

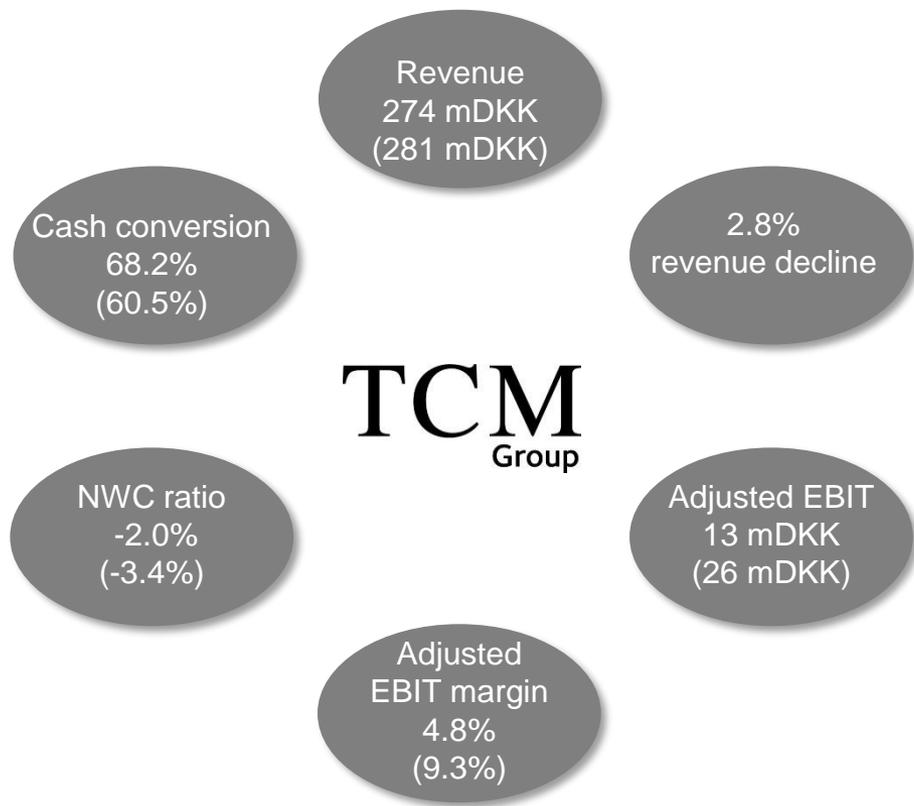


TCM Group A/S Interim Report January-March 2023

May 17, 2023

- ❑ Resilient sales in Q1 due to TCM's strong B2B position
- ❑ Organic like-for-like growth of -2.8%
- ❑ Decline in high margin B2C sales offset by growth in lower margin B2B project sales, resulting in an unfavorable change in sales mix and reduced earnings.
- ❑ Cost for dealership restructurings of DKK 3m in the quarter.
- ❑ Organization adjusted to reflect current market situation
- ❑ Continued uncertainty in the current market
- ❑ Number of branded stores was 93 (94).
- ❑ Svane Køkkenet launched NOTES.





	2023 Jan-Mar	2022 Jan-Mar
Net revenue (mDKK)	274	281
- Revenue decline	2.8%	

Q4 comments:

- ❑ Reported revenue in Denmark decreased by 2.7% - flat development in Svane Køkkenet.
- ❑ Growth in private label and ecommerce segments.
- ❑ Revenue outside Denmark decreased by 3.1%.
Measured in local currency sales to Norway grew by 4.4%.

2.7% decrease
DK revenue in Q1
2023

4.4% growth
in local currency
in Norway in Q1
2023

	2023 Jan-Mar	2022 Jan-Mar
Net revenue (mDKK)	274	281
- <i>Gross Margin</i>	18.5%	21.3%
Adjusted EBIT (mDKK)	13	26
- <i>Adjusted EBIT margin</i>	4.8%	9.3%

Q4 comments:

- ❑ Decline in high margin B2C sales, offset by growth in lower margin B2B project sales leading to negative impact on gross margin.
- ❑ Negative impact from higher input cost, which despite being mitigated by sales price increases dilutes the margin.
- ❑ Additional negative impact from significantly increasing energy and transportation cost.
- ❑ Gross margin declined from 21.3% to 18.5%.
- ❑ Higher operating expenses driven cost for dealership restructurings of DKK 3 million.

	2023 Mar	2022 Mar
Net working capital (mDKK)	-22	-37
NWC ratio	-2.0%	-3.4%
NIBD (mDKK)	315	278
Leverage (incl. IFRS 16)	2.95	1.89

Q4 comments:

- ❑ Decrease in NWC compared to Q1 LY primarily due to higher trade receivables and lower trade payables.
- ❑ Buffer levels in inventories have further been reduced during Q1.
- ❑ NIBD excluding liabilities related to IFRS 16 was DKK 264m compared to DKK 230m LY.
- ❑ Leverage ratio was 2.95 (1.89), excluding IFRS 16 leverage ratio was 2.51 (1.60).

	2023 Jan-Mar	2022 Jan-Mar
Operating profit (mDKK)	11	21
Depreciation and amortization (mDKK)	5	4
Other non-cash operating items	0	0
Change in NWC (mDKK)	-34	-43
Tax a.o (mDKK)	-11	-8
Capex excl. acquisitions, net (mDKK)	-6	-7
Free cash flow excl. acquisitions (mDKK)	-35	-33
Cash conversion	68.2%	60.5%
Capex ratio	1.0%	1.9%

Q1 comments:

- ❑ Free cash flow was DKK -35m compared to DKK -33m in Q1 LY.
- ❑ Development primarily driven by the lower earnings offset by a less negative change in NWC.
- ❑ Capex ratio was 1.0% of revenue compared to 1.9% LY.
- ❑ Cash conversion in Q1 of 68%.

TCM Group

Financial outlook on earnings adjusted:

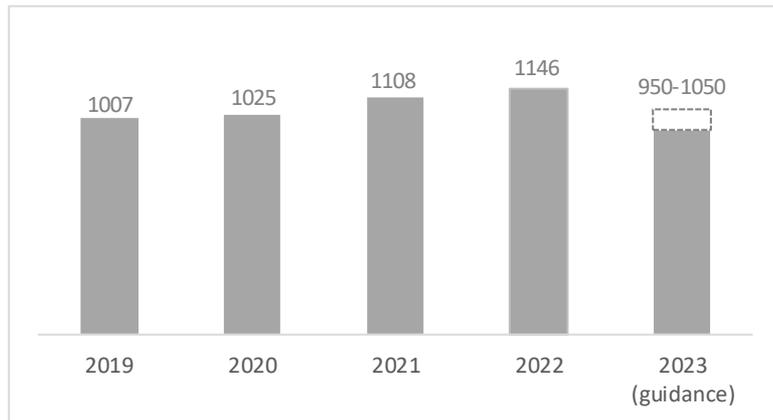
- ❑ Net revenue: DKK 950-1,050m (unchanged)
- ❑ EBIT: DKK 60-90m (previously DKK 70-100m)

(EBIT excluding non-recurring items)



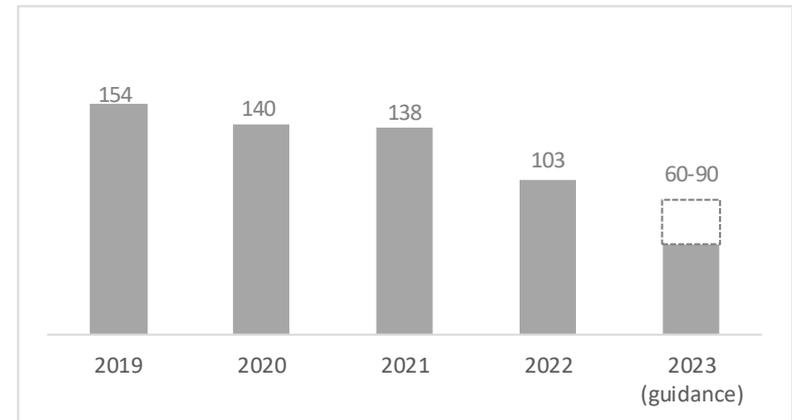
Revenue development

DKKm



Adjusted EBIT development

DKKm



Q&A

