



home24 Q1 2021 Earnings Presentation

May 11th 2021

Management Summary Q1 2021



Order Intake Growth

- GOV growth accelerated further to +72% in Q1 2021
 - EU: +79%
 - LatAm: +48% in CC



Revenue Growth

- Q1 revenue growth increased to 64% (EU: +68%, LatAm: +47%)
- Spread between GOV and revenue growth increases → open orders revenue c. EUR 12m above regular level



Profitability

- Adj. EBITDA margin at +0.4%, significantly up from -3.4% in Q1 2020, despite high open order amount & investment quarter
- Both segments adj. EBITDA profitable (EU EUR 0.5m, LatAm EUR 0.1m)



Cashflow

- Cash at EUR 205m post Brazil IPO & capital increase
- Longer restocking lead-times with continued favorable impact, discontinuing anticipations with negative impact on Working Capital



Current Trading

- Growth strategy momentum remains strong with GOV YoY growth >30% in April
- April 2020 being 1st strong YoY comparable (+74% YoY growth in 2020)



Outlook

- 2021 guidance unchanged for now, as demand dynamics for rest of the year remain prone to uncertainty
- Revenue growth 20% to 40% (in CC)
- Adj. EBITDA margin 0% to +2%

Q1 2021 Business Update

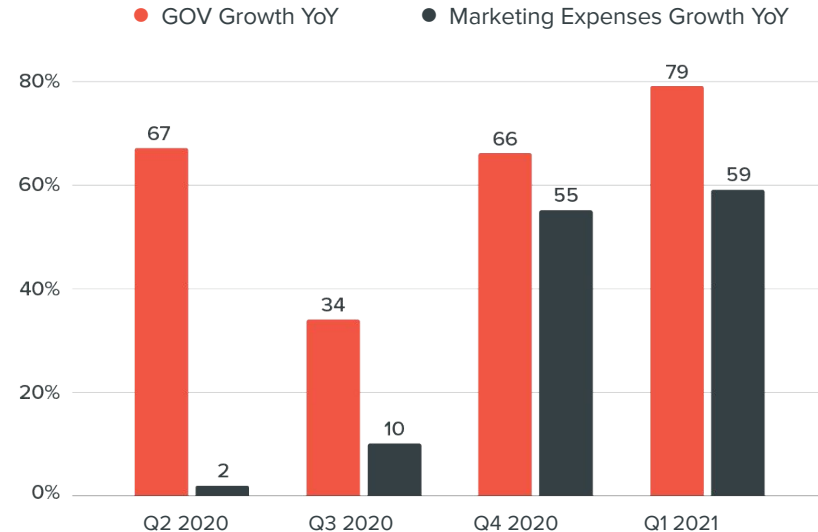
GOV growth further accelerated in Q1, as we step up investments into customer acquisition

Focus on Europe

Order intake growth (GOV) continues to accelerate on the back of a continued favorable online consumer demand.

GOV is fuelled by a more aggressive customer acquisition strategy in-line with Q4 to gain market share.

GOV continues to exceed marketing expense growth in Q1, thus YoY marketing efficiency continues to improve.



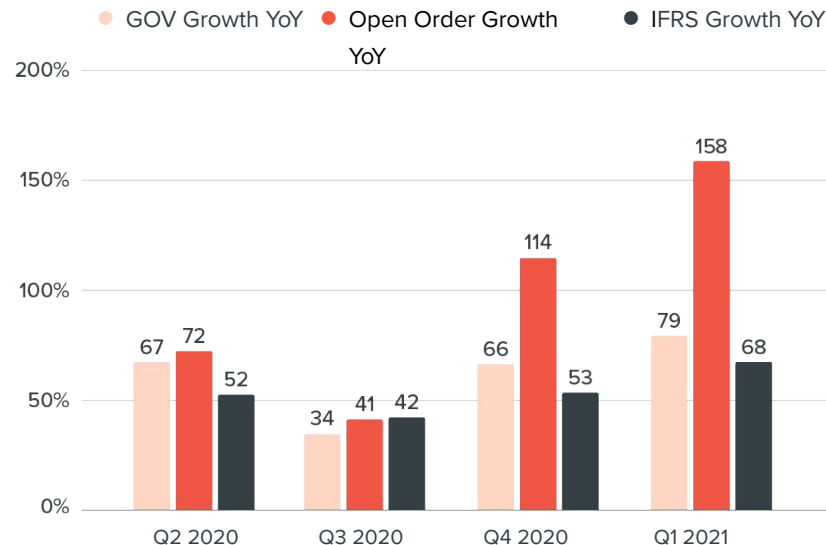
Longer delivery times lead to significant open order backlog that will translate into revenue in future quarters

Focus on Europe

Global supply chains in the industry remain volatile and lead to longer restocking and made-to-order lead-times. Together with home24's strong order intake growth this leads to longer delivery times and delayed revenue realisation.

As a result, order intake growth remains ahead of IFRS growth, and open, not yet realized orders create a record backlog. Normalized for these effects Q1 2021 revenues would be c. EUR 12m+ higher.

Most importantly, despite longer delivery times (across the industry), in-time delivery and customer satisfaction remain broadly in line with our ambition levels.



Successful agile adoption of omnichannel retail components to adapt to ever changing covid environment

Focus on Europe

New features have been added in record speed to best adapt our omnichannel footprint of webshop, showrooms and outlets.

As a result, our Outlets continue to perform broadly on pre pandemic sales levels, despite having to deal with significant retail closures and click&meet restrictions. The negative margin impact due to lower margin sales to third party resellers is still on a controllable level.

Similarly, our Showrooms pivoted to remain an important channel for consultation and inspiration despite lockdown restrictions. By introducing innovative ways of consultation, we achieve to trade broadly at pre pandemic sales levels despite in-store sales being down by 40%.

Fast adoption of innovative sales measures prevented us from the needing to tap into subsidies or temporary short-time work programs for retail employees in Q1.



Telesales with Click &
Collect or Deliver



Live Video Consultation,
Live Chat



Click & Meet,
Test & Meet



Online B2B
Reseller Platforms

Challenging dynamics in global supply chains put pressure on import logistics costs in 2021

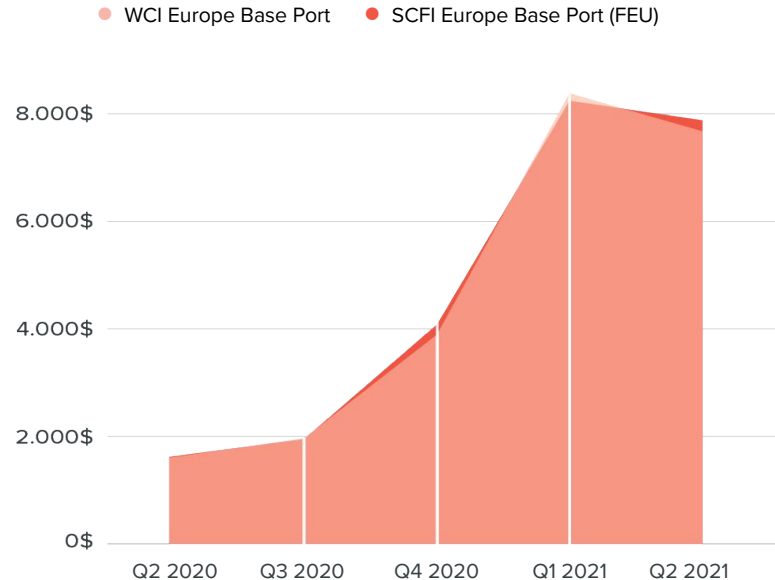
Focus on Europe

Record container transportation cost levels end of Q4 and pre Chinese New Year in Q1 caused by high demand meeting limited, volatile supply.

Expected ease in freight rates post Chinese New Year did not materialize due to Suez-Canal incidence, with trickle on effects on available vessels and containers at least for Q2.

Cost increases only partly mitigated with yearly tendered rates and price increases on affected products.

Nevertheless, noticeable yet limited P&L impact on Gross Margins in Q1 - and likely also on Q2/3 profitability expected.



Significant YoY profitability improvements achieved despite negative impact of extraordinary one-off impacts

Focus on Europe

	Q1 2020 Adj. EBITDA	Q1 2021 Adj. EBITDA	Impact Revenue Realization	Impact Offline Retail Closure	Impact Import Costs	Normalized Q1 2020 Adj. EBITDA
Normalized Adj. EBITDA Bridge	-4.1%	+0.4%	~+2.5%	~+0.7% - +1.0%	~+0.2% - +0.5%	~+4.0% - +4.5%

Strong improvements in profitability of 4.5%-points YoY. Q1 with positive Adj. EBITDA despite Q1 being a seasonal investment quarter with significant step-up in new customer acquisition investments.

One-off effects negatively impacted Q1 profitability, esp. extended delivery times increasing open order backlog, higher import logistics costs as well as restrictions on our omnichannel retail sales (both outlets & showrooms).

In the absence of these one-off effects Q1 would have shown even stronger Adj. EBITDA in the range of of +4.0% - +4.5%, despite the investment quarter nature in Q1 and Q3. Revenue realization impact to be realized as tailwind in Q2 or even Q3.

Q1 2021 Financial Update



home24 further accelerates growth in Q1 2021 with order intake growth of 72 %

GOV in EURm, Active customers and Total gross orders in k, Average order value in EUR

Group	Q1-21
GOV	259.9
GOV Growth CC	72%
Total Gross Orders	983
Total Gross Orders Growth	58%
Average Order Value	264
Average Order Value Growth	4%
Active Customers	2,397
Active Customers Growth	55%

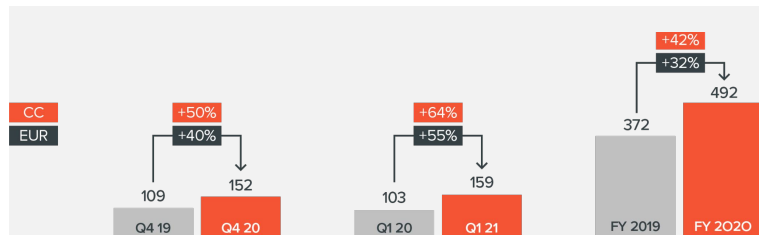


Europe	Q1-21
GOV	223.4
GOV Growth	79%
Total Gross Orders	655
Total Gross Orders Growth	80%
Average Order Value	341
Average Order Value Growth	-1%
Active Customers	1,370
Active Customers Growth	60%

LatAm	Q1-21
GOV	36.5
GOV Growth CC	48%
Total Gross Orders	328
Total Gross Orders Growth	26%
Average Order Value	111
Average Order Value Growth	-13%
Active Customers	1,027
Active Customers Growth	48%

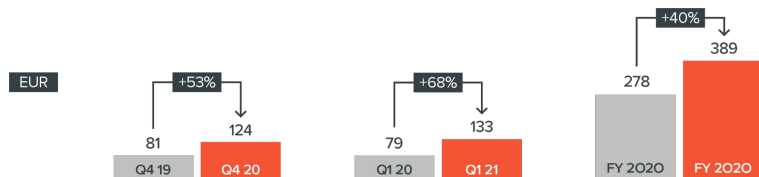
Group revenue growth of +64% YoY represent strongest quarterly growth rate in 6 years

Revenue in EURm and Growth YoY in %



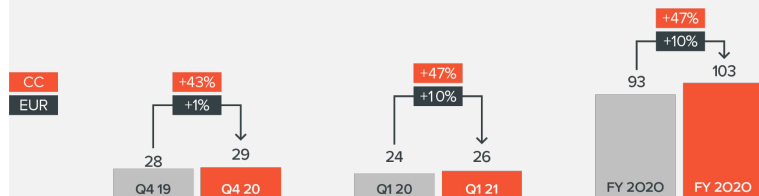
Group

Currency-adjusted growth of 64% in Q1 2020 compares to 55% growth including currency effects, reflecting Brazil fx evolution.



Europe

+68% YoY revenue growth in EU despite longer delivery times and order intake translating into Q2/Q3 revenue growth. EU now representing 84% of Group revenue.

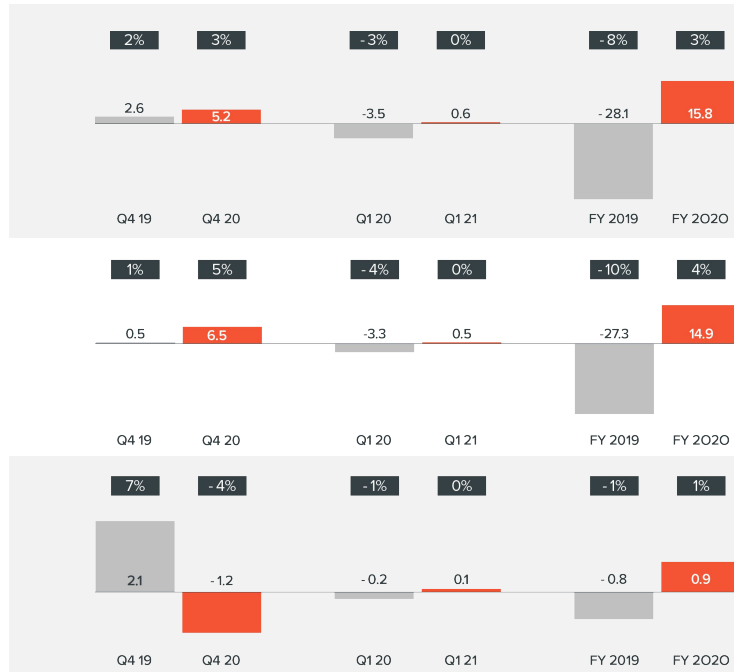


Latin America

Stable growth trajectory despite temporary pandemic-related closures of brick-and-mortar stores (offline retail ~15% of revenue) EUR 1m positive one time impact due to favourable tax ruling.

Adj. EBITDA margin improved 4%-points YoY in Q1 2021 and remained positive, despite growth investment ramp-up

Adj. EBITDA in EURm and in % of Revenue



Group

Improvement in adj. EBITDA profitability of 3.8%-pp year over year (-3.4% Q1 2020, +0.4% Q1 2021) despite Q1 being an investment quarter with special focus on ramp-up of new customer acquisition which is seasonally common for home24 in Q1 and Q3.

Europe

Stable Profit Contribution Margin despite increased import costs and pandemic-related lower retail outlet efficiency. Profitability increase esp. due to leverage of broadly stable fix cost base

Latin America

Positive Adj. EBITDA also for LatAm segment, positively influenced by one time tax effect

Group cash position of more than EUR 200m post IPO of Brazilian subsidiary Mobly

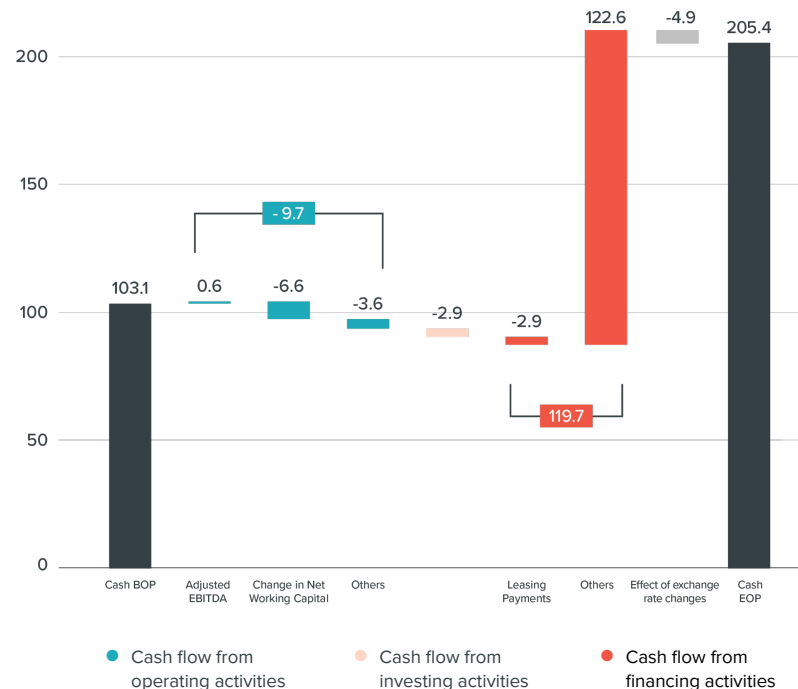
Group cash flow in EURm

Including the Mobly IPO proceeds the Group cash position increased to EUR 205m in Q1 2021.

- EU EUR 121m
- Brazil EUR 84m

On back of the strong cash position we discontinued the anticipation of receivables from installment purchases in the LatAm segment (but can re-initiate at any time), leading to a one-time cash outflow as Net Working Capital increased.

Cash flow from financing activities mainly stems from proceeds of the Mobly IPO minus related transaction costs and taxes paid (EUR 133.8m net), as well as the subsequent repayment of bank loans (EUR 11.0m).



Outlook and Q&A

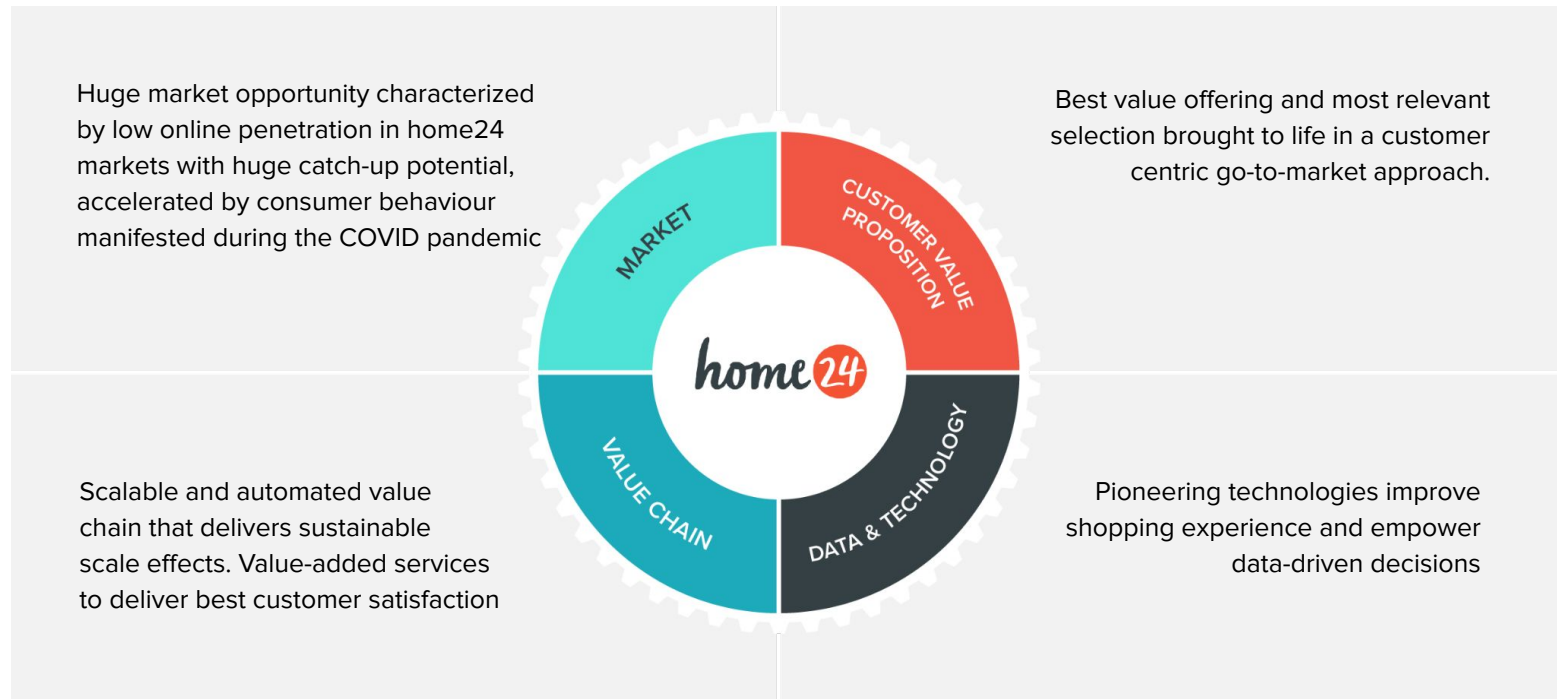


Current trading and outlook



- Growth momentum remains strong with GOV YoY growth >30% in April. Remarkable as April 2020 was the first full pandemic-related strong YoY comparable (+74% YoY growth in 2020)
- 2021 guidance for now unchanged, as demand dynamics for remainder of the year remain prone to uncertainty
 - Revenue growth 20% to 40% (in CC)
 - Adj. EBITDA margin 0% to +2%

We remain uniquely positioned to exploit the vast Home & Living opportunity, even more than before the COVID pandemic



Q&A

Summary of the financial performance - Group

In EURm and % of Revenue

	Q4-19	Q4-20	Q1-20	Q1-21	FY-19	FY-20
Revenue	109.1	152.4	102.6	159.0	371.6	491.8
Revenue growth CC	21%	50%	14%	64%	20%	42%
Cost of sales	60.0	82.0	55.4	86.7	207.8	264.4
Gross profit	49.2	70.4	47.2	72.4	163.8	227.5
Gross profit margin	45%	46%	46%	46%	44%	46%
Fulfillment expenses ¹	19.9	26.2	18.3	26.5	72.6	85.9
Fulfillment expenses ratio	18%	17%	18%	17%	20%	17%
Profit contribution	29.3	44.2	28.9	45.8	91.2	141.5
Profit contribution margin	27%	29%	28%	29%	25%	29%
Marketing expenses	15.8	23.3	19.1	30.1	64.9	71.5
Marketing expenses ratio	14%	15%	18%	19%	17%	15%
Adjusted EBITDA	2.6	5.2	- 3.5	0.6	- 28.1	15.8
Adjusted EBITDA margin	2.4%	3.4%	-3.4%	0.4%	-7.6%	3.2%

¹ Including impairment losses on financial asset

Summary of the financial performance - Europe

In EURm and % of Revenue

	Q4-19	Q4-20	Q1-20	Q1-21	FY-19	FY-20
Revenue	81.0	123.8	79.1	133.3	278.4	389.2
Revenue growth	20%	53%	11%	68%	16%	40%
Cost of sales	43.5	64.2	41.4	71.7	152.7	203.0
Gross profit	37.5	59.6	37.7	61.6	125.6	186.2
Gross profit margin	46%	48%	48%	46%	45%	48%
Fulfillment expenses ¹	15.2	21.8	14.6	22.8	57.0	69.1
Fulfillment expenses ratio	19%	18%	18%	17%	20%	18%
Profit contribution	22.2	37.8	23.2	38.8	68.6	117.1
Profit contribution margin	27%	31%	29%	29%	25%	30%
Marketing expenses	12.9	20.0	16.9	26.9	55.2	61.7
Marketing expenses ratio	16%	16%	21%	20%	20%	16%
Adjusted EBITDA	0.5	6.5	- 3.3	0.5	- 27.3	14.9
Adjusted EBITDA margin	0.7%	5.2%	-4.1%	0.4%	-9.8%	3.8%

¹ Including impairment losses on financial asset

Summary of the financial performance - LatAm

In EURm and % of Revenue

	Q4-19	Q4-20	Q1-20	Q1-21	FY-19	FY-20
Revenue	28.2	28.6	23.5	25.8	93.3	102.7
Revenue growth CC	24%	43%	21%	47%	31%	47%
Cost of sales	16.5	17.8	14.1	15.0	55.1	61.5
Gross profit	11.7	10.8	9.5	10.8	38.2	41.2
Gross profit margin	42%	38%	40%	42%	41%	40%
Fulfillment expenses ¹	4.7	4.3	3.7	3.8	15.7	16.8
Fulfillment expenses ratio	16%	15%	16%	15%	17%	16%
Profit contribution	7.1	6.5	5.7	7.0	22.5	24.4
Profit contribution margin	25%	23%	24%	27%	24%	24%
Marketing expenses	2.9	3.2	2.0	3.2	9.7	9.8
Marketing expenses ratio	10%	11%	9%	12%	10%	10%
Adjusted EBITDA	2.1	- 1.2	- 0.2	0.1	- 0.8	0.9
Adjusted EBITDA margin	7.4%	-4.3%	-0.9%	0.3%	-0.9%	0.9%

¹ Including impairment losses on financial asset

Cashflow breakdown by segments

In EURm

Group	Q1-21
Cash BOP	103.1
Adjusted EBITDA	0.6
Change in Net Working Capital	- 6.6
Others	- 3.6
Cash Flow from operating activities	- 9.7
Cash flow from investing activities	- 2.9
Leasing payments	- 2.9
Other	122.6
Cash flow from financing activities	119.7
Effect of exchange rate changes on cash and cash equivalents	-4.9
Cash EOP	205.4



Europe	Q1-21
Cash BOP	99.4
Adjusted EBITDA	0.5
Change in Net Working Capital	10.6
Others	-0.8
Cash Flow from operating activities	10.3
Cash flow from investing activities	13.7
Leasing payments	-2.4
Other	-0.0
Cash flow from financing activities	-2.4
Effect of exchange rate changes on cash and cash equivalents	0.0
Cash EOP	121.1

Latin America	Q1-21
Cash BOP	3.7
Adjusted EBITDA	0.1
Change in Net Working Capital	-17.2
Others	-2.8
Cash Flow from operating activities	-20.0
Cash flow from investing activities	-0.8
Leasing payments	-0.5
Other	106.9
Cash flow from financing activities	106.3
Effect of exchange rate changes on cash and cash equivalents	-4.9
Cash EOP	84.3

Financial calendar

Upcoming events

DATE	EVENT
May 17th	Equity Forum - Frühjahrskonferenz
May 18th	Berenberg - Conference USA 2021
June 8th	Montega - Virtual Reality Investors Day
June 17th	Annual General Meeting
August 10th	Publication of Half-yearly Financial Report
November 10th	Publication quarterly financial report (call-date Q3)

KPI definitions

KPI	DEFINITION
Gross order value [in EUR]	Defined as the aggregated gross order value of the orders placed in the respective period, including VAT and without factoring in cancellations and returns as well as subsequent discounts and vouchers
Number of active customers [#]	Defined as the number of customers that have placed at least one non-canceled order in the 12 months prior to the respective date, without factoring in returns
Total gross orders	Defined as the number of orders placed in the relevant period, regardless of cancellations or returns
Average order value [in EUR]	Defined as the aggregated gross order value of the orders placed in the respective period, including VAT, divided by the number of orders, without factoring in cancellations and returns as well as subsequent discounts and vouchers
Growth at constant currency (CC)	Defined as growth using constant BRL/EUR exchange rates from the previous year
Adjusted EBITDA [in EUR]	EBITDA defined as the sum of operating result (EBIT) and depreciation and amortization. Adjusted for share-based compensation expenses and costs incurred in connection with the listing of existing shares and other one-off expenses, mainly service fees for legal and other consulting services associated with the IPO

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