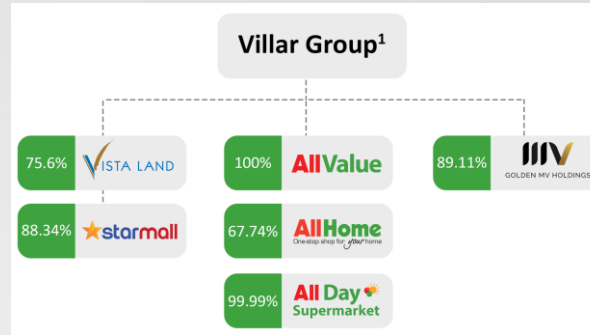


Company Overview

One-stop shop home store



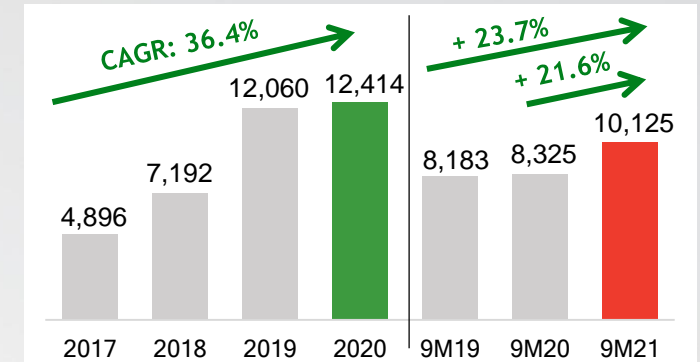
Synergistic relationship with the Villar Group



- ✓ Subsidiary of AllValue Holdings Corp., an affiliate of Villar Group, the largest homebuilder in the Philippines
- ✓ Access to prime locations in **147 cities and municipalities**
- ✓ Benefits from **AllValue Retail Ecosystem**
- ✓ **PHP10.0Bn** of total value of residential projects launched as of FY2020

Resilient Record of Growth

Revenue



- ✓ **57 stores** in 17 provinces and 34 cities and municipalities
- ✓ **297,469 sqm** of net selling space



Reaching revenue and growth goal through the continuous increase to **11%** of **Ecom to retail sales**

Our core advantages remain relevant to post-pandemic scenario

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



9M2021 by the numbers



22%

YoY Net sales growth to ₱10.1B
(24% higher vs pre-pandemic levels 9M19)



36%

3rd quarter Gross Profit Margin



32%

YoY EBITDA growth to ₱2.4B
(27% higher vs pre-pandemic levels 9M19)



65%

YoY NIAT growth to ₱973M
(30% higher vs pre-pandemic levels 9M19)



17%

Increase in transaction count



12%

9M 2021 SSSG
(9M 2020 SSSG at 0.3%)



P46,353

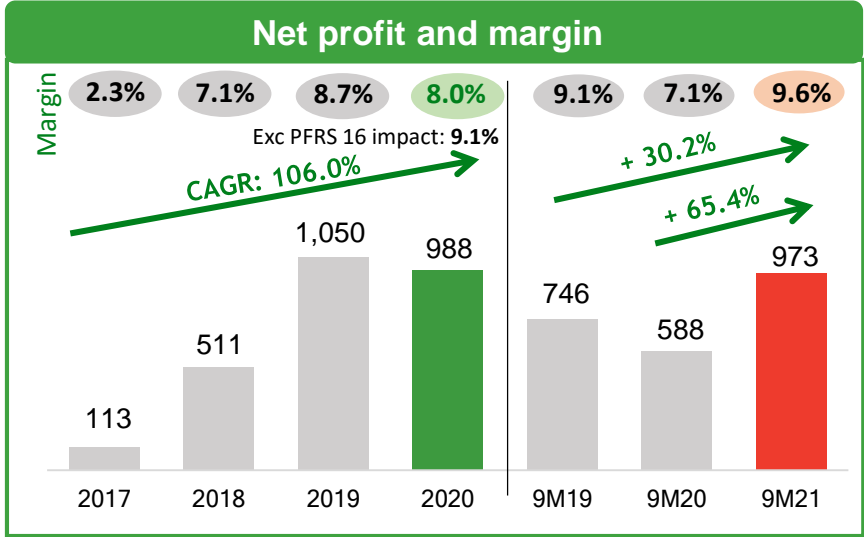
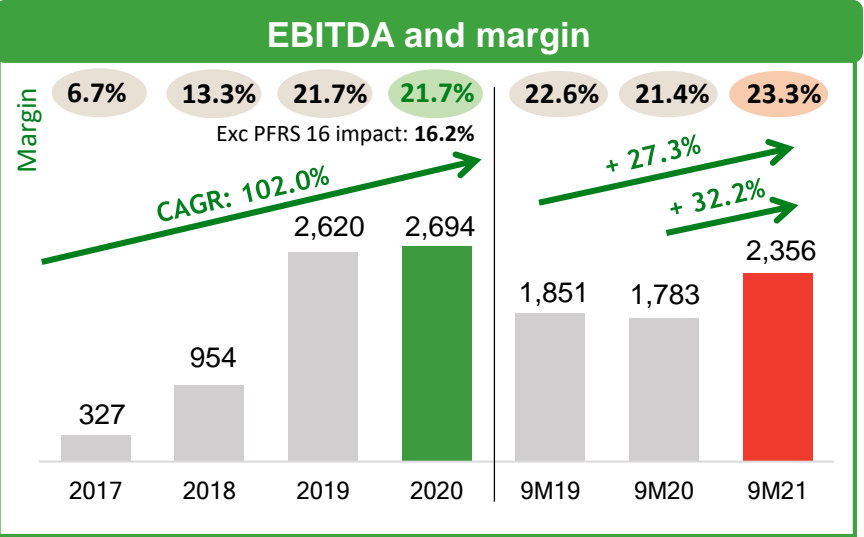
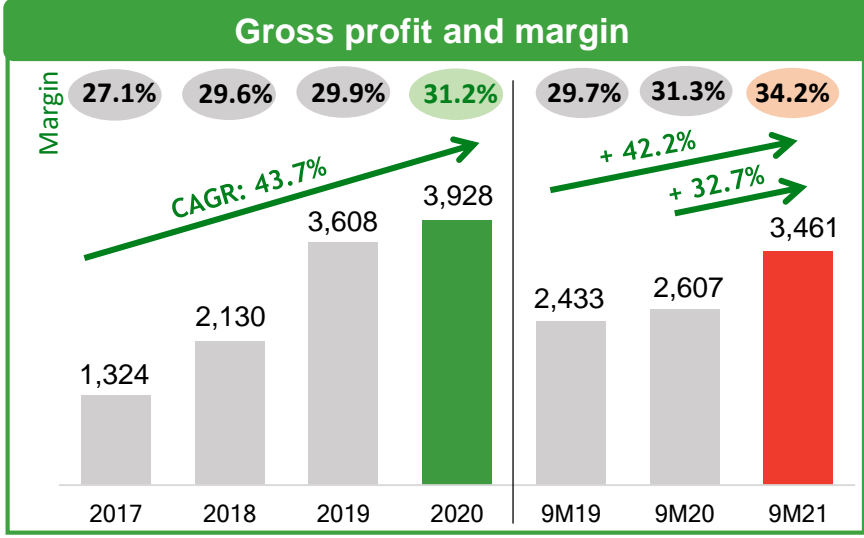
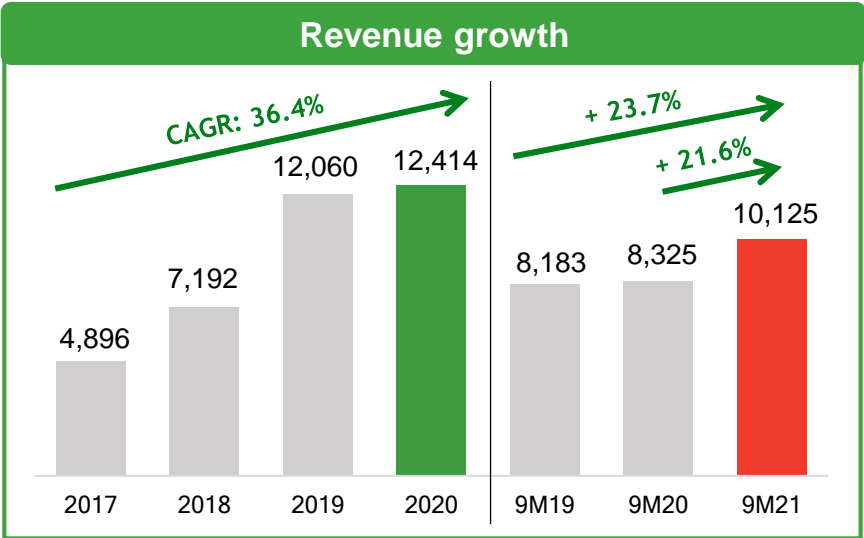
Sales per sqm in 9M2021
(9M 2020 at 35,979)



11%

E-commerce sales contribution
(as of September 2021)

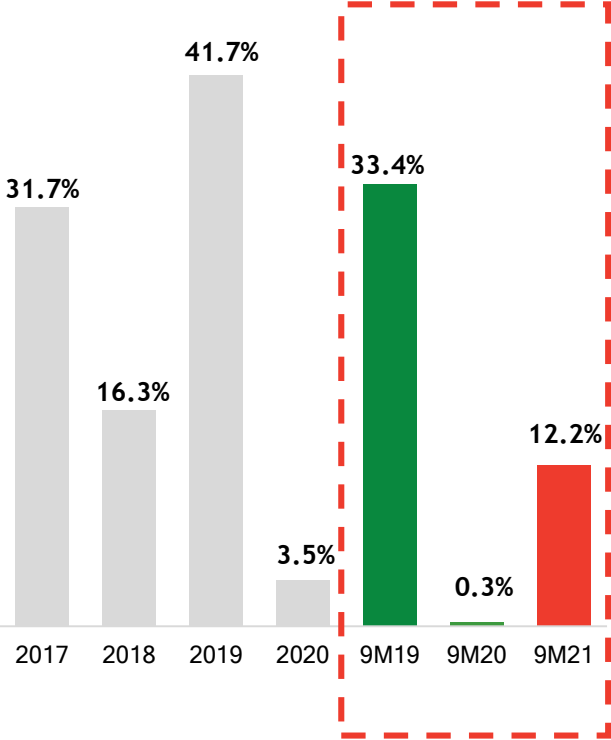
Financial Highlights



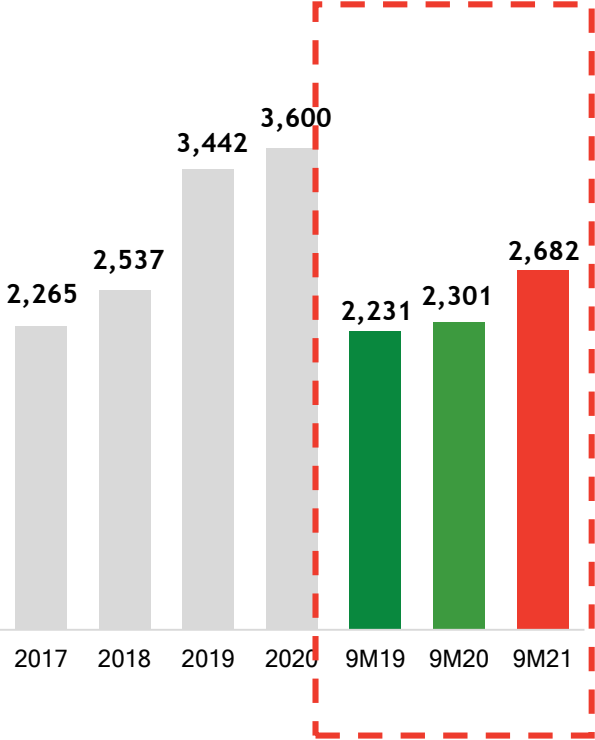
Amounts in PHP million

Operational Highlights

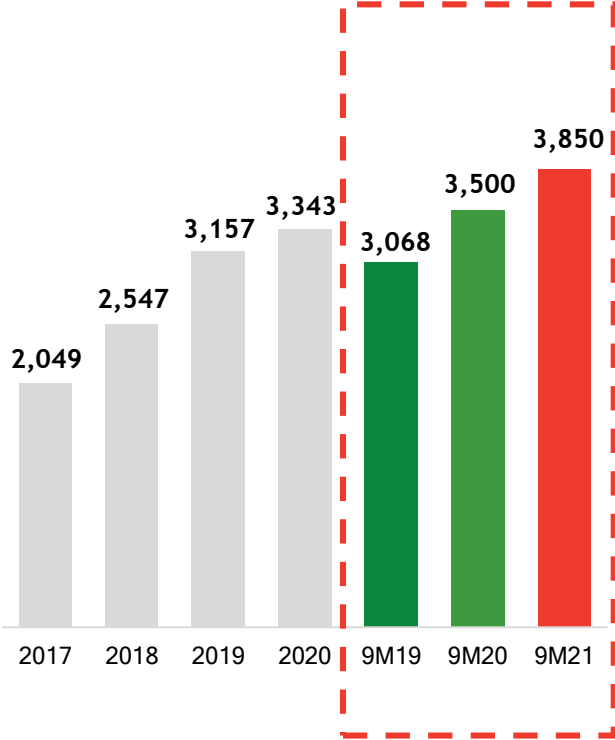
Same store sales growth



No. of transactions ('000s)



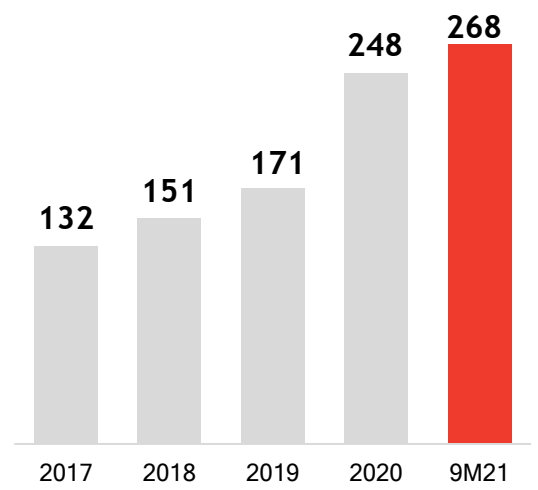
Ave transaction size (PHP)



Working Capital

Inventory turnover

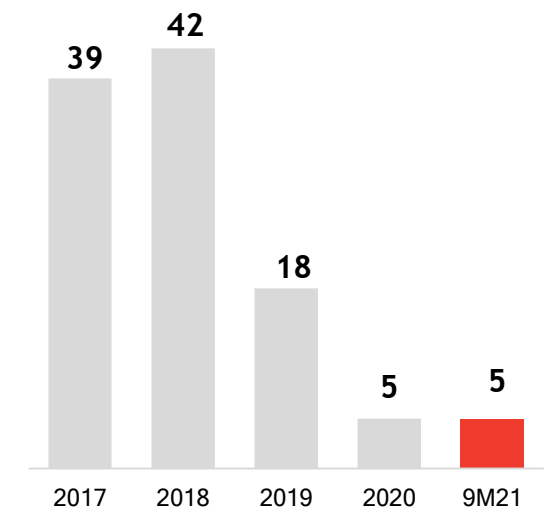
Days



- Increase in outright buys and expansion of in-house brands to increase GP margin
- Holiday buys

Trade receivables turnover

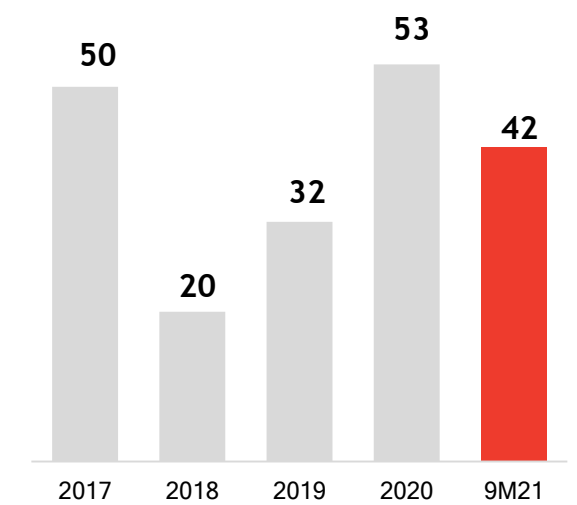
Days



- 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 in relation to increase in outright buys and expansion of in-house brands

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 and December 31, 2020)
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 and December 31, 2020)
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 and December 31, 2020)

Outlook / Strategies

SUSTAINABLE NETWORK EXPANSION

MARGIN ENHANCEMENT

OMNICHANNEL STRATEGY

OPERATIONAL EFFICIENCIES

HARNESS SYNERGIES WITH THE VILLAR GROUP

Sustainable network expansion

Opened 7 stores in 2021



- 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, Cebu, Davao

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)



Existing large stores

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



New generation stores

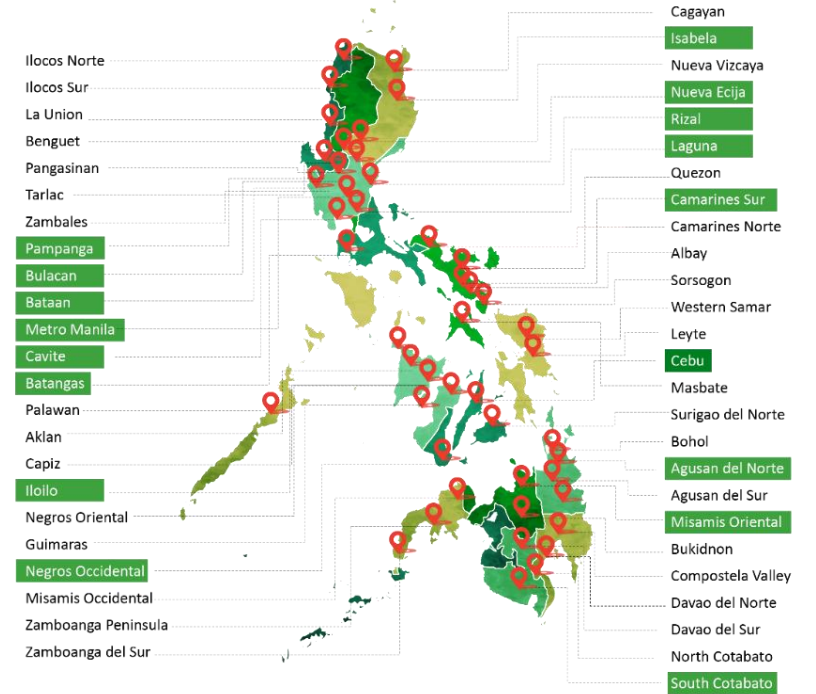
- ✓ 7,000-8,000 NSA (in sqm)
- ✓ Php160 million capex
- ✓ 250,000 SKUs (maximizing vertical display)

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



Continuous margin improvement

IN-HOUSE BRAND STRATEGY

- Selected based on top SKUs
- Building brand awareness
- Use of power aisle displays
- Technical proficiency training of products
- Incentives to sales personnel
- Spanning all categories
- Drive B2B customer base expansion

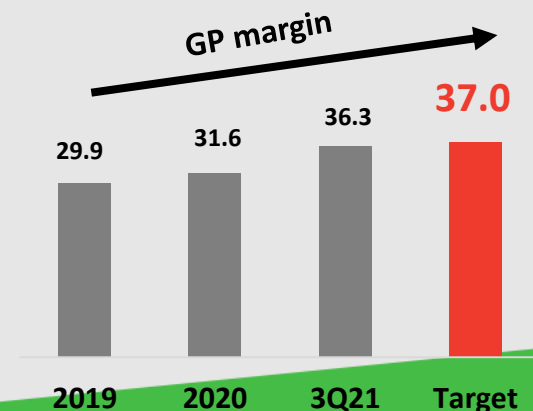


Strategic inventory buys and pricing

- Increased outright buys for top-selling and fast-moving SKUs
- Periodic review of slow-moving and fast-moving products
- Regular negotiation with suppliers for improved margins
- Dynamic offering through consistent introduction of new items
- Strategic pricing

Target GP margin

37%



Increase in
In-house brand
contribution

45

In-house brands
27 out of 45 are
hard categories

12%

Sales contribution
As of 9M21, up from
7% of prior year

20%

**Target sales
contribution**
By 2023

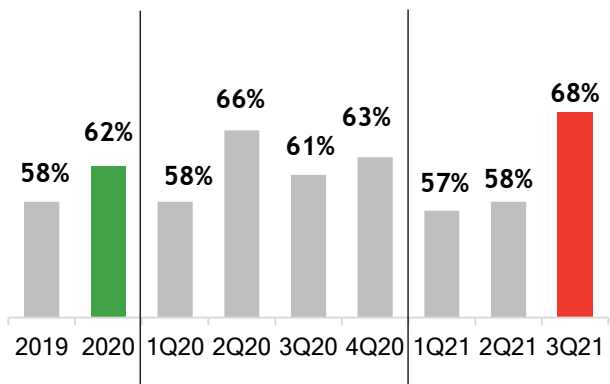
Our balanced category mix adapts to changing customer needs

Wide offering of soft and hard products

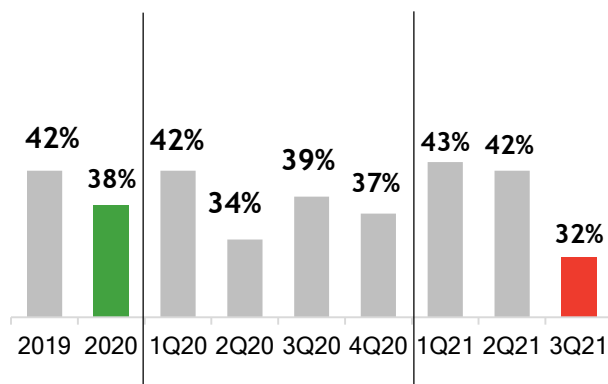
SOFT CATEGORIES	Contribution	
	9M21	9M20
Furniture	20%	20%
Appliances	29%	31%
Homewares	9%	7%
Linens	3%	3%
TOTAL	61%	61%

HARD CATEGORIES	Contribution	
	9M21	9M20
Construction	5%	4%
Tiles & sanitary wares	10%	9%
Hardware	23%	26%
TOTAL	39%	39%

Soft Categories



Hard Categories



Target category mix

50%

SOFT

Target sales contribution



50%

HARD

Target sales contribution



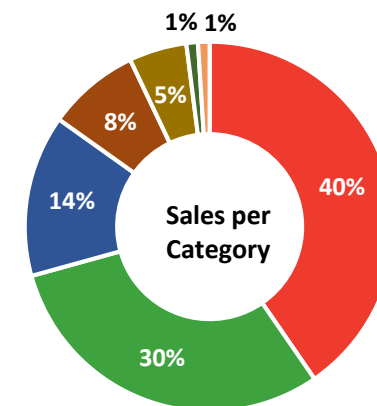
Push for hard categories through B2B expansion



Hard categories driven by loyalty card

7,233 members
As of 9M2021
215% growth from Dec 2020

₱287M Sales
As of 9M2021
99% growth in quarterly sales from 4Q2020

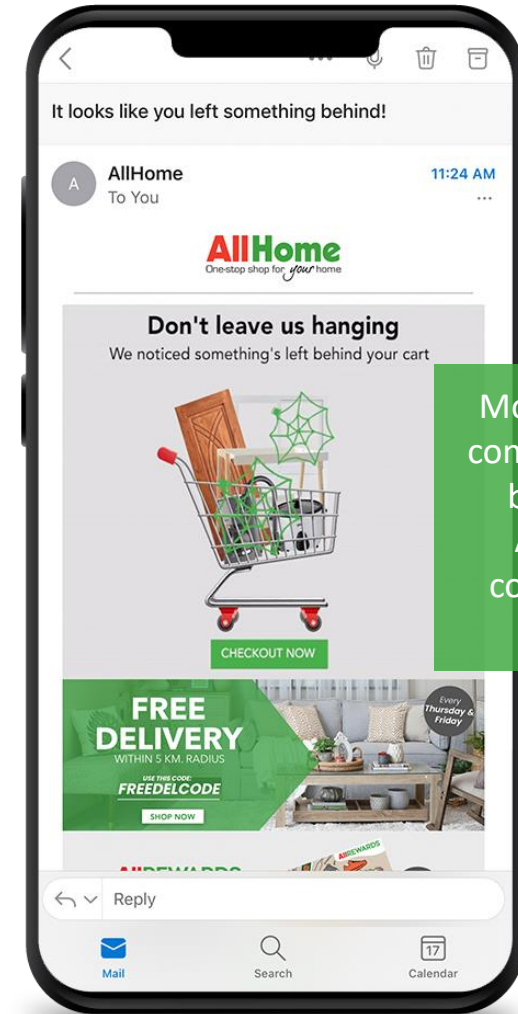


- Tiles & Sanitary Wares
- Construction Materials
- Furniture
- Linens
- Hardware
- Appliances
- Homewares

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.



MoEngage increased conversion rate for Q4 by 3% versus Q2. Abandoned cart conversion rate has increased to 9%

Our ESG Culture



Three key areas of focus, as aligned with the UN Sustainable Development Goals

Decent work and economic growth

- Extensive buys of merchandise from different local suppliers
- Job creation and employment opportunities as a result of wide retail network across the country

Industry, innovation and infrastructure

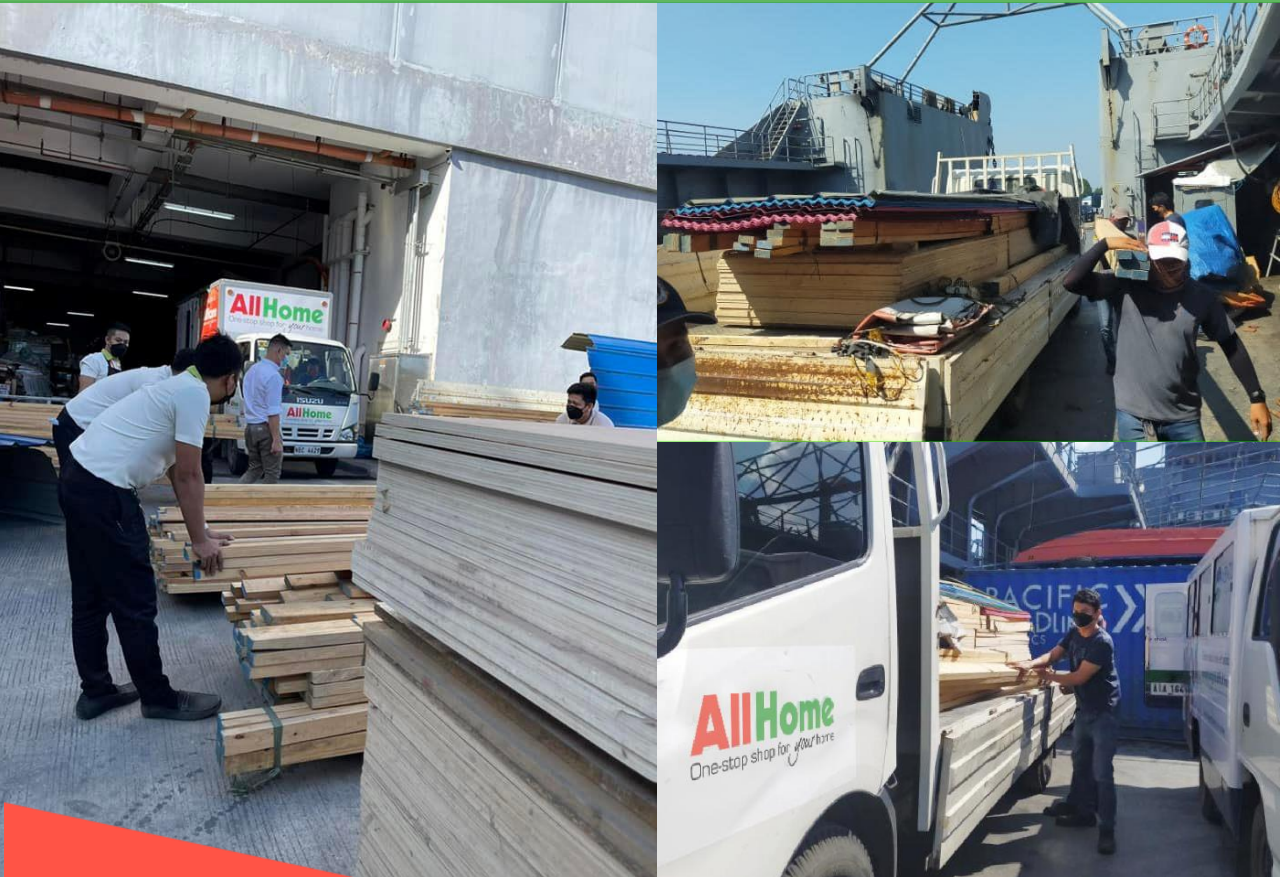
- Construction materials, hardware, tiles and sanitary wares that serves to meet the structural improvement needs of the Filipinos
- Innovative products for furniture, appliance, homeware, and linen industry that could help improve people's lives, even in simple ways.

Sustainable cities and communities

- Affordable and accessible home improvement materials and products
- Community empowerment through various initiatives

Our ESG Initiatives

AllHome partners with former DPWH Secretary Mark Villar to aid Odette-stricken communities, AllHome has consolidated lumber, woodboards and steel roofing materials to be dispatched to the areas of Southern Leyte, Bohol and Cebu.



In collaboration with Deputy Speaker and Las Piñas Rep. Camille Villar, AllHome together with its valued suppliers such as Philippine Insulation Co. Inc., ProWood, Delta Wood Products Corp., Polylite Industrial Corp., Uratex, Midea, Haier, and TCL continue to build life stories as they give an upgrade to Las Piñas City Science High School's ICT rooms.



The 5th Special Forces Battalion (Airborne) is a beneficiary of the generosity of AllHome Corporation who donated 2,200 units of broken tiles as part of its Corporate Social Responsibility (CSR).



VHealthy Program – 100%
100% of all eligible employees have been vaccinated



Outlook / 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
- Progressive Web Application
- Marketing automation tool
- SHOP4U
- On-demand delivery and third party platforms

Operational Efficiencies

- Optimal inventory management
- Capex savings
- Opex savings
- Periodic review of optimal store size and layout

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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